

**DEVELOPMENTAL PATHWAYS, INC.**  
**Board of Directors Meeting Minutes**  
**Tuesday, January 23, 2018**

**Members Present**

Tim Batz, Chris Becze, Beth Klein (by phone), Mayre Lynn Schmit, Alison Dronkers, Kristin Hoover, Adam Horney, Dr. Michaela McDonnell, Lynn Myers, Monique Peyton, Nancy Sharpe, JoAnne Zboyan

**Members Absent**

Excused: Tim Moore, Dave Weaver

**Others Present**

Melanie Worley, Lloyd Sweet, Cindy Lichti, Ed Bowditch, Gillian Kennedy, Deidra Tjerandsen, Charlie Villarreal

**Guests**

None.

The meeting of the Developmental Pathways, Inc. Board of Directors was called to order by the Board President, Mr. Batz at 6:22 p.m. A quorum was established by Board Secretary, Ms. Schmit.

**Conflict of Interest**

No updates.

Mr. Batz - Before opening the floor to public comment, Mr. Batz wanted to clarify a few things and make everyone aware that individuals' wanting to speak during public comment period will be allowed 3-minutes, and total public comments will be held to 15 minutes. Arapahoe and Douglas counties, from whom we receive mill levy funding, allow 3 minutes respectfully per speaker for public comments. While he and other board members genuinely want to hear from the public during comment period, the time would be collectively better served if remarks are focused on topics that are specific and actionable by the Board. Mr. Batz recognizes that the public can use their time anyway they wish, however, the public should consider prioritizing comments to make the most of the allotted time. During previous public comment periods, some individuals' remarks have had nothing to do with Developmental Pathways. If an individual has specific questions about Developmental Pathways reports and such, the 3-minute comment period would be the appropriate time to address the Board. The CEO of Developmental Pathways has a history of making herself available to meet with members of the public who have substantive issues they would like to discuss. Mr. Batz then invited those who wish to speak during the public comment period to make themselves known. No one was present for public comment period.

**Public Comment**

None.

**Consent Agenda**

- a. Approval of Regular Board Minutes – December 12, 2018

**MOTION: Ms. Zboyan moved for the approval of Consent Agenda items as presented, the motion was seconded by Mr. Horney. It was approved by unanimous voice vote.**

**Board Committee Reports**

- a. **Executive Committee** – Mr. Batz, President

The Executive Committee has not met since the last meeting.

**Legislative Update** – Mr. Bowditch

The 2018 Legislative Session started January 10 and will run through May 9, 2018. As of Friday, January 19, 230 bills have been introduced and it is expected that there will be an additional 500 bills introduced before the session ends. The Joint Budget Committee (JBC) will consider mid-year FY 2017-18 Supplemental Budget requests on Tuesday, January 23 for DD Programs and Wednesday, January 24 for Early Intervention. They are looking at possible modifications to reflect case load changes. There are some possible Early Intervention statutory interests as well as a funding shortage in the Early Intervention department for this fiscal year. The next quarterly budget estimates will be issued on March 20. Initial discussions have begun in which legislators are considering a referendum to modify the Residential Assessment Rate (RAR). The RAR would be set at 7.0 percent for all future years. This proposal will be discussed at Colorado Counties, Inc. on Thursday, January 25. Ten years prior to TABOR, the voters approved the Gallagher Amendment, which requires an adjustment to the Residential Assessment Rate to maintain a constant ratio between the statewide share of residential assessed value. The rate has gone from 7.2 to an anticipated 6.11 in 2019. It is important to have discussions with county commissioners, special districts, and entities that have a property tax interest (would like to propose a floor of 7.0 – versus 6.11). This measure has a long way to go, encouraging bipartisan groups.

**Board Retreat Topics for February 23, 2018 Retreat**

Mr. Batz asked the Board if they would like to see anything special on the retreat agenda; if he doesn't hear back from anyone, he will work with Ms. Worley and senior staff to create agenda.

**Executive Director Evaluation**

Mr. Batz reminded the Board to complete the Survey Monkey they had been sent regarding Ms. Worley's ED Evaluation.

**b. Finance Committee/CFO Report** – Ms. Klein and Mr. Sweet

Ms. Klein (via phone) and Mr. Batz – indicated that the October YTD financials were reviewed and approved at the November 20, 2017 Board meeting and the December 2017 YTD financials will be reviewed at this meeting. Below is a summary of the Developmental Pathways Consolidated December 2017 Financials:

**Balance Sheet:**

Assets	\$35,265,301
Liabilities	\$ 2,114,548
Fund Balance	\$27,690,056

**Statement of Operations:**

	<b>Actual</b>	<b>Budgeted</b>
Revenues	\$19,995,616	\$18,415,577
Expenses	(18,656,867)	(19,049,737)
Excess of Revenues Over Expenses	\$1,338,749	\$(634,160)

Mr. Sweet indicated that in accord with SB16-38, we are required to review and approve financial statements at least quarterly. With that said, we will not present financials at every Board meeting, but rather on a quarterly basis. Financial reports are posted on the Board portal approximately 1-week prior to Board meetings. Budgeting will begin soon, and we are doing better than expected.

Mr. Batz indicated that we only need to post the Developmental Pathways financials and not the Housing Corps or SUN Foundation.

Mr. Batz asked for a motion to approve the December 2017 YTD financials and to change financial reviews to a quarterly basis.

**MOTION: Ms. Zboyan moved for the approval of the December 2017 YTD financials and to change financial reviews to a quarterly basis. The motion was seconded by Ms. Dronkers. It was approved by unanimous voice vote.**

**c. Nominating Committee – Ms. Schmit**

- Ms. Lynn Myers - 2nd Term Ending 02/18 (Term 3) – Ms. Myers accepted a 3rd Term.

**MOTION: Mr. Horney moved for the approval for Ms. Myers to serve a third term on the Developmental Pathways Board. The motion was seconded by Ms. Peyton. It was approved by unanimous voice vote.**

- Ms. JoAnne Zboyan - 2<sup>nd</sup> Term Ending 02/18 (Term 3) – Ms. Zboyan accepted a 3<sup>rd</sup> Term.

**MOTION: Mr. Horney moved for the approval for Ms. Zboyan to serve a third term on the Developmental Pathways Board. The motion was seconded by Ms. Peyton. It was approved by unanimous voice vote.**

- Mr. Chris Becze - 2<sup>nd</sup> Term Ending 02/18 (Term 3) – Mr. Becze accepted a 3<sup>rd</sup> Term.

**MOTION: Ms. Peyton moved for the approval for Mr. Becze to serve a third term on the Developmental Pathways Board. The motion was seconded by Commissioner Sharpe. It was approved by unanimous voice vote.**

Mr. Batz thanked these Board members for their service and their continued service.

**d. Development Committee – Ms. Worley**

Ms. Worley reported key accomplishments, then spoke about how they are beginning to look at community members to add to the advisory committee. For this board, we will be asking them to serve in a capacity to not only advise this board on development but will be bringing people to us that will be high powered donors. That is the beginning of the process on how we will be raising our money. We will be talking about the Youth Housing Initiative funding and will focus on members of that advisory group.

There was a brief discussion about the current tax reform and whether donations will be affected.

**New Business**

**CFO Report – Mr. Sweet**

The State audit is proceeding forward. Tax return drafts will be coming to the Board no later than the beginning of next week and we need the Board to review the returns and have questions back to Mr. Sweet or Ms. Flores as soon as possible as we will file by February 15.

Please refer to CFO report for additional information.

**CEO Report – Ms. Worley**

Ms. Worley reported that she is meeting with the Communications department to go over the Mill Levy Reports and will have it to County Commissioners by the end of the quarter. We work with the Commissioners' schedules and usually end up meeting in April, and the fact that we must file our CCB designation used to be May, now is due by March 3, this is the way we will do it this year.

As a reminder, CEO Reports can be found on the Board Portal which provide more details.

Last, different VP's and other staff members have been attending Joint Budget Committee (JBC) meetings to get a greater understanding of what is happening at the State level. Vice President, Cindy Lichti, for Developmental Pathways-Early Intervention, provided a brief update regarding current funding problems with EI.

Ms. Lichti indicated that at a recent Alliance meeting, Colorado Department of Human Services (CDHS-OEC) indicated they would not be paying us for services that we already rendered or services we haven't rendered yet; this could be approximately \$300,000. Furthermore, at the end of last fiscal year when we were serving without funds, we were repeatedly

assured that we would be ok, and that they would be pursuing a supplemental this year. We were surprised two weeks ago that the books for last year are closed and they will not be reopening it; the State indicated they are justified and that it would be illegal for them to reopen. Since that meeting last Thursday, a request from the JBC analyst and the Attorney General's office was asked for an opinion and thought this was maybe not a statutory rule but a rule with CCB's holding responsibility. Options are being collected now. A brief discussion amongst the Board regarding EI funding continued and the Board pledged their full support regarding EI funding issues.

**Executive Session**

Mr. Batz asked for a motion to move for the Board of Directors to go into Executive Session to discuss legal matters and all associated issues as per section 3.9 of Developmental Pathways Bylaws and Colorado Revised Statute 24-6-402 (4)(b).

**MOTION: Mr. Horney moved for the approval for the Board of Directors to go into Executive Session to discuss legal matters and all associated issues as per section 3.9 of Developmental Pathways Bylaws and Colorado Revised Statute 24-6-402 (4)(b). The motion was seconded by Ms. Peyton. It was approved by unanimous voice vote.**

**Adjournment:**

There being no further business to come before the Board, the meeting was adjourned at 8:05 p.m. Adjournment motioned by Mr. Batz and, seconded by Ms. Myers. Approved unanimously.