

**DEVELOPMENTAL PATHWAYS, INC.**  
**Board of Directors Virtual Meeting Minutes**  
**Wednesday, May 27, 2020**

**Members Present:** Lois Vaughan, Diane Holbert, JoAnne Zboyan, Monique Peyton, Daniel Sampson, Adam Horney, Judge Don Toussaint, Commissioner Nancy Sharpe, Mayre Lynn Schmit, Lynn Myers, Tim Batz, Kristin Hoover, Beth Klein

**Members Absent:** Dr. Michaela McDonnell, Commissioner Abe Laydon

**Others Present:** Matt VanAuken, Ed Bowditch, Bob Ward, Selina Griggs, Cindy Lichti, Karen Flores, Erica Kitzman, Gillian Kennedy, Charlie Villarreal, Brenda Poage, Daniel Harcey

The meeting of the Developmental Pathways, Inc. Board of Directors was called to order by the Board President, Ms. Hoover, at 5:09 p.m. A quorum was established by Ms. Schmit.

**Guests:** None

**Conflict of Interest**

None.

**Public Comment**

None.

**Consent Agenda**

Approval of Regular Board Minutes – January 21, 2020

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

**Executive Committee – Ms. Vaughan**

**Legislative Update – Mr. Bowditch**

Mr. Bowditch stated that the General Assembly recessed on March 14, 2020, and will reconvene on May 26, 2020. The General Assembly plans to adopt the Long Bill, School Finance Act, and selected other bills. The session is expected to last approximately three weeks. The economic slowdown caused by the Coronavirus response has dramatically altered Colorado's fiscal situation. The most recent economic forecasts have projected a General Fund budget gap of approximately \$3.3 billion – on a General Fund base of roughly \$12 billion. The Joint Budget Committee recommends a budget with reductions in every agency. In the end, they adopted a 1% reduction in provider rates for IDD programs. For the Early Intervention program, the JBC had originally approved an increase of \$2.4 million for FY 2020-21. During the budget-balancing process, they removed approximately \$2.0 million from that increase. Mr. Bowditch also informed the Board that there will be no action on the End the Wait List, eliminating the subminimum wage, or paid family leave. However, advocates of paid family leave may try to place a measure on the 2020 ballot.

Mr. Bowditch informed the Board that the Gallagher Amendment would require a reduction in the residential assessment rate from 7.15% to 5.88% in 2021, due to COVID-19. This decrease in the residential assessment rate will decrease available mill levy funding that is provided to Developmental Pathways.

Mr. VanAuken stated that based on the changes with the Gallagher Amendment, we are expecting a decline of approximately \$4 million in mill levy funding between Douglas County and Arapahoe County in January 2022.

**Nominations for Executive Committee – Ms. Hoover**

Ms. Hoover stated that during these unprecedented times, the Executive Committee has decided to serve one more year in their current positions. Ms. Hoover asked if everyone on the Board agreed with this recommendation? As there were no objections to this recommendation, the executive slate will be formally ratified at the June 23, 2020 Board meeting.

President: Ms. Kristin Hoover  
Vice President: Ms. Lois Vaughan  
Secretary: Ms. Mayre Lynn Schmit  
Treasurer: Ms. Diane Holbert

**Goals/Committee/Calendar Documents – Ms. Hoover**

Ms. Hoover reminded the Board that the FY2021 Board goals, committees list, and meeting calendar were presented and agreed upon at the Board retreat in March. Ms. Hoover stated that copies have been posted to the Board portal for reference and that Ms. Griggs will be sending out calendar invites next week for the FY21 Board meetings.

**Finance Committee**

**Board Quarterly Financial Statement Review and Approval – Ms. Holbert**

Ms. Holbert gave a financial statement update for April 2020, and stated that Developmental Pathways has a \$2.9 million positive variance. Ms. Holbert congratulated Mr. VanAuken on negotiating a 50% reduction in rent for three months at the Jewell location.

Ms. Flores stated that Developmental Pathways is projected to have a positive variance through 2020. This is due to salary expenses and decreased spending on respite care and the canceling of summer camps due to COVID-19. There was also a 16% increase in mill levy funding this year, which produced a \$900,000 variance in spending. Developmental Pathways investment portfolio saw a dip of 15% in March, but bounced back slightly in April and is only down 7.5%. Developmental Pathways has not had a significant decrease in revenue trends due to the ability to move to 100% remote working and continuing to bill for services. In Early Intervention, we have partnered with the state and increased the use of Telehealth. Ms. Flores thanked our state partners for working with Developmental Pathways on providing services and adjusting requirements.

The April 2020YTD financials were reviewed. Below is a summary of the Developmental Pathways consolidated April 2020 financials:

**Balance Sheet:**

Assets	\$33,904,773
Liabilities	\$4,771,529
Fund Balance	\$29,133,244

**Statement of Operations**

	Actual	Budget
Revenues	\$38,146,303	\$36,743,254
Expenses	\$(35,158,084)	\$(36,179,582)

Excess of Revenues Over Expenses	\$2,988,219	\$563,672
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In accordance with SB16-38, we are required to review and approve financial statements at least once a quarter. 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 oneweek prior to Board meetings. Ms. Holbert and Ms. Flores provided a brief overview of the April 2020 YTD Financials.

**MOTION: Ms. Schmit moved for the approval of the April 2020 YTD financials; Judge Toussaint seconded the motion. It was approved by a unanimous voice vote.**

**2021 FY Proposed Budget Preview and Discussion Regarding the June Meeting**

Ms. Flores informed the Board that the FY21 budgets would be posted to the Board portal by the end of business on May 28, 2020. She reminded the Board that there would be a Budget Q&A Zoom meeting on June 5, 2020, at noon and asked that if anyone is unable to participate in the meeting to email her with any questions or comments.

**Nominating Committee – Ms. Schmit**

**Adam Horney – 2nd Term Ending 5/2020 (Term 3)**

Ms. Hoover notified the Board that Mr. Horney’s second term was ending May 31, 2020. Ms. Hoover asked Mr. Horney if he would like to continue for a third term on the Developmental Pathways Board? Mr. Horney replied, “Yes.”

**MOTION: Ms. Zboyan moved to approve Adam Horney for a third term on the Developmental Pathways Board of Directors; Ms. Holbert seconded the motion. It was approved by a unanimous voice vote.**

**Monique Peyton – 2nd Term Ending 5/2020 (Term 3)**

Ms. Hoover notified the Board that Ms. Peyton’s second term was ending May 31, 2020. Ms. Hoover asked Ms. Peyton if she would like to continue for a third term on the Developmental Pathways Board? Ms. Peyton replied, “Yes.”

**MOTION: Mr. Horney moved to approve Monique Peyton for a third term on the Developmental Pathways Board of Directors; Judge Toussaint seconded the motion. It was approved by a unanimous voice vote.**

**Community Engagement Committee – Ms. Kennedy**

Ms. Kennedy gave an overview of the reimagined Development Committee. She confirmed the current members and asked that if anyone else is interested in joining, please let her know. The goal for this committee is to meet on the off months with the first meeting in July. Ms. Kennedy will send out a Doodle Poll with date options to committee members in the next couple of weeks.

The Community Engagement event scheduled for June 2020 has been postponed to June 4, 2021, at Wings Over the Rockies, Centennial Airport. A Gala is also planned for next year, details to come. Ms. Kennedy is waiting for a new date for the Colfax Marathon to be announced and will be in contact as soon as that happens. Ms. Kennedy has been working on grants and is currently working on a Douglas County Committee Foundation grant for COVID-19 that will go to Community Outreach. Ms. Kennedy will be submitting the grant by the end of the week.

Ms. Kennedy is working on completing an in-depth communications plan which will provide details for each of her departments; Advocacy and Policy, Communications, Public Relations and Fundraising. She will share the plan at an upcoming Board meeting.

## **New Business**

### **COVID-19 Update – Mr. VanAuken**

Mr. VanAuken thanked the Board for their participation in the COVID-19 update meeting in April. He spoke about the email that was sent to the Board regarding the upcoming leadership changes within the companies.

Ms. Lichti stated that 100% of individuals in services had been impacted in some way by COVID-19. Health Care Policy and Finance (HCPF) and Colorado Department of Human Services (CDHS) have been incredibly flexible and have made it possible for us to continue to provide services virtually. Early Intervention has moved to 100% Telehealth. CDHS informed Developmental Pathways that we continue to maintain no contact with children from birth to age three through at least July.

Ms. Kitzman stated that all Developmental Pathways employees were able to move to a remote work environment quickly. Electronic billing features and virtual meetings have been implemented, and IT expanded their supports and purchased extra licenses for better Zoom access. One of the biggest challenges is interacting with each other and keeping up with the state. We have had a few employees exposed to COVID-19 and five employees that have applied for Families First Coronavirus Response Act (FFCRA). Ms. Kitzman informed the Board that staff will continue to work remotely through mid-August and that employees are required to fill out a digital form when they are on site. Ms. Kitzman concluded by saying how honored and excited she is to step into her new role and looks forward to connecting with the Board members.

Mr. Ward discussed the new guidelines coming from the State and implementation of those guidelines. Mr. Ward mentioned how HCPF has worked hand-in-hand with the Centers for Medicaid and Medicare Services to ensure continuous Medicaid eligibility, allowing retainer payments for providers of Long Term Services and Supports and Community Based Day Habilitation, Telehealth, and many more.

Mr. Ward stated that there are a few current concerns that we do not have the answers to yet, such as respite options, transportation, and protecting vulnerable populations and the workforce as Medicaid providers begin reopening.

Mr. Ward mentioned that a person case managed by Developmental Pathways has passed away from COVID-19, and Developmental Pathways has been in contact with the family.

### **ED Report – Mr. VanAuken**

Mr. VanAuken introduced Ms. Poage to the Board. Ms. Poage is the new Associate Director of Executive Administrative Services and will be overseeing Ms. Griggs and the Reception team. Ms. Poage brings a background in non-profit administration and program management. A lifelong resident of Colorado, Ms. Poage received an undergraduate degree in Business Management from Purdue University in Indiana and a Master of Business Administration degree from the University of Colorado, Boulder. Her most recent experience was as Executive Director of a small non-profit, which provided safety education to Denver area residents.

Mr. VanAuken mentioned the company's first-ever all Zoom Staff meeting. Four hundred employees logged in, and polling questions were used throughout the presentation to keep it interactive. Developmental Pathways met virtually with Douglas County and Arapahoe County to present the FY2019 Mill Levy. Both meetings were met with positive feedback. The time was also used to give a COVID-19 update. The COVID-19 dashboards were reviewed, and Mr. VanAuken talked about the importance of transparency.

Mr. VanAuken discussed some additional impacts of COVID. From Community Outreach, \$170,000 has been given directly to families for COVID-19 related needs. The company was able to negotiate a rent reduction for the Jewell building totaling \$100,000 between Continuum of Colorado and Developmental Pathways.

Mr. VanAuken reminded the Board of the potential \$4 Million+ Mill Levy impact for FY2022 and that the Leadership department will continue to be conservative with current spending to prepare for the future. Developmental Pathways will also continue to track federal, state, and local budgets and how they may impact the company.

Ms. Lichti stated that the Office of Early Childhood has informed Developmental Pathways that they anticipate growing numbers in Early Intervention. They are looking at taking the eligibility criteria that is currently at 25% delay in one or more areas and making it more challenging to qualify by raising the eligibility criteria to 33% delay in one or more areas. The Office of Early Childhood is expecting a reduction of 2,000 children each year. For Developmental Pathways, that could mean a reduction of around 500 children a year.

Mr. VanAuken asked if the Board would like to hold the June 23, 2020 Board meeting virtually or in-person. The Board agreed to hold the meeting virtually. Ms. Griggs will be sending out an updated calendar invite with details.

Mr. VanAuken concluded his report by highlighting the Case Management and Program Quality teams that have been staying connected by sending out 'Quarantine Hellos' to the rest of the department.

#### **Adjournment**

There being no further business to come before the Board, the meeting was adjourned at 6:17 p.m. Adjournment motioned by Ms. Peyton and seconded by Ms. Holbert. Approved unanimously.