

DEVELOPMENTAL PATHWAYS, INC.
Board of Directors Virtual Meeting Minutes
Tuesday, June 22, 2021

Members Present: Lois Vaughan, Diane Holbert, Monique Peyton, Kristin Hoover, Dr. Michaela McDonnell, Tim Batz, Judge Don Toussaint, Daniel Sampson, Pastor Michael Brown

Members Absent: Adam Horney, Commissioner Abe Laydon, Mayre Lynn Schmit, Commissioner Nancy Sharpe, Beth Klein

Others Present: Matt VanAuken, Bob Ward, Selina Griggs, Karen Flores, Erica Kitzman, Daniel Harcey, Kim Tenure, Ed Bowditch, Brenda Poage, Charlie Villarreal, Ben Mettlach, Jenn Conrad

The meeting of the Developmental Pathways, Inc. Board of Directors was called to order by the Board President, Ms. Hoover, at 5:01 p.m. Ms. Vaughan established a quorum.

Guests: None

Conflict of Interest

None.

Public Comment

None.

Consent Agenda

Approval of Regular Board Minutes – May 25, 2021

MOTION: Ms. Holbert moved for the approval of Consent Agenda items as presented; Ms. Peyton seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Executive Committee – Ms. Hoover

Legislative & Policy Update – Mr. Bowditch and Mr. VanAuken

Mr. Bowditch stated that the Colorado General Assembly adjourned on June 8, 2021. The ongoing pandemic, federal relief funding, and a rebounding state economy combined to provide a 116-day session. Mr. Bowditch provided updates on issues specific to Developmental Pathways, including The Long Bill, End Subminimum Wage, Long Term Services and Support Case Management Redesign, Early Intervention, and two law enforcement bills.

Mr. Bowditch discussed Initiative #27 that has been proposed for the November 2021 ballot. Initiative #27 has been approved for circulation and would reduce assessment rates for residential and non-residential properties from 7.15% to 6.5% and 29% to 26.4%, respectively. If adopted, this would save taxpayers approximately \$1.3B and have a significant revenue decrease for all agencies with mill levies. This would also increase the required state "backfill" for school finance. To mitigate the impact of Initiative #27, the legislature passed Senate Bill 21-293, which will temporarily reduce assessment rates on specific properties. Should initiative #27 pass, it will result in a permanent assessment rate decrease to hotels, motels, and lodging by 26.4% and multi-family housing by 6.5%.

Mr. Bowditch reminded the Board that his full report is available for viewing on the Board Portal.

Mr. VanAuken discussed how the Developmental Pathways mill levy might be affected by the assessment rates for residential/non-residential properties. Developmental Pathways is projecting a 9% decrease in mill levy funding for Arapahoe and Douglas Counties. Developmental Pathways will continue tracking Initiative #27, and Ms. Tenure and Mr. Bowditch will be putting together a briefing document to share with the Board at the September Board meeting.

Upcoming Meeting Reminders – Ms. Hoover

Ms. Hoover reminded the Board of the following meetings and asked if anyone did not receive a calendar invite to let Ms. Griggs know.

Mill Levy/Fund Balance Committee Meeting: 8/12/2021 at noon - (8/19/2021 at 1:00 – New date and time)

Executive/Strategic Planning Committee Meeting: 8/24/2021 at noon

Public Affairs Committee Meeting: 9/2/2021 at noon

Finance Committee Meeting: 9/7/2021 at noon

Board Meeting: 9/9/2021 at noon

Nominations for Executive Committee – Ms. Hoover

The Developmental Pathways Board of Directors presented the following slate of officers for the Fiscal Year 2022.

President: Ms. Kristin Hoover

Vice President: Ms. Beth Klein

Treasurer: Ms. Diane Holbert

Secretary: Ms. Mayre Lynn Schmit

MOTION: Dr. McDonnell moved to approve the slate of officers presented by the Developmental Pathways Board of Directors for a one-year term to expire at the annual Board meeting in June 2022. Judge Toussaint seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Finance Committee – Ms. Holbert

Fiscal Year 2022 Operating Budget, Capital Budget, and Board Designated Funding Approval – Ms. Holbert

Ms. Holbert reminded the Board that the Fiscal Year 2022 Budget was emailed out to the Board for review, and a Q&A meeting was held on June 8, 2021, to allow the Board to discuss the budget and ask questions. Ms. Holbert asked the Board if anyone had any further questions. There being no further discussion, the Board motioned on the approval of the Fiscal Year 2022 Budget.

MOTION: Mr. Batz moved to approve the Fiscal Year 2022 Capital and Operating Budgets for Developmental Pathways; Ms. Holbert seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

MOTION: Pastor Brown moved to approve the Board Designated Funds for the Fiscal Year 2022; Judge Toussaint seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Community Engagement Initiative Funding Request – Ms. Flores

Ms. Flores informed the Board that Developmental Pathways is seeking Board approval to fund FY2022 Community Engagement spending of \$2M utilizing existing fund balance reserves. The Community Engagement Initiative Fund was established to support targeted spending for items such as sponsorships of IDD community events, training for parents/others on IDD issues, and tracking, accounting, and reporting of Mill Levy. The 8-person Community Engagement team is charged with tasks such as developing, reviewing, approving, and monitoring grants to Providers of IDD services in the community to further build capacity and acting as a liaison and an informational resource on IDD issues to community agencies such as school districts, special education advisory committees, law enforcement, and the courts. The Community Engagement spend for FY21 is anticipated to be \$1.1M leaving a balance of \$255K. Community Engagement anticipates spending just over \$2M in FY2022.

Motion: Mr. Batz moved to approve funding for the Fiscal Year 2022 Community Engagement spending of \$2M utilizing existing fund balance reserves; Ms. Holbert seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Sale of Inverness – Ms. Kitzman

Ms. Kitzman updated the Board on the sale of the Inverness property. The Leadership Team met with the real estate agent to discuss a sale range, and Developmental Pathways is looking at a range of \$5.9M to \$6.5M. This matches the 10% buffer agreed upon by the Board. The Inverness Sale Board Committee has been notified and agrees with these numbers. The Inverness property will be put on the market in July, and updates will be provided to the Board as needed. Ms. Kitzman stated that the return to work process would be discussed in more detail at the September Board meeting.

Nominating Committee – Mr. VanAuken

Welcome Jenn Conrad, Board Nominee

Mr. VanAuken introduced Ms. Conrad, a prospective Board member. On June 3rd, the Nominating Committee met with Ms. Conrad and agreed that Ms. Conrad would be a perfect addition to the Developmental Pathways Board. All onboarding documents are on the Board Portal for reference.

Mr. VanAuken asked Ms. Conrad to tell the Board a little about herself. Ms. Conrad has lived in Colorado for 17 years and is the Director of Clinical Services with Signal Behavioral Health Network. She is married with two children and lives in Douglas County.

Mr. VanAuken informed Ms. Conrad that Mr. Harcey and Ms. Poage would be coordinating training sessions with her.

Ms. Hoover reminded the Board that they would be going into executive session at the end of the meeting to discuss Ms. Conrad joining the Board. Ms. Schmit will notify Ms. Conrad of the Board's final decision.

New Business

DEI Update – Ms. Kitzman

Ms. Kitzman informed the Board that the DEI Committee and internal leaders used results from the organizational assessment to craft an Equity Blueprint. The DEI Committee is preparing an all-staff communication to share the specifics of the DEI goals and commitments, mission statement, and the racial equity lens. These tools will be instrumental in sharpening the focus of decision-making and the company's future path.

Kingston Sale – Mr. VanAuken

Mr. VanAuken informed the Board that Developmental Pathways is pausing on the sale of the Kingston property to meet with Dan Makelky of Douglas County and his team. Mr. VanAuken will update the Board on any changes/progress.

ARPA Advocacy Items – Mr. VanAuken

Mr. VanAuken provided an update on the American Rescue Plan Act (ARPA). Elected officials were tasked with stewarding \$3.8B that came into the state through ARPA. This meant increased spending on recovery and restoration of pre-pandemic priorities. With federal relief funds coming into Colorado through ARPA and a recovering economy, the 2021-2022 budget restored many of the cuts made with the uncertainty of the COVID pandemic.

Additionally, due to an enhanced Federal Medical Assistance Percentages (FMAP) of 10% allocated to Home and Community-Based Services (HCBS), HCPF will be able to access approximately \$500M for priority investments. After initial stakeholder engagement, HCPF submitted an application to the Centers for Medicaid and Medicare Services (CMS) identifying these spending areas. Legislation was passed during this session that authorized spending of these dollars pending federal approval. However, once federal approval is obtained, HCPF will need to finalize the plan with the JBC and stakeholders.

Turnover Tsunami – Mr. Harcey

Mr. Harcey updated the Board on the current job market due to Covid. During Covid, many employees hesitated to look for new job opportunities. Now that things are turning around, employees are more comfortable looking for other means of employment. Recently, Developmental Pathways has started seeing an uptick in turnover. This is

consistent with other CCBs in the state. A correction in the Fall is projected, and the recruiting department is working on solutions.

Kudos – Mr. Ward

Mr. Ward provided an update on Case Management and Program Quality preliminary numbers for FY2021. There were 21 Emergency Enrollment Requests for DD waiver and 379 enrollments, of which 256 were new individuals to services with Developmental Pathways. Mr. Ward shared that there were 7,318 Service Plan meetings, 86 Operational Memos, 648 Human Rights Committee packets reviewed, and 2,536 Requests for Proposals processed for the fiscal year. Mr. Ward concluded that even with the pandemic, Developmental Pathways had great numbers for the year. Mr. Ward's full report can be found on the Board Portal.

Open Discussion

None.

All Company Annual Meetings with New Executive Committee Slate – Ms. Hoover

Ms. Hoover reminded the Board that each year an annual meeting must be held for each company. Ms. Hoover asked that the Developmental Pathways meeting be paused to open a new meeting for Youth Housing Colorado.

MOTION: Ms. Peyton moved for approval to pause the Developmental Pathways Meeting at 6:32 p.m.; Judge Toussaint seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

The meeting of the Developmental Pathways, Inc. Board of Directors was called back to order by the Board President, Ms. Hoover, at 6:34 p.m.

Executive Session

Ms. Hoover asked for a motion to move the Board of Directors to executive session to discuss legal issues and all associated issues as per section 3.9 of the Developmental Pathways Bylaws and Colorado Revised Statute 24-6-402 (4)(f).

MOTION: Ms. Holbert moved for approval for the Board of Directors to go into Executive Session at 6:35 p.m. 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); Judge Toussaint seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

MOTION: Ms. Holbert moved for the Board of Director's approval to come out of Executive Session at 6:36 p.m. Ms. Peyton seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Upon adjournment of Executive Session, Ms. Hoover asked for a motion to approve Jenn Conrad to serve on the Developmental Pathways Board.

MOTION: Judge Toussaint moved to approve Jenn Conrad to serve on the Developmental Pathways Board. Ms. Peyton seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 6:39 p.m. Adjournment motioned by Ms. Holbert and seconded by Ms. Peyton. Approved unanimously.