

DEVELOPMENTAL PATHWAYS, INC.
Board of Directors Virtual Meeting Minutes
Thursday December 16, 2021

Members Present: Diane Holbert, Monique Peyton, Kristin Hoover, Commissioner Nancy Sharpe, Commissioner Abe Laydon, Tim Batz, Mayre Lynn Schmit, Judge Don Toussaint, Daniel Sampson, Jenn Conrad, Pastor Michael Brown, Beth Klein

Members Absent: Lois Vaughan, Adam Horney, Dr. Michaela McDonnell

Others Present: Matt VanAuken, Bob Ward, Selina Griggs, Karen Flores, Erica Kitzman, Daniel Harcey, Charlie Villarreal, Kim Tenure, Ed Bowditch, Chris Dillon, Amy Grogan, Ben Mettlach, Gill Kennedy

The meeting of the Developmental Pathways, Inc. Board of Directors was called to order by the Board President, Ms. Hoover, at 12:02 p.m. Ms. Schmit established a quorum.

Guests: Maureen Waller

Conflict of Interest

None.

Public Comment

None.

Consent Agenda

Approval of Regular Board Minutes – September 9, 2021

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

Mr. Ward introduced Ms. Amy Grogan, the new Vice President of Case Management. Ms. Grogan joined Developmental Pathways as an Associate Director in Case Management in 2017. Ms. Grogan has worked in the IDD system since 2003 and has been leading the Case Management Department as Director since April 2019. Ms. Grogan will continue guiding the Case Management team as well as working to prepare Developmental Pathways to be the Case Management Agency of Choice for all Long-Term Services and Supports (LTSS) beginning in July 2024. Ms. Grogan's new role will help ensure Developmental Pathways is well-positioned to be selected as the Case Management Agency for our catchment areas and is prepared to serve individuals in the other LTSS waivers with the same quality and dedication Pathways brings the IDD community.

Finance Committee – Ms. Holbert

Year-End Financial Audits for Review/Approval – Mr. Dillon

The Consolidated Financial Statements of Developmental Pathways, Inc., and affiliate, specifically, Youth Housing Colorado, were presented and reviewed by auditor Mr. Dillon of Eide Bailly for the year ending June 30, 2021. Mr. Dillon gave the Board an overview of the audit process and then walked the Board through the Consolidated Financial Statements. The auditor communicated that the financial statements presented as having a clean opinion. A single audit was filed for Developmental Pathways due to receiving federal financial assistance over \$750,000. The auditor communicated that the single audit presented as having a clean opinion. Mr. Dillon spoke about the additional letter that was addressed to the Board from Eide Bailly affirming that Eide Bailly (auditors) are required to provide information regarding their responsibilities, what they do, and what they do not do, in accordance with general auditing standards generally accepted in the United States of America.

MOTION: Ms. Klein moved for the approval of the June 30, 2021, Consolidated Audited Financial Statements. Judge Toussaint seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

MOTION: Commissioner Sharpe moved for the approval of the June 30, 2021, Developmental Pathways Single Audit. Commissioner Laydon seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Board Quarterly Financial Statement Review and Approval – Ms. Holbert

Ms. Holbert provided a brief overview of the October 2021 YTD Financials. Developmental Pathways had a net income of \$1.9M and are \$2.1M positive to budget. Some contributing factors are that personnel costs were lower than budgeted with unfilled positions, and the Community Engagement department spent less than budgeted. Ms. Holbert went on to say that the Finance Department evaluated Case Management salaries and implemented a wage increase in mid-November to better align with other Community Center Boards (CCBs).

Balance Sheet

Assets	\$43,130,094
Liabilities	\$5,227,825
Fund Balance	\$37,902,269

Statement of Operations

	Actual	Budget
Revenues	\$14,882,318	\$14,585,531
Expenses	\$(12,962,781)	\$(14,768,229)
Excess of Revenues Over Expenses	\$1,919,537	\$(182,698)

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 one week prior to Board meetings.

MOTION: Mr. Batz moved for the approval of the October 2021 YTD financials; Pastor Brown seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Executive Committee – Ms. Hoover

Legislative and Policy Updates – Mr. Bowditch and Ms. Tenure

Mr. Bowditch provided the following legislative updates. The General Assembly will convene on January 12, 2022, and adjourn no later than May 12, 2022. Quarterly revenue forecasts will be unveiled on Friday, December 17, 2021. The quarterly forecasts will show revenue projections and the state's TABOR refund projections. Some of the critical issues that will be addressed in 2022 are provider rates, the creation of the Department of Early Childhood, and the new Behavioral Health Administration. Mr. Bowditch went on to say that the State of Colorado is scheduled to receive approximately \$3.8B in federal stimulus funds. These funds can be used to backfill general fund revenue loss and address long-standing public health, economic, and educational disparities. Mr. Bowditch concluded by stating that this is an election year for all 65 House members, half of the 35-member Senate, one U.S. Senate seat, and all 8 U.S. House seats, including the new Congressional District 8. With legislators running in new districts due to redistricting, this session will be more political than in prior years. Mr. Bowditch's full report is available for viewing on the Board Portal.

Ms. Tenure provided the following policy updates. The Build Back Better Plan passed the House and is headed to the Senate, where negotiations will continue. Health Care Policy and Finance (HCPF) released the new Case Management catchment areas, and Developmental Pathways plans to bid for Arapahoe, Douglas, and Elbert Counties when available. Developmental Pathways is partnering with Alliance around workforce development for Direct Support Professionals (DSPs) and Case Management.

Mr. VanAuken concluded that Developmental Pathways continues to work closely with Early Intervention counterparts and the Office of Early Childhood regarding upcoming changes between now and May 2022. Developmental Pathways continues to advocate for the best solutions for families, including how eligibility determinations are completed. The Joint Budget Committee hearings are in full swing, and Leadership is tracking them

closely. Developmental Pathways was recently invited to a Douglas County listening session to understand Douglas County families' needs better. Excellent feedback was received to help shape the Mill Levy/Fund Balance Committee.

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. Ms. Hoover also informed the Board that the March 10, 2022, Board meeting would be changed to a Board Retreat. The Retreat will begin at 9:00 am and end at 2:00 pm and be at the Jewell location. Breakfast pastries and lunch will be provided. Ms. Griggs will be sending a calendar update for this meeting.

Nominating Committee Meeting: 2/3/2022 at noon

Public Affairs Committee Meeting: 2/10/2022 at noon

Executive/Strategic Planning Committee Meeting: 2/15/2022 at noon

Mill Levy/Fund Balance Committee Meeting: 2/24/2022 at noon

Finance Committee Meeting: 3/3/2022 at 9:00 am

Board Retreat: 3/10/2022 at 9:00 am

Board Meeting: 6/30/2022 at noon

Strategic Priorities Dashboard (Stoplight Chart) – Ms. Kitzman

Ms. Kitzman stated that Leadership is meeting and providing input and data to understand and refine the future regarding Case Management System Redesign. Case Management and Early Intervention continue to make team adjustments to prepare, and Directors and above provided an update on their strategic plans recently. There is continued uncertainty related to workforce, Covid mandates, and corporate structure. Ms. Kitzman stated that staff continues to manage all the changes on top of their daily work. Ms. Kitzman concluded that the state released additional DD Waiver resources, and out of the 140 waivers Developmental Pathways received, 132 have been fulfilled.

Revised Bylaws – Mr. Ward

Mr. Ward reminded the Board that the documents regarding the revised Developmental Pathways bylaws were posted to the Board Portal for viewing before the Board meeting. The bylaws were last modified in 2017 when new transparency requirements were added. The latest revision aims to simplify the bylaws and incorporate today's practices. Mr. Ward worked with Spencer Fane, a law firm specializing in nonprofits. Mr. Ward reviewed the revisions with the Board and then asked Ms. Hoover for a motion to approve the revised bylaws.

MOTION: Ms. Holbert moved to approve the revised Developmental Pathways bylaws effective January 1, 2022; Commissioner Sharpe seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Nominating Committee – Ms. Schmit

Thank you to Ms. Klein for Serving on the DP Board

Ms. Schmit thanked Ms. Klein for serving three consecutive terms on the Developmental Pathways Board. Ms. Schmit noted that Ms. Klein has volunteered many hours on the Executive Committee as Treasurer and Vice President and as a member of the Board. She thanked her for her leadership and vision and wished her well. Ms. Klein will receive a gift and award for her many years of service.

Ms. Schmit reminded the Board that Ms. Klein's exit leaves an open Vice President position and asked the Board for feedback on whether to fill the position with another Board member or leave it empty until the next election season. This will be discussed in greater detail at the next Board Executive Committee meeting.

Lois Vaughan: 1st Term Ended 11/2021 (Term 2)

Ms. Schmit notified the Board that Ms. Vaughan's first term ended on November 30, 2021. As Ms. Vaughan was unable to attend tonight's meeting, Ms. Hoover spoke with Ms. Vaughan before the meeting, and asked if she would like to continue for a second term on the Developmental Pathways Board. Ms. Vaughan stated yes.

MOTION: Ms. Schmit moved to approve Ms. Vaughan for a second term on the Developmental Pathways Board of Directors; Commissioner Sharpe seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Daniel Sampson: 1st Term Ending 12/2021 (Term 2)

Ms. Schmit notified the Board that Mr. Sampson's first term was ending on December 31, 2021. Ms. Schmit asked Mr. Sampson if he would like to continue for a second term on the Developmental Pathways Board? Mr. Sampson replied, "Yes."

MOTION: Ms. Conrad moved to approve Mr. Sampson for a second term on the Developmental Pathways Board of Directors; Ms. Hoover seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Diane Holbert: 1st Term Ending 1/2022 (Term 2)

Ms. Schmit notified the Board that Ms. Holbert's first term was ending on January 31, 2022. Ms. Schmit asked Ms. Holbert if she would like to continue for a second term on the Developmental Pathways Board? Ms. Holbert replied, "Yes."

MOTION: Pastor Brown moved to approve Ms. Holbert for a second term on the Developmental Pathways Board of Directors; Commissioner Sharpe seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Commissioner Abe Laydon: 1st Term Ending 1/2022 (Term 2)

Ms. Schmit notified the Board that Commissioner Laydon's first term was ending on January 31, 2022. Ms. Schmit asked Commissioner Laydon if he would like to continue for a second term on the Developmental Pathways Board? Commissioner Laydon replied, "Yes."

MOTION: Commissioner Sharpe moved to approve Commissioner Laydon for a second term on the Developmental Pathways Board of Directors; Ms. Hoover seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Judge Don Toussaint: 1st Term Ending 5/2022 (Term 2)

Ms. Schmit notified the Board that Judge Toussaint's first term was ending May 31, 2022. Due to Judge Toussaint having to adjourn the Board meeting early, an email will be sent to the Board in March asking for a motion to approve another term.

Public Affairs Committee – Ms. Schmit

Ms. Schmit provided the following Public Affairs Committee update. The Gala raised a total of \$36,520 minus minimal expenses. The money raised will be presented to Tall Tales Ranch in January. The Colfax Marathon had 20 runners representing Developmental Pathways wearing custom-designed shirts from Access Gallery. Developmental Pathways had a booth in Charity Village to inform people about services and raise awareness. \$11,494.87 was raised for Colorado Gives Day this year. Many of the donors were new to the organization. Ms. Schmit also touched on Developmental Pathways outreach efforts regarding voter engagement, Diversity, Equity and Inclusion, and the website's rebranding to prepare for Case Management Redesign.

Mill Levy/Fund Balance Committee – Comm. Laydon and Comm. Sharpe

Commissioner Sharpe updated the Board on the Mill Levy/Fund Balance Committee. The Committee last met on November 4, 2021. The current focus is to help identify ways to utilize Developmental Pathways fund balance and continue to monitor ARPA dollars and how they can benefit Developmental Pathways.

Ms. Schmit inquired if ARPA dollars could be used for housing in the IDD community.

Commissioner Sharpe stated that there is more flexibility around ARPA than CARES Act dollars and that she would look into it and report back to the Board.

New Business

Corporate Structure, Timeline Update – Ms. Kitzman

Ms. Kitzman informed the Board that the projected timeline for the dissolution of NMSC and the complete separation of Continuum has moved up to June 30, 2022, from January 1, 2023. If needed, key staff within Developmental Pathways can contract additional supports to Continuum until July 1, 2024.

Organizational Structure Update – 2022 – Ms. Kitzman

Ms. Kitzman stated that Leadership continues to think about succession and workforce planning while actively managing ongoing changes in a challenging labor market. In looking ahead, there is a current resource gap in managing the complexity in unplanned but required initiatives. Today this challenge falls to team leaders that are already very busy. Developmental Pathways anticipates adding a role this spring to address this gap. In the meantime, teams are in good shape and resourced where needed. Ms. Kitzman concluded that turnover is holding steady despite challenges.

Inverness and Kingston Update – Ms. Flores

Ms. Flores informed the Board that a promising offer of \$6.1M came in for the Inverness building. Inspections are underway, and if all goes well, a closing date is projected for March of 2022. Kingston House was sold at the end of October to The Smith Agency, another nonprofit entity serving individuals with developmental disabilities.

Latest Staff Survey + OSHA Vaccination Mandate – Mr. Harcey

Mr. Harcey stated that the OSHA vaccination mandate is currently in a legal stay. Leadership continues to keep the staff informed and our intent on complying. In November, a staff survey was initiated to understand how teams are doing and help prepare for a hybrid work approach. Results have indicated that 93% have what they need to succeed, and 93% feel they are equally or more productive working from home. Adjustments have been made to support our leaders better, and we have initiated training on engaging staff members in a remote environment.

Open Discussion

None

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 1:52 p.m. Adjournment motioned by Commissioner Sharpe and seconded by Ms. Schmit. Approved unanimously.