

**DEVELOPMENTAL PATHWAYS, INC.**  
**Board of Directors Meeting Minutes**  
**Thursday, June 30, 2022**

**Members Present:** Monique Peyton, Kristin Hoover, Commissioner Nancy Sharpe, Commissioner Abe Laydon, Tim Batz, Mayre Lynn Schmit, Jenn Conrad, Lois Vaughan, Adam Horney, Dr. Michaela McDonnell

**Members Absent:** Judge Don Toussaint, Daniel Sampson, Pastor Michael Brown

**Others Present:** Matt VanAuken, Selina Griggs, Karen Flores, Erica Kitzman, Daniel Harcey, Charlie Villarreal, Kim Tenure, Ed Bowditch, Amy Grogan, Darcy Tibbles, Hunter Premeschak, Naomi Megory-Cohen

The meeting of the Developmental Pathways, Inc. Board of Directors was called to order by the Board President, Ms. Hoover, at 12:05 p.m. Ms. Schmit established a quorum.

**Guests:** Chris Erickson, Maureen Waller, Marsha Alston

Mr. VanAuken informed the Board that Mr. Harcey, after 15 years of service, would be leaving Developmental Pathways (DP) to pursue other endeavors but may return as a contracted employee. Mr. Harcey thanked everyone and said he was excited about his new adventure. His replacement has been hired and will begin on July 18, 2022.

**Conflict of Interest**

None.

**Public Comment**

None.

**Consent Agenda**

Approval of Regular Board Minutes – December 16, 2021, and March 15, 2022

**MOTION: Commissioner Laydon moved for the approval of Consent Agenda items as presented; Mr. Batz seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**Nominating Committee** – Ms. Schmit

Ms. Schmit introduced Mr. Chris Erickson, a potential new Board member. Mr. Erickson was recommended by Ms. Diane Holbert and has experience in finance and community outreach. Ms. Schmit asked Mr. Erickson to share a little about himself with the Board.

Mr. Erickson stated that he is looking forward to becoming a part of DP. He is originally from Iowa and has lived in Colorado for 18 years. Mr. Erickson has assisted in providing low-income housing tax credit financing to individuals and has been a part of other non-profits. He is excited to help the Board and organization continue to grow.

Ms. Schmit went on to inform the Board that the Nominating Committee has another potential Board member, Michelle Kroeger, who has spent her career working for non-profits in accounting. The Nominating Committee will meet with her on July 13, 2022, and she may be invited to the September Board meeting.

Ms. Schmit concluded by asking Ms. Hoover to make a motion to go into Executive Session to discuss voting Mr. Erickson onto the Board.

**Executive Session**

Ms. Hoover asked for a motion to move the Board of Directors into 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: Commissioner Sharpe moved for approval for the Board of Directors to go into Executive Session at 12:18 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); Ms. Schmit seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**MOTION: Mr. Horney moved for the Board of Directors' approval to come out of Executive Session at 12:28 p.m. Mr. Batz 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 Mr. Erickson to serve on the Developmental Pathways Board.

**MOTION: Ms. Schmit moved to approve Mr. Chris Erickson to serve on the Developmental Pathways Board. Ms. Peyton seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

#### **Executive Committee – Ms. Hoover**

##### **Formal Ratification on the motions made during the March 15, 2022, Electronic Meeting** – Ms. Hoover

On March 15, 2022, an electronic meeting was held with the DP Board of Directors to approve Judge Don Toussaint for a second term, Mr. Tim Batz as treasurer, and the January 2022 YTD financials. The motions were approved unanimously by electronic vote. Ms. Hoover informed the Board that the following motions would need to be ratified.

**MOTION: Mr. Batz moved to ratify the approval of Judge Toussaint for a second term on the Developmental Pathways Board of Directors; Ms. Conrad seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**MOTION: Dr. McDonnell moved to ratify the approval of Mr. Batz as Treasurer of the Developmental Pathways Board of Directors beginning April 1, 2022, through June 30, 2022; Commissioner Sharpe seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**MOTION: Mr. Batz moved to ratify the approval of the January 2022 YTD financials; Commissioner Sharpe seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

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

Mr. Bowditch provided the following legislative updates. The General Assembly adjourned on May 12, 2022, and the legislature received the June quarterly revenue estimates last week. General Fund revenues and TABOR refunds have exploded since March, and the estimated TABOR refund of \$3.6B for FY 2021-22 is larger than the combined TABOR refunds from the first 25 years of TABOR. A flat refund of \$750 per person will be sent to individuals who have filed 2021 tax returns or applied for the property tax, rent, and heat credits. This refund is in effect for FY 2021-22 only.

As for statewide politics, times are uncertain with gas prices, international uncertainty, inflation, Washington gridlock, and Roe v. Wade. All of these have created massive uncertainty for the November elections. In Colorado, all 65 House seats will be up for election, as well as half of the 35-member Senate, one US Senate seat, all 8 US House seats (including the new CD 8), as well as Governor, Attorney General, State Treasurer, and Secretary of State. Legislators are running in new districts (because of redistricting). All eyes will be on the Colorado Senate to see if party control flips. In all, 2023 will bring 20-30 new legislators to the Capitol.

With redistricting, and regular two-year elections, the DP Legislative delegation will undergo some changes. In Arapahoe County, Rep. Tom Sullivan is running for the Senate, leaving his House seat vacant. Rep. Mandy Lindsay faces a primary contest in her Aurora seat. Douglas County will have one new senator and four new house members. Sen. Chris Holbert has resigned and has been replaced by Rep. Kevin Van Winkle, who is running for the seat in November. In addition to a new legislator in the seat currently held by Rep. Van Winkle, Rep. Mark Baisley is running for the Senate (leaving his House seat open), and Reps. Kim Ransom and Patrick Neville are term-limited, so new legislators will also be elected in those three seats. Mr. Bowditch and Mr. VanAuken will meet with potential new legislators to introduce them to DP.

Mr. Bowditch went on to talk about the property tax reductions bill. To negotiate the withdrawal of proposed property tax initiatives from the ballot this November, the legislature temporarily passed SB 22-238 to reduce residential and nonresidential assessment rates for 2023. The bill directs the legislature to backfill revenue reductions by up to 65% in large counties. Even with this property tax reduction, given the anticipated increases in assessed value (10 to 20%), local governments will likely realize more revenue in FY 2023-24. Mr. Bowditch concluded by stating that the state ended with a 15% state general fund reserve. Mr. Bowditch reminded the Board that his update is on the Board Portal for review.

Ms. Tenure provided the following policy updates. HB22-1320, Achieving a Better Life Experience Savings Accounts, changes ABLE accounts to promote increased access and use. These include allowing someone other than the individual with a disability to open the account and prohibiting the state from filing a claim against the account upon the owner's death. DP is watching this and will update the Board as needed.

Ms. Schmit inquired about Special Needs Trust and ABLE accounts. Ms. Tenure stated that the ABLE account does not replace special needs trusts. Ms. Tenure and Ms. Tibbles will connect and share what resources DP provides to the community regarding this topic with Ms. Schmit.

Ms. Tenure said that DP is tracking ARPA and will report to directors and senior leadership. Ms. Tenure reminded the Board that her report is available on the Board Portal for review.

**Matt VanAuken: Executive Director for DP** – Ms. Hoover

Ms. Hoover informed the Board that with the dissolution of Nonprofit Management Services of Colorado (NMSC), Mr. VanAuken would need to be moved from being a contracted employee through NMSC to an employee of DP. The following motion was made.

**MOTION: Ms. Schmit moved to approve Mr. Matt VanAuken as Executive Director and Chief Executive Officer of Developmental Pathways beginning July 1, 2022. Mr. Batz seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**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: July 7, 2022, at noon  
Public Affairs Committee Meeting: August 25, 2022, at noon  
Executive/Strategic Planning Committee Meeting: September 13, 2022, at noon  
Finance Committee Meeting: September 22, 2022, at noon  
Board Meeting: September 29, 2022, at noon  
Nominating Committee Meeting: November 8, 2022, at noon

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

The Developmental Pathways Board of Directors presented the following slate of officers for the Fiscal Year 2023.

President: Kristin Hoover  
Vice President: Judge Don Toussaint  
Treasurer: Tim Batz  
Secretary: Mayre Lynn Schmit

**MOTION: Ms. Conrad 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 2023. Ms. Peyton seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**Goals** – Mr. VanAuken

**Strategic Priorities Dashboard (Stoplight Chart) – FY2023 Committee Goals**

Mr. VanAuken provided a brief overview of the updated strategic priorities and committee goals. The Stoplight Chart is posted to the Board portal for review. Ms. Griggs will be sending the Board an updated Committee list with members.

**FY2023 Board Goals**

The fiscal year 2023 Board goals are available on the Board Portal.

**Finance Committee** – Mr. Batz

**Board Quarterly Financial Statement Review and Approval** – Mr. Batz and Ms. Flores

Ms. Flores informed the Board that DP is better than budget by \$3.5M as of May 2022. This is due to the sale of the Inverness Building with a net gain of \$2.2M. Partially offset is the unbudgeted realized losses on investments of \$500K. Ms. Flores stated that DP received \$630K more in Mill Levy funding than budgeted. Receiving those additional monies, DP was able to authorize additional spending for needs within the community. DP is trending positive to budget by \$1.5M in operations for Early Intervention (EI) and Case Management (CM) combined. Overall, as Finance starts wrapping up year-end, DP is projecting to be at \$2M net income.

Balance Sheet

Assets	\$45,575,392
Liabilities	\$6,693,394
Fund Balance	\$38,881,998

Statement of Operations

	Actual	Budget
Revenues	\$42,874,783	\$40,339,530
Expenses	\$(40,534,013)	\$(41,502,141)
Excess of Revenues Over Expenses	\$2,340,770	\$(1,162,611)

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 every quarter. Financial reports are posted on the Board portal approximately one week prior to Board meetings.

**MOTION: Mr. Batz moved for the approval of the May 2022 YTD financials; Dr. McDonnell seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**Fiscal Year 2023 Operating Budget, Capital Budget, and Board Designated Funding Approval** – Mr. Batz

Mr. Batz reminded the Board that the Fiscal Year 2023 Budget was emailed out to the Board for review, and a Q&A meeting was held on June 8, 2022, to allow the Board to discuss the budget and ask questions. Mr. Batz and Ms. Flores provided a brief recap and asked the Board if anyone had any further questions. After further discussion, the Board motioned for the approval of the Fiscal Year 2023 Budget.

**MOTION: Mr. Horney moved to approve the Fiscal Year 2023 Capital and Operating Budgets for Developmental Pathways; Mr. Erickson seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**MOTION: Dr. McDonnell moved to approve the Fiscal Year 2023 additions to the Board Designated Initiatives to include \$3.7M in the Community Engagement Initiative and \$600K in the Capacity Building Initiative. Mr. Batz seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**Public Affairs Committee** – Ms. Schmit

Ms. Schmit reminded the Board that one of the Board’s goals is 100% Board giving by the end of July 2022. Giving allows DP to meet unmet and under-met needs in the community. An email will be sent to the Board outlining some facts about Board engagement in giving and some success stories showing how these dollars impact the community. Ms. Schmit updated the Board on the Colfax Marathon and the upcoming Community Engagement event at Wings Over the Rockies scheduled for July 28. An invitation was sent to the Board members last week with a link to RSVP. If you did not receive the email, a separate email will be sent to the Board with details. Ms. Schmit informed the Board that DP is looking for a large space to hold the DP Halloween All Staff party. Please email Ms. Tibbles at [d.tibbles@dpcolo.org](mailto:d.tibbles@dpcolo.org) if you have any suggestions. Ms. Schmit concluded by sharing the success of the first-ever Conversations for Change. These are a series of small intimate conversations with Mr. VanAuken and DP leaders to the disability community. The team planning these events will likely have 1-2 more sessions in late summer/fall.

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

Commissioner Sharpe provided the following update. The May and June Committee meetings focused on the overarching large-spend strategies DP has through a combination of Board reserve funds and active revenues, including Mill Levy for the next three years. The plan is designed to continue current local programming impacting the communities. While also creating opportunities for increased spending primarily through provider grant programming. The Committee is largely in support of the plan and will work with DP staff on the implementation of the plan through regular committee meetings.

Recommendations include:

- Maintaining ongoing support of the Community Engagement Initiative (CEI) for another three years
- Targeting a more conservative approach with year-to-year funding asks rather than a single full 3-year ask
- Begin the renewed support with approval for FY23 spend at roughly \$3.7M, which includes \$2M in provider grants through reserve funds – which are included in the overall budget package.
- Long-term vision is to see funds flowing into the community to help bounce back from COVID while utilizing reserve overflow

Commission Sharpe and Commissioner Laydon stated that the Committee would like to forecast for the Board that there may be large off-cycle asks by the Committee to support key projects with Arapahoe and Douglas counties. If presented, those projects would create a more significant impact faster in the DD community while continuing with all core initiatives and Mill Levy programming.

**New Business**

**DEI Policy** – Ms. Kitzman  
Not discussed.

**Inverness Update** – Ms. Flores  
Ms. Flores informed the Board that the Inverness property was sold in May 2022.

**NMSC Dissolution** – Ms. Flores  
Ms. Flores informed the Board that due to NMSC dissolving, the following resolution would need to be made. Ms. Griggs will send the resolution to Ms. Hoover through DocuSign for Signature.

**MOTION: Mr. Batz moved for the approval of the following resolution to approve the Developmental Pathways (DP) plan in which DP intends to hire approximately 50 employees for management support positions within DP, which positions were previously provided by contract with Nonprofit Management Services of Colorado (NMSC), a Colorado nonprofit corporation. Consistent with the plan of dissolution of NMSC independently approved by its Board, DP is hereby authorized to receive contributed assets from NMSC and assume certain defined liabilities associated with hiring the employees and onboarding the management support positions and assume certain related contractual obligations of NMCS, specifically the Revere lease between SBMC Chaparral and NMSC dated July 30, 2019. Ms. Peyton seconded the motion. There being no discussion, it was approved by a unanimous voice vote.**

**Open Discussion**

Mr. Batz asked if anyone knew how many DD spots DPs catchment area would receive in the new fiscal year.

Ms. Grogan stated that DP does not have those numbers yet but would let the Board know when they are available.

Mr. VanAuken asked that Ms. Grogan provide an update at the September Board meeting.

**Adjournment**

There being no further business to come before the Board, the meeting was adjourned at 1:53 p.m. Adjournment motioned by Mr. Horney and seconded by Mr. Batz. Approved unanimously.