

DEVELOPMENTAL PATHWAYS, INC.
Board of Directors Meeting Minutes
Thursday, 12-15-2022

Members Present: Monique Peyton, Kristin Hoover, Commissioner Nancy Sharpe, Tim Batz, Mayre Lynn Schmit, Dr. Michaela McDonnell, Judge Don Toussaint, Daniel Sampson, Michelle Kroeger, Chris Erickson, Jenn Conrad, Pastor Michael Brown, Commissioner Abe Laydon, Adam Horney

Members Absent: Lois Vaughan

Others Present: Matt VanAuken, Selina Griggs, Karen Flores, Erica Kitzman, Ben Mettlach, Ed Bowditch, Amy Grogan, Darcy Tibbles, Heidi Troutman, Maria Cordero, Mitch Muniz

The meeting of the Developmental Pathways, Inc. Board of Directors was called to order by the Board President, Ms. Hoover, at 12:07 p.m. Ms. Schmit established a quorum.

Guests: Maureen Waller, Ksenia Popke

Conflict of Interest

None.

Public Comment

None.

Consent Agenda

Approval of Regular Board Minutes – September 29, 2022

MOTION: Ms. Schmit 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.

Finance Committee – Mr. Batz

Year-End Financial Audits for Review/Approval – Ms. Popke

The Consolidated Financial Statements of Developmental Pathways, Inc., and its affiliate, specifically Youth Housing Colorado, were presented and reviewed by auditor Ms. Popke of Eide Bailly for the year ending June 30, 2022. Ms. Popke 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 of over \$750,000. The auditor communicated that the single audit presented as having a clean opinion. Ms. Popke 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: Commissioner Laydon moved for the approval of the June 30, 2022, Consolidated Audited Financial Statements. Mr. Batz seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

MOTION: Mr. Batz moved for the approval of the June 30, 2022, Developmental Pathways Single Audit. Dr. McDonnell seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

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

Mr. Batz provided the following quarterly financial update. Cash has decreased by \$4.4M since July, largely due to the timing of mill levy cash receipts. Developmental Pathways (DP) cash balances are cyclical, with balances peaking annually in July and August and decreasing to rebound the following summer again. DP has received \$5.8M in mill levy year-to-date for the fiscal year. Of this, \$5.7M was received in July and August. Since July, there has been an increase

in receivables of \$1.9M due to monies owed to DP by Early Intervention Colorado. After issuing the October financial statements, DP received a payment of \$1.1M from Early Intervention Colorado, satisfying a large portion of the outstanding receivables. DP continues to have discussions with EI Colorado and to monitor the situation. Revenue is trending to budget, and no major items are noted. Personnel expenses are \$1.1M under budget due to many open positions, and distributions are \$1M over budget due to the nearly \$800K of FY22 grant expenditures that were de-recognized on the FY22 Statement of Activities and instead recognized in FY23 because the grantees, recipients of these grants from DP, had not yet met the performance obligations stipulated by DP as of the end of FY22. Those performance obligations were satisfied in FY23. DP saw an investment return, nearly breaking even YTD as of October. Lastly, DP has moved all investment-related activity, including interest income and dividends associated with the investments, to a new investment return line item to enable the reader to ascertain actual investment performance easily.

Balance Sheet

Assets	\$42,807,422
Liabilities	\$5,727,023
Equity	\$37,080,399

Statement of Operations

	Actual	Budgeted
Revenues	\$16,058,012	\$16,201,437
Expenses	\$(17,214,380)	\$(17,855,483)
Excess of Revenues Over Expenses	\$(1,156,368)	\$(1,654,046)

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 October 2022 YTD financials; Ms. Conrad seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Executive Committee – Ms. Hoover

Updates – Judge Toussaint

Judge Toussaint stated that the Executive Committee last met on November 29, 2022. Leadership informed them they are discussing ‘Plan B’ options if DP does not win the RFP. This is a precautionary measure only and will be shared in more detail at the Board Retreat. The Nominating and Executive Committee would like to recommend Commissioner Nancy Sharpe to replace Mr. Tim Batz as treasurer when she becomes an at-large member on 1/9/2023. Judge Toussaint asked the Board if they agreed with this recommendation, and the Board concurred. Judge Toussaint asked Ms. Schmit to make a motion later in the meeting. Judge Toussaint went on to say that the Board Retreat is scheduled for April 6, 2023. The Board will have a new commissioner and two new self-advocate members in attendance. The Committee, along with Leadership, is in the beginning stages of putting together an agenda and will share it with the Board at the March meeting. Lastly, Judge Toussaint stated that there had been a discussion on adjusting the Board meeting times so that more Board members could attend in person. Ms. Griggs will send out a survey in January for everyone’s input.

Upcoming Meeting Reminders – Ms. Hoover

Ms. Hoover reminded the Board of the following meetings and asked if anyone still needs to receive a calendar invite to let Ms. Griggs know.

- Nominating Committee Meeting: February 2, 2023, at noon
- Public Affairs Meeting: February 9, 2023, at noon
- Executive Committee Meeting: February 14, 2023, at noon
- Mill Levy/Fund Balance Committee Meeting: February 23, 2023, at noon
- Finance Committee Meeting: March 2, 2023, at noon

Board Meeting: March 9, 2023, at noon

Nominating Committee – Ms. Schmit

Thank you to Mr. Batz for Serving on the DP Board

Ms. Schmit thanked Mr. Batz for serving three consecutive terms on the Developmental Pathways Board. Ms. Schmit noted that Mr. Batz had volunteered many hours on the Executive Committee as Board President and Treasurer. She thanked him for his leadership and vision and wished him well. Mr. Batz was given a gift and award for his many years of service.

Commissioner Sharpe: Continue as 'At Large BOD Member' 1/9/2023 – 1/31/2025

Ms. Schmit informed the Board that Commissioner Sharpe will be stepping down as Commissioner effective January 9, 2023. She would like to continue as an at-large Board member for the remainder of her third term. The Board approved, and the following motion was made.

MOTION: Ms. Peyton moved to approve Ms. Nancy Sharpe to continue as an at-large Board member for the remainder of her third term beginning January 9, 2023. Ms. Hoover seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Motion to approve Ms. Sharpe to replace Mr. Batz as Treasurer.

MOTION: Mr. Erickson moved to approve Ms. Nancy Sharpe as treasurer for the Developmental Pathways Board for the remainder of her third term beginning January 9, 2023. Ms. Conrad seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

Dr. Michaela McDonnell: 2nd Term Ending 12/2022 (Term 3)

Ms. Schmit notified the Board that Dr. McDonnell's second term ends on December 31, 2022. Ms. Schmit asked Dr. McDonnell if she would like to continue on the Developmental Pathways Board for a third term. Dr. McDonnell stated yes.

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

Public Affairs Committee – Ms. Schmit

Ms. Schmit stated that the Committee met in November 2022, and their next meeting is scheduled for February 2023. DP participated in Colorado Gives Day on Tuesday, December 6, 2022. DP has raised approximately \$7,200 with 50 donations, and there is still more to account for. The Committee is focusing on ways to engage the community with DP's great work. They also spent some time discussing ideas for DP's 60th-anniversary celebration. The Committee plans to dig into this more at the February meeting. Lastly, the Committee discussed how to engage different audiences, including individuals, families, staff, and DP's wider community members that support this work.

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

Commissioner Sharpe stated that the Committee's focus has been to review local programming impact in real-time and provide guidance and recommendations on programming going forward. Commissioner Sharpe noted that based on current operational budgets, the team had approved nearly 83% of the total available funding for provider grants this year—which means that DP's provider network has been infused with over \$6M in promised funds to support the community. The Committee's next meeting is February 23, 2023, and they will be digging into some forecasting and planning for the upcoming budget cycles. Commissioner Sharpe informed the Board that Commissioner Warren-Gully will most likely take her place as Arapahoe County Commissioner on the Board next year.

New Business

Legislative and Policy Updates – Mr. VanAuken/Mr. Bowditch

Mr. Bowditch provided the following legislative update. Colorado experienced a "blue wave" in the 2022 election. Democrats won all State offices, and the Democrats gained five seats in the House for a margin of 46-19 and two seats

in the Senate for a margin of 23-12. The Joint Budget Committee (JBC) has been meeting for a few weeks, and there has been significant turnover in the DP delegation. Several ballot measures of interest to DP include Proposition 121, Proposition FF: Free Lunch for All, and Proposition 123. The Governor has submitted his budget request for FY 2023-24. This request will be modified on January 1, 2023. High inflation, large TABOR refunds, and the Department of Early Childhood Early Intervention Program will constrain the Legislature. The eligibility for Early Intervention Services was made more restrictive during the pandemic, and the Department has not fully expanded the eligibility to pre-pandemic levels. Other Issues being watched are TABOR Refunds and Paid Family and Medical Leave. Mr. Bowditch, Mr. VanAuken, and Ms. Tenure are in the process of meeting JBC members and Legislatures. Mr. Bowditch concluded that his full report is available on the Board Portal.

Mr. VanAuken provided the following policy update. DP Leadership is attending and listening to JBC meetings through the end of the year. 2023 Legislative Priorities include Targeted Provider Rate Increases, the DD Waitlist, Early Intervention, and continued monitoring of the ongoing workforce issues. At the federal level, ANCOR advocates for several of its policy priorities to be included in any year-end legislation that passes Congress. If included in the legislation, such policy priorities can strengthen home and community-based services, create economic opportunities, and prohibit practices that endanger the health and well-being of people with disabilities. Mr. VanAuken ended by saying that the 2022 Voter Engagement has concluded, and planning is underway for next year's campaign. Congratulatory emails were sent out to all the newly elected legislators.

Conflict of Interest Statement – Ms. Flores

Ms. Flores reminded the Board that Ms. Griggs will send out Conflict of Interest statements to Board members via DocuSign in January 2023.

Early Intervention Update – Ms. Troutman

Ms. Troutman provided the following update on the Early Intervention (EI) department. The EI department is made up of 101 staff members. The team consists of 51 service coordinators, an intake and service request placement team, an evaluation team, and data and billing specialists that span seven regional areas throughout Arapahoe County, Douglas County, and the City of Aurora. EI partners with seven school districts and a Board of Educational Services (BOCES) within these regional areas. EI partners with over 500 contracted providers who deliver high-quality services to children and families. Currently, EI serves 2,145 children, and Service Coordinators are carrying an average of 40 families on their caseload. This fiscal year they have welcomed 852 children into the program. Referral and Intake operations average 71 referrals a week, and they have received over 1,700 referrals this fiscal year and have completed over 1,200 intakes. Ms. Troutman discussed being awarded the RFP at the end of May and becoming an accredited Home Health Agency. EI hosted Nicole Updegrove, a Department of Early Childhood analyst, and Eric Kurtz, a JBC analyst. During both visits, they shared details about the EI program and funding challenges and observed an evaluation. Ms. Troutman stated that the nationwide provider shortage has been something they are keeping an eye on. This obstacle has allowed EI to build new partnerships with agencies in hopes of increasing DP's provider base. Ms. Troutman concluded by stating that EI is seeing constant programmatic changes, including the RFP Process, the completion of the EI Evaluation transfer from the Colorado Department of Education (CDE) to the Colorado Department of Human Services (CDHS), and the development of a new department of Early Childhood. EI is closely monitoring the Governor's Budget Forecast. This includes restoring the eligibility criteria to a 25% delay and a 3% across-the-board rate increase for providers. Ms. Troutman's slides are available for viewing on the Board Portal.

Case Management Updates – Ms. Grogan / Ms. Kitzman (Briefing Document)

Family Support Council Membership Approval – Ms. Grogan

Ms. Grogan informed the Board that Ms. Nikki Zimmerman was interested in serving as a member of the Family Support Council. Ms. Zimmerman's membership questionnaire was shared with the Board before the meeting. Ms. Grogan proceeded to ask the Board to approve the following motion.

MOTION: Ms. Conrad moved for the Developmental Pathways Board of Directors to approve the Resolution appointing Ms. Nikki Zimmerman to serve a 2-year term as a member of the Family Support Council; Mr. Batz seconded the motion. There being no discussion, it was approved by a unanimous voice vote.

A formal resolution was signed by Ms. Hoover, Board President, at the meeting.

FY23 Enrollment Updates / DD Waiver Resource Information – Ms. Grogan

Ms. Grogan informed the Board that enrollment is slightly above the projected growth rate and that of the 411 Developmental Disability (DD) resources; we have had seven come through Case Management; of those, everyone but one has been yes. Case Management is seeing the most growth in the Children Extensive Support Waiver and Family Support programs. Ms. Grogan reminded the Board that the briefing document is available on the Board Portal.

Case Management Team Stabilization / Roll-out of Team Coverage Model – Ms. Grogan

Ms. Grogan stated that Case Management (CM) has rolled out a new project around Case Manager Team Stabilization. This is one example of compensation and training efficiencies DP has rolled out. CM has also rolled out a coverage team model, where CM has designated leadership and a team of senior case managers who can support individuals during times of transition.

RFP/CMRD Update – Ms. Grogan / Ms. Kitzman

The live RFP will be released at the end of December 2022. DP will have about eight weeks to submit a formal response for region 5. A draft is complete and well-positioned to submit to the HCPF.

Open Discussion

None

Adjournment

There being no further business to come before the Board, the meeting adjourned at 1:32 p.m.