

HRDC BOARD OF DIRECTORS
HRDC CONFERENCE ROOM

MINUTES
MAY 28, 2015

Members Present: David Kack, Mitch Bradley, Scott Malloy, Al Maurillo, Kris Moos, Vicki Pikul, Peter Schmidt, Billie Warford, LeRoy Wilson and Linda Young.

Members Excused: Ron Brey, Chris Budeski, Pierre Martineau, Gene Townsend

Staff Present: Jeff Rupp, Mary Martin, Kristin Hamburg, Heather Grenier, Sue Cook, Margaret Mason, Whitt Hampton, Sara Savage

I. Call to Order

The meeting was called to order by Chairman, David Kack at 8:35 am

II. Public Comment

No public comment was offered

III. HRDC Impact Statement Presentation

Heather presented a slide show detailing the 2014 community impact. During 2014, with the assistance of 426 partners, HRDC impacted the lives of 12,662 people in 7 focus areas across 34 programs. Linda asked what we are doing to use this information in our development activities. Heather noted we have had multiple articles in the newspaper; we use this information when doing public speaking and when talking with potential donors. David requested the slide show be e-mailed to all board members. Billie expressed that there is now more consistency in our message, which is very positive.

IV. Consent Agenda

David asked members if they had any questions or comments regarding the items on the consent agenda; the minutes, new contracts, and monitoring reports which were very positive. Peter move to approve. Al seconded the motion. Upon a vote the motion was approved.

V. Department Presentation

Margaret Mason, Senior Programs Director provided an overview of the programs we operate to assist seniors and noted that the consistent message now being provided across the agency has assisted in obtaining grants. She provided examples of how each of the programs; RSVP, Senior Navigators, Homemaker, Senior Grocery, and Galavan have assisted in keeping seniors engaged and active and in their own home. She spoke of the request by the Park County Commission for HRDC to assume the operation of the Park County Homemaker services. Margaret also explained a new grant called the Senior Medicare Patrol that will provide monitoring of Medicare billing to assist in the prevention of health care fraud. The National Council on Aging has awarded us a \$25,000 grant to assist low-income seniors in applying for the Supplemental Nutrition Assistance Program

(SNAP). The goal is to enroll 500 seniors in the SNAP program. We were the only program in the State to be awarded this grant.

VI. Financial Reports

Whitt asked members to turn to the Financial Dashboard provided in the Read File. He then explained how the summary information for each program correlates to the Treasurer's Report. For example on page 5 is the detail for Section 8 and RPM. On page 4 is the Home to Stay, Amos House and Warming Center information. Page 8-9 contain information on the Food & Nutrition Programs, and on page 10 the Senior Programs are listed. Linda asked which programs the Board should be concerned about. Heather said we are closely watching the Community Cafe, Amos House, and RPM. Vicki wondered if lack of community education was impacting donations for these programs. Discussion among members took place regarding the cost benefit of prevention v. reaction.

Whitt reviewed the Budget to Actual Income Statement noting that NSP condo sales do skew our revenue. He also noted there is a \$300,000 timing difference due to payments from the Department of Transportation. Whitt felt that we will be in a break even position at June 30th.

Mitch moved to approve the Financial Reports. Kris seconded the motion. Upon a vote the motion was approved.

VII. Head Start

* In-kind Report: Jeff explained that we are \$57,000 short of the required matching funds amount. A request for a reduction in the required match has been made to the Denver Regional Office. It is frustrating that the Striving Readers grant from the State of Montana for \$170,000 has not been allowed as matching funds.

*Program Report/Financial Report: Jeff noted that there has been a change in how Head Start eligibility is documented. Now, like other programs, Head Start is requiring documentation of income. With this change, the Selection Priority Criteria scoring has been updated. Jeff also reviewed the Federal Financial Report submitted, the CACFP meals reimbursed, credit card expenses, and the attendance report.

*Enrollment Plan: On May 8, 2015 Heather submitted a Plan of Action detailing activities planned for recruitment of eligible families so that we are able to enroll the required 168 children. It was noted that we need to rebrand Head Start from a "poor" kids program to a child development enhancement program. As the program is currently designed Head Start is not able to respond to family needs such as all day classes. Jeff spoke regarding the Preschool Development Grant that was available however; we did not have a dynamic enough concept from our staff to be successful. Billie asked what we need to do to make our program work better. Jeff felt the answer is that we need to be working with Schools on integrated classrooms.

Scott moved to accept the Head Start Program Report. Mitch seconded the motion. Upon a vote the motion was approved.

VIII. Board Time

* Personnel Committee: The Committee met on May 4, 2015 to review the 2015 cost of living and health care renewal proposals.

The Committee is recommending a COLA increase for staff of 1.7% which is consistent with the increase in Social Security Benefits.

There is no rate increase in vision and dental premiums. A change in benefit enrollment to the first day of the next month following date of hire is recommended. This will allow our Head Start staff to have a Cobra safety net and is an attractive hiring tool. Blue Cross is offering Dual Options. 1) Blue Dimension offers a lower deductible but a higher Out of Pocket and less Copay on office visits. This option also has an increase in premiums. 2) Blue Edge has a higher deductible and a lower out of pocket cost. This option maintains premium rates at last year's level. This option also allows funding of Health Savings Accounts (HAS) pre-tax. Unlike the current Flex plans a HSA does not have the use it or lose it feature. To encourage staff to move to the HSA option it is proposed HRDC match up to the first \$500 put into the HSA during the 2015-2016 benefit year. This would be a onetime only incentive.

Billie moved to approve the recommendations of the Personnel Committee. Upon a vote the motion was approved.

* Audit & Finance: David reported that the RFP for the selection of an Audit firm was published and the Audit Committee of the Board had reviewed all proposals submitted. The Committee will be conducting interviews on June 2nd. David also invited members to attend the interviews if they would like. The Audit Committee plans to have a recommendation to Board at the July meeting.

The Committee has also reviewed the 990 and a copy is in the read file.

Heather presented the Organizational Budget for 2015-2016 fiscal year. She noted the biggest change is in the projection of revenue and expenses for the sale of the condos. Scott requested a comparison of fund raising/donation trend for the past several years.

Whitt reviewed the proposed changes to the Fiscal manual. On pages 9 and 10 the major change is in the cost allocation plan. The Purchasing section has also been updated. These changes are necessary to be in compliance with the new OMB Super Circular.

Al moved to approve the organizational budget and changes to the Fiscal Manual. LeRoy seconded the motion. Upon a vote the motion was approved.

IX. Standing Business

* Community Café Update: Heather reported we are now utilizing the pay what you can model. Currently we are generating \$37.50 per night. The goal was \$25 per night. Our Social Enterprise efforts need enhancement. Trevor has been accepted at Pen State and will be using the Community Café as his project in the Social Enterprise curriculum.

*NSP Close Out: The West Edge project has provided \$330,000 in earned revenue. The loans receivable must be recycled into another NSP eligible housing project.

X. CEO Report

Jeff provided an update on the Streamline accident wherein a passenger hurt her leg. In an effort to be responsive to the needs of our customer we have offered to pay half of the cost. Because our contract with Karst Stage puts the liability on their insurance the State doesn't want us to help and will not consider such an expenditure an allowable cost.

In Legislative news there was some additional funding for Transit and Energy programs.

The City of Bozeman is reviewing options regarding inclusionary zoning to produce additional affordable housing. Jeff related information regarding the City providing financial support for a Tax Credit development. This development will have units available to families at 60% of AMI. Previously only units meeting the lower threshold of 30% were provided financial assistance. This is a disappointing development in the City's policy.

Jeff let the Board know the Boys & Girls club is currently for sale and is priced at \$1.9 million.

With the implementation of the OMB Super Circular the Federal Government is expecting all units of government to be on same page effective July 1, 2015. The indications we are getting from our funders make it very unlikely this will happen. We could find ourselves in a position of having to operate under two or more sets of conflicting rules depending on the funding source.

Jeff commended Kristin, Robin, and Heather on the successful activities of Community Action Month.

X. Adjourn

David adjourned the meeting at 11:30 am.

David Kack, Chairman

Date