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BOARD MEETING AGENDA

Tuesday, March 10, 2026

6:30 PM.

**The Tom Turner Administrative Building,
936 N. Park Ave., Montrose**

BOD: Darcy Arnold, Mary Turner, Mary West, Mike Schottelkotte, Dr. Lou Dwyer, Lorraine Van Gemmert, Jim Jones, Cathy Roberts.

- I. Call to Order
- II. Absences
- III. Minutes
- IV. Public Comment
- V. Executive Director's Report
- VI. Committee Reports
 - A. Finance/Audit Committee
 - B. PR/Fund-Raising Committee
 - C. Governance Committee
 - D. Affordable Housing Project Committee
 - E. Policy Committee: Approval of updated and new policies.
- VII. Old Business:
- VIII. New Business:
- IX. Announcements
- X. Adjournment

FINANCE/AUDIT COMMITTEE:

The Finance/Audit Committee will meet from 5:30 – 6:30 preceding the regular Board meeting.



BOARD MEETING MINUTES MARCH 10, 2026

Directors:

Darcy Arnold
Mary Turner
Mary West
Cathy Roberts

Mike Schottelkotte
James Jones
Lorraine Van Gemert
Dr. Lou Dwyer

Staff Present:

Holly Tea
Kevin Sowder
Jennifer Pelligra
Tom Turner

Guests: Lucy Noll, Greg Lucero, Hannah Max

- I. Call to Order: Meeting called to order at 6:31 P.M. by President, Darcy Arnold. She declared a quorum to conduct business.
- II. Absences: Mary Turner, Mike Schottelkotte
- III. Public Comment: None
- IV. Agenda
 - A. Final minutes from February 2026 meeting were provided prior to meeting for board review. Darcy Arnold asked for any questions, comments, or changes and none were noted. Jim Jones motioned to approve the minutes, seconded by Thomas Dwyer. All in favor, none opposed, motion carried.
 - B. Executive Director's Report submitted respectfully by Jennifer Pelligra, provided as attachment to minutes.
 - C. Committee Reports
 1. Finance/Audit Committee:

The financial statements for January 2026 as presented were reviewed, with emphasis on revenue and expenses.
Discussion of nuances of expense lines included:
The in-kind donation COI received for the land purchase. This discussion centered on proper accounting classification of the \$1.52 million land purchase and \$270,000 in-kind donation.

Darcy's position was that land should be recorded in land account immediately per GAAP and FASB standards, not held in capital purchases until year-end. Kevin explained historical practice of holding capital purchases in separate account until fiscal year-end for easier tracking. Laurie questioned whether accounting treatment would impact grant writing capabilities or skew the operational picture and suggested seeking guidance from Hannah Max, ThinkSharp.

Hannah confirmed neither the in-kind donation nor land classification would significantly impact grant funding prospects; organization's deep reserves and capital assets are expected by funders. Land will be moved to proper land asset account rather than historical practice. Kevin noted that operationally for the month of January the Agency is just shy of 20k loss, however with the very large donation, the Agency shows a large gain for the month of 253k. This changes the deficit to a positive 48k.

A small steady dip in cash was noted. This will be corrected by the transfer of client benefits to pay for Room and Board.

Certificate of Deposit/ Investment discussion revolved around continuing the ladder strategy at best available rates, generally. However, there will be further discussion after monitoring of cash needs based on potential State budget cuts.

The organization is continuing to perform better operationally by approximately 195k less than the budgeted deficit projection.

Cash position and investments were reviewed and remain stable.

Thomas Dwyer motioned to approve the January 2026 Financial Reports, as presented, and this motion was seconded by Cathy Roberts. All in favor, none opposed.

Jennifer presented comprehensive overview of proposed state Medicaid budget cuts and organization's position on various proposals.

State considering 3.9% across-the-board Medicaid rate cut, which would cost organization approximately \$310,000 annually, significantly increasing the deficit. As an organization we are supporting targeted, data-driven cuts over across-the-board reductions. We support aligning IRSS Family Caregiver rates with Host Home rates (currently \$7-\$27 per day difference depending on SIS level). This is additionally important because of the similarity in settings. The organization supports reintroduction of PETI (post-eligibility treatment of income) where clients contribute to residential costs if income-eligible. The organization opposes DD waitlist slowdown requiring two people to exit before one can enroll.

The community has expressed concern that rate alignment will significantly impact family caregivers, potentially \$210-\$300 monthly reduction, however the potential 3.9% ATB will be much more potentially damaging.

We have been advocating to the JBC Members, including Representative Taggart, emphasizing organization can tolerate targeted cuts but across-the-board cuts of proposed 3.9% would be devastating. We have also highlighted that Medicaid is sole funding source for Agencies like COI, unlike other healthcare providers who access multiple streams.

The organization will monitor Joint Budget Committee decisions.

Discussion about Appearance of "Vehicle Maintenance" appearing under personnel cost and vehicle expense. It was explained that the current budget lines track labor hours separate from materials due to legacy tracking required by CDOT. These will be combined in the new FY27 budget.

2. PR/Fund-Raising Committee:
Darcy would like to remind the team that people don't give money because no one asks.
Hannah Max from ThinkSharp! reported a potential 160k in grant funds to support the growth and development of the transition program. This would supplement staff salaries and program supplies. It should be noted that the Agency's investment in this program has given significant leverage with funders.
3. Governance Committee:
No update.
4. Affordable Housing Project Committee:
We have been approached by several community firms with an interest in discussing development partnership. There was a consensus amongst the board and staff that the preference for this project is to keep as many dollars local, as possible.
The committee will meet on March 20, 2026, to develop interview questions and identify non-negotiables for development partnership.

VII. Old Business:

None

VIII. New Business:

Staffing Challenges and Solutions:

Discussion of ongoing staffing shortages and potential solutions including staffing agencies.

Jennifer reported that the Agency currently has sixteen open DSP positions, up from fourteen over the weekend. We have restructured relief positions with higher hourly wages since they do not receive benefits and Human Resources has updated those postings.

The administrative team has a meeting scheduled for two weeks with staffing agency that other peer organizations have used successfully

Holly shared what she had learned from an Amazon warehouse driver and the reality of the competition with positions like that was discussed. Jennifer noted concern about staff burnout as existing employees work numerous extra shifts – it is of much importance to preserve the dedicated employees we have and be mindful of overextending them.

Jennifer will share blank contract with board for review after meeting with agency for review prior to the next meeting. Kevin will share an analysis of cost comparison, as well.

IX. Announcements:

Dr. William Karls has retired, and he will be very missed. We thank him for his years of dedication to Community Options and the people we serve.

Night to Shine was a hit!

Greg shared Western Skyways is moving to Delta.

As for Special Olympics basketball, the "A" team came in first, the "B" team came in third.

X. Adjournment: Motion to adjourn put forth by Jim Jones , the meeting was adjourned at 7:30 P.M.

Respectfully submitted,
Jennifer Pelligra