



BOARD OF DIRECTORS MEETING

Thursday, November 30, 2023, 6:30 – 8:00 pm Zoom: [Login](#)

Dial-In: +1 312-626-6799, Meeting ID: 821 3771 4064, Passcode: 455469

MINUTES

Aisha Chughtai (Paul Shanafelt)	E	LaTrisha Vetaw	P
Allen Rezac	P	Miles Wilson	E
Antanisha Spears	P	Naweed Ahmadzai	E
Dominique Pierre-Toussaint	E	Samsam Mohamed	E
Glaiza Regis	P	Solomon Ogunyemi	P
Jim Lehman	E	Tyanna Bryant	P
Josh Schaffer	E	Victoria Chambers	P
Justin Gillette	P	Betsy Brock	P
Kathilyn Solomon	E	Vacant	
Kevin Anderson (Clara Severson)	P	Vacant	
Kevin Myren	P		

CAP-HC Staff Present: Dr. Clarence Hightower, Gayle Peters, Kendra Krolik, Lia Kang, Shanelle Hall, Tammy Stauffer, Todd Blooflat, TaMica’ Tody, Ann Larkin

1. Call to Order:

Vice-Chair Rezac called the meeting to order at 6:34 PM. Ms. Tody called the roll. A quorum was not present initially; however, we did meet quorum later in the meeting.

2. **Approval of November 30, 2023, Board Agenda:**

This item was tabled until we met quorum. Once quorum was met, Vice-Chair Rezac asked if there were any changes to the November 30, 2023, agenda. There were no changes. Mr. Myren made a motion to approve, seconded by Ms. Bryant. MOTION adopted and the agenda was unanimously approved.

3. **Approval of October 26, 2023, Board Minutes:**

This item was tabled until we met quorum later in the meeting. Vice-Chair Rezac asked if there were any changes to the minutes. There were no changes. Mr. Myren made a motion to approve, seconded by Ms. Bryant. MOTION adopted and the agenda was unanimously approved.

4. Study Session(s)

***BOLD** denotes Action Item for approval

a. **2024 Budget Book** – Mr. Blooflat

2024 budget was tough to come up with, there were many versions because there were no covid funds. This budget is a return to the normal state for the agency. The last few years were abnormal due to all the COVID funding we received. We do not expect the COVID funding to return. We also are not expecting additional Energy Assistance Program funds much like those that we have seen in the past several years. We have an increase of 38% overall in our health insurance premium. This was an additional \$150,000- \$170,000 over the course of the year, that we also had to cover. This has resulted in a very lean budget in all areas and departments of the agency. We have a fundraising task to raise \$150,000 for the Energy Assistance Program. We will enter 2024 with less staff than the previous staff, starting off with laying off Robert Half temporary staff. However, we are still funding all the current agency programs and the fees from the states direct appropriation will help increase our unrestricted funds balance and cash flow.

The Budget Book is a tool developed by staff as a yearlong resource to the Board and agency that provides a broad synopsis of the agency and resources used to develop the 2024 budget. The first section presents the transmittal letters from the Executive Director, 2022 overview programs and number of clients served, the current list of BOD and agency staff. There is also a summary of the agency's history. The 2nd section provides detailed information of the budget. The 3rd section provides a detailed narrative from each department and program leaders that includes goals, opportunities, challenges, and budget for the upcoming year.

The mission, visions, and values were reviewed, updated, and approved by the Board in 2020. Agreements were reviewed, discussed, and approved at the September 2023 Board meeting. The 2024 Budget Assumptions were updated as staff received new information and what the budget was based on.

Revenue – The pie-chart is sectioned off and rounded up to what each section of the program's revenue is. The revenue in this pie-chart totals \$6.6 million. Revenue is projected and based on what we know at the moment in time as funding is available in 2024 with 84% certainty.

Expenditures - \$6.6 million in programmatic expenditures. This amount is broken up into the various departments in addition to the CSBG/MCAG administration. EA and CS take up the majority of expenses.

Mr. Blooflat shares what different in 2024:

- Flat funding in CSBG revenue.
- Increase in funding in MCAG revenue.
- Decrease in EAP funding from Commerce
- Water program being funded by CSBG/MCAG
- Additional funding w/ direct appropriation from the state.
- Energy Assistance will grow by adding five positions.
- One additional position in Client Services will be added.

The Proposed Budget is a summary of the breakdown of revenue expenses by program and department.

The proposed final draft was approved at the Finance Committee's November 2023 meeting. The revenue we are taking in and the expenses that are going out for the programs are the same and we are balanced. Total agency budget show things not programmatic related such as depreciation reflecting \$2,000 that doesn't affect cash flow. The appropriations from the state are here as well – this is an estimate. At the bottom of the statement, we will see how much we anticipate giving subgrantees for expenses and reimbursement. This results in an overall

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agency budget in excess of \$240,000. This will help with unrestricted funds and cash flows. Mr. Blooflat thanks all CAPHC staff and Leadership for contributing to the Budget Book as this was a huge undertaking.

Mr. Blooflat opens the floor to the Board for questions. Vice-Chair Rezac invites Dr. Hightower to contribute comments first.

Dr. Hightower echoes Mr. Blooflat's sentiments that this was a very difficult budget. Acknowledging that we did not get the resources that we had gotten in previous years. We have had excess money previously, having to return money because we were unable to spend it. Dr. Hightower thinks this is more the reality that funding is closer to our expenses. The finance team has been preparing us for this over the last year. Dr. Hightower shares the most difficult aspect of the budget is going into 2024 with less staff. The best part is there are resources to continue to serve close to 35,000 households in Hennepin County.

Vice-Chair Rezac opens the floor to the Board. He shares the Finance team had an opportunity to review the budget prior to the Board meeting. There are no questions. Vice-Chair thanks the staff for the heavy lifting. He shares that Ms. Peters and HR Committee will be implementing a new compensation model and health insurance increases have made it a very complex budget. He is grateful to the staff.

b. The Employee Engagement Survey Results

Ms. Peters presents. The Employee Engagement Survey was disseminated June 2023, at the end of the Energy Assistance season. Nearly all staff completed the survey. In September 2023 we held five different listening sessions, virtually and in person to share the results of the survey.

The first page identifies seven areas for improvement that Leadership will act on in 2024. All Leadership will incorporate the action items in their 2024 work plan. The seven areas for improvement are listed below:

- Decision-making allows those impacted to give their input and ideas.
- CAPHC is good at assigning tasks, grouping tasks into departments, delegating authority, and allocating resources across the organization.
- CAPHC's Leadership team is invested in their team's success.
- CAPHC demonstrated/fosters/nurtures trust well.
- CAPHC demonstrated/fosters/nurtures stability well.
- CAPHC demonstrated/fosters/nurtures structure well.
- My workload is appropriate and manageable.

We anticipate launching the survey again at the end of each Energy Assistance season so that we have data that spans multiple years. There will be survey improvements in the future like providing more information on how to answer the survey questions as it relates to the organization as a whole or whether the question is just related to a specific team/program. We also may move the scale from five point to four point. We did have an average rating of three points.

Ms. Peters opens the floor for questions or comments.

Vice-Chair Rezac asks about the areas where the scores seem lower and references the

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following questions on the survey:

#24 My workload is appropriate and manageable – Vice-Chair Rezac deduces that staff seem to be stressed and ask leadership for feedback or thoughts.

#18 Decision making and those impacted feeling included.

#4 Leadership team is invested in my team's success.

Vice-Chair Rezac asks for Dr. Hightower's input on this or other Leadership. Dr. Hightower acknowledges this is the first time that we have gone through this process and expected to get "plowed". He didn't think the rating was as bad as he thought it would be. Dr. Hightower acknowledges that those questions are areas that we need to work on. He proposed that as we continue to administer the survey consistently going forward and being intentional about addressing these areas. He tasks Leadership to be intentional about making progress and ensuring staff feel that Leadership is vested in their success. He shares that incremental improvements need to be made. All areas at 3.2 or lower will be in the work plans.

Ms. Regis shares that she is part of cohort which is a Health and Wellness team at her agency and thinks the surveys are very effective in measuring where you are and where you want to get. Her cohort incorporated health and wellness practices and activities such as yoga, Thank You cards, a gratitude wall, bringing in henna artist. Ms. Regis asks if there is an opportunity for us to incorporate any of these suggestions and prioritize the health and wellness of the team. Dr. Hightower shares that we have established a Health and Wellness Committee. The committee is tasked with making CAPHC a better place to work. We will have a Wellness Room at each site that has the same set up at each location. We have a holiday party planned for staff. Dr. Hightower feels really good about the progress of the Wellness Committee.

Vice-Chair Allen asks if the results of the survey were shared back immediately with employees and how were results shared. Ms. Peters shares the survey was open for 12 days and most staff participated. Full results were shared with the team right away. During the listening sessions staff were provided with the survey results sheets for their review as well. Found it helpful to revisit the topics with staff and create energy around improvements.

5. Grant Application Report:

Ms. Krolik presents. This report shows activity through October 2023. The Ameriprise request for \$5,000 to support our Employment Readiness Counseling was declined. The denial letter was standard and stated that based on the number of applications and the geographic diversity of their funding they are unable to support all organizations. This was the first time we had applied to them. We have not heard back from Target regarding our General Operating request. We anticipated hearing by the end of September and having a hard time connecting with anyone about this. We have not heard back from DEED on renewal funding for Vehicle Repair. We anticipated hearing back a few weeks ago. We were denied our request to the Pohlad Foundation for our Repaid Rehousing request of \$400,000. Will get more feedback once the cycle is complete in April. So far, we were informed there were many applicants and this is a very competitive grant. We submitted a \$7,000 request to the Jim and Linda Lee Family Foundation of general support. This is an increase from the \$2,000 we have previously requested and received in the past. We are waiting to hear back on this one.

Vice-Chair Rezac opens the floor for questions and there are none.

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Vice-Chair asks if we are yet at quorum as Mr. Myren has joined the meeting.

Ms. Tody states that we are at quorum.

Vice-Chair Rezac suggests that Mr. Myren presents the financials, and we jump to this item on the agenda. The order of the agenda did change.

6. Financials:

a. September 2023 Financials

Committee Chair Myren reported that the Finance and Audit Committee met, discussed the statements, and did have a quorum. Chair Myren presented the Statement of Financial Position and highlights the cash and cash equivalents line and that as of the end of September 2023 we have \$188,000 vs. \$190,00 at the same time in the previous month and a \$12,000 difference from 2022 which is great. The Statement of Revenue of Expenditures for the first three quarters of the fiscal year shows \$5.2 million in actual revenue and \$5 million in financials and slightly ahead of the budget. This gives us a slight increase in net assets. We have \$42,000 in net surplus in the first three months compared to the budget of \$30,000 we are ahead of the budget year by \$10,000 which is great news. Committee Chair Myren and The Finance Committee present the statements for approval.

b. October 2023 Cash Flow Projections

Mr. Myren presented the Cash Flow Statements we are looking at a slight negative position with cash at the end of October. The committee did meet to discuss the budget and are submitting this item to the Board for approval as well.

Vice-Chair Rezac opens the floor for questions. There are none. Motion accepted by Vice-Chair Rezac, Ms. Regis Moves, and Seconded by Mr. Myren. All in favor and Motion unanimously approves on the September 2023 Financial Statements.

7. Human Resources Committee Update:

Committee Chair Gillette share the HR Committee met. There are a couple of open positions due to staff transitioning out of the agency, but Ms. Peters is confident they can fill those quickly. The committee discussed the engagement activities, the Employee Engagement Survey and holiday celebration and feeling good energy around those efforts. The State of the Agency was also discussed and how the agency is continuing to work to work on continued improvements. Overall, everything was very positive in the committee meeting.

8. Planning and Evaluation (P&E) Update:

Committee Chair Bryant shared that the P&E Committee met and did not have a quorum. Our motions were emailed out to the committee for approval. The Energy Assistance Program has over 16,500 applications in house and 58% have been worked compared to last season when 38% were worked at that time. We have doubled the applications processed from last season. The Getting Ahead Program is coming to a close with ten participants having completed this session. A graduation will be held in mid-December. A new Community Crisis Navigator was hired. The

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committee discussed the suburban Hennepin/Minneapolis split in service number. It was thought the Water Program vendors process submissions could contribute to this split and it is something that will be monitored. All usual reports were covered.

Committee Chair Bryant opens the floor. VICE-CHAIR Chair Rezac asks about benchmarking and what is the target goal amount for processed applications.

Ms. Stauffer shares there was a lot of work done on the program and additional staff was brought in. The Department of Commerce, lowering the income requirements from three months of income to one month, has allowed the team to process applications more quickly. Staff have been cross-trained. The goal is to have the applications moved to terminal status by the 60-day mark of having received the application.

9. Monthly Program Data Report:

Ms. Hall presented. 204 households served in October with a range of Energy Assistance dollars, Energy-Related Repair. Emergency Rental Assistance served over 30 households. Over 20 participants in the Financial Wellness Workshops were served. We had a few MNsure applications as well as a few Vehicle Repair participants. We see an increase in the suburban Hennepin/Minneapolis split. There is a total household served because of the Energy Assistance funding not being available until the end of October, however, for the year we are at over 18,000 total households served in comparison to 15,000 households served at this same time last year.

10. Executive Director Update:

a. EAP Final FFY23 Program Audit Report

Dr. Hightower presents the EAP Audit Report. The reports give a EAP overview and highlights CAPHC as the largest Energy Assistance provider in MN. On average, 20,000 household received energy assistance and \$14 million disbursed. The findings on the audit and areas for improvement are:

- Slow Processing
- High Denial Rate
- Triage Processing
- Benefit Determination

Proactive steps CAPHC took were:

- Hiring additional staff ahead of the Energy Assistance season – We reached out to other CAP agencies statewide.
- Cross-training staff.
- Granting overtime hours and having assistance from management.
- Daily compliance checks.
- Moving application to denied status timelier.
- Double checking data from certifiers.
- Processing crisis and non-crisis applications in the correct order.

We have 6,000 approved applications as of this week, 3,000 more than last year. The goal is to have fewer findings in the future. There will be more reporting on this topic to come.

VICE-CHAIR Chair Rezac finds this information very useful and looks forward to it being a part

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of the Board agenda on an annual basis.

The question was asked by Ms. Brock how many people we have processing applications. Ms. Stauffer shares that we currently have 43 FTEs, during a normal season we get 30 FTEs. WE have 1/3 of the staff that is Intake Staff. They are answering phones, assisting walk-in clients, the customer service aspect. We have another 80% of staff that is processing staff. They are evaluating applications, data entry, scanning, working with households to collect verifications, certifying applications. We added an additional Certifier, going from one to two staff in this role. We have two staff that work in the Furnace Program. We have an Outreach Coordinator, there are four that in management and leadership that assist as well.

The question was asked by Ms. Brock if you must apply every year. Ms. Stauffer confirms, yes, applications are submitting on an annual basis. The program opens October 1 every year and runs until May 31. Priority to applicants that received funding the previous season and households that are on fixed income. Applications are made available in rollover re-certifications applications. Households that received funding last year get a head start before applications go to the general public.

VICE-CHAIR Chair Rezac asks the question, when we reached out to other CAP agencies around the state to get ahead of our Energy Assistance season, how beneficial was that. Ms. Stauffer said this was a smooth transition as we had done it the year before. The staff were responsive, available, and efficient.

b. Give To the Max Recap:

Ms. Krolik presented. Give to the Max Day was November 16, 2023. Direct mail letters were sent to our mass donors, and we had a really good response at over 22%. Average response to mass mail is 1%-5%. We raised \$3,665.00. We are just over \$4,000 at Q4 and almost halfway from our goal. Retention of existing donors has gone well while new donor acquisition is a little slower. Ms. Krolik encourages all to be CAPHC ambassadors and share and repost about the Give to the Max goal with personal networks and on social media.

VICE-CHAIR Chair Rezac thanks Ms. Krolik for the reminder to keep CAP-HC in mind when networking.

Dr. Hightower shares that last year we applied to the Schultz Family Foundation Grant and were denied. This year we took a different approach and asked if they would join us with a challenge. We proposed they match the dollars raised if we were to raise \$10,000. Dr. Hightower echoes the importance of sharing out with our networks.

Dr. Hightower shares that as we have had discussions about the budget challenges with staff, there has been an increased interest in the Board. Dr. Hightower predicts there may be more staff interested in attending Board meetings in 2024. There will be no expectations that we will hear from staff, but they certainly have the right to listen. VICE-CHAIR Chair Rezac is onboard with this, more engaged staff is better and it's good for the Board to get to know staff.

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11. New Business -- Chair Schaffer (10 min)

a. 2024 Budget:

There were no further questions on the 2024 Budget. Mr. Myren made a motion to approve, seconded by Ms. Brock. MOTION adopted and the 2024 Budget was unanimously approved.

b. 2024 Holiday Calendar:

There are no questions on the calendar. Mr. Ogunyemi made a motion to approve, seconded by Ms. Bryant. MOTION approved and the 2024 Holiday Calendar unanimously passed.

12. Announcements/Information:

The Board Roster, Board Calendar, Board Committee Assignments, and the Agency Dashboard were included in the Board packet for review. A link to the Board Portal on the agency website was also included on the agenda.

13. Adjournment:

Vice-Chair Rezac stressed the importance of attending the Board meetings as it's important to have a quorum. The meeting was adjourned by Vice-Chair Schaffer at 7:51 PM.

Next CAP-HC Board of Directors Meeting:

Thursday, January 25, 2024

6:30 – 8:00 PM

Our **Mission** Partner with community to provide effective and responsive services to reduce the impact of poverty in Hennepin County.

Our **Vision** Hennepin County without poverty

Our **Values** Strengthening Community, Eliminating Barriers, Creating Opportunities, Building Relationships, Responsible Stewardship, Equity and Inclusion