

BOARD OF DIRECTORS MEETING MINUTES

Thursday, May 22, 2025, 6:30 – 8:00 pm

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Dial-In: +1 312-626-6799

Meeting ID: 821 3771 4064, Passcode: 455469



Community Action
Partnership of Hennepin County

MINUTES

Adriana Cerrillo	E	Council Member LaTrisha Vetaw	P
Antanisha Spears	P	Commissioner Marion Greene	E
Brian Smith	P	Miles Wilson	E
Commissioner Debbie Goettel	E	Solomon Ogunyemi	E
Council Member Emily Koski	E	Traverna (Tray) Douglas	P
Commissioner Heather Edelson	P	Tyanna Bryant	E
Jim Lehman	E		
Josh Schaffer (Board Chair)	P		
John Baker	P		
Kevin Myren	P		
Council Member Dr. Kimberly Wilburn	P		

CAP-HC Staff Present: Dr. Clarence Hightower, Todd Blooflat, Kendra Krolik, Tammy Alto, Lia Kang, Kab Xiong, Jalynn McLaughlin

Guest presents: Maggie Kohl on behalf of Council Member Latrisha Vetaw

Call to Order/Roll Call – Chair Schaffer:

Dr. Hightower introduced the new HR Director Kab Xiong. Chair Schaffer called the meeting to order at approximately 6:32 PM. A quorum was present.

Review and Approval of May 22, 2025, Board Agenda – Chair Schaffer:

Chair Schaffer asked if there were any changes to the May 22, 2025, Board agenda. Mr. Myren made a motion to approve the agenda, seconded by Commissioner Edelson. MOTION adopted and the agenda was unanimously approved.

Review and Approval of April 24, 2025, Board Minutes – Chair Schaffer:

Chair Schaffer asked if there were any changes to the April 24, 2025, Board minutes. Mr. Myren made a motion to approve the minutes, seconded by Commissioner Edelson. MOTION adopted and the minutes were unanimously approved.

Study Sessions:

a) Big Picture Funding

i. Federal Funding – Mr. Blooflat

Mr. Blooflat shared CAP-HC receives three grants that are passed through federal grants—LIHEAP, CSBG and HUD. The two biggest grants CAP-HC receives are the LIHEAP and CSBG grants. Both programs have been cut from the released version of the President's skinny budget. The National Community Action Foundation (NCAF) lobbyists believe congress will get the CSBG and LIHEAP funds added back into the federal budget because of the historical bipartisan support. Staff are currently going through the CSBG and LIHEAP application process for FFY2026, which also includes FFY2027 for CSBG. Projected CSBG funding is \$3.5million for

***BOLD** denotes Action Item for approval

the combined two years of the grant and is about a \$37.5k increase over the current grant. LIHEAP funding is unknown and will not be known until September. There is speculation that there may be a federal government shutdown near October. Chair Schaffer asked about contingency planning in the event funding is cut and what the agency's response would be. Mr. Blooflat answered there are procedures in place for shutdowns, but the agency would struggle to survive if the two largest funders are cut. Chair Schaffer suggested it may be beneficial for staff to map out what staffing changes, programmatic changes and public communication would need to happen if the agency's funding is cut. Commissioner Edelson asked if the CSBG funding was cut entirely. Mr. Blooflat confirmed in the proposed skinny budget from President Trump the funding is cut entirely along with almost every other Community Action Program funding. For the new year the projected loss is just over \$3.5 million.

ii. State Funding – Ms. Krolik

Ms. Krolik highlighted the Minnesota Community Action Grant (MCAG) funding is flexible and one of the three largest funding sources for CAP-HC. MCAG funds all 24 CAP agencies and tribal nations in the state. Over the last two years there was a total budget of \$3.2 million, which included a one-time increase of about \$1.28 million. The current MCAG grant period ends on June 30. The legislature is headed into a special session and will need to pass a budget by June 30 to avoid a shutdown. There were hopes the legislature would maintain the one-time increase but unfortunately this session MinnCAP did not get a hearing for the bill. There has not been any talk of cutting the MCAG base budget. If this remains, CAP-HC is expected to receive about \$1.9 million for the next biennium. Ms. Krolik shared the loss is about \$1.28 million over the two-year period or \$640k per year less than what was received previously. Chair Schaffer asked how staff are anticipating this will impact service delivery. Ms. Krolik answered the level of service delivery would go back to what it was in 2021-2023.

b) **CSBG/MCAG and HECAT Grants** – Ms. Krolik

Ms. Krolik shared the due dates for the CSBG/MCAG and HECAT grants were before tonight's board meeting so staff asked the executive committee to review and approve the application submission and now need the board to ratify the decision.

CSBG/MCAG: These grants are both administered by the Minnesota Office of Economic Opportunity under the department of Children, Youth and Families so they are submitted jointly. The biennium is a 30-month period starting July 1, 2025-December 31, 2027. The anticipated amount for both grants combined is about \$5.5 million. CAP-HC uses these funds for programs in the Client Services department, organizational infrastructure, the executive director's office as well as the program and planning department.

Homeownership Education Counseling and Training (HECAT): This grant comes from Minnesota Housing and the Minnesota Homeownership Center. This year staff requested \$110k to support homebuyer education, homebuyer counseling and financial wellness counseling. \$99k of these funds would be used for salaries and fringe benefits and \$11k would support administrative expenses. These funders prioritize grantees supporting underserved populations. The projected outcomes include serving 50 clients with Homebuyer Workshops, 30 Homebuyer Counseling and 15 clients with Financial Wellness Counseling.

Financials – Committee Chair Myren:

a) **March 2025 Financials**

Mr. Myren gave an overview of the March financials. Statement of Financial Position: The end of March the agency was \$60k negative which is slightly better than the month before.

Statement of Revenue and Expenditures: Through March 31, the actual year to date was \$2.2 million vs the budget year to date of \$2.4 million for a negative variance of \$200k. There was \$110k more in grant

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revenue and \$317k less in direct appropriation. The \$110k was offset and used for salaries, benefits and professional services. For the first quarter the agency was about \$11k in the red vs the budget that would break even. The Finance and Audit Committee made a recommendation to the full board to accept the report.

Chair Schaffer asked if there were any changes to March 2025 financials. Mr. Smith made a motion to approve the financials, seconded by Ms. Douglas. MOTION adopted and the March financials were unanimously approved.

b) April 2025 Cash Flow Projections

April ended with a positive \$126k and looking forward this number is positive but small. It is anticipated the credit line will be used due to timing issues. CAP-HC submits their expenses and required documentation to the State and the State reimburses the agency for those expense. There has been a growing delay with CAP-HC receiving reimbursements from the State and this has had an impact on the agency's cash flow. Commissioner Edelson asked how much is going to deliver services to clients. Mr. Myren shared for the first three months direct client support was \$170,198. Mr. Blooflat shared the comments on page 16 of the Statement of Revenue and Expenditure report shows the year to date amount that has gone to each program.

Q1 Client Satisfaction Survey – Ms. Krolik:

Ms. Krolik shared the report for the first quarter of 2025. There were 769 clients that returned surveys, which was a 15.1% response rate. The vast majority of respondents received services from the Energy Assistance Program— with Emergency Rental Assistance, Financial Wellness and Water Assistance following. About 63% of respondents live in Minneapolis and 37% in Suburban Hennepin. 46% of respondents identify as white and 36% as black or African American. The client satisfaction scores are similar to the 4th quarter of 2024. The average score across prompts was 3.22 and is higher than what 1st quarter has been the last three years. The agency's goal for 2025 is 3.20 for each quarter. About 82% of respondents received services remotely. Respondents most frequently cited Energy Assistance, Vehicle Repair, Water Assistance and Emergency Rental Assistance as programs they'd like additional support from.

Grant Application Report – Ms. Krolik:

Ms. Krolik presented the grant activity through April. There was one unrestricted \$2500 request submitted to Target's Community Engagement Fund. This is offered by a local Minneapolis Distribution Center. There were a lot of proposals sent in May so the June report will have more. There was an application submitted today to Target's Hometown Grant, which is different from the previously mentioned grant. This is a competitive grant that CAP-HC has applied to unsuccessfully for the last two years. Ms. Krolik asked if anyone has a contact at the Target Foundation to strategize the best way to build the agency's relationship with this funder.

Finance and Audit Committee Update – Committee Chair Myren:

Committee Chair Myren shared the committee met and had a quorum. The financial statements were reviewed in depth. There was the usual line of credit and legal update. There was a significant amount of time spent discussing the federal legislative update.

Human Resources Committee Update – Committee Chair Cerrillo:

Ms. Kab Xiong shared the committee had a quorum this month and approved the previous meetings' minutes. The Employment Services Coordinator position is still vacant, and staff hope to have this filled in

the next 30-45 days. Interim HR Director, Marquita Wagner's last day was May 16 and Director of Client Services Brittany Wiese's last day was May 21 with Angelique Flemons accepting the position. There is an Energy Assistance employee returning to school and will be resigning effective June 6, 2025. The employee handbook will be reviewed and brought to leadership before any revisions are brought to the board by the end of the year. Ms. Xiong shared she is reviewing compliance reporting to ensure the agency remains in compliance. HR is to hold 4 trainings by the end of December. There are currently two trainings scheduled; one is a workplace alliance and resilience training for June 3 and the second is on handling workplace stress and demands for June 12.

Planning and Evaluation (P&E) Update – Committee Chair Bryant:

Ms. Douglas shared the committee update in Committee Chair Bryant's absence. The committee met but did not reach a quorum. The action items will be moved to the next committee meeting. Ms. Wiese gave a presentation on the Vehicle Repair program and its requirements. Ms. Alto went over the Program Data Report and program highlights. The remaining 10% of LIHEAP funding was received and the program will stop taking applications on May 31—the end of the program season. Ms. Barkley presented the Grant Application and Grant Expenditure reports.

Fund Development Committee Update – Committee Chair Lehman:

Chair Schaffer shared the committee update in Committee Chair Lehman's absence. The committee met and had a quorum. Potential prospects for individual and foundational donors that would be willing to assist CAP-HC's fundraising goals were discussed. One of the prospects included Blaze Credit Union. The grant application report was also reviewed. Mr. Lehman set up a meeting with Riverbridge and CAP-HC staff to discuss CAP-HC's work and how it may align with their philanthropic giving. Dr. Hightower shared there was not a timeline given on when to expect a response from them, but the meeting went well and Riverbridge seemed interested in the work of CAP-HC. Chair Schaffer emphasized the importance of the board connecting CAP-HC with their network to help get the agency to a more sustainable status in the future. Dr. Hightower shared that because of a board member's connection with the Minneapolis Foundation staff was able to make a connection that may be highly beneficial for the agency.

a) CAP-HC Elevator Speech

Ms. Douglas presented her version of the elevator speech. Staff will ask for volunteers each month to present their elevator speech at the next month's meeting.

Monthly Program Data Report – Ms. Alto:

Ms. Alto presented the April Program Data Report (PDR). There were 2,572 services provided with a significant edge to Minneapolis over Suburban Hennepin. Year to date there have been 11,417 services completed. Energy Assistance (EAP), EAP Crisis, Energy Related Repairs, Water Assistance, Emergency Rental Assistance (ERA), Vehicle Repair (VRP) and the Financial Wellness workshops all had a strong month. At the end of April 38.4% of the 2025 goal was achieved.

Executive Director Update – Dr. Hightower:

a) May Recap

Dr. Hightower highlighted the following items:

1. There will be a study session on how the Direct Appropriation went. The grant ends June 30 and there is no July meeting, so this is scheduled to be discussed at the August meeting.
2. Dr. Hightower reintroduced Kab Xiong the new Director of HR and expressed the excitement staff have with her joining the agency.

3. CAP-HC staff and the Fund Development Committee had a productive meeting with Riverbridge, a Minneapolis investment management firm.

It was also highlighted that both Hennepin County and the City of Minneapolis have proclaimed May to be Community Action Month. Dr. Hightower ended by thanking the County Commissioners and City Council Members.

New Business – Chair Myren:

a) **Seating of New Board Member Ashley McNamara**

Dr. Hightower shared Ashley McNamara would be joining the private sector of the board. The current private sector members have reviewed Ashley's resume and voted to recommend her to the board. Once she is appointed, she will be joining the HR Committee.

Chair Schaffer asked if there was any discussion around the seating of Ashley McNamara to the private sector. There were none. Ms. Douglas made a motion to approve Ms. McNamara's seating, seconded by Commissioner Edelson. MOTION adopted and the seating of Ashley McNamara was unanimously approved.

b) **CSBG/MCAG and HECAT Grants**

Chair Schaffer asked if there were questions on the CSBG/MCAG and HECAT grants. Mr. Smith made a motion to ratify the submission of the grant applications, seconded by Ms. Douglas. MOTION adopted and the grant application submission was unanimously approved.

Announcements/Information:

There were no additional announcements or information.

Adjournment

The meeting adjourned at approximately 7:41 PM.

Next CAP-HC Board of Directors Meeting:

Thursday, June 26, 2025

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