



BOARD OF DIRECTORS MEETING

Thursday, March 28, 2024, 6:30 – 8:00 pm

Zoom: [Login](#)

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

Antanisha Spears	E	Naweed Ahmadzai	E
Glaiza Regis	E	Victoria Chambers	P
Kathilyn Solomon	E	Brian Smith	P
Miles Wilson	P	Council Member Emily Koski	P
Samsam Mohamed	E	Allen Rezac	P
Solomon Ogunyemi	P	Council Member LaTrisha Vetaw	E
Tyanna Bryant	P	Commissioner Kevin Anderson	P
Jim Lehman	E	Commissioner Debbie Goettel	P
Josh Schaffer	E	Adriana Cerrillo	E
Dominque Pierre-Toussaint	P	Council Member Dr. Kimberly Wilburn	P
Kevin Myren	P	Commissioner Marion Greene	P

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

Guest Present:

1. **Call to Order**

Acting Chair Rezac called the meeting to order at approximately 6:32 PM. Ms. Tody called the roll. A quorum was present.

2. **Review and Approval of March 28, 2024, Board Agenda**

Chair Rezac asked if there were any changes to the March 28, 2024, Board Meeting agenda. There were none. Mr. Myren made a motion to approve, seconded by Mr. Smith. MOTION adopted and the agenda was unanimously approved.

3. **Review and Approval of February 22, 2024, Board Minutes**

Chair Rezac asked if there were any changes to the minutes of the February 22, 2024, board meeting. There were none. Mr. Myren made a motion to approve, seconded by Ms. Bryant. MOTION adopted and the minutes were unanimously approved.

4. Study Sessions

a. **SFY2024-25 DEED Childcare Economic Development Grant**

Dr. Hightower presented. A partner community organization has asked CAP-HC to serve as fiscal agent for the SFY2024-25 DEED Childcare Economic Development Grant. The partner organization felt this grant would be better received if it came through CAP-HC since we have experience and history with DEED. This is a \$300,000 grant. CAP-HC would receive \$30,000 in administration fees. This would be unrestricted funds for CAP-HC. The partner organization would be providing additional childcare services in north

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Minneapolis with the funds from the grant. Commissioner Goettel asked where the \$30,000 that CAP-HC receives in administrative fees would go. Dr. Hightower deferred to Mr. Blooflat. Mr. Blooflat stated the \$30,000 would go to CAP-HC reserves, to improve cash flow. Commissioner Goettel was very pleased to hear this. Chair Rezac stated the State fiscal year starts July 1 and asked if that is also the start date of this grant. Dr. Hightower and Mr. Blooflat assumed this will be the case. Dr. Hightower offered to follow up. Chair Rezac is comfortable with this and assumes the grant will follow the States fiscal year calendar and doesn't require any follow up on this date.

b. **Energy Assistance Letter of Intent**

Dr. Hightower presented. Each year, CAP-HC must declare in writing the agency's intent to run the Energy Assistance Program through the Department of Commerce. CAP-HC has the largest Energy Assistance program in Minnesota, and it is anticipated that in 2024, roughly 27,000 individuals will be served through this program at CAP-HC. The Letter of Intent will be sent as it has been for over 40 years, declaring that CAP-HC will continue to offer this program. There is one caveat this year. The State is trying to manage risk and as a result Dr. Hightower must include that to his knowledge none of CAP-HC staff or board members have committed a felony in the last 10 years. Dr. Hightower will send an email to all board members asking for each to confirm yes or no to committing a felony in the last 10 years. Dr. Hightower will include these results with the LOI to the Department of Commerce. Chair Rezac asked if approval should be sought from the HR Committee to propose background checks instead of the "honor system" way of gathering felony information. Chair Rezac asked if it is worth paying for background checks and proposed the HR Committee discuss this option. Dr. Hightower provided additional information. Background checks are run on all staff. This isn't something that we have ever done with board members. Dr. Hightower asked if Chair Rezac would allow the "honor system" method for this year and research background options for next year and beyond.

5. Financials

a. **January 2024 Financials**

Mr. Myren presented the Financial Statement. The 2023 fiscal year has concluded, and this is the first month of the new fiscal year. The budget is very close. The Grants Revenue was budgeted at \$560,000. The actuals reflect \$559,000. There are two direct appropriations, soon to be three pending approvals. Other sources are interest, rebates, and earning from previously restricted grants. Total revenue for January 2024 is \$804,000. This is about \$320,000 more than last year. Expenses are in line with the budget. The change in net assets for the year to date was \$32,429. This is positive and good. The Finance Committee did review all of this in depth with staff. The current financial position looks good. Chair Rezac accepted a motion to approve the January 2024 Financials. Commissioner Goettel made a motion to approve, seconded by Ms. Chambers. MOTION adopted and the January 2024 Financials were unanimously approved.

b. February 2024 Cash Flow Projections

Mr. Myren presented. In January there was a razor thin cash margin of \$22,723. That is after three consecutive months of negative cash as programming was ramping up. February is projected to be positive by \$83,000. This number fluctuates slightly based on the number of payrolls in the month. The difference is covered by the line of credit. The

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line of credit has been utilized a couple of times. As unrestricted funds are earned that builds up cash flow and less need to tap into the line of credit.

6. Grant Application Report

Ms. Krolik presented. There were two new grants applications submitted in February. The first is a proposal to the Minnesota Department of Commerce for the Proactive Energy Self Sufficiency Grant. Staff requested \$49,000 to support energy conservation efforts. This grant was approved and will be reflected in next month's report. The 2nd grant applied for in February was the Community Development Block Grant. Staff request a renewal of the current grant but with additional funding, a total request of \$140,000 was submitted. This would support both Emergency Rental and the Water Program. Staff expect to hear back on this grant in June. Staff still await a response from the Schultze Family Foundation on the \$10,000 matching grant and Edina Realty on a request to support housing programs. Ms. Krolik followed up on a suggestion made at the February board meeting to investigate accessing Federal Rental Assistance funding that other states were unable to use. Chair Rezac connected Ms. Krolik with representatives at Hennepin County. Ms. Krolik learned while there were no near-term opportunities to access Federal Rental Assistance funding an invitation to CAP-HC staff to participate in two different standing monthly, committee meetings with Hennepin County staff and other Hennepin County providers was extended. These are great opportunities for CAP-HC to learn of future funding opportunities and provide more ways to coordinate services with other providers. There are a couple of opportunities that have already been presented. There is a Schools to Housing program that CAP-HC could participate in that would provide Emergency Rental Assistance to families in school districts with high rates of homelessness. Staff have also learned the Family Homeless and Assistance program, that many CAP agencies participate in will have another cycle opening in a year from now.

7. Finance and Audit Committee Update

Mr. Smith opened with a question to the Finance and Audit Committee. Mr. Smith wanted to know what the interest rate is on the line of credit. Mr. Blooflat shared the rate is 9.75%. Mr. Smith asked if reimbursements from the State are coming in time to avoid interest accrual or is interest being paid each time credit is accessed. Mr. Blooflat shared that interest is paid daily. Mr. Blooflat shared so far in 2024 \$560 has been paid in interest. Mr. Smith appreciated the information as it will assist him in researching ways to help with fund diversification options. Mr. Myren shared the Finance and Audit Committee met on March 15 and a quorum was present. The committee reviewed the financial statements and cash flow. A Line of Credit report was also reviewed. The Line of Credit report is a new standing agenda item. Dr. Hightower and Mr. Myren approve the draws on the line of credit and then a report is presented to the Finance and Audit Committee that provides a breakdown on the amount of the draw, the balance, and how long it is outstanding. An additional Legal update has been added to each agenda as well. Lastly, the Finance and Audit Committee received an update on the status of the audit. The fieldwork is mostly wrapped up and auditors have taken things in-house for review. There will be an update on the audit at the April Finance meeting.

8. Human Resources Committee Update

Ms. Chambers presented. The HR Committee met Wednesday, March 27 and a quorum was not present. Ms. Peters reported there are two open positions currently in the interviewing process. The Wellness Committee has been meeting regularly and working to improve the wellness spaces at each location. Staff have been acknowledging each other by writing kudos on hand-shaped notes and posting in the breakrooms and shared spaces. Staff across the three locations have also been enjoying working on puzzles together. During the Overall State of the Agency, Ms. Peters shared that roughly 20 30 employees will be furloughed in stages beginning the first week of April through the end of summer. Client Services is experiencing a staffing shortage as there are some staff out on leave. The Administrative team is fully staffed. There will be a new Solar program launching and the Water program is scheduled to start early July.

9. Planning and Evaluation (P&E) Update

Ms. Bryant presented. The P&E Committee met on Monday, March 25 and a quorum was present. The committee met a new member, Council Member Koski. Energy Assistance applications are completely caught up. Client Service was at a 30-day processing time but due to staffing shortages, currently processing applications in 40 days. The Job Readiness Workshop has been convening since early February and there have been six participants. There are two positions open in Clients Services that the team is actively interviewing for. Staff recently attended an Orono Community Collaborative meeting and shared about CAP-HC programming. It is anticipated that staff will continue to attend and support this collaboration.

10. Monthly Program Data Report

Ms. Hall presented the February Program Data Report. 2,535 households were served, and the breakdown is as follows:

Energy Assistance	2,226
Energy Related Repair	40
Emergency Rental Assistance	183
Financial Wellness Workshops	21
Homebuyer Education	2
MNsure Applications	6
Vehicle Repair	50
Employment Readiness	7

1, 244 of the households served were in Minneapolis and 1,291 in suburban Hennepin. To date 5,215 household have been served across programs. This is 19.5% of target goals met. This time last year the total number served was 4,455. Chair Rezac asked for more information on the Water program. Ms. Hall deferred to Ms. Stauffer. Ms. Stauffer reported the Water program was due to launch January 1; however, due to the high Energy Assistance demand, efforts were focused on that program and Water is scheduled to start July 1. With Energy Assistance being caught up, the Water program may begin late May – early June. Chair Rezac asked about VITA, noting those numbers reflect “0” on the Program Data Report. Chair Rezac asked if all that work

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happens in March. Ms. Hall clarified that tax clinics began in February and there are **60** completed and accepted returns that are not reflected in the report that should be listed.

11. Executive Director Update

Dr. Hightower appreciated hearing that two of the three committees met and had a quorum. The New Board Member Orientation convened just prior to the board meeting and five of the six new board members were in attendance. Programmatically 2023 was a very good year. The timeframe that it takes to provide service to community members after application submittal, has decreased and Dr. Hightower is grateful to Ms. Hall and Ms. Stauffer on these timing and process improvements. Dr. Hightower asked Ms. Stauffer to share about the new partnership with Xcel Energy. Ms. Stauffer shared that a new MOU has been signed with Xcel Energy. This partnership should reduce the number of CAP-HC denied households that are Xcel customers and potentially flip denied households to approved status. Xcel will provide staff to reach out to Xcel customers and CAP-HC clients that are in that denied status, to reengage them, inform them that can reapply before the May 31 deadline, and cover missing documentation from applications with clients, in effort to get them to submit information needed to complete the process. This is a unique partnership that could prove to be a model for other partnerships with Xcel and CAP agencies across the state.

12. New Business

a. **Reseating of Board Members** – Chair Rezac

i. **Solomon Ogunyemi – Community Sector**

ii. **Kevin Myren, Treasurer – Private Sector**

Chair Rezac accepted a motion to reseating of Mr. Ogunyemi and Mr. Myren. Motion made by Commissioner Goettel. Seconded by Ms. Bryant. Motion unanimously approved.

b. **2023 Executive Director Performance Evaluation** – Chair Rezac

Chair Rezac noted that Chair Schaffer met with Dr. Hightower and reviewed the results of the performance evaluation. Chair Rezac asked staff if they received a copy of the results. Dr. Hightower shared the results are not distributed to staff or included in the packet. Chair Rezac thanked everyone for submitting their feedback. Chair Rezac asked if this is an item that we vote on. Commissioner Goettel clarified that we vote to except this item. Mr. Myren raised a question about voting on an item that the board has not reviewed yet. Mr. Myren suggested noting on the record that the evaluation was completed and reviewed. Mr. Myren advised the board not to vote on something that hasn't been seen and advised Chair Rezac to report for record that Chair Schaffer reviewed results with Dr. Hightower. Dr. Hightower suggested tabling this topic and handing this over to the Executive Committee. Chair Rezac made the decision to table this item for now and present it to the board at the April meeting.

c. **Ratification of SFY2024-25 DEED Childcare Economic Development Grant** - Dr. Hightower

Chair Rezac accepted a motion for approval of the SFY2024-25 DEED Childcare Economic Development Grant. Motion made by Commissioner Anderson, Seconded by Mr. Myren. MOTION unanimously approved.

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- d. **2024 Signature Delegation Authority** – Chair Rezac
Chair Rezac asked if it mattered if Chair Schaffer was not present and voting on this and if this item can be voted on in his absence. Dr. Hightower said that we can vote on this. The document must be notarized, and the dates will change to when it is signed in front of the notary. Chair Rezac accepted a motion to approve the 2024 Signature Delegation Authority. Motion made by Commissioner Goettel, Seconded by Mr. Myren. MOTION unanimously approved.
- e. **Energy Assistance Letter of Intent**
Chair Rezac accepted a motion to approve the Energy Assistance Letter of Intent. Ms. Chambers made a motion, Seconded by Ms. Bryant. MOTION unanimously approved.
- f. **Conflict of Interest Policy** – Chair Rezac

Dr. Hightower shared that each board member must sign off on this document each year and state if there is a conflict. Signed forms should be submitted to Ms. Tody.

13. 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.

14. Adjournment

The Meeting adjourned by Chair Rezac at 7:36 PM

Next CAP-HC Board of Directors Meeting:
Thursday, April 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