



**BOARD OF DIRECTORS MEETING MINUTES**

Thursday, May 23, 2024, 6:30 – 8:00 pm

Zoom: [Login](#)

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

**MINUTES**

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

CAP-HC Staff Present: Dr. Clarence Hightower, Gayle Peters, Kendra Krolik, Todd Blooflat, Lia Kang, Katherine Castille, TaMica’ Tody

Guest Present: Melissa Hill (Councilmember Emily Koski)

1. Call to Order/Roll Call:

Chair Schaffer called the meeting to order at approximately 6:33 PM. A quorum was not present, and all voting was conducted via survey. The survey results are attached.

2. Review and Approval of May 23, 2024, Board Agenda:

Due to a quorum not being present all voting was conducted via survey. The survey results are attached.

3. Review and Approval of April 25, 2024, Board Minutes:

Due to a quorum not being present all voting was conducted via survey. The survey results are attached.

4. Study Sessions:

a. **2023 Audit and IRS Tax Form 990:**

Laurie Helm of Bergan KDV/Creative Planning presented the audit review in place of Marie Primus. Field work was completed during the week of March 11, 2024. A clean and unmodified opinion was determined. The presentation to the board was delayed due to new information on the state appropriation coming up late in the process, resulting in an audit adjustment. The large state appropriation beginning in July 2023 at \$6M, over two years, increased revenue when revenue was expected to decrease. There were three new

**\*BOLD denotes Action Item for approval**

multi-year office leases signed in 2023 and under the new leasing standard, it is required that these leases be included on the financial statements. The new leases resulted in a significant increase in assets and liabilities. There was a large AP run which caused a large overdraft from outstanding checks more than the bank balance. This was just a timing issue and not a true overdraft. For salary expense increases, there was a 5% Cola increase, EAP staff had mandatory overtime and additional were staff hired to keep up with high demand, and the CHRO had a full year of salary and benefits vs. the six months in 2022. There was \$24M of federal expenditures. There were no material weaknesses or significant deficiencies. The total assets and liabilities both increased by \$1.8M, of this, \$1.2M of those funds were *Right to Use of Asset Funds*. Total net assets increased by approximately \$10,000. Most grants were reimbursement based. Revenues stayed close to expenses. The change in the state appropriation increased both revenue and expenses. The Statement of Functional Expenses breaks expenses down by programs, salaries, rent, office supplies, etc. Management General Percentage compared to Program Service stayed the same as 2022, split adequately and met standard. Net assets remained the same. Observations made were:

- Consider spending down net assets with donor restrictions or ask to have restrictions removed.
- Continue plans to diversify funding to help build reserves.
- Consider if some expenses are better classified under fundraising for statement of functional expenses.
- Noted there were unspent energy assistance funds

Two main industry trends noted were:

- Cyberattacks
- Succession planning

## 5. Financials:

### a. **March 2024 Financials:**

Mr. Blooflat presented the financials. Cash dropped from February to March approximately, -\$135,000 due to timing. Funds were received by April to cover the cash equivalent. The end of March concluded with -\$15,000 and an overall ytd of \$41,000 change of net assets. March was the first month impacted by the revised direct appropriation. There will be a budget revision presented in June.

### b. April 2024 Cash Flow Projections:

Mr. Blooflat presented the cash flow projections. April finished with \$192,000 in cash. As the summer months progress, cash will increase. Most EAP staff will be furloughed, allowing for expenses to decrease and resources to build. In July it is expected that the line of credit will be accessed, as EAP ramps up and staff return in preparation of the new EAP season. Chair Schaffer asked roughly when the line of credit would be reimbursed. Mr. Blooflat stated the line of credit is a bridge to reimbursement and anticipates the balance would only be outstanding for 2-3 weeks.

6. Grant Application Report:

Ms. Krolik presented grant application activity through April. The CH Robinson invitation was denied. There was a large volume of applications received. A grant proposal was submitted to the Minneapolis Area Association of Realtors for \$7,500 to support the housing stability programs. Staff anticipate hearing back soon. An LOI was submitted to the Frey Foundation to support housing stability in the amount of \$30,000. A DEED Childcare Economic Development Grant was submitted in March in partnership with YouthPrise. The grant has been awarded but less than requested. Chair Schaffer asked when the funding would be received. Dr. Hightower shared the award amount is \$250,000 but we do not have a date of when funding will be released.

7. Client Satisfaction Survey Report:

Ms. Krolik presented the 1<sup>st</sup> quarter 2024 Client Satisfaction Survey Results. There were 757 surveys completed. Most respondents received services from energy assistance, vehicle repair, and emergency rental assistance. 45% of respondents reside in Minneapolis and 55% in suburban Hennepin County. 44% of respondents identified as white and 35% identified as black. The goal is to be above the 3.0 score on prompts. *Getting in contact with a staff member was quick and easy* was 3.08, compared to 3.1 last quarter. *Staff made it easy to understand which programs were available and how to enroll in them* was 3.13 this quarter. *Staff made me feel like they cared about my personal situation* was 3.13. *I would recommend CAP-HC programs to my family and friends* received the highest score this quarter, 3.37. 80% of respondents received assistance remotely and 21% received services in person. Most respondents heard about CAP-HC through Hennepin County, a friend or relative, or a utility company. Most would like additional support from energy assistance, vehicle repair, and water assistance.

8. Finance and Audit Committee Update:

Ms. Brock reported the committee met on May 17 and had a quorum. The committee thoroughly reviewed the 2023 audit with Marie Primus. The committee voted unanimously to recommend the audit for approval. The March 2024 financials and cash flow report were reviewed in greater detail. Dr. Hightower presented updates on the line of credit status and agency legal usage. Ms Lang gave the committee an update on the DEED Direct Appropriation grant that is currently undergoing a monitoring visit. The staff reiterated that the agency will not have to pay back any funds for the administration charges and that hands were not slapped by DEED for the misunderstanding. Finally, the grant summary for the Otto Bremer Trust grant request was presented, discussed, and the committee voted to recommend for approval by the board. Chair Schaffer asked for more information on the monitoring sessions. Mr. Blooflat shared that CAP-HC is being monitored by DEED. At the conclusion staff will be alerted to what is needed from the subgrantees. At that time CAP-HC will be monitoring the two subgrantees.

9. Human Resources Committee Update:

Ms. Chambers reported the committee met and had a quorum. Minutes and agendas were approved. Ms. Peters shared there are two open positions. A Program Support hire was recently made. The staff is in process of interviewing candidates for current openings. There was a recent

**\*BOLD denotes Action Item for approval**

all-staff meeting that was held virtually and well attended. There will be staff development and training opportunities during the remaining three all-staff meetings slated for the year. The Employee Engagement Survey will be distributed in Fall. Ms. Peters shared, overall the team is thriving, there's excellent cohesiveness throughout the teams and good energy. Ms. Peters asked if there were additional topics the committee wanted to cover. The committee discussed adding more employee relation topics going forward.

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

Committee Chair Bryant shared the committee met on Monday, May 20. A quorum was present. The regular reports and updates were reviewed. Community Actions has connected with PICA and there should be news of a youth energy conservation session soon. CAP-HC has also attended recent PICA community events.

11. Monthly Program Data Report:

Dr. Hightower presented the monthly Program Data Report. For the month of April 1,819 households were served. For ytd just over 9,000 have been served. This is 34% of the targeted annual goal with 33% of time spent. Staff is closely monitoring the split between Minneapolis and suburban Hennepin. In April 52% of clients were Minneapolis residents and 47% suburban. The water program will launch July 1 and it is expected that 1,000 households will be served from ZJuly 1 – December 31. Service time is now at a 30-day processing time. Dr. Hightower is very pleased with where things are and the trajectory. Dr. Hightower is pleased with Ms. Stauffer and Ms. Hall's hard work and efforts.

12. Executive Director Update:

Dr. Hightower appreciates board members showing up for committee meetings and for making quorum. Dr. Hightower encouraged the HR committee to continue to dive in and ask the appropriate questions of what more they should discuss. Dr. Hightower praised the team for a clean, unmodified audit. May is Community Action Month. Dr. Hightower lifted Councilmembers Vetaw and Councilmember Koski for hosting CAP-HC and the proclamation for Community Action Month in Minneapolis. Hennepin County will be doing the same proclamation county-wide.

13. New Business:

**a. 2023 Audit and IRS Tax Form 990:**

Due to a quorum not being present all voting was conducted via survey. The survey results are attached.

**b. Otto Bremer Grant Summary:**

Ms. Krolik presented. This has become a consistent grant awarded to CAP-HC for the past several years in the amount of \$70,000. The current grant supporting the emergency rental assistance program ends on July 13. Staff proposed submitting a request for \$100,000 for the upcoming cycle to support emergency rental assistance. \$80,000 would

**\*BOLD denotes Action Item for approval**

be used for direct assistance, serving 80 households. \$20,000 would go to administration. Chair Schaffer asked if this administration cost is consistent with past request or if it is increased with the higher request. Ms. Krolik shared this is a larger admin fee and staff were advised to increase this line item to 20%.

Due to a quorum not being present all voting was conducted via survey. The survey results are attached.

c. Board Self-Assessment:

Chair Schaffer encouraged board members to complete the 2024 board self-assessment survey. Chair Schaffer also reminded board members to sign and return the 2024 Conflict of Interest Policy.

14. 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.

15. Adjournment:

The meeting adjourned at approximately 7:36 PM.

Next CAP-HC Board of Directors Meeting:

Thursday, June 27, 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