



BOARD OF DIRECTORS MEETING

Thursday, April 27, 2023, 6:30 – 8:00 pm

Zoom: [Login](#)

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

Minutes

Aisha Chughtai	E	Kevin Myren	E
Allen Rezac	P	LaTrisha Vetaw	E
Antanisha Spears	P	Miles Wilson	P
Detra Miller	E	Naweed Ahmadzai	E
Dominique Pierre-Toussaint	P	Samsam Mohamed	P
Falilatou Iniwe	E	Solomon Ogunyemi	P
Jeff Washburne	P	Tyanna Bryant	P
Jim Lehman	P	Victoria Chambers	P
Josh Schaffer	P	Vacant	
Justin Gillette	P	Vacant	
Kevin Anderson	E		

CAP-HC Staff Present: Dr. Clarence Hightower, Gayle Peters, Katherine Castille, Kendra Krolik, Shanelle Hall, Tammy Stauffer, Todd Blooflat, Theresa Lumpkins

Guests Present: Marie Primus (BerganKDV)

1. Call to Order:

Chair Schaffer called the meeting to order at 6:32 pm. Ms. Lumpkins called the roll. A quorum was present.

2. Approval of April 27, 2023, Board Meeting Agenda:

Chair Schaffer asked if there were any changes to the agenda of the April 27, 2023, Board meeting. Agenda items 4c and 12c will be removed from the agenda as the Bloomington lease agreement is not ready to be presented for approval. Mr. Rezac made a motion to approve the amended agenda, seconded by Mr. Washburne. MOTION adopted and the agenda was unanimously approved.

3. Approval of March 23, 2023, Board Meeting Minutes:

Chair Schaffer asked if there were any changes to the minutes of the March 23, 2023, Board meeting. There were none. Ms. Mohamed made a motion to approve, seconded by Mr. Washburne. MOTION adopted and the agenda was unanimously approved.

4. Study Session(s):

- a. 2022 Audit and IRS Tax Form 990 -- Ms. Marie Primus

Ms. Primus presented a high-level review of the 2022 audit and IRS Tax Form 990; however, a detailed presentation was given at the last Finance and Audit Committee meeting. She gave a brief review of some things that took place in 2022 at CAP-HC such as the ending of the QIP and CSBG/MCAG funding being reimbursed monthly rather than weekly. The new lease standard went into effect in 2022. This added a right-of-use asset and an offsetting operating lease liability. Total assets increased by approximately \$189k, total liabilities increased by approximately \$178k, and total net assets increased by \$11k. The agency received a clean unmodified opinion, which is the best opinion you can get. This was received in the financial statement as well as a clean unmodified opinion in the single audit or uniform guidance independent auditors report. There were two single audits this year, LIHEAP and the new water program. There were no findings, no material weaknesses, and no significant deficiencies, and no noncompliance with the single audits. There were no new questions for the IRS tax form 990. BergankDV provided some recommendations and best practice suggestions for the agency.

b. FFY 2022 CSBG Annual Report -- Ms. Krolik

The Community Services Block Grant (CSBG) Annual Report is required by the Minnesota Department of Human Services Office of Economic Opportunity (MN DHS OEO) on an annual basis to gather Community Action agency data in a standardized format. All Minnesota state data is aggregated for a national report to the U.S. Congress. The report is divided into four modules which each Community Action agency in the nation is required to complete. Ms. Krolik reviewed each module in great detail. CAP-HC submitted the CSBG Annual Report to MN DHS OEO in February 2023.

c. Bloomington Lease Agreement -- Ms. Krolik

The Bloomington lease agreement is not ready, so this study session was removed from the agenda.

5. February 2023 Financial Statements and March 2023 Cash Flow Report:

Mr. Rezac led the Board through the February 2023 financial statements through February 28, 2023. The cash for February went down slightly from January due to an increase in payroll, in part due to the EAP overtime. There is a positive change in net assets in the amount of \$1,030. The MAGIC account is earning significant interest between \$800 and \$1,000 per month. Total expenses are where they should be; 17% percent of the year has passed and 17% of the budget has been spent. Staff are still waiting to hear back on a couple of grants which will result in an adjustment to the budget.

Mr. Lehman made a motion that the Board accepts the February 2023 financial statements, subject to audit, Seconded by Mr. Washburne. There were no further questions or comments. Motion unanimously adopted.

The March 2023 Cash Flow Report was reviewed. Cash flow is looking good.

6. Grant Application Report:

Ms. Krolik presented. The Edina Realty Foundation grant was received in the amount of \$3,000 that is unrestricted money. Staff are still waiting to hear back from Hennepin County for the Community Development Block Grant (CDBG) that was submitted in the amount of

\$70,000 for emergency rental assistance. A grant was also submitted to Otto Bremer Trust in the amount of \$100,000 for emergency rental assistance. A grant was submitted to DHS/OEO Homeless Assistance Grants in the amount of \$698,000 to support the Rapid Rehousing program. The CSBG/MCAG work plan was submitted in April.

7. Finance and Audit Committee Update:

Mr. Rezac reported that the Finance and Audit Committee met and did have a quorum. The vast majority of the agenda was spent reviewing the audit and the IRS Tax Form 990. The February financials and the March cash flow were also reviewed.

8. Human Resource Committee Update:

Mr. Gillette shared that the HR Committee met and did have a quorum. The committee received an update on recruiting and hiring. The total head count for the agency at this time is 61 employees. At full capacity there would be 65 employees. Between 2022 and 2023, the agency turnover rate dropped from 45% to 10%. An update was also given on the culture initiative. As part of this initiative, a new Wellness Committee has been established. An update was given on the merit-based pay initiative that staff have been working on.

9. Program Planning & Evaluation (P&E) Committee Update:

Mr. Washburne shared that the P&E Committee met and did have a quorum. The committee discussed the monthly program data report, the grant application report, and the grant expenditure status report. The VITA Tax season has ended and assisted a total of 66 households with tax returns. A HUD Housing Counselor has been hired.

10. Monthly Program Data Report:

Ms. Hall presented. This report gives the year-to-date program totals as well as totals for the month of March 2023. For the month of March, 3,129 total households were served. There is a slight increase in the number of households served for Suburban Hennepin at 53.2% over Minneapolis at 46.8%. The total number of households served to date is approximately 7,500.

11. Executive Director Update:

a. Relocation Working Group

Dr. Hightower shared that staff are in the process of finalizing the lease agreement for the Bloomington office location. Attorneys on both sides are still working through the details of the agreement. The goal to move into the Brooklyn Park location was May 1, however, this date has been pushed back to mid-May.

Ms. Krolik gave an update on the relocation working group. The workgroup consists of 8 staff members who meet weekly to discuss the task list related to the relocations. The group is still working on selecting a moving company to establish a timeline for the move into the Triad building.

b. All Staff Meeting

Dr. Hightower shared that there was an in-person All-Staff meeting in early April that took place at the Ridgedale Library. This was the first time all staff have been together in person since December.

- c. **Board Self-Assessment**
Dr. Hightower shared that the Board Self-Assessment is something that must be done on an annual basis. This gives all board members a chance to evaluate themselves. Ms. Lumpkins will email a questionnaire to all board members after the board meeting to be completed. The deadline for completion is next Friday, May 5.

12. New Business:

- a. **2022 Audit and IRS Tax Form 990** -- Mr. Blooflat
The 2022 Audit and IRS Tax Form 990 were previously presented as a Study Session. Staff is seeking approval to accept the 2022 Audit and IRS Tax Form 990. Motion made by Mr. Rezac, Seconded by Mr. Lehman. Discussion, none. Motion unanimously approved.
- b. **FFY2022 CSBG Annual Report** -- Ms. Krolik
The FFY2022 CSBG Annual Report was previously presented as a Study Session. Staff is seeking approval to accept the FFY2022 CSBG Annual Report. Motion made by Mr. Washburne, Seconded by Mr. Lehman. Discussion, none. Motion unanimously approved.
- c. **Bloomington Lease Agreement** -- Ms. Krolik
This item was removed from the agenda.
- d. **Grant Summary: CSBG/MCAG Grant (Ratification)** -- Ms. Krolik
Ms. Krolik shared that the deadline for the CSBG/MCAG Grant application was due last week prior to tonight's board meeting. The grant summary was approved electronically by the Executive Committee and was reviewed by the Finance and Audit Committee. The grant period is for 30 months from July 1, 2023 through December 31, 2025. The total grant amount is approximately \$5.4 million, with \$3.4 million for CSBG funding and \$1.9 million for MCAG.
Motion made by Mr. Lehman to ratify the CSBG/MCAG Grant Summary, Seconded by Mr. Washburne. Discussion, none. Motion unanimously approved.

13. Announcements/Information:

- a. 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.
- b. An amended copy of the Agency Bylaws was emailed to all board members.
- c. Mr. Rezac asked if the location in Brooklyn Park has space that would be large enough to hold the May board meeting. Unfortunately, the building doesn't have space large enough for the board meeting. Chair Schaffer would be open to holding an in-person board meeting either at the St. Louis Park office or someplace else for an upcoming meeting.

14. Adjournment:

The meeting was adjourned by Chair Schaffer at 7:41 pm.

Next CAP-HC Board of Directors Meeting:

Thursday, May 25, 2023

6:30 – 8:00 pm