



BOARD OF DIRECTORS MEETING

Thursday, September 28, 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	E
Allen Rezac	P	Miles Wilson	P
Antanisha Spears	E	Naweed Ahmadzai	P
Dominique Pierre-Toussaint	E	Samsam Mohamed	E
Glaiza Regis	E	Solomon Ogunyemi	P
Jim Lehman	P	Tyanna Bryant	P
Josh Schaffer	P	Victoria Chambers	P
Justin Gillette	P	Vacant	
Kathilyn Solomon	P	Vacant	
Kevin Anderson (Clara Severson)	E	Vacant	
Kevin Myren	P		

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

Guests Present: Clara Severson (Representative for Commissioner Kevin Anderson)

1. Call to Order:

Chair Schaffer called the meeting to order at 6:31 pm. Mrs. Larkin called the roll. A quorum was present.

2. **Approval of September 28, 2023, Board Meeting Agenda:** Chair Schaffer

Chair Schaffer asked if there were any changes to the agenda of the September 28, 2023, Board meeting. Mr. Rezac made a motion to approve, seconded by Ms. Bryant. MOTION adopted and the agenda was unanimously approved.

3. **Approval of August 24, 2023, Board Meeting Minutes:** Chair Schaffer

Chair Schaffer asked if there were any changes to the minutes of the August 24, 2023, Board meeting. There were none. Mr. Rezac made a motion to approve, seconded by Ms. Bryant. MOTION adopted and the agenda was unanimously approved.

4. Study Session(s):

a. 2024 Budget Timeline and Assumptions: Ms. Blooflat

Mr. Blooflat explained the highlights of the Budget Timeline. First, they share the Timeline in September to the Board, the Finance Committee and Board of Directors for approval. Next in October they work on generating the budget with staff, leaders and directors and get it finalized by the end of the month. November is when most of the final work happens. They complete the first draft on November 1st. Then they present it to the Leadership Committee and email it to the Finance Committee for their review and comments. They take comments and make any adjustments on the completion of the budget and preparation of the length. In November, a week ahead of the Finance & Audit Committee meeting, they will present the final draft for review. When it is approved, they assemble the Budget Book (electronically) and mail it to the Board members. On Thursday, November 30th they have a second session and present the 2024 Budget to the Board of Directors for review.

Mr. Blooflat presented the Budget Assumptions or Revenue. The revenue listed is committed to us for 2024 or we have an 80% assurance that we will get it. Right now everything that is listed on page 9 is funds that have been committed to us, except for the Getting to Work Program and the Volunteer Income Taxpayer Assistance grant. These two are estimates. Once we get their final numbers from the state, then if there are any adjustments, we will make it at that time. Usually there is ample time to make these adjustments before the final draft of the budget is due.

Then Mr. Blooflat presented the Agency Expenditures. These are assumptions. The most significant point is that we are going to a COLA Merit Market Adjustment plan. Gayle will be presenting this next month as it is handled through the HR Committee. We are projecting a pool of money between 2.5% and 4.0%. That pool will be divided into three areas. In prior years, that was strictly COLA money. So, the 5% was given to everybody. Going forward that will change. We do not have the final figure yet. We are still working on it. Everything else on page 10 is based on research. Health Insurance is projected to go up 10%. Dental Insurance is projected to be 4%. We expect our Unemployment Insurance to stay the same and Worker's Compensation will increase slightly as we expect to add some employees. Short-Term and Long-Term Disability is fixed with no increase on those rates through 2024. Toward the bottom of page are the projections for Social Security and Inflation. To clarify, the Inflation Benchmark of 3.4% is through August. There were no questions.

5. Financials: Committee Chair Myren

- a. **July 2023 Financials –**
- b. August 2023 Cash Flow Projections

Chair Myren presented the Summary for Financial Statements through the end of July (the seventh month of the fiscal year). The Actual Results for the

Month to Date are a loss of (\$2,200). That brings the Actual Year to Date total to \$8,735. Last year at this same point we were down (\$3,127). The Budget showed a loss of \$36,000. So, we are significantly ahead of where we were last year. Then Chair Myren presented the Balance Sheet. We had a negative cash flow because of a timing issue, then it was resolved and is back on track. Regarding the Cash Flow statement, we dipped into the red slightly, but got back into the \$100,00 to \$200,000 range. The Committee has reviewed the Financial Report for July and is recommending the acceptance of it by the Board. Ms. Chambers made a motion to approve, seconded by Chair Myren. All were in favor. There were no questions.

6. Grant Application Report: Ms. Krolik

Ms. Krolik presented the Grant Application Status as of August 2023: We requested \$70,000 from CenterPoint Energy to support some Energy Conservation Education again this year. We have additional updates not reflected in the report that will be added in next month's report. First, CH Robinson did not award us the \$10,000, but we did receive the Energy Assistance Program Grant. Also, today we learned about three additional grants we will be receiving: Homeownership Education, Counseling and Training (HECAT) and the Homeownership Capacity grant (both from Minnesota Housing). They told us we did receive an award and will let us know on Monday the exact amount. Furthermore, the Minnesota Department of Revenue awarded us \$27,000 over two years for our Volunteer Income Tax Assistance (VITA) program. These will be mentioned in next month's materials as we did not have this information on hand until now. There were no questions.

7. Finance and Audit Committee Update: Chair Myren

Committee Chair Myren reported that the Finance Committee met on September 18th with quorum and went over the Financial Statements for July 2023. They also looked over the Cash Flow Statement and approved the recommendation of the auditing firm. The Auditing Selection Committee included Dr. Hightower, Lia and Chair Myren. Then, they reviewed the Budget Timeline for 2024, the underlining Assumptions and the Summary Report for the DEED grant. There were no questions.

8. Human Resource Committee Update: Chair Gillette

Committee Chair Gillette presented: The HR Committee met earlier this evening and we had a quorum. We went through our regular agenda items. First, we went through a staffing update. Things are going well there. We expect to be at full staffing within the next several weeks. The head count for the total organization would be around 60. Then we covered the ongoing cultural initiatives and discussed upcoming events like the holiday party planning. Then we looked over the final draft of the Compensation Program that will be reviewed with the full Board next month. This draft will go from our committee to the Finance

Committee for review before the next Board meeting. Finally, the proposal looks great and we are excited to share it with the Board. There were no questions.

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

Committee Chair Bryant shared that the P&E Committee met and did have a quorum. The committee discussed the usual monthly reports. They have a certified HUD counselor, another one coming on board and a third HUD counselor to start October 11th. This will be great for the extra phones for the Housing department. For Cummins, they had 3 or 4 client Spotlights. Chair Bryant was one of the client Spotlights and commented on the automotive assistance program and the financial workshops. They were very helpful. The online application was fixed. Finally, they discussed what to do if there was a government shut down. It looks good for a few months, and they are optimistic. There were no questions.

10. Monthly Program Data Report: Ms. Hall

Ms. Hall presented. This report gives the year-to-date program totals as well as totals for the month of August 2023. For the month of August, 289 households were served. The total number of households served to date is 17,750, which is approximately 3,000 more households than this time in 2022. For the Water Assistance program, about 1,600 were served compared to a little over 1,300 last year. For the Emergency Rental Assistance program, 232 households were served compared to 153 last year. For the Financial Wellness workshops, 224 were served in August. In partnership with the Cummins grant we are only 7 households away from making the goal of 250 households. Also, there is an increase for Suburban Hennepin versus Minneapolis households. That is because of the Financial Wellness Programs that allowed the servicing of households outside of the service area, as well as the Water Crisis Program. With the Water Crisis Program, the vendors in the Suburban Hennepin area were able to turn their paperwork in earlier than those in the Minneapolis area. Dr. Hightower commented that for many years they have serviced the Minneapolis and the Suburban Hennepin areas evenly with a 50/50 percent ratio. He wanted members to pay attention if the split continues to get wider. There were no other questions or comments.

11. Client Satisfaction Survey Report: Ms. Krolik

Ms. Krolik reported the results for Quarter 2 of the Client Satisfaction Survey from April 1st – June 30th. This is CAP-HC's most systematic data collection effort. There were 852 surveys completed. This is a 16.1% response rate. This is our highest response rate for the Client Satisfaction Survey over the last two years. Possibly, the highest response rate ever. One of the reasons why it is higher is we are sending it out more frequently, closer to when the people have received services. Then Ms. Krolik reported the breakdown of the services received. The highest number, 92.8% were recipients of Energy Assistance Program support. Next was Financial Wellness Workshops at 3.5% of respondents, followed by Energy Related Repairs at 3.2%.

Then regarding the Breakdown between Minneapolis and Suburban Hennepin, over half of

respondents were from Suburban Hennepin at about 52% and 47.5% were Minneapolis residents. Next regarding Race and Ethnicity, about 38% of respondents identify as black or African American, and another 38% as white, with a mixture of lower percentages for other race and ethnicities.

Finally, regarding the Client Satisfaction Prompts the average scores for all prompts this quarter either stayed the same or increased slightly. The two prompts that increased slightly were: "Getting in contact with a staff member was quick and easy" that went from 2.84% to 2.87% and "Staff made me feel like they cared about my personal situation" went from 2.96" to 3.01". Then "Staff made it easy to understand which programs are available and how to enroll." had no change. Finally, "I would recommend CAP-HC to family and friends" had no change and continues to be the highest rated prompt at 3.29%.

So, then the overall mean score across all the prompts shows a slight increase from 3.03% to 3.04%. Over time the scores stay around the 3.0% mark. The target for the survey is to stay above 3.0% from a 4.0% scale. The teams' aspiration is to get even higher scores than that.

Regarding Client Communication, about 79% of respondents received services remotely in the second quarter, and about 10% received in person assistance mostly from the former St. Louis Park location. Referring to table 8, "How did respondents here about our programs and services?" Most hear about them through Hennepin County, a friend or relative or a utility company. Lastly, "What additional programs would people like support from?" The top three selected programs are "Energy Assistance at 42.9%, Vehicle Repair 27% and Water Assistance at 25%. Allen asked on Table 7, about 30% respondents disagreed that "Getting in contact with a staff member was quick and easy." Now that it is post-Covid. Why do you think it is that high? Kendra responded that they have focused on it a long time. After implementing the call center, that improved slightly, but for the most part it has stayed the same going up and down periodically. It is one of the challenges. Dr. Hightower mentioned that these results are dominated by Energy Assistance which is a large problem. We served more clients in Energy Assistance last year than any other program and we did not get to all those who requested assistance because there were so many. The challenge is a volume problem. Tammy mentioned that last year we approved 27,768 applications. There were no other questions.

12. Executive Director Update: Dr. Hightower

Dr. Hightower is really excited about the move being completed with staff in Bloomington, Brooklyn Park and Minneapolis. All three sites are populated with our teams. We received very positive comments about the spaces. We had Open Houses for Bloomington and Brooklyn Park and our third and final Open House is Friday, October 6th. There were some challenges at Urban League (getting chairs for example), but the staff was very patient.

a. Pohlad Family Foundation Grant

Kendra mentioned that last week they learned about a new opportunity to apply for a grant for the 2024/2025 Direct Impact Program. The Letter of Intent is due on October 10th, that means it will require a quick turnaround. What that means is we will not be

able to wait until the October Board meeting to present the grant summary. So we would like ask the Executive Committee for approval to apply for the grant. If awarded, it would be \$75,000 which would be a nice boost for our Rapid Rehousing program. Allen asked when the Pohlard grant needed to be applied for. Kendra responded October 10th for the LOI.

b. Possible Federal Government Shutdown: Dr. Hightower

Dr. Hightower mentioned that Todd, Kendra and I have been following the situation closely. Todd mentioned that there will be no immediate effect on us. We are good for the next three months. All communications with the State that give the funds to us are positive. The current CSBG money has already been allocated to us through December 31st. The new CSBG may be affected but we would not need that any sooner than January 1st. We received almost twice as much MCAG money from Minnesota this year, then we have in previous years. That will also help us. We have started to receive grants that our state related, or corporation/foundation related. Two areas that might be affected is the Lighting and Energy Assistance Programs. They have carryover money that will start the year off with, however we will receive enough money from NFA and Commerce to last us well into December. It might affect us in the first round of the New Year programs. Funding from the Federal Government occurs in November, depending on how long the Government shut down will last, it will affect when they get the money, and thus when they can get it to us and other agencies within the state. Otherwise, we feel good about it. The State feels good about it. We don't have any direct Federal funds, so that will not affect us as well. There were no other questions.

13. New Business: Chair Schaffer

Chair Schaffer mentioned the importance of having a diversified fund source and asked the Board Attendees to take a moment to think about other fund sources, then had them write down possible ideas. Dr. Hightower mentioned having a contact with Bremer Bank. Chair Schaffer added that sometimes the first step is simply having a conversation, introducing CAP-HC and letting people know what we do and who we serve. Allen asked what is a LOI? Kendra responded that a LOI is a Letter of Intent. Some funders have a two-stage process: first requiring a Letter of Intent, then if they like what they see they will invite you to provide a formal proposal. Chair Schaffer mentioned in terms of fundraising efforts, that if you have any ideas for fund sources, please reach out to Dr. Hightower or himself.

a. **2024 Budget Timeline and Assumptions:** Mr. Blooflat

Allen Rezac made a motion to approve, seconded by Chair Schaffer. All were in favor. There were no questions.

b. **Subgrantee Contracts:** Mr. Blooflat

**A Mother's Love –
Salem, Inc. -**

Mr. Blooflat mentioned that A Mother's Love and Salem, Inc. are a part of the State Appropriation that CAP-HC received earlier this summer. It went into effect July 1st. Part of the appropriation is that half of the money goes to A Mother's Love and half goes to Salem, Inc. We are the go-between DEED and these two sub-grantees. Dr. Hightower signed the agreement with DEED. Now, we must do the sub-grantee portions with A Mother's Love and Salem, Inc. They are very similar to the DEED contract, although each work plan is separate in their own contract, but it is the same work plan that was a part of the overall DEED contract. We are asking the Board gives permission, as each one is over \$75,000. Each one receives 2.6 million dollars over two years. We are just asking the Board to give permission to Dr. Hightower to sign the contracts on behalf of CAP-HC. Ms. Chambers made a motion to approve, seconded by Chair Myren. All were in favor. There were no questions. Ms. Chambers added that she is in the community around Broadway and what A Mother's Love and Salem, Inc. are doing is wonderful. She is really excited about these programs.

c. **DEED Grant Summary (Ratification):** Ms. Krolik

Kendra mentioned that the Executive and Finance Committee recently reviewed a proposal that we submitted to DEED for our Vehicle Repair Program called Getting to Work Program grant. There is a summary on pages 39 and 40 of your packet. Now we are looking for the full Board to ratify that decision. This was another example of not having enough time between the RFP coming out and the due date. We did not have enough time to do our own normal process. We had to ask the Executive Committee for approval. The request amount is \$187,500. Last cycle, we asked for a \$150,000 grant. So, we are asking for slightly more this next cycle because we are hoping to serve more people than in the past. Our current plan is to serve 125 households with Vehicle Repair Assistance, and they are also required to participate in the Financial Wellness Workshops as recipients of this funding. There is a budget breakdown in the Grant Summary, the vast majority is Direct Assistant about \$169,000 and the rest is administrative costs. We are looking for ratification. All were in favor. There were no additional questions.

14. Announcements/Information

- a. Board Roster
- b. Board Calendar
- c. Board Committee Assignments
- d. Agency Dashboard
- e. Board Portal Login

15. Adjournment:

The meeting was adjourned by Chair Schaffer at 7:36 pm.

Next CAP-HC Board of Directors Meeting:

Thursday, October 26, 2023

6:30 – 8:00 pm