

Board of Directors Meeting
September 14, 2021
6:30 PM – Teams VIRTUAL Meeting
Meeting Minutes

1. Preamble

A. Call to Order –
B. Determination of a Quorum Board Members Present – Chris Hansen, Mike Beard, Sachin Isaacs, Courtney Johnson, Amy Donaldson, Darin Nelson, Betty Potasnak, Lillian Somuah, Bev Higdem, Board Members Absent – Gayle Degler, John Green Staff Present – Jeff Hansen, Amber Butcher, Eric Gentry, Jackie Lara, Holly Schulz. Molly Tellijohn, Kay Gamble (minutes)
C. Amendments to Agenda 3F. Voting on the Executive Committee Membership for 2022 3G. Voting on the Thrift Store Lease
D. Introductions - Welcome

2. Consent Agenda

Board Action Requested: To review and approve Consent Agenda Items Motion to approve by Courtney. Seconded by Sachin. Carried	Item #
A. Board Meeting Agenda – September 14, 2021	2A
B. Board Meeting Minutes – August 10, 2021	2B
C. Head Start 1. July 2021 Head Start Monthly Reports 2. June 24, 2021, Head Start Policy Council Meeting Minutes	2C1 2C2

3. Action items

A. Credit Card Summaries – Agency & Head Start – 7/3/2021 through 8/2/2021 Motion to approve by Lillian. Seconded by Darin. Carried	3A
B. July 2021 Grant Summary; Program Summary; Statement of Financial Position Darin confirmed that these were reviewed by the Finance Committee, and everything looks good and recommends approval. Motion to approve by Darin. Seconded by Betty. Carried	3B
C. 2021-2023 Scott/Carver FHPAP Summary Grant Agreement It stands for a family homeless prevention assistance program. This is a state-run program that is funded exclusively by Minnesota Housing. The CAP agency has received this funding in both Scott and Carver and Dakota counties for the last 10 plus years, so this will be our fifth biennium that we have applied for and have been accepted as a sub grantee in this respective county program that is state funded. 3C is for the Scott and Carver County specific grant for FHPAP. This grant is primarily a grant that fills gaps for folks, and more specifically folks that are near homeless or living on a little or at risk of losing their housing so it can pay for any rent or mortgage. Delinquency deposits. Unpaid rent utilities. This year we applied for	3C

<p>and would have been awarded \$473,000 for the biennium of 2021 through 2023, this is a slight decrease from our last biennium because Carver and Scott County added two more partners that will be drawing from this fund.</p> <p>Motion to approve by Sachin. Seconded by Amy. Carried</p>	
<p>D. 2021-2023 Dakota FHPAP Summary Grant Agreement</p> <p>This grant is for Dakota county. They have been awarded and gave us the subgrantee position for this grant. Again, we applied for and received \$385,000 for this biennium for 2021 through 2023. This is on the Dakota side a significant increase since last biennium, so we will receive more money. Just shy of \$65,000. Most of this increase will go to direct service for clients so we are setting up a higher amount per household for this grant. Darin wanted to know why this grant went up. Eric stated that Minnesota Housing has a funding matrix that they look at, so they look at the amounts of poverty, homelessness and how the program has fared over the last biennium. There are three or four categories. There were programs statewide that received less money, there were some that remained static. Scott and Carver Counties received a 5% increase overall and Dakota County received a 17% increase. That is due to its position in the metro area. It has more urban centers compared to Scott and Carver. Denser and a larger population. Scott, Carver and Dakota Counties all gave high marks on our operations. We feel good about that. The CAP Agency has done a great job and has been a great partner in this grant over time.</p> <p>Motion to approve by Darin. Seconded by Courtney. Carried</p>	3D
<p>E. FY22 CAP Agency Budget – Final</p> <p>The budget was reviewed by the Finance Committee. Darin stated that the Finance Committee saw the budget at our first meeting in August. Molly and her staff did a great job of coming back and fine tuning that budget and getting a final budget in place. The Finance Committee supported passing it on to the Board.</p> <p>Motion to approve Mike. Seconded by Betty. Carried</p>	3E
<p>F. Executive Committee 2022 vote</p> <p>John Green as Chair, Courtney Johnson as Vice Chair, Betty as Secretary, Darin as Treasurer. Chris as emeritus chair.</p> <p>Motion to approve by Sachin. Seconded by Amy. Carried.</p>	3F
<p>G. Thrift Store Lease</p> <p>We have found a spot. Old Pier One space in the Southbridge area. The owners reached out to us to see if we were still interested. Wonderful location. Jackie has renamed it “Local Imports.” Owners requested not to have thrift in the name. Lease is currently being reviewed by our attorney. Vote is contingent on approval from attorney. We all believe this is a good move for us. We can do a lot of revenue generating in this space. Looking forward to getting in near the end of November beginning of December. Risks are seven-year lease with two five-year renewable options. Which gets us out to 17 years. More expensive than what we are used to. Going in with eyes wide open. We all believe this is a good move for us if we are going to do some serious revenue generating. This is the spot to do it. We will have 180 days of no base rent, which will help us get our feet under us. It is a turnkey facility. Looking to move in November.</p> <p>Jackie stated that at this time we generate about \$260,000 in net sales. To make this location work we need \$500,000 in net sales annually. We are doubling the space, in a better location. If we have \$500,000 in net sales, we will have a \$50,000 grand profit in the first year. Questions.</p> <p>Courtney wanted to know what the rent is we will be paying. Jeff stated around \$22,000 with taxes and cams. Courtney wanted to know if there were any outs in the seven-year term, outs are subleasing. It is standard.</p> <p>Mike stated that it is a great location</p> <p>Chris stated good job. It is a wonderful resolution to keeping the thrift store going and. I know when you are faced with the risk, it is always a bit frightening. But I have confidence that you guys will do well.</p> <p>Motion to approve assuming the attorney reviews and finds no problem with the lease. Motion to approve by Mike. Seconded by Darin. Carried.</p>	3G

4. Updates and Discussion

<p>A. Executive Director Updates – Jeff Hansen</p> <ul style="list-style-type: none"> • The thrift store is the last item on my plate. We are all staying in Shakopee. Both locations offer us more visibility. Thanks to Scott County, Commissioner Beard and all the support for the move to the corn building. • The Gala dinner in October has been postponed and moved to Sat, March 12. No cost to move this. Really good news on the donor front. We have a person we were introduced to in the spring. She was at the gratitude event. She has donated \$25,000 for this event. Going to spend a lot of time between now and March to really grow and get folks to support this. We have some ideas also. • Covid has been a big discussion with the leadership team with President Biden making his announcement last week, included in that was the head start, meaning to be vaccinated as well as companies over 100. Realize there is a lot left here that needs to be figured out. We are doubling down on our masking and social distancing and working remotely at the agency. • Corn building update – still on track to be done in the middle of October. Have some movers coming next week to get some quotes on moving. Chris stated that she would like to compliment Jeff and his whole team because these have been like monumental tasks that they have all taken on with a time horizon that is fairly pressing in the middle of a pandemic. And to think that in just a few weeks or a month you will be moving into your new building and with the thrift store you know shortly thereafter. It is very incredible, and I appreciate all the work that all of you have put forth to make it happen. 	
<p>B. Human Resources – Amber Butcher</p> <ol style="list-style-type: none"> 1. Scott Carver Dakota CAP Agency 401k Financial Statements – Draft 2. Scott Carver Dakota Cap Agency 401k Management Rep Letter 3. Scott Carver Dakota CAP Agency 401k RCL – Draft 4. Scott Carver Dakota CAP Agency 401k Subsequent Events Rep letter <ul style="list-style-type: none"> • We go through a yearly retirement plan audit because we have more than 100 eligible participants on the first day of a plan year. The audit we just completed referred to the year ending 12/31/2020. <ul style="list-style-type: none"> ○ 4B1 includes the financial documents and statements, a description of our retirement plan, and a schedule of assets. ○ 4B2 is a letter that was prepared by our auditors that management attests to the accuracy and completeness of the information provided to the auditors for their analysis. ○ 4B3 reports the results of the audit. Good news. The auditors noted that there were no transactions entered into the plan for which there was a lack of authoritative guidance. The disclosures in the financial statements are neutral, consistent, and clear. They encountered no significant difficulties dealing with management and performing or completing the audit. They did not identify any internal control deficiencies. They did make one proposal that we record 2 late employer contributions for payrolls that occurred during the switch to Mutual of America. We did follow their guidance by providing a late employer contribution to those two payroll dates. ○ 4B4 states that no subsequent events or discovered facts were found during the auditing process. <p>Chris thanked Amber and congratulated her on getting good feedback.</p>	<p>4B1 4B2 4B3 4B4</p>
<p>C. Head Start Updates – Holly Schulz</p> <ul style="list-style-type: none"> • Early Head Start program and Head Start classrooms are moving along. We have gotten through our first couple of weeks, and everyone is doing well. Classrooms have been able to stay open. We have had few issues with exposures and no major concerns in that way yet. • We are currently working on our federal grant application that is due November 1. We are also working on our CACFP application and renewal, this is our child and adult care food program. You will see more to come on them in our October board meeting • We will be receiving a federal review from the office of Head Start the last week in October. The team is starting to prepare for that. It will be a phone interview versus them visiting us, so it tends to be less intense. • Our Farmington classroom had a licensing visit this week and that went really well. They will be coming out in October, November, or December to all the other classrooms. Preparing for that and getting paperwork sent off. • Licensing reevaluated our staff hierarchy and wanted to include a couple of board members as well as Jeff and Molly. Spoke with licensing yesterday, they wanted to include as controlling individuals just in case there was an emergency, or something happened. They are wanting Chris, Darin and John listed. Background checks need to be done. An e-mail will be sent to you with the background study and Holly will run these herself. 	

<p>D. Nutrition & Community Services Updates – Jackie Lara</p> <ul style="list-style-type: none"> • Food shelf closure due to a COVID exposure. Working with our staff to get their clients' food. Hoping to reopen tomorrow safely. • Project Student for Success, give out about 1500 backpacks. We have a significant amount still to give out through generous donations from the Greater Twin Cities United Way and the SMSC also donated 300 backpacks, this is in addition to 200 from Cub Foods that were packed and ready to go. We will be working with schools to see if there are any students in need of backpacks, also giving them out through our food distribution and having some on hand for Head Start staff and grads next spring. • Hope for the Holidays. Hope to have info come out early October for donors and clients to start the registration process. Plan to have everything the same as last year. No contact, everything done online. • Sachin inquired if it would be okay if he looked into District 196 goals to see if there is a need for backpacks. Jackie said absolutely, that would be fantastic. Thank you. 	
<ul style="list-style-type: none"> • Housing Updates – Eric Gentry • Long standing Energy Assistance manager Tammy Stauffer is leaving our agency to go to another CAP agency in a director position. Already have an interim manager in place who has been her for over 10 years and she is learning everything she can from Tammy. • The eviction moratorium that the CDC put in place had been challenged by the supreme court and basically struck down. A few instances during the 12 to 18 months that the moratorium was in place were challenging and we were working with our community partners. Gave a shout out to Cap housing Michelle Polson, who did a stellar job dealing with some of these situations. Looking forward to moving forward with our rehab project and continuing to provide great safe and decent housing for the folks coming out of homelessness. • We continue to serve folks who are experiencing homelessness even through the pandemic. We have five standing rooms with our hotel partners in Scott County. We have 10 rooms in Dakota County. We partner with Scott, Carver and Dakota to fund these and coordinate folks in and out of these rooms. • Four grants coming up for renewal. Due beginning of October to the CoC and then to HUD in mid-November. • September Project Community event has been cancelled. 	
<p>E. Board Committee Updates</p> <ol style="list-style-type: none"> 1. Executive Committee – Chris Hansen Bulk of discussion was the thrift store and the new date for the Gala event. 2. Finance Committee – Darin Nelson Finance Committee meet near end of August. Approved the budget. Thank you to Molly and her staff for putting together a good budget. We had a good discussion around that. 	
<p>F. Board Chair Report – Chris Hansen</p> <ul style="list-style-type: none"> • Issued a big thank you and a shout out because we are at the point in the year where we are passing the torch to new board members coming in, also new members of the Executive Committee. Bev Higdem and Mike Beard you have served your terms and served them well. It is going to seem very different for future meetings not having either of you here, but I know that you will both be great supporters of CAP into the future and that we will continue to reach out for your ideas, suggestions, and donations. • Mike spoke to Commissioner Brekke, and she enthusiastically agreed to apply to be a board member. • Jeff thanked Mike, Bev, and Chris for their leadership. This is Chris's last board meeting. We will see and hear from her a little bit as our emeritus chair. Everyone at Cap thanks you for your service. • Chris stated it has been a wonderful experience being on the board. Seeing and learning all about CAP, the different programs, and the staff members and how creative they are in coming up with solutions and problem solving together to serve our community. It has absolutely been an honor serving on this board and I will truly miss it. 	
<p>G. Other Business</p>	
<p>H. Adjournment Motion to adjourn by Mike. Seconded by Bev. Meeting adjourned at 7:23pm</p>	

Next Meeting – October 12, 2021