

Board of Directors Meeting
February 9, 2021
6:30 PM - VIRTUAL Meeting
Meeting Minutes

1. Preamble

A. Call to Order – Board Chair, Chris Hansen at 6:34 PM

B. Determination of a Quorum

Board Members Present – Chris Hansen, Courtney Johnson, Darin Nelson, John Green, Sachin Isaacs, Betty Potasnak, Bev Higdem, Mike Beard, Lillian Somuah, Ruth Richardson

Board Members Absent – Tom Redman, Gayle Degler

Staff Present – Jeff Hansen, Molly Tellijohn, Jackie Lara, Eric Gentry, Laura Gilkey, Dennis Bebus, Linda Leininger (minutes)

Guests – Lisa DeSotelle and Danielle Martin (Wipfli)

C. Amendments to Agenda

Sanya Pirani is removed from this evenings Agenda – add to March meeting. Motion by Darin Nelson to approve amended agenda. Seconded by Courtney Johnson. Carried.

D. Public Comment n/a

2. Presentation of the 9/30/2020 Financial Statements- Wipfli

Chris Hansen welcomed Lisa DeSotelle and Danielle Martin to the board meeting. Lisa complimented Molly, Jeff & John Green and reported that it was a great audit in comparison to previous years. Lisa reviewed the Parts of the Audit. The notes in the Financial Statements explains the data. There were no findings, and this is so important. The importance of Board involvement is key. Stay solid and stay involved. The programs that were reviewed include WIC, Head Start and Senior Nutrition and no findings in those three programs. No weaknesses and after one more year, CAP will be considered low risk. Statements of financial position over the past 5 years was presented. Cash increased but other than that, not a lot of change. Statement of Activities/Income Statement was reviewed. In 2008-2009, there were a lot of donations and an increase in funding, which is reverse of the economy. Fundraising has improved as well as increased revenues. Direct Services expenses have increased but those are good increases. A very good year for the CAP Agency! A schedule of budget to actual was presented. Annual Function Classification was reviewed. Management is about 11% and we want to be sure this amount doesn't go down too much as this is the infrastructure of the agency. Assets available in 9/30/2020 was reviewed. New standard this year defined the difference between a grant, a contract and a contribution. Next standard will be revenue distribution and how we record the revenue. Another new standard is related to lease accounting so starting in 2022, any lease longer than one year will be an asset and a liability. There is a footnote that calls out information related to this audit. The 990 requires approval and has not changed over past years. Required Communication letter to the board requires approval. Lisa is very pleased with this agency and complimented Molly and her team for their hard work. Danielle commented that the audit was completed totally remote and received all documentation via scan and appreciated the dedication and commitment from Molly and her staff. Danielle was involved in the 2018 audit and was very appreciative of the commitment from the Finance team, Jeff and the Board of Directors. Thank you from Chris to Molly and the Finance Committee and the entire Finance Department for their commitment. Jeff echoed the appreciation and thanked Wipfli for their involvement.

3. Consent Agenda

Board Action Requested: To review and approve Consent Agenda Items
 Motion by John Green. Seconded by Mike Beard. Carried.

Item #

A. Board Meeting Agenda – February 9, 2021	3A
B. Board Meeting Minutes – December 8, 2020	3B
C. Head Start 1. November Head Start Monthly Report 2. December Head Start Monthly Report 2. November Head Start Policy Council Meeting Minutes	3C1 3C2 3C3

4. Action items

A. Credit Card Summaries – Agency & Head Start – 11/3/2020 through 12/3/2020 Motion by Mike Beard. Seconded by Darin Nelson. Carried.	4A
B. Credit Card Summaries – Agency & Head Start – 12/3/2020 through 1/3/2021 Motion by Mike Beard. Seconded by Sachin Isaacs. Carried.	4B
C. 11/30/2020 Grant Summary Jeff commented that the grants are in good condition with no concerns. Jeff & Molly meet with all Directors monthly to review grants which is an added value. Motion by John Green. Seconded by Betty Potasnak. Carried.	4C
D. 11/30/2020 Financials Darin commented that the finance committee has reviewed all financial documents on the agenda. Motion by Darin Nelson. Seconded by John Green. Carried.	4D
E. 11/30/2020 Program Balances Motion by John Green. Seconded by Darin Nelson. Mike thanked Molly for the reports and explanations on reports. Carried.	4E
F. 12/31/2020 Grant Summary Motion by Darin Nelson. Seconded by Mike Beard. Carried.	4F
G. 12/31/2020 Program Summary Motion by John Green. Seconded by Betty Potasnak. Carried.	4G
H. 12/31/2020 Statement of Activities This is a new report from the new system. Motion by Darin Nelson. Seconded by John Green. Carried. Kudos to the Finance Team on this new system from the Board of Directors!	4H
I. 12/31/2020 Statement of Financial Position (a.k.a. Balance Sheet) Motion by John Green. Seconded by Mike Beard. Carried.	4I
J. MAAA 2021 Senior Nutrition Contract for the period of 1/1/2021 – 12/31/2021 (\$1,174,131) Jackie stated that this is a continuation of the grant and this year our total budget is \$1,500,000. Mike asked if the excess is for administering the program or is this turned into food. Jackie said the money goes directly to the meals and we are continuing with the same admin expenses. Went from 90,000 meals to 125,000 meals. Motion by Mike Beard. Seconded by Betty Potasnak. Carried.	4J
K. MAAA 2021 Title III Chore Contract for the period of 1/1/2021 – 12/31/2021 (\$50,000) Jackie explained that this grant allowed us to provide Chore services as a result of COVID/Cares Act. Total operation cost is \$63,000 and we are being reimbursed \$50,000. Motion by Courtney Johnson. Seconded by Mike Beard. Carried.	4K
L. Head Start Federal Grant Award for the period of 2/1/2021 – 1/31/2022 (\$1,609,535) Laura said this is a partial award of our federal funding and we are on target to receive the full grant. Motion by John Green. Seconded by Mike Beard. Carried.	4L
M. Amend By-laws to reflect the change of our committee structure Tabled to March meeting Motion by Mike to table this item. Seconded by Darin. Carried.	4M
N. New Board Member – Amy Donaldson. Jeff spoke about the strengths of Amy. She is the Director of Play Works SMSC. Amy has been instrumental in helping us with the pop-up food distributions and we feel she will be an asset to the Board and the Agency. Betty commented that she knows Amy and said she is fabulous and is very dedicated to volunteer work and is a great asset. Chis was happy that Amy has early childhood experience. Motion by Betty Potasnak to approve new board member, Amy Donaldson. Seconded by Sachin Isaacs. Carried.	
O. Agency Audit Chris stated that the Executive Committee approved the audit and looking for full board approval. Mike commented that this is his 6 th year on the CAP Board and it's so refreshing to	4O

<p>sit on a board with no findings. High praise to Molly and the Finance Committee for the dedication. Mike commented that elected officials very much appreciate the clean audit. Motion by Mike Bear. Seconded by Darin Nelson. Carried.</p>	
<p>P. Tax Return Molly stated that this is more of an informational return and it is posted on our website. Darin and Jeff will be signing the return which is due on the 16th and we will file in advance. Motion by John Green. Seconded by Darin Nelson. Carried.</p>	<p>4P</p>

5. Updates and Discussion

<p>A. Executive Director Updates – Jeff Hansen Jeff thanked everyone for participating in the meeting and Jeff thanked Molly for the hard work on the Audit, Tax Returns, and the work that has been put into the new finance system. We are grateful for the work!</p> <p>Jeff announced that Laura Gilkey is retiring in May and even though we will miss her, we are excited for her future adventures. The opening for Head Start Director has been posted and this is an ongoing process. Jeff has already reached out to the Board of Directors as well as members of the Policy Council. In addition to approval from both boards, we are also required to get approval from the Office of Head Start. Jeff foresees that it will take several months to fill this position. Chris thanked Laura for her service to CAP.</p> <p>The CAP Agency has been offered the opportunity to purchase a building in downtown Shakopee. There are three (3) documents from our attorney and the Shakopee attorney regarding the purchase. There will be additional information shared later. John added that information is needed from Molly and the county yet to make the final decision and more conversation needs to take place before the Board will approve. Proceeds from the current building will be applied to the loan and the agency will make payments for the next 5 years to the city of Shakopee. In theory, if we owe \$700,000, how do we resolve this? Do we ask to have the loan be extended or do we count on an aggressive Capital Campaign? Cash flow is of high importance. Molly said that 82% of our grants are federally funded and therefore, government money would have a lien on that building if we use grant money for capital purchases. This would become government property. We have to come up with the funds through surplus or the capital campaign. When the building at 712 Canterbury is sold, we have to know how we are making the payments on the Corn Growers Building. CSBG money is also federal government money with a little more flexibility. Mike Beard stated that on the 16th of Feb., the County Commissioners are meeting. The money is taxpayer money that draws small amounts of interest. If the money is being advanced to the CAP Agency, what is the payback to the county? Mike asked if the new building will be sufficient to for the food shelf and the Agency staff? Jeff felt that this building will be the perfect fit for the Agency and the food shelf into the next 30 years. Jeff added that Capital is also needed for improvements to the Rosemount office and we believe the Capital Campaign will be instrumental. Mike added that after 5 years with no interest, he would be happy to speak to the point of spreading it out for an additional 2-5 years. Jeff and Molly and the Finance committee will meet and get more information to Mike before the 16th. Jeff is planning to send an electronic vote to the full board after we receive the information that is needed. John asked Molly and Jeff to perhaps calculate at a half percentage or full percentage after 5 years. Darin asked if only lease payments can be charged back to grants. Molly said we can only charge lease payments to grants, not mortgage payments. Jeff added that we are working on the purchase agreement with the seller and that agreement will be sent to the board for an electronic vote as well. More information to come through email.</p> <p>Jeff thanked SLT and the Board for support as he’s now been at CAP for one year. Thank you, Jeff!</p>	
<p>B. Community Project Updates – Jackie Lara</p> <p>With toys, we provided gifts to 1,126 families and provided 983 seniors with gifts. This is a huge increase compared to 570 seniors and 575 families last year. Thank you to the Board and CAP staff that were involved. Jackie has received so many thank you cards especially from seniors thanking CAP for the gifts. Thanks again to everyone! Jeff said that Jackie’s work on this was tremendous and remarkable. Thanks to Jackie and her team for all the work.</p>	
<p>C. Head Start Updates – Laura Gilkey</p> <p>Laura stated that Head Start is back in session in classrooms and still serving families with smaller groups. Two of our sites will remain as virtual (West St. Paul and one classroom at Hamilton.) EHS is continuing virtually and will continue that until state guidelines approves of gathering safely. Staff are</p>	

<p>happy to be back in the classrooms as well as parents and children. We hope to be able to stay open for the remainder of this program year.</p> <p>We were chosen as a pilot program for vaccinations and 69% of our staff took advantage of this opportunity. This group received the Moderna vaccination.</p> <p>We received COVID testing kits through the state and these will be used for staff to identify possible carriers of the virus. Testing is being offered to our staff for atypical symptoms in our Rosemount classroom this Friday.</p> <p>We continue to look for staff in our classrooms.</p>	
<p>D. Housing Updates – Eric Gentry</p> <p>Eric reported that through funding and donations, we presently have 28 people in hotels in all three counties CAP serves right now, due to the recent cold snap in the state. Yesterday morning we found out we had one building without heat and frozen pipes in another building that we were able to have fixed before any damage could occur to the building.</p> <p>Through the State of Minnesota’s competitive process for tax credits, we recently learned that two projects where CAP will be partnering on, were selected for funding. 1. Carver County will be our partner to house homeless youth and we will manage this property. 2. Carver CDA’s project was selected in Waconia and we will be the service provider. Both properties are anticipated to open in late 2022. We recently learned that CAP will receive level funding for our grant contracts for HUD and those will be coming to the board for approval. These grants will carry us through 2022 for critical housing vouchers and staffing dollars toward these program operations.</p> <p>Eric partnered with Sanya to deliver her annual Holiday bags to many recipients (60 children) in Scott and Carver shelters. We always appreciate the partnership with Sanya’s Hope for Children.</p> <p>There was a recent site visit with the Pohlad Foundation for funding of \$150,000 and this will be a 2-year grant. We will keep you updated on this project.</p> <p>The Office of Economic Opportunity awarded CAP \$580,000 through its Emergency Shelter Grant – Covid, round 2 funding. These fund dollars will help pay for hotels as well as a Shelter Navigator dedicated specially for Carver County.</p> <p>Eric and his staff are partnering with a national initiative called One Roof. The initiative is targeted at keeping families together and will assist us in working with Shakopee school district as a starting point.</p>	
<p>E. Board Committee Updates</p> <ol style="list-style-type: none"> 1. Executive Committee – Chris Hansen stated that a meeting was held today and focused on the Corn Growers Building and the Audit. 2. Finance Committee – Darin Nelson stated that the Finance Committee has had a lot of conversation on the audit and end of year processes. 	
<p>F. Board Chair Report – Chris Hansen Happy Anniversary to Jeff and congratulations on one year. Chris added that it’s the responsibility of the Board to provide feedback and an annual review of the Executive Director. The format has been reviewed and a rough outline has been completed. Three components – feedback from SLT; Jeff’s self-review and setting goals; Board members will complete an evaluation if they have had at least 5 interactions with Jeff. Forms are being finetuned with hopes of having them completed this week. The goal is to review all of the data, meet with Jeff and report back to the board at the March meeting. Watch your email for more information.</p> <p>Chris said that she had recently had a conversation with Dennis about the Holiday party for staff since it was virtual. Each staff member received a \$20 Target virtual card. Chris thanked Dennis, Tamra Klassen and the Justice Task Force for their work.</p>	
<p>G. Presidential Award – Sanya Pirani - move to March Agenda.</p>	
<p>H. Other Business Watch your email for information on the performance evaluation for Jeff.</p>	
<p>I. Adjournment Motion by Courtney. Seconded by John. Carried.</p>	

Next Meeting – March 9, 2021