THREE RIVERS COMMUNITY ACTION, INC.
Board of Director Meeting Minutes
Wednesday, August 15, 2018
Three Rivers Community Action, Inc.
1414 North Star Drive, Zumbrota, Minnesota

Members Attending: Brian Goihl, Jo Anne Krier, Julie Steberg, Dave Windhorst, Galen Malecha, Anita Swift, Heather Robins, Ruth Boudet, Jodi Johnson, Meredith Erickson, Barney Nesseth

Staff Attending:
Jennifer Larson, Executive Director
Kindra Papenfus, Chief Financial Officer
Leah Hall, Community Development Director
Jane Adams Barber, Head Start Director
Tracy Holguin, Transportation Director
Donna Stamschror, Administrative Support Manager
Chelsey McNamara, Head Start Enrollment Coordinator

Members Excused: Alicia Norton, Mark Thein, Abdullah Hared

Call to Order: Meeting was called to order at 9:00 a.m. by Chair Malecha

Determination of a Quorum: Quorum was met

*Approval of the June 27, 2018 Meeting minutes (agenda packet pages 5-11)

Ruth Boudet made a motion to approve the June 27, 2018 minutes, Dave Windhorst seconded, motion unanimously approved.

*Approval of the August 15, 2018 Agenda (agenda packet pages 1-4)

Heather Robins made a motion to approve the August 15, 2018 agenda, Julie Steberg seconded, motion unanimously approved.

Case of the Month – Later in Head Start report
**Director's Report**

Jenny Larson gave the Executive Director's report.

1. Three Rivers Childcare is now licensed and up and running in Northfield. We have space for eight infants and eight toddlers. Our priority is for low-income families who qualify for child care assistance. Several families are waiting for their approval from the county or are completing their paperwork. We are still taking applications if you know anyone who is looking for full-time childcare. Congratulations to the staff who did a great job getting it running in a short amount of time, we are very proud of them.

2. I am pleased to report that we have hired Tracy Holguin as our new Transportation Director. She has extensive management and operations experience, and has recently relocated back to Welch Minnesota after many years in Texas. We are now filling in some other gaps in our team, including two program managers and a coordinator. We are also very short on drivers, particularly in Red Wing and Northfield. Drivers need a CDL. We have someone on staff who can train.

3. Kim Scanlan has announced her retirement for December. She has worked for Three Rivers for over 25 years in Head Start and Human Resources. We are grateful for her many years of service. We will start the search for an HR Director soon.

4. We have been notified by Blue Cross/Blue Shield that they will not be bidding our health insurance this year because our participation rate has been too low. This means we will be forced to change providers and are likely to see increase in rates. We are waiting for options from our broker, but just wanted to give the board a head’s up on the upcoming change. We sent a survey out to staff asking what would make our insurance more appealing to them. The Minnesota Council of Non-Profits is looking at forming a group of agencies/non-profits to get insurance together but may not be ready in time for us to use it. In the past we have brought insurance up to the board for discussion and action when we do the budget. The board discussed setting up an insurance committee or have the Executive Committee work on it if needed. Galen said when the time comes if we need to set up a committee we certainly can.

5. Building Committee is continuing to work on space issues. There will be a short committee meeting after the board meeting today.
6. Groundbreaking for the Plainview Transit Facility is on Monday, August 20, 2018 at 10:30 am.

7. The board meeting in November lands on the day before Thanksgiving and we think it may be hard to get a quorum. We will look at moving the meeting to the second Wednesday of November.

*Policy Action Items
Consent Agenda

- July Credit Card Expenses Summary – Share at meeting

Contracts, Awards & Contributions
Received

- Minnesota Department of Human Services - $5,000 - Funds to explore integration of social security advocacy and SOAR programs in the SE MN CoC region's Coordinated Entry system
- Minnesota Department of Education - $443,450 - Funds to provide Head Start programming to 26 children ages 3-5 and 20 children ages birth - 3 for 2018-2019 program year.
- Emergency Food and Shelter Program - $13,939 - Funding to assist homeless families in Goodhue, Rice & Wabasha counties
- Minnesota Housing Finance Agency - $110,000 - Grant funds to provide financial empowerment coaching as part of Three Rivers' Achieve Homeownership program
- Minnesota Department of Commerce - $372,087.96 - Renewal of Federal / State Funds to provide weatherization services to approximately 25 households in Goodhue, Rice and Wabasha counties.
- Minnesota Housing Finance Agency - $55,650 - Funds to support the regions' Continuum of Care and Coordinated Entry programs
- Goodhue County Electric Operation Roundup - $500 - Funding to support the agency's senior programs
- Henkel Foundation - $5,000 - Funding to support the agency's senior programs

Not Received

- AARP - $15,000 - funding to support Three Rivers' Volunteer Transportation program
- Ameriprise Financial - $10,000 - funding to support Three Rivers' Volunteer Transportation program
Grants & Requests Submitted or to be Submitted

- Minnesota Department of Transportation - $3,120,814 - Funds to operate Hiawathaland Transit in 2019
- Capital grant for vehicle replacement, 3 vehicles – $324,000
- Department of Housing and Urban Development - $134,047 - renewal of funds to support the CoC’s coordinated entry and navigator roles
- Department of Housing and Urban Development - $64,024 - renewal of funds to support the planning of Continuum of Care activities in our 20 county region
- Department of Housing and Urban Development - $177,911 - renewal of funds to provide long term housing and support services for 5 homeless clients in Prairiewood Townhomes, and support services for 4 clients in Fox Pointe townhomes
- Department of Housing and Urban Development - $172,415 - renewal of rapid rehousing program, providing deposits, rent and supportive services to homeless families and individuals throughout the region

Monitoring Visits & Reports

- None

Heather Robins made a motion to approve the consent agenda, Brian Goihi seconded, motion unanimously approved.

Jenny said the consent agenda is broken down into sections. Many of the items are routine. If there is something new or large, we put it in as an individual action item. Jenny was asked about funding and said the federal government has been operating on continuing resolutions for many years, which has resulted in pretty stable funding for us.

*Individual Action Items

a) Continuum of Care Governance Charter Revised
   (Agenda packet pages 31-48)

   The Continuum of Care is our regional organization that reviews and sets policy for homeless programs across the 20 county region. We are the fiscal agent and facilitator. Jennifer Prins, could not be here today, but included a memo of what changed. She has a board and steering committee that reviewed it.

   JoAnne Krier made a motion to approve the revised Continuum of Care Governance Charter, Julie Steberg seconded, motion unanimously approved.
b) Regional Transportation Coordinating Council - authorization from board to execute a contract  (Agenda packet page 49)

Three Rivers is serving as the fiscal agent for the Regional Transportation Coordinating Council. We applied on behalf of the region to facilitate the planning process for establishing a transportation council in our area. Our plan all along has been to hire a consultant to administer. This is an organizational grant to set this up, with the council to eventually be its own entity. Jennifer Prins is the staff person working on this project. The steering committee has identified Kimley-Horn to take on the contracting work. Because this is a new project, we wanted to bring the contract to the board for approval.

Dave Windhorst made a motion to execute a contract with Kimley-Horn as the planner/facilitator of the Regional Transportation Coordinating Council, Barney Nesseth seconded, motion unanimously approved.

c) Head Start: Board approval for a Change of Scope Amendment. We are using the state grant differently this year requiring an amendment to our plan. The amendment states that we will serve 18 Head Start children with state funds, which is a reduction from last year’s 39 HS children. (Agenda packet pages 50-63)

Jane said in 2018, funded enrollment was 208 children and in 2019 it is going to be 187. For the Head Start Program for Fiscal Year 2019, the funded enrollment will be 187 children which includes 169 Federal and 18 State Funded children. This is a decrease of 21 Head Start children from the previous year due to the additional 10 EHS slots.

Ruth Boudet made a motion approve the Change of Scope Amendment, Brian Goihi seconded, motion unanimously approved.

d) Plainview Transit Facility – Ratify board approval to accept the low bid and authorize contract with WAK Construction. (Agenda packet pages 64-68)

This is to ratify all the votes submitted via email to accept the low bid for the Plainview Transit Facility and authorize the contract with WAK Construction, out of out of Plainview. MNDOT has approved the contract and we are ready to go.

Brian Goihi made a motion to ratify the board approval to authorize a contract with WAK Construction for the Plainview Transit Facility, Dave Windhorst seconded, motion unanimously approved.
e) Capital grant for transfer station in Northfield - $2,403,680 (Agenda packet pages 69-73)

The city of Northfield is interested in opening up a transfer station much like the one we have in Red Wing. It will be a place for people to wait to switch buses with a bathroom, and AC/heat. It is on the same site where they are saving a historic depot. A non-profit bought the depot and moved it closer to downtown on a block they own and will donate space for us to put up the station. Since this project is specific to one community, we will not be able to use our transit reserves to provide the required local match, but the city has agreed to pay the local match and has approved up to $550,000 in local funds. City staff and Jenny put the proposal together, which was submitted to MNDOT in July.

Heather Robins made a motion to approve the capital grant for the transfer station in Northfield, $2,403,680, Brian Goihi seconded, motion unanimously approved.

f) Adoption of Updated FTA Drug and Alcohol Testing Policy and Resolution # 2018-9 (Agenda packet pages 74-98)

The board last adopted the Drug and Alcohol Testing Policy in 2009, and it was due for review. It has not changed significantly, but has been reviewed and updated to comply with all current FTA regulations.

Brian Goihi made a motion to approve Resolution #2018-9 - Updated FTA Drug and Alcohol Testing Policy, Dave Windhorst seconded, motion unanimously approved.

g) Purchase of property at 1412 North Star Drive, Zumbrota – Authorize execution of purchase agreement for the acquisition of Zumbrota Vet Clinic building and property located at 1412 North Star Drive, Zumbrota for purchase price of $180,000.

The board and board building committee have been talking about purchasing the Zumbrota Vet Clinic next door. Dave, Brian and Jenny went there last week, and the owner has agreed to a price of $180,000. Jenny brought the draft purchase agreement to the meeting if anyone would like to see it. Their attorney wants the agreement to include a list of personal property they want to keep that is not part of the sale. Board members suggested we ask them to take the small shed in back with him. Jenny said we are completely out of office space in Zumbrota and our other locations. We are in the process of reviewing all options for that site. We could take
the building down and extend our offices in that direction, we could extend to have more parking. We also have a need for bus storage which we rent now.

Brian Goihl made a motion to approve the purchase of the Zumbrota Vet Clinic for $180,000, JoAnne Krier seconded, motion unanimously approved.

h) Approval of Updated Fiscal Policies – Summary of changes enclosed and full policies enclosed. (Agenda packet pages 99-152)

Kindra said we annually review the fiscal policies and with the potential of changing auditors, we wanted to make sure they were updated and reflecting current processes. Kindra provided a summary on page 99. The federal micro purchase level, the level you can make a purchase without adding a lot of support documentation and price comparisons is $3,500 and is moving to $10,000 at some point. We updated the purchasing language to be more general and to call out those categories instead of the dollar amount because that will keep the policies fresh longer. We did some title changes from a specific person to a general position to help us move financial tasks between people in the department. We added a second bank account for transit to deposit fare box revenue. We have changed the way we do some of the cost allocations to make it more predictable to funders by using a standard formula from several categories. Kindra asked if there were any questions. There were none, but Kindra said if anyone thinks of anything they should call her.

Heather Robins made a motion to approve the updated fiscal policies, Barney Nesseth seconded, motion unanimously approved.

i) Approval of audit committee recommendation of new auditor(s)

Eight proposals went out to the audit committee. They met before the meeting today to review proposals and make recommendations to the full board. The committee recommends Mahoney, Ulbrich, Christiansen & Russ P.A. as the housing projects auditor, and BerganKDV for the overall agency and 403B audit. These two firms were both middle of the road in terms of cost. BerganKDV has a very good reputation among other community action agencies and have been responsive to our inquiries. Regarding our housing auditor, Wells Fargo has a list of auditors they accept and our current auditor is not on the list. Mahoney is. We have some developments coming up on the end of the tax credit compliance period when ownership transfers from the syndicator to us. This will require very specific accounting expertise, and we need expert help with that. Mahoney has references from
Lloyd Management, who love working with them, and has worked directly with MHFA and many affordable housing developers throughout the state.

Heather Robins made a motion to approve Mahoney, Ulbrich, Christiansen & Russ P.A. to be contracted for our financial audits in the housing area and BerganKDV to be contracted to do the audit for other agency business and the 403B audit, Barney Nesseth seconded, motion unanimously approved.

Kindra thanked the audit committee for all the reading and preparation they had to do before we met today.

Policy Discussion Items

a) Head Start Data Report by Chelsey McNamara, Enrollment Coordinator

Jane’s presentation will be emailed to everyone after the meeting and will be on the agency website. She began by telling us about the Head Start staff. 18 of our 18 teachers have either a BS or AA degree in child development or a related field, which is above the national standard. Head Start is a program of the United States Department of Health and Human Services that provides comprehensive early childhood education, health, mental health, nutrition, and parent involvement services to low-income children and their families.

- Ages 3-5
- 5 sites serving Goodhue, Wabasha and Rice counties
- Faribault serves 85 children, both Full Day and Part Day programming
- Northfield serves 34 children, Full Day programming
- Zumbrota serves 17 children, Half Day programming
- Red Wing serves 34 children, Half Day programming-Inclusive partnership with District to serve children with disabilities
- Wabasha serves 17 children, Half Day programming
- All Head Start programming must be Full Day by 2021.

In August 2018, we opened our own Infant-Toddler classroom in a partnership with Families First, providing affordable child care to families meeting Head Start income limits.

Jane reviewed funding, demographics, and gave statistics on how Head Start fuels the local economy. In the future, there will be the capability to track Head Start children by number (not name) through high school/college.

Chelsey reviewed the data collected on 151 children enrolled in the 2017-2018 year. (Agenda packet pages 153-160) The data showed significant
growth and exceeded target scores in social/emotional, physical, language, cognitive, literacy and math. Our dual language learners performed above the target scores. Students who had previous experience in Head Start or Early Head Start had significantly higher scores throughout the year than children without Head Start experience. This shows the importance of recruiting 3-year-olds for participation over two years, and encouraging participation in the Early Head Start program.

The only steady trend in the eligibility data is that the automatically income-eligible children tend to be behind their classmates. We will be looking at implementing a process for teachers to specifically support families experiencing homelessness.

With the implementation of Conscious Discipline training, teachers reported that they felt better equipped to handle difficult behaviors in the classroom. While the number of IEPs increases each year, we have seen a significant decrease in behavior-related referrals, and attribute this mostly to Conscious Discipline.

**Advisory Committees**

a) Head Start Policy Council met last week.

b) Transit Advisory Council met on August 9th. The packets shared at that meeting is in your agenda packet pages 161-188

**Date, Time and Location of Next Meeting:** The next meeting will be 9:00 a.m., on September 19, 2018 in the Zumbrota Office, 1414 North Star Drive, Zumbrota, MN

**Adjournment:**
Ruth Boudet made a motion to adjourn the meeting, JoAnne Krier seconded, motion unanimously approved.

Chair

Galen Malecha

September 19, 2018

Date