THREE RIVERS COMMUNITY ACTION, INC.
Board of Director's Meeting Minutes
Wednesday, May 19, 2021
Three Rivers Community Action, Inc.
1414 North Star Drive, Zumbrota MN, and Remote via Zoom
9:00 to 10:15

Members Participating: Paul Drotos, Meredith Erickson, Galen Malecha, Heather Robins, Julie Steberg, Jo Anne Krier, Maritza Navarro, Erick Maki, Gregg Wright, Ruth Boudet, ReJean Schulte, Jodi Johnson

Staff Participating:
Jenny Larson, Executive Director
Clara Krause, Associate Executive Director
Kindra Papenhus, Chief Financial Officer
Vicki McKay, Human Resources Director
Leah Hall, Community Development Director
Jane Adams Barber, Early Childhood Director
Rob Cooper, Transportation Director
Donna Stamschror, Administrative Support Manager
Krystal Dube, Administrative Assistant

Members Excused: Brian Gohl, Abdullah Hared, Dave Windhorst

Call to Order: Meeting was called to order at 9:00 am by Chair, Galen Malecha.

Determination of Quorum: Quorum was met.

*Approval of the April 21, 2021 Meeting Minutes
Paul Drotos made a motion to approve the April 21, 2021 meeting minutes, Heather Robins seconded, motion unanimously approved.

*Approval of the May 19, 2021 Meeting Agenda
Ruth Boudet made a motion to approve the May 19, 2021 meeting agenda, Heather Robins seconded, motion unanimously approved.

Case of the Month – Pamela Barrientos, Outreach Coordinator

Jenny introduced Pamela to the board. Pamela did a lot of work with COVID-19 Housing Assistance Program (CHAP) and is currently a co-leader of the COVID Emergency Rental Assistance (CERA) program.

Pamela said she was contacted by a pregnant, single mom with toddler aged twins, who was not working due to COVID. She had a large amount of back rent and utilities past due. Pamela was able to connect with her landlord to
complete paperwork that would allow us to pay her rent bill. Pamela also found out that she had been a victim of domestic violence. With a third child on the way, her current apartment was not large enough. She took two jobs to become income eligible for a larger rental unit. A relative was willing to cosign a lease and let her borrow a car so she could continue to work. Pamela encouraged her to think creatively about child care, and helped her pursue childcare assistance. This led to a referral to the Jeremiah Program which was just opening in Rochester. The Jeremiah Program has provided her housing and an opportunity to focus on her education. She is happy and hopeful.

Galen thanked Pamela for her important work and said it is great to have advocates help people through the process of getting assistance.

Heather asked about the outreach activities she did to distribute information about the assistance available. Pamela said we used social media, flyers, sent information to landlords, sent text messages, and by word of mouth. Heather said it sounds like the outreach efforts are effective.

**Director’s Report**

Jenny gave her director’s report.

1. **Welcoming Staff Back to the Office** – To coincide with the state’s lifting of many of the COVID restrictions and high local availability of the vaccine, we are welcoming all staff back to the office on June 7. Many of our staff have been in the office throughout the pandemic, and we look forward to having back the remaining program staff who have been primarily assigned at home. We will continue to implement the elements of our COVID-19 Business Plan, including masking at all of our locations, as we strive to keep staff and visitors safe.

2. **Free Rides for Vaccination** – Our HiawathaLand Transit program has teamed up with public health and is offering free rides to vaccination clinics and appointments. To schedule a ride, call our dispatch center at 1-866-623-7505.

3. **Head Start** – With additional federal funding, we have extended Head Start program by 3 weeks in 2021 and 2022. Staff will use this time to work with parents and conduct additional home visits to help families prepare for summer learning and school readiness.

4. **Energy Assistance** – Minnesota is receiving an additional $168 million in Energy Assistance funding (on top of the annual $110 million we already receive). We expect that the state will be making changes to the program in the fall to reach more households and/or provide additional assistance to eligible households. Minnesota will also be using a portion of the funds to assist in permanent energy-saving improvements for households, including replacements of water heaters.

5. **State Budget** – The Minnesota legislature is continuing negotiations on the new state budget. It looks unlikely that the work will finish before the end of session on May 17, so there will be at least one special session to pass the budget before June 30. With a divided legislature, there is a chance of a state shutdown if the budget does...
not pass before the end of the state’s fiscal year. We are reviewing all of our programs that are operated with state funding and preparing for any interruption that a state shutdown might cause.

6. Underwood Terrace project in Lake City - Staff are working on a proposal to create a workforce/affordable housing project called Underwood Terrace on the 500 block of North 10th Street in Lake City. There will be two public meetings, one virtual and one in-person, to gather feedback from the community. Leah has presented and answered questions from the Planning Committee, EDA, and the City Council. The City Council will review and approve the project in June, and we will apply to the state for funding in July.

*Policy Action Items*

Jenny reviewed the consent agenda items.

**Consent Agenda Items**

- April Financial Reports
- April Head Start Credit Card Expenses Summary

**Contracts, Awards & Contributions**

Received
- Department of Housing and Urban Development - $203,310 - renewal of funds to support the CoC’s coordinated entry referral system and navigation services
- Department of Housing and Urban Development - $67,396 - renewal of funds to support the planning of Continuum of Care activities in our 20-county region
- Department of Housing and Urban Development - $170,373 - 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 - $230,659 - renewal of rapid rehousing program, providing deposits, rent and supportive services to homeless families and individuals throughout the region
- Department of Housing and Urban Development - $25,000 - expansion of housing navigation services for domestic violence victims
- Department of Health and Human Services Office of Head Start - 50,864 - One time funding for COVID-19 response actions or activities

Not Received
- None

**Grants & Requests Submitted or to be Submitted**

- Department of Health and Human Services Office of Head Start - 202,209 - American Recovery Plan funding to increase supports to children affected by Covid

**Monitoring Reports & Responses**

- Energy Assistance Program – April 23 letter

May 19, 2021 Board Minutes
Page 3 of 6
• Weatherization Program – March 24th letter
• Public Transportation – 2018 Operating Grant audit certificate & Three Rivers response
• Public Transportation – 2018 New Service Expansion audit certificate & Three Rivers response

**Approved Purchases between $10,000 and $150,000**
• Trapeze Software Group – $77,287 - transportation dispatch software upgrade
• Blades of Turf STI - $42,075 – Faribault Head Start playground conversion to natural play area

Julie Steberg made a motion to approve the consent agenda, Jo Anne Krier seconded, motion unanimously approved.

*Individual Action Items*

a) Audited Consolidated Financial Statements for the year ended December 31, 2020. Presented by Marie Primus, CPA, CGMA – Partner, BerganKDV (Emailed to board members and on Board page of website)

Marie reviewed the preliminary Communications Letter, Consolidated Financial Statements and tax return documents with the board, to be finalized pending board approval. Three Rivers received a clean opinion on the financial statements. There are no material weaknesses and no significant deficiencies. Looking to the future Maria said we could formalize the liquidity plan, review procurement process for fuel bids, review vendor listing, be mindful of COVID-19 impacts on internal controls, and prepare for lease standard changes.

Marie thanked Kindra, the fiscal team, and Jenny for their efforts to complete the audit. She shared her contact information and told the board they can reach out to her anytime.

Paul thanked Marie on behalf of the board for her enthusiasm, as well as Kindra and her staff. He is happy to hear the words clean audit.

Heather asked about the lease standards that are going to be changing. Currently, Three Rivers' future lease obligations are reported in note 11 in the financial statements. Once the lease standard is implemented, they will be recorded financially as well, and will show as an agency liability, as well as an asset - similar to how property and equipment that we own is recorded. For some companies, this could have a large impact on their appearance of financial health, and potentially have a negative effect on financial ratios that puts them in violation of existing debt covenants. A review of Three Rivers financial situation has determined that implementation of the lease standard will have a neutral effect on the agency's operating financials. We have not yet determined what, if any, effect the standard may have on individual multi-family developments.
Julie Steberg made a motion to accept the Audited Consolidated Financial Statements for the year ended December 31, 2020, Paul Drotos seconded, motion unanimously approved.

b) Tax returns for the year ended December 31, 2020 including Internal Revenue Service Form 990 and 990T, Minnesota Revenue form M4NP and Minnesota Charitable Organization Annual report – Prepared by BerganKDV (Emailed to board members and on board page of website)

Heather Robins made a motion to approve the Tax Returns for the year ended December 31, 2020 including International Revenue Service Form 990 and 990T, Minnesota Revenue from M4NP and Minnesota Charitable Organization Annual report, Ruth Boudet seconded, motion unanimously approved.

c) Resolution Number 2021-6 and approval of the Affordable Housing Plan – HUD Recertification

Jenny presented the Affordable Housing Plan that is submitted to HUD every two years. HUD reviews the plan and gives Three Rivers approval to provide down payment assistance to homebuyers who are using HUD/FHA first mortgage financing. This includes low- and moderate-income households and underserved households, including people of color and single parent households. There are not many entities approved for this in Minnesota. We are currently 1 of 6 approved in the state.

Julie Steberg made a motion to approve Resolution #2021-6 and the Affordable Housing Plan, Meredith Erickson seconded, motion unanimously approved.

Policy Discussion Item

a) Update on Child Care Center

Jenny updated the board on a new partnership in Northfield, where we are exploring Child Care Center options.

b) Zumbrota Bus Garage

When we built the Zumbrota building addition, we also planned for a bus storage facility on our property. The spot has been graded and utilities stubbed in. We have gotten three construction proposals. Since they just came in, the board decided the Building Committee will meet to review the bids. Building Committee members are Galen Malecha, Ruth Boudet, Brian Goihl, Heather Robins and Dave Windhorst.

Paul thinks it is important to make provisions for electric vehicles in the future and to include it in the bid.

Paul Drotos made a motion to give the Building Committee authority to proceed with the bid selection, Heather Robins seconded, motion unanimously approved.
Advisory Committee

a) Head Start Policy Council meeting May 18, 2021. Minutes will be provided in June.

b) Hiawathaland Public Transit Advisory Committee met on May 13, 2021. The minutes were provided to the board in the agenda packet.

Comments from the public: None

Date, Time, and Location of Next Meeting: 9:00 a.m., June 16, 2021, by Zoom, Three Rivers Community Action Board Room, 1414 North Star Drive, Zumbrota MN, or Three Rivers Community Action Conference Room, Faribo Town Square, 201 South Lyndale Avenue, Faribault.

Galen said we will continue to offer the Zoom option and those who wish to go to a Three Rivers conference room are welcome. Galen added that we have not had any problems getting a quorum when Zoom is an option. This flexibility provides for those with health concerns, as well as minimizing driving time for members who are located further from the Zumbrota office. Galen said we can reassess as time goes on.

Adjournment

Ruth Boudet made a motion to adjourn the meeting, Julie Steberg seconded, motion unanimously approved.

Chair

June 16, 2021
Date