



**THREE RIVERS COMMUNITY ACTION, INC.  
Board of Director Meeting Minutes  
Wednesday, November 15, 2017  
Three Rivers Community Action, Inc.  
1414 North Star Drive, Zumbrota Minnesota**

**Members Attending:** Galen Malecha, Abdullah Hared, Ekta Prakash (on phone), Ruth Boudet, Alicia Norton, Brian Goihl

**Staff Attending:**

Jennifer Larson, Executive Director  
Amy Repinski, Transportation Director  
Kindra Papenfus, Chief Financial Officer  
Jane Adams Barber, Head Start Director  
Leah Hall, Community Development Director  
Donna Stamschror, Support Staff Coordinator

**Members Excused:** Barney Nesseth, Heather Robins, Mark Thein, Jo Anne Krier, Julie Steberg, Dave Windhorst

**Call to Order:** Meeting was called to order by First Vice Chair Galen Malecha

**Determination of a Quorum:** Quorum was met.

**\*Motion to ratify the October 18, 2017 actions of the Committee of the Whole**

Brian Goihl made a motion to ratify the October 18, 2017 actions of the Committee of the Whole, Ruth Boudet seconded, motion unanimously approved.

**\*Approval of the October 18, 2017 Meeting minutes (enclosed in agenda packet)**

Ruth Boudet made a motion to approve the October 18, 2017 minutes, Abdullah Hared seconded, motion unanimously approved.

**\*Approval of the November 15, agenda (enclosed in agenda packet)**

Brian Goihl made a motion to approve the November 15, 2017 agenda with a change in the Head Start amount on Individual Action Item B, it is now \$1,678,224, Ruth Boudet seconded, motion unanimously approved.

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## **Case of the Month – Kindra Papenfus, CFO, Budget Review**

Kindra said she and Jenny have the 2018 draft budget ready. Rather than just hand it out, she wanted to go through it and give the board some background on the financials and how they arrive at the budget each year. The board receives the fund summary report each month. This report is telling you the current status of every fund that we operate. These funds are driven by grants that we receive and programs that we run. One thing that complicates things is that the grants and program ending dates vary widely. Most of our funding streams do not run on a calendar year, so preparing the calendar-year budget is based on history and our best estimates of what funding we think will be coming in during the year. Another thing that can complicate the budget is that different funders put expenses in different category. For example the state CSBG considers training as an expense under travel, while other funders have a separate line item for training, and some consider it an “other” expense. Each year, we present the annual operating budget to the board. This year we have made a few changes, combines some of the smaller line items, and adopt reporting categories that we use in the audit. This will allow us to line our projected budget up with actual audited financials. The main message is we want the operating budget to be relevant, but also for everyone to understand that when we go into the beginning of the year, it is really an estimate as most of these funds are not yet set in stone. We constantly monitor and bring updates and adjustments to each board meeting. We have to be flexible as funding changes and renews. A draft of the 2018 budget was handed out today, and will be brought back in December for approval. This budget does include the health insurance increase that we talked about in October. We were able to get it down to a 3% increase by offering a second plan to employees. The budget does not include a wage increase, but does have what the impact of different size wage increases would be. The board approves wage increases, typically with the approval of the budget in December.

## **Director’s Report**

1. We have wrapped up the Needs Assessment/Strategic Planning process with our consultant. The staff committee was very engaged throughout the process, and we are excited to begin the implementation. The final report will be presented to the Board at the December meeting. We are using Real Time Strategic Planning and as things come up we will use the tool we developed to make recommendations to the board. The needs assessment overall summary and summaries by county will be reviewed in December. Jenny would like to go to each County Board and review the information when they have time available on their agendas.

2. The original health insurance quote for this year was a 12.5% increase for the same coverage. We worked with our agent to identify a second plan, so we are now offering two options to our staff. The second option eliminates high cost providers (Mayo in this area), and is actually cheaper than last year's plan and we will be passing that saving on to staff who choose that plan. Those staying on the higher cost plan will see an increase in their share of the cost. Based on the preliminary survey we sent to staff, we anticipate that about half of our staff will opt for the lower cost plan. Overall, we are budgeting for a health insurance cost increase of 3%. Winona Agency is our broker, our product is Blue Cross, and open enrollment begins this week.
3. November 16, 2017 is Give to the Max Day. We will be emailing and posting invitations to partners and supporters to make a donation in support of Three Rivers.
4. I spoke at the Goodhue County Housing Summit last week, providing a developer's perspective of housing needs in the county. The summit was very well attended, and it was interesting that in addition to housing, participants cited transportation and child care as urgent needs affecting economic development in the county.
5. In preparation of my annual review, which will happen in December, I have prepared a list of key accomplishments for the year. I am handing that out in advance, which may help you fill out the evaluation form that will be handed out at the end of today's meeting.

**\*Policy Action Items**  
**Consent Agenda**

- A) October 2017 Financial Reports – Enclosed in agenda packet
- B) Mutual of America – October Monthly Reports – Enclosed in agenda packet
- C) Credit Card Expenses Summary – Share at meeting
- D) Contracts, Awards & Contributions  
Received
  - Minnesota Housing Finance Agency - \$36,000 – HECAT Funds to provide Emerging Markets Homebuyer Education for 96 clients and pre-purchase counseling for 80 clients.
  - Minnesota Department of Human Services – \$1,102,236 - agency Minnesota Community Action Grant & Community Service Block Grant for

2017-2019. Flexible funds used to meet needs of agencies that are unfunded by program grants.

- Minnesota Housing Finance Agency - \$100,760 – Homeownership Capacity Program funds to provide homebuyer education to 110 households.
- Minnesota Energy Resource Cooperative – \$30,000 - CIP Funds used to implement the Low Income Weatherization program for MERC customers in Olmsted and parts of Goodhue Counties.
- Minnesota Department of Human Services - \$35,659 – SNAP Outreach and Application Assistance renewal, to conduct outreach to identify persons in need of and eligible for SNAP assistance and to help them apply using paper applications or the online application portal.

#### Not Received

- Minnesota Board on Aging & Allina Health - \$50,000 – three year grant to provide support to persons living with Alzheimer’s Disease and their caregivers.

#### E) Grants & Requests Submitted or to be Submitted

- South East Minnesota Agency on Aging (SEMAA) - \$50,600 – Renewal of Caregiver Advocate program for Goodhue, Rice, and Wabasha counties.
- South East Minnesota Agency on Aging (SEMAA) - \$27,093 – Renewal of Senior Volunteer Transportation program for Goodhue, Rice, and Wabasha counties.
- Southeast Minnesota Area Agency on Aging (SEMAA) – \$118,602 - Home Delivered Meals program for Goodhue, Rice and Wabasha counties.

#### F) Monitoring Visits and Reports

- Minnesota Department of Transportation letter dated October 16, 2017 for onsite drug and alcohol review performed September 26-27, 2016 (enclosed in agenda packet)
- HUD CPD Monitoring Letter dated 9/21/2017 for on-site monitoring September 11-12, 2017 (enclosed in agenda packet)

Ruth Boudet made a motion to approve the November Consent Agenda, Abdullah Hared seconded, motion unanimously approved.

#### **\*Individual Action Items**

#### A) Hiawathaland Transit Facility - RFP Selection/Contract Award

Amy said the architectural-engineering contract is at MnDOT and we are waiting for their approval. Bids were ranked and the highest ranked firm was Wendel Architecture. We were able to negotiate their bid down to

\$161,000. We want a contract with a construction firm by the end of February and to break ground this spring.

B) Head Start Federal Grant for fiscal year 2018 \$1,365,385.00

Jane said the updated dollar amount is \$1,678,224 which includes expansion costs for full day programming. (Handout)

Alicia Norton made a motion to approve the Head Start Federal Grant for fiscal year 2018 \$1,678,224, Abdullah Hared seconded, motion unanimously approved.

C) Preliminary review of 2018 Budget (handout at meeting – presentation was earlier in meeting)

Jenny said the final budget will be brought back next month so if there is anything anyone wants to see differently or would like more information on, let Jenny or Kindra know. We will also be bringing our recommendation for wage increases. One thing Jenny and Kindra were asked to think about is when there is a budget increase or decrease in a certain department it would be easier for the board if staff could indicate why, such as due to raises, insurance, etc., and a comparison of last year to this year would be helpful.

### **Policy Discussion Items**

A) Transit Settlement Agreement

Amy said that in 2010 our bus was at an intersection when a car hit the back end of the bus. We didn't hear anything about this until about a month before the statute of limitations was up. At that time a lawsuit was filed by the driver of the car against the bus driver and Three Rivers. Minnesota County Insurance Trust was our insurance company at the time. Mediation process occurred and a settlement reached. We admitted no fault and the case is settled. The insurance company will pay the settlement.

Ruth Boudet made a motion to approve the settlement agreement from 2010 accident of \$21,500, Brain Gohl seconded, motion unanimously approved

B) Select Nominations Committee

Galen said we should put Heather in charge of the committee. He said Heather may be stepping down as chair of the board. Galen would be

interested in the Chair position. Galen asked if anyone else would like to volunteer to be on the committee.

Jenny said our annual meeting is in January. We will elect officers and new members will be seated. Jenny has been working on board member recruitment and the committee can review those candidates and make recommendations. Ekta would like to resign at the end of the year. Hopefully Heather would stay on if she did not have to be chair.

We will have four vacancies to fill, three of which are at large. While two of the three at-large seats must be outside of our four county area they must still be within our 20 county area. The last at-large seat is a statewide rep that Ekta has filled. We also have one opening in Wabasha county. One of the openings will need to be filled by an early childhood specialist to meet our Head Start requirements. Galen mentioned posting it on our Facebook page and reaching out to our community partners. Galen will talk to Heather and put her in charge of the committee. Galen said he would be on the committee.

### **Advisory Committees**

- A) Head Start Policy Council – Meeting on October 17, 2017 minutes attached. Next meeting on November 28, 2017

They will get approval for the federal grant in addition to all the usual business.

- B) Hiawathaland Public Transit Advisory Council – no meeting

Next meeting is in February. Winona is adding dial-a-ride services on December 1 as part of an expansion grant. They hope to review building plans at that meeting.

### **Comments:**

Ruth Boudet said people in Rochester still do not know who we are. Galen said there are a lot of people who do not know what county government is because we are behind the scenes and carry out what is mandated. If they do not use the services/programming they do not know about us. Jenny said that this was talked about a lot during Strategic Planning. We have a group that is interested in communication issues. She is presenting at a Lunch and Learn at PrairieCare in Rochester next week.

### **Board members fill out and submit review forms for Executive**

**Director's annual review**

**Date, Time and Location of Next Meeting:** 9:00 a.m., December 20, 2017 in the Zumbrota office conference room.

**Adjournment**

Abdullah Hared made a motion to adjourn the meeting, Ruth Boudet seconded, motion unanimously approved.

  
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Chair

December 20, 2017

Date