

**Hennepin South Services Collaborative
BOARD of DIRECTORS MEETING
Wednesday, May 7, 2008**

Eden Prairie Public Schools – Administration Building Board Room

MINUTES

Board Members Present: Barbara Devlin, Mark Bernhardson

Mandated Partners Board Members Present: Rose Jost, Bloomington Public Health; Marcy Harris, CAPSH

Liaisons Present: Carol Huttner, Bloomington/Richfield Schools; Denise Royer, City of Bloomington; Molly Koivumaki, City of Eden Prairie; Kathy Farris, City of Richfield

Staff Present: Daryl Coppoletti, Laurie Pennebaker

Call to Order

Harris called the meeting to order, in the absence of the Chair, at 3:25 p.m.

I. Approval of Agenda

Coppoletti removed Item #3 from the Agenda.

**Farris moved & Koivumaki seconded the motion to approve the agenda with the change.
*Motion Carried.***

II. Approval of Minutes – February 13, 2008

**Farris moved & Huttner seconded the motion to approve February 13, 2008 minutes. Jost and Koivumaki abstained.
*Motion Carried.***

III. Research, Planning, and Coordination (RPC) – Daryl Coppoletti, Regional Planning Coordinator

• Hennepin County contracts for 2008 – RPC

Coppoletti reported that HSSC has received the Hennepin County Human Services and Public Health Department's approved payment to fund our regional planning efforts for January through March 2008. He will invoice Hennepin County for the remaining payment at the end of June. This payment was approved by the commissioners to fund half of 2008, with the understanding that HSSC would be interviewed by county staff to determine if funding for the remainder of 2008 would be approved for our agency. Coppoletti had a lengthy meeting with a county staff person from the Research, Planning, and Development Department to explain exactly what HSSC accomplishes with our RPC funding. This person then went back to the Research, Planning, and Development team to complete a report which has now been forwarded to Hennepin County Administrator Richard Johnson. If the county commissioners decide to fund HSSC for the remainder of 2008, this will most likely be a result of this report. Coppoletti continues to be in contact with the county to check on the status of this additional funding for 2008. He plans to contact Commissioner Dorfman if he doesn't hear anything before the annual contracts are slated to be approved by the county board in June.

- **2007-2008 Work Plan update**

Coppoletti said that he put the foreclosure report on the HSSC website, www.hsscmn.org, and continues to track the monthly foreclosures using the Sheriff sale information for suburban Hennepin County. He said the trend shows an overall downturn in number of foreclosures, but the percentage of suburban foreclosures has gone up and has now surpassed Minneapolis. Coppoletti also reported that he and Rachel Fang from NWHHSC held a community meeting to discuss suburban foreclosures; however, he said the group realized there is very little our agencies can do to solve the problem. CAPSH has increased the hours that their counselors work with foreclosure clients to two evening per week. Marcy reported that the numbers of clients served have been steadily increasing.

Coppoletti continues to work on the project included in the Affordable Housing section of our 2007 – 2008 Work Plan. He has been working on confirming the accuracy of the information he received from HousingLink that identified affordable housing sites. This will provide a good list of project based housing but he will have a more difficult time with the sites accepting Section 8 portable vouchers and Section 42 vouchers. The group discussed the fact that many former affordable housing sites have ended their agreements with cities and have begun to charge market rate rents, especially with the number of families needing housing after going through foreclosure.

- **Development of 2009-2010 Work Plan**

Coppoletti then described the proposed process for developing HSSC's 2009-2010 Work Plan. This year, rather than having Coppoletti meet with various collaborative partners to solicit input and then develop the Work Plan's topics and activities based on that input, each of the Coordination Teams will develop the topics and activities specific to their area. With this process, the three Teams will have greater input, understanding, and buy-in for the various activities that end up in the Work Plan. Coppoletti and Clare MacDonald-Sexton, coordination team facilitator, have already discussed this new method and Clare is excited to lead the Teams through the process.

Huttner moved and Jost seconded a motion to approve the proposed 2009-2010 Work Plan development process.

Motion Carried.

IV. Family Services Collaborative (FSC) – Laurie Pennebaker, Family Services Collaborative Coordinator

- **LCTS Update**

Pennebaker updated the group on the LCTS collaborative earnings for the fourth quarter of 2007. Compared to fourth quarter 2006, the earnings are down about 10%. The overall comparison of 2006 to 2007 is 88% of last year's earnings. The schools and public health continue to do a great job administering the Time Study. Clarification of 2008 funding was requested. Pennebaker confirmed the funding for 2008 consisted of second quarter 2006 through first quarter 2007 a total of \$644,186 for the four quarters of LCTS earnings by the three schools and Bloomington Public Health.

- **Disallowance/Payback**

Each of the three school districts was represented at the special LCTS financing framework meeting on April 14th. Summary notes from the meeting were included in the packet. Pennebaker said HSSC has been asked by the county to let them know of the HSSC Board's plan to pay back the disallowance assigned to our collaborative. Discussion followed.

Bernhardson moved and Huttner seconded a motion to hold in reserve the existing and future unallocated LCTS earnings and interest in order to pay back the disallowance in one of two ways: 1) Enter into a three year payback agreement if the interest rate is 4% or less and make the first annual payment from said reserved, unallocated earnings and interest and then make the next two annual payments from future LCTS earnings; or 2) If the interest rate is over 4%, make one lump sum payment from said reserved, unallocated earnings and interest with the understanding that 2009 LCTS grants will be substantially reduced. If neither payback option is feasible because of significant changes in the terms, conditions, or final amount of the payback, a special meeting of the Board of Directors will be called to further discuss options.

Motion Carried.

- **Alliance update**

Pennebaker showed the results of HSSC submitting a grant to the Alliance for the Allies for Change dollars. HSSC was awarded the full amount of \$114,000 to fund four collaborative projects in the school year 2008-2009. Payments will be made to the programs in August. Special thanks were given to Carol Huttner, Gretchen Durkot, Dr. Barbara Devlin, Lisa Rahn, Kay Miller, Barton Erickson, Amy Kondziolka, and Laurie Lindblad for their collaborative efforts in preparing this proposal that is well aligned with the HSSC Work Plan, the Alliance Outcomes, and cross county service integration.

- **Homeless Prevention and Emergency Services Update**

Pennebaker included an update on the Homeless Prevention and Emergency Services contracts with Hennepin County. She told of two success stories: one was a Bloomington resident experiencing a short term crisis, where VEAP provided one months rent from emergency funding administered by HSSC and food shelf support to stabilize the individual in affordable housing; the second was a success story using the new homeless prevention funding awarded to south Hennepin, which allows for up to three months of assistance to stabilize qualifying families in their existing housing. VEAP used these new funds to assist a single mother and her three children from Bloomington with two months rent assistance while she is waiting for an increase in her systemic resources. HSSC and the emergency providers are keeping well documented assessments of these cases in order to leverage more dollars for this category of emergency assistance in the next round of county funding.

V. Financial

- **Review Disbursements**

Coppoletti showed a list of disbursements from 2/4/08 through 5/6/08 from the now closed account at M&I Bank and the newly opened account at Richfield/Bloomington Credit Union for board review and financial oversight.

- **Balance Sheet and Profit & Loss**

Coppoletti presented both reports for review as directed by the auditors.

Huttner moved and Harris seconded the motion to accept the financial reports.

Motion Carried

- **Revised 2008 Budget**

Coppoletti presented the revised 2008 budget with adjusted income and expense line items. Some incomes are now finalized (LCTS Admin rebates and Contract Management) but other incomes are still unknown (Hennepin County RPC contract and interest income). Network Line Expense was substantially lowered because Coppoletti successfully ended our relationship with LOGIS and set up new ISP services with Qwest and on-site technology support with Loffler. The net effect is a projected deficit of \$33,218.26, approximately \$5,700 less than previously approved.

Harris moved and Huttner seconded the motion to approve the revised 2008 budget.

Motion Carried

- **Preliminary 2009 Budget**

Coppoletti presented the preliminary 2009 budget, which currently includes no County RPC funding and no LCTS Administrative Rebates. Thus, the projected deficit is in excess of \$106,000.

Coppoletti presented several options to reduce the projected deficit by increasing income and/or reducing expenses:

1. Keep the status quo and use the existing reserve to cover any deficit
2. Increase annual city contributions by 10% or 15% instead of the normal 3%
3. Persuade an additional city to join our collaborative requiring them to make an annual contribution comparable to the existing city members
4. Reinstate the schools' LCTS Administrative Contribution at 3% or 5% of their earnings
5. Apply for grants (which might necessitate acquiring 501(c)3 status for HSSC)

6. Request school districts become official members of the collaborative which would require an annual member contribution comparable to the current city contributions
7. Decrease expenses by reducing staff hours

Coppoletti added Option #6 when Bernhardson reminded the group that option number 6 had been suggested in years past and should be included. Coppoletti asked Bernhardson if HSSC could count on the City of Bloomington's legal department if we decided to apply for 501(c)3 status. Harris offered, through CAPSH, to assist HSSC with the legal aspect of the application. A great deal of discussion followed. The group agreed it would be difficult for both cities and schools to increase their contribution with the many cuts that are occurring in all of our communities. Devlin encouraged Coppoletti to proceed with the research of securing 501(c)3 status, with the understanding that the application process takes longer to be approved than in the past. She also suggested that Coppoletti explore the possibility of an existing 501(c)3 organization like CAPSH applying for grant funds on behalf of HSSC. Devlin remarked that Coppoletti's hours should not be reduced because the research and planning function of HSSC is dependent on his position being full time; and the reality is, the role of Pennebaker's position will begin to disappear, in any case, with the continuing decrease and eventual disappearance of LCTS funding. When there are no longer LCTS funds to claim, school districts will cease to participate in the LCTS time study, which will make the function of a family services collaborative coordinator less essential. Bernhardson recommended that HSSC use the reserve as needed until a better resolution to the budget deficit is established.

**Bernhardson moved Huttner seconded the motion to accept the preliminary 2009 budget.
*Motion carried***

- **Coppoletti's Expense Report – February 2008 through April 2008**

**Huttner moved and Farris seconded the motion to approve Coppoletti's Expense Report.
*Motion Carried.***

VI. Devlin was congratulated on her upcoming retirement. The Board expressed thanks to her for many years of service and appreciation for her leadership as chair. The HSSC Board celebrated Dr. Barbara Devlin's last meeting with refreshments.

VII. Next Meeting

- **New HSSC Board Chair and Vice Chair**
- **Presentation of 2007 Audit**
- **Final 2009 budget**

VIII. Adjourned at 5:04 p.m. - Devlin was honored for her many years of service to the HSSC Board of Directors.

**~ Next Meeting ~
Wednesday, August 13, 2008
3:00 – 4:30 p.m.
Richfield Schools Administration Building – School Board Meeting Room
7001 Harriet Avenue South**