

**Hennepin South Services Collaborative  
BOARD of DIRECTORS MEETING  
Wednesday, August 12, 2009**

**Bloomington Civic Plaza ~ McLeod Meeting Room**

**MINUTES**

**Board Members Present:** Steve Devich, City of Richfield

**Liaisons Present:** Carol Huttner, Bloomington/Richfield Schools; Tracy Smith, City of Bloomington; Molly Koivumaki, City of Eden Prairie; Gretchen Durkot, Eden Prairie Schools

**Mandated Partner Board Members/Liaisons Present:** Karen Zeleznak, Bloomington Public Health; Susan Bongaarts, Hennepin County; Marcy Harris, CAPSH

**Staff Present:** Daryl Coppoletti

**Call to Order**

The meeting was called to order at 3:04 p.m.

**I. Approval of Agenda**

**Durkot moved and Smith seconded the motion to approve the agenda.  
*Motion Carried.***

**II. Approval of Minutes – May 13, 2009**

**Zeleznak moved and Durkot seconded the motion to approve May 13, 2009 minutes.  
*Motion Carried.***

**III. Presentation of 2008 Audit – Daryl DeKam, Baker Tilly Virchow Krause**

Daryl DeKam presented the 2008 Audit for Board review and approval. DeKam highlighted that Page 1 of the "Financial Statements" notes the auditor's opinion that everything presented in the 2008 Audit is presented fairly. DeKam then pointed out that the "Adjustments" column on Page 2 shows the two future LCTS disallowance payments that HSSC has agreed to payback, more fully described on Page 15 under "Commitments and Contingencies." He then pointed out that Page 16 shows the comparison of the most recently approved 2008 Budget and the end of year actuals, and that Page 18 shows the detailed revenue and expense report for 2008. Finally, DeKam pointed out the that "Report on Internal Controls" highlights the material weaknesses of HSSC:

1. There are only two full time staff to perform financial tasks that should be segregated;
2. Some adjusting journal entries were identified and recorded during the audit; and
3. The financial statements were prepared by the auditor.

All three of these identified areas are a reminder to the HSSC Board of Directors that they should carefully review HSSC financial statements on a regular basis.

**Harris moved and Zeleznak seconded the motion to approve the 2008 Audit.  
*Motion Carried.***

#### **IV Research, Planning, and Coordination (RPC) – Daryl Coppoletti, Regional Planning Coordinator**

- **2009-2010 Work Plan update**

Coppoletti reported on his work with research and planning. Coppoletti reported that he has created a new “tracking document” for the 2009-2010 Work Plan that gives a visual indicator of the status of Activities – dark pink indicates completed, salmon orange indicates either “substantially in progress” or “at least one event in a series of events completed with more to come,” and yellow indicates “in the beginning/exploration phases.”

Coppoletti then reported that he has finally completed and distributed the updated community databooks in early July and now has scheduled one “brown bag lunch” in each community to discuss significant trends and changes: Eden Prairie is scheduled for August 25<sup>th</sup> at the Eden Prairie Library; Bloomington is scheduled for August 27<sup>th</sup> at Bloomington Civic Plaza; and Richfield is scheduled for September 1<sup>st</sup> in the School Board Meeting Room. He indicated that he has received a fairly good response so far, with about 15 people in each session, and will send out a reminder next week. Koivumaki asked if Coppoletti had issued a press release about the “brown bags” and Coppoletti indicated that he had not but would contact Mary Jane Smetanka at the StarTribune since she covers the South Hennepin area. Coppoletti also indicated that he will post the PowerPoint presentations for each community on the HSSC website after the lunches are completed.

Coppoletti then reported that he also completed and distributed the updated family budget/livable wage factsheets in mid July. He also said that he has heard back from many collaborative partners who commented on how valuable these factsheets are to their organizations.

Finally, Coppoletti reported that he continues to pull the mortgage foreclosure auction data from the Hennepin County Sheriff’s website each month and said that after an initial drop off in numbers earlier in the year, the foreclosures appear to be increasing again (particularly in the suburban communities) but not yet to the peak levels seen in mid 2008. He also indicated that he has contacted CAPSH to get their month-by-month and city-by-city data on the number of foreclosure notice letters that they have been sending out. He hopes to see if there is any correlation between the number of letters going out and the number of sheriff sales.

#### **V. Family Services Collaborative (FSC) – Daryl Coppoletti, Regional Planning Coordinator**

##### **LCTS Updates**

- **2009 quarterly LCTS payments**

Coppoletti included the most recent LCTS payment chart in the packet. He reported that 1st Quarter 2009 LCTS earnings totaled \$110,954, approximately 91% of the 1st Quarter 2008 earnings.

- **Plan for 2009 disallowance payback and tentative 2010 LCTS spending amount**

Coppoletti explained how the tentative total spending amount of \$395,510 for 2010 was calculated by taking the LCTS earnings from 2<sup>nd</sup> Quarter 2008 through 1<sup>st</sup> Quarter 2009 (\$511,907), subtracting the 2<sup>nd</sup> disallowance payback amount (\$138,319) which will be offset by \$3,172 of accrued interest, and then adding in the Alliance grants of \$6,250 per school district. He stated that there was some question/confusion as to which entities have already been approved to carry over the 1<sup>st</sup> Quarter 2008 MA payment into 2010. He said that he would check with Pennebaker when she returns from vacation and make sure that any necessary approvals are handled at the next Board meeting in November.

**Zelesnak moved and Huttner seconded the motion to approve the plan for the 2009 disallowance payback and tentative 2010 LCTS spending amount.**

***Motion Carried.***

- **Richfield Community Council – 1Q 2008 LCTS MA spending request**

Coppoletti included in the packet a request from the Richfield Community Council to spend their additional 1<sup>st</sup> Quarter 2008 MA payment in 2009 by proportionally distributing the total amount of \$11,528 across the previously funded programs.

**Durkot moved & Koivumaki seconded the motion to approve RCC's request to spend the 1<sup>st</sup> Quarter LCTS MA earnings in 2009.**

***Motion Carried.***

### **Homeless Prevention and Emergency Services Update**

A success story was included in the packets that describes how PROP helped a young mother involved in a contentious divorce which was complicated by immigration issues and nonpayment of child support by her son's father. PROP helped her with childcare payments and housing stability.

## **VI. Financial**

- **Review Disbursements**

Coppoletti showed a list of disbursements from 5/14/09 through 6/12/09 for Board review and financial oversight as directed by the auditors.

- **Balance Sheet and Profit & Loss**

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

**Harris moved and Smith seconded the motion to accept the financial reports.**

***Motion Carried.***

- **Revised 2009 Budget**

Coppoletti pointed out revisions to the 2009 Budget, including 1) a net increase in the estimated Hennepin County contract management income because of the new HPRP contract that starts in October and a decrease in the FHPAP contract amount recently initiated by Hennepin County, 2) the addition of the HPRP contract pass-through amount, and 3) the slightly increased staff expenses due to the Coppoletti's salary increase from his annual review at the last Board meeting. The projected deficit for 2009 is now \$78,003.84.

**Koivumaki moved and Durkot seconded the motion to approve the Revised 2009 Budget.**

***Motion Carried.***

- **Final 2010 Budget**

Coppoletti pointed out revisions to the Preliminary 2010 Budget, including 1) a net increase in the estimated Hennepin County contract management income because of the new HPRP contract and the reduced FHPAP contract, 2) a reduced FHPAP pass-through amount, 3) the new HPRP pass-through amount, and 4) the slightly increased staff expenses due to the Coppoletti's salary increase. Smith indicated that Bloomington's preliminary 2010 Budget includes no increases for contracts or staff salary increases and Devich said that was true for Richfield as well. Discussion then followed on reducing the three City Research, Planning, and Coordination Contracts in the 2010 Budget to the 2009 amounts. With those changes, the projected deficit for 2010 is now \$106,052.48.

**Smith moved and Zeleznak seconded the motion to approve the Final 2010 budget with the City RPC contributions reduced to 2009 amounts.**

***Motion Carried.***

- **Coppoletti's Expense Report – May through July 2009**

**Durkot moved and Huttner seconded the motion to approve Coppoletti's Expense Report.**

***Motion Carried.***

## **VII. Handouts**

Coppoletti pointed out that in addition to the normal handouts of CAT Meeting notes and Coordination Team Update, he included an article from a recent Minnesota Council of Nonprofits' newsletter on several efforts underway in Minnesota toward an accurate and complete U.S. Census in 2010.

## **VIII. Next Meeting**

- **2010 LCTS Grants**
- **Family Services Collaborative Governance Agreement**

**IX. Smith moved and Zeleznak seconded the motion to adjourn the meeting at 4:05 p.m.  
*Motion Carried.***

**~ Next Meeting ~  
Wednesday, November 18, 2009  
3:00 – 4:30 p.m.  
Eden Prairie Location – to be determined**