

Minutes of Newcap, Inc. Board of Directors

February 15, 2018 – 12:00 p.m.

Oconto City Hall – Multi-purpose Room, 1210 Main Street, Oconto, WI

1. **CALL TO ORDER:** Meeting called to order at 12:04 p.m. by Vice-Chairperson Sandy Polarek.

2. **ROLL CALL:** taken by Lisa Klitzman

Present: Berg, Brock, Crozier, DeWitt, Dillinger, Hoppe, Hoslet, McKenzie, Pederson, Polarek, Reinhart, Sauve, Thompson and Van Pembroke

Excused: Carper and Johnson

Absent: Bubb, Brunette, Champion, Feller Gottard, Genrich, Honish, Londo and Withers

Staff Present: C. Detrick, Barlament, Bushman, Johnson, B. Detrick, Ratzburg, Filz, Charlebois and Wiesner.

Guests: Mrs. Larry Berg

3. **INTRODUCTIONS:** Larry Berg introduced his wife.

4. **DISCUSSION APPROVAL OF AGENDA:** Minor change, moving 8 c) and making 7 c)

a. Motion made to approve the minor change to the agenda by Pembroke. Second by Berg. Carried.

5. **APPROVAL OF MINUTES:** Motion made to approve the Minutes of the October 12, 2018 Board meeting by Hoppe. Second by Dillinger. Carried.

6. **BOARD ELECTION:**
 - a) **Election of Officers & Executive Committee –**
 - a. Officer Ballot:
 - i. Sandy Polarek as Chairperson,
 - ii. Russel Brock as Vice-Chair,
 - iii. Ruth Johnson as Treasurer
 - iv. Doug Thompson as Secretary.
 - b. Executive Committee Ballot for at large members in addition to officer slate
 - i. Gene Hoppe
 - ii. Pat DeWitt
 - iii. Ted Sauve.
 - c. Polarek called for nominations three times from the floor. No extra names were added to either ballot. Sauve questioned terms, it was stated that the terms are for 2 years.
 - d. Motion made by Berg to suspend rules and cast unanimous ballot. Second by Hoslet. All Voted and Approved.
 - b) **Judicare Rep.** - As previous rep, Joyce Bubb was not present at this meeting, Ms. Detrick suggested this item be moved to the April meeting, as she is not sure what this job would entail and Bubb would know more of the details.

7. **Finance:**
 - a) **November 2017 shortfall**
 - a. CHS: Had a fund balance of approximately \$1,000,000.00 from prior years, which the program has been spending down during its “reconstruction” phase of the program. We received word in late 2017, awarded Family Planning Grant of \$147,000 which will commence early second quarter 2018. The state of Wisconsin will be applying for federal Title X funds and they have approached Newcap CHS about

participating in that funding/program stream as well, which will help the program operate in the black. The state is very likely to receive that funding over the current grantee, Planned Parenthood. CHS will begin to offer base family practice services to underinsured and uninsured individuals at all of our locations in 2018. Crandon has already begun. These additions to our practice model will bring in new and lucrative sources of funds as well as serve those who desperately need the services.

- b. Real Estate: The READI Grant process has been very complex and taken far longer than any of us anticipated. We are anticipating resolution in approval of two one million dollar applications the both the Marinette and Shawano County Boards the last week in March and will then submit to the DOA for approval. Those programs, and the funds, should begin in late second quarter 2018. Our affordable housing grant applications will be submitted for Marinette and Shawano counties beginning in June with project awards in late 2018.
- c. Housing: WHEDA distributes to Newcap approximately 137 section 8 vouchers \$33.20/month/each in 2017. For 2018, the vouchers will be at \$37.20/month/each, but in the current HUD allocation WHEDA is still a deficit program.

- b) **Financial Procedure Manual Edits** – Manual was originally approved on February 7, 2017. Edits/amendments presented for Board approval:
 - a. To correct nomenclature so as to be reflective of current organizational structure and titles as well as for consistency within the document;
 - b. To include language to be reflective and inclusive of Board resolutions passed since 2/7/2017.
 - c. Procurement Policy Authorization and Purchasing Limits: To increase the ceiling amount required to be subject to Procurement from \$3,000.00 to \$5,000.00 unless there is a contract specific amount which is less than \$5,000.

Motion to approved edits/amendments was made by Brock, Berg seconded it. A Vote was taken and approved.

c) **Presentation for the 2018 Budget** ~ the budget was gone through and discussed and voted on per division. McKenzie questioned the negative balance listed on several program/division budgets and stated she was leery of approving a negative bottom line budget for programs/divisions. Ms. Detrick explained that indeed it shows a negative balance per some programs/divisions, but that funds from CSBG will pick up that negative balance and those amounts are reflected in the combined organization budget. There are side notes/footnotes delineating the amount of CSBG funds budgeted to each program that does not have enough grant funded dollars to cover the costs of the programs. Ms Detrick also discussed with the Board the difficulty/impossibility in making a “perfect budget” since our Grants aren’t all awarded to us in January. Some grants in April some in September some in October. It’s hard to do an exact budget if we don’t know for sure what the exact Grant amount will be. But as we find out our Grants amounts, we will revise the budget and discuss it at the next board meetings.

a. Asset Development: *This division is budgeted to be supported with \$16,743.71 of CSBG funds.*

Motion was made by Hoslet to approve the Asset Development budget, Bery seconded it. A Vote was taken and approved.

b. Community Health Services: Motion was made by Van Pembroke to approve the Community Health budget, De Witt seconded it. A Vote was taken and approved.

c. Development Division: This division will be funded by the READI Grant program and there are 2 project plants currently ready and waiting county board and state approvals. Motion was made by Hoslet to approve the Development Division budget, Berg seconded it. A Vote was taken and approved.

d. Energy Services: Motion was made by Von Pembroke to approve the Energy Services budget, Thompson seconded it. A Vote was taken and approved.

e. Food Programs: Minor corrective note: the heading reads “2017” it needs to be changed to “2018”.

Regarding TEFAP: Only a few counties are not yet direct ship so the expense of unloading, storing, loading and driving to unload, are much less in the 2018 budget than in

previous years. By June all remaining counties will be direct ship, saving Newcap money. Ms Detrick explained that the Board has been asked by the state program monitor to reiterate its support and intention to continue as coordinator of the TEFAP network in our service area. She reminded the Board the program was included in the current three year Strategic Plan (2017-2019) and reinforced in each year's Plan of Action.

This division is budgeted to be supported with \$31,753.27 of CSBG funds.

Motion was made by Hoppe to approve the Food Program budget and support, Hoslet seconded. A Vote was taken and approved.

- f. Housing: Ms Detrick discussed that this program never has enough money set aside to help the homeless and that the negative balance is always picked up with help from the CSBG Grant. *This division is budgeted to be supported with \$126,186.77 of CSBG funds.*

Motion was made by Brock to approve the Housing budget, Berg seconded it. A Vote was taken and approved.

- g. Real Estate: Motion was made by Hoppe to approve the Real Estate budget, Brock seconded it. A Vote was taken and approved.

- h. Transportation: Minor corrective note that the budget reads "2017" it will be changed to "2018". *This division is budgeted to be supported with \$9,804.28 of CSBG funds.*

Motion was made by Berg to approve the Transportation budget, Reinhart seconded it. A Vote was taken and approved.

- i. Newcap Entity: minor note that the budget reads "2017" it will be changed to "2018". This "Division" includes the Administrative Allocation from the organization to the divisions and the "income" from the divisions to pay those costs. It also includes a "program" for CSBG which includes "expenses" to the programs of CSBG funding support as listed for each program/division in the side/foot notes.

Motion was made by Thompson to approve the Newcap Entity budget, Hoslet seconded it. A Vote was taken and approved.

- j. Consolidated budget: This is the combined budget of the entire organization. Motion was made by Hoslet to approve the Consolidated budget, Dillinger seconded it. A Vote was taken and approved.

8. **STRATEGIC CONVERSATIONS:**

- a) **Presentation of 2017 Plan of Action Report Out**: Cheryl discussed the Plan of Action that had already been approved, just reminded them it is a 3 year plan and pointed out what was, what is and what is yet to come. The report out comparing actual activities in 2017 as compared to the year's plan was distributed and discussed.

9. **CEO REPORT:**

Ms. Detrick gave an update on the OIG case regarding the Family Planning Audit from 2014. The OIG is appealing the Oconto County Court reversal of the Administrative Law Judge's decision in support of the OIG. It could be two years before we have an answer from the appeals court. Our case is one of three in the state court system currently. Please continue to reach out to state legislature officials to request they tell the DHS/OIG to cease the appeal of the case as it is costing us funds unnecessarily that is taken from programs serving those in poverty.

We are still looking for low income representatives for the board and asked for help finding some.

Updated the board that we are almost positive that we will be approved for \$100K grant from Coastal Management for our new HQ building and that will open the doors for many other grants.

Announced that Joyce Londo mailed in her resignation and has retired from the board.

10. **OLD BUSINESS:** N/A

11. **NEW BUSINESS:**

- a) **Board Resolution to start For Profit Subsidiary** – Ms. Detrick mentioned starting a For-Profit entity, as there are certain contracts that we can't bid on because we are non-profit, if we had a for profit entity, not only would we be able to bid on those, but the profits for those jobs would be able to be rolled/donated tax free into our non-

profit side. Ms Detrick read the Resolution into the record Motion was made by Sauve, Von Pembroke seconded it. A Vote was taken and approved.

- b) **Board resolution to authorized the purchase of 441 Elizabeth St., Green Bay** – This property is a duplex, on the east side, intended for Permanent Supportive Housing for Brown County. It fits all of the Grant requirements (grant amount is \$115K which includes purchase and repair). It was appraised at \$96K purchased for \$82,900.00. Motion was made by Hoslet, Hoppe seconded it. A Vote was taken and approved.
- c) **Board approval of hiring Wipfli as Auditor:** The audit is schedule for Monday March 19th. Should be ready for approval for our June Board meeting. We will file an extension for our taxes. Motion was made by Berg, Hoppe seconded it. A Vote was taken and approved.

12. **ANNOUNCEMENTS:** N/A

13. **PUBLIC COMMENTS:**

14. **ADJOURN:** 2:10 pm Motion made by Hoppe to adjourn. Second by Berg. Carried.

NEXT MEETING: Thursday April 12, lunch at 11:30, meeting at noon. Oconto Municipal Building. Board committee scheduling will be sent out.

Sandy Polarek, Chairperson
Lisa Klitzman, Recording Secretary