

Minutes of Newcap, Inc. Board of Directors
December 9, 2021
Hybrid meeting

- 1) **CALL TO ORDER:**
- 2) **ROLL CALL:** Taken by Shannon Gowan

PRESENT: L. Berg, S. Berg, C.Feller-Gottard, J. Genrich, G.Hoppe, S.Polarek, T. Duke, C. Rouse, R. Brock, H. Clark, P. Crozier, P. Grinde, G. Hoppe, L. Mueller, D. Nichols, T. Sieber,

EXCUSED: R. Brunette, J. Stieber, N. Shawanokasic., M. Dillinger

ABSENT: R. Brewer

STAFF PRESENT: C. Detrick, C. Hoeft., D. Barlament, S. Gowan, P. Zielinski, J. Johnson, D. Bushman

3) RECITE Promise of Community Action

4) DISCUSSION AND APPROVAL OF AGENDA: - Action Required

5) CONSENT AGENDA- Action Required

- a) Board Meeting Minutes — 10/14/21
- b) Governing & Nominating – 12/1/21
- c) Executive Committee Meeting Minutes - 9/29/21
- d) Personnel Meeting Minutes – 12/1/21

6) FINANCE

a) Financials

- The 2021 Oct financials were discussed by Cathy. She stated that Cash and cash equivalent had increased from \$533K to \$1.1M this was a comparison from October 2020 to October 2021. Grants receivable had increase by \$700K primarily due to some of the additional covid funds that were received. Overall total assets had increased from \$7.5M October 2020 to \$11.3M in October 2021. Total Liabilities and net assets increase respectively as well.
- Statement of Activities were also presented by Cathy, and she stated that total revenue had more than doubled over last year \$10M compared to \$22.5M for 2021. The large increase is primarily due to the covid WERA/ERA funds Newcap has received. For 2021 Newcap has a net surplus over expenses of \$477K compared to \$36K surplus last year in October. However, Cathy noted that \$279K of the \$477 surplus was received from the City of Green Bay to purchase the family and youth shelter properties. Both properties will be depreciated and written off over their respective useful

life. This then brings down the true operating surplus to just under \$200K which is still a large increase over last year.

b) Investment Policy

- Change terminology from growth to equity asset on policy. Was already accepted and will need a motion to change the wording. We need to come up with a plan and idea of what we want, so we can communicate our investment plan clearly. Tom's opinion is to make sure that our plan is well articulated, even if that means outsourcing the composing of the policy. Make one change to the terminology from growth asset to have equity asset – motion by Tom. Perry secondary. Now accepting the policy changes with the two changes made (one prior and one today).

c) 2020 Audit

- d)** When completing the 990 tax return it was discovered that the external auditors hadn't included the WRAP funds Newcap were required to record on their 2020 audited Statement of Activities. The auditors had included them on the schedule A however not on the SOA. Newcap was provided with a new revised audit and was asked to replace the incorrect 2020 audit. The corrected audit was uploaded again to match our 990 tax returns. Cathy stated that the Newcap internal financial reports were correct since these WRAP funds had been recorded correctly in 2020. It was decided by the board that Newcap retain Wipfli for the 2021 audit. It would be difficult to get another auditing company scheduled at this time of the year. For 2022 management will look into other auditing companies that audit similar sized organizations. It's also important that the auditing firm that is selected can handle some of complexities Newcap audit presents. Cathy has already scheduled a call with Wipfli to discuss the issues and concerns from the 2020 audit. Hopefully we can avoid the pitfalls and revision that happen during our 2020 audit. Management will start looking at other auditing firms and will bring back a recommendation by the end of the first quarter. This recommended will be reviewed by the finance committee and subsequently sent to the Board for approval. Motion was made by Russel and second by Diane.

e) Legal Entities Formations

- In an effort for litigation protection - Creating a number of LLC's – we inherited the mortgage of an investment property. Formed Community Development Financial Institution (501-C3) counseling agency. Setting up three other LLCs, ownership of duplexes in Oconto, Wausaukee, Oconto Falls.

f) 2020 Tax Return Filed

- 990 – We have filed the 990. The board has been informed that on their behalf, the tax return has been filed with the IRS. A copy should be with each board member.

7) Planning & Evaluation

- a. Discuss RFP 2022 Community Needs Assessment and Strategic Plan – Goals from Cheryl – we got the top 3-5 community needs: affordable housing, employment training, mental health/AODA, childcare, transportation. We looked for

programs and listened to people but never tackled WHAT that looks like. We need to do a needs assessment for more reasons than we are required to. We need to make sure to tackle is from all approaches. Planning and evaluation committee will get an email out on how to do this. On track to start the process by March 1st – with implementation.

8) Governing & Nominating

- a. Jill Krueger Approved – Committee looked at her application and have approved her. Motion by the board.

9) Personnel meeting

- a. CEO Evaluations – return by 1/1/22

10) Topic for Training

- a. Advocacy – Cheryl – How the board can support the populations by advocating for Newcap to the elected officials and even just around town. Word of mouth can be a great avenue to get word out. Tom Sieber encourages to verse yourself with details about Newcap from a trusted source and try and speak in person (not only in emails or phone calls) with an elected official. Nichole Marchand created a handout with a QR code on it that can take you to further information and our website. Do not just communicate through electronic means – it means a lot to establish rapport with our populations. QR codes were explained as the ease of use.

11) Location's update

- a. Shawano – state department is way behind with permits, but we can't cover anything up without the permit. Open by first of January. Hoping to open offices by end of first quarter. Jefferson and Cherry street are in the works.
- b. Shelters in Green Bay – construction is allowed but not until sprinkler system is approved. Former building available that the city told us about. We are reaching out to find out how we can take this over. It is the size of a block.

12) Other Business: Sandy is chairing her last meeting as board chair – off the board effective Feb 1st. Gift given to Sandy to show our appreciation.

13) CEO Report. – emailed 12/6/21. Board seems to really enjoy receiving those.

14) Motion to adjourn meeting by Gene, and seconded Perry

Next board meeting is February

Minutes respectfully submitted by Shannon Gowan, Executive Administrative Assistant. 12/9/21