

Community Action Partnership of North Alabama, Inc.
Financial Committee Meeting
February 25, 2021

Benita Owens opened the meeting at 8:35 a.m. and welcomed all in attendance.

Members Present: None

Members Electronically: Brent Breedlove, Joe Holmes, Benita Owens, Tim Littrell

Members Absent: None

Roll Call to Establish Quorum

Allison Speegle conducted roll call and a quorum was established.

Approval of January 20, 2021 Minutes

The January 20, 2021 minutes were sent electronically to all members prior to the meeting. Benita Owens opened the floor for any corrections. There being no corrections Benita Owens asked for a motion to approve the January 20, 2021 as received. Joe Holmes motioned. Tim Littrell seconded. There being no further questions motion approved with voice vote.

Financial Reports

The financial reports were sent electronically to all members prior to the meeting. Lorrie Mauro, CFO reviewed the following reports:

Financial Information Dashboard

There is a negative Net Surplus balance of (\$400,000) as compared to (\$106,000) for the previous year as a result of paying The Bennett Group 50% of a developer fee. The Average Expenses Per Day is currently at \$123,564.93 compared to \$114,169.58 for the prior year.

The ratio page was reviewed. Lorrie stated a percentage of Head Start staff were still on RIF (Reduction in Force) during the month of January and did not received a paycheck.

Balance Sheet-Consolidating Financial Position

The General Operating Cash for Community Action Partnership is \$1,787,842. The Current YTD Net Income is (\$407,394). There has been \$20,000 paid for extension

fees which the agency will be reimbursed for. Developer fees from Bridge Creek and Parkwood have not been received. Lorrie stated that she will have to redo the cash flow sheet to ensure it is up to date.

Statement of Revenues and Expenditures – Summary/Detail

Lorrie stated that the majority of the budgets have been generated and that her goal is to have a budget created for each grant. The CARES funds have increased the budget. The negative (\$75,559.87) listed under Consumable Supplies should have been coded to the equipment line item so the adjustment created a negative balance. This purchase was for the ZONO cleaning machines purchased by Head Start and approved by the Board of Directors

Statement of Revenues – Public/Non-Public

There has been \$264,631.00 of booked in-kind.

Statement of Activities – Expenditures – Combining Schedule of Activities w/Budget

CSBG CARES and LIHEAP CARES are two new funds and will add approximately \$600,000 to the line item. The CARES funds for Head Start does not require separate tracking. The small grants that have 0.00 listed are ones that either need a budget created or will be cleared up and removed. Operation Warm and Operation Share are funds that are used when other funds are not available. The Babcock Foundation funds of \$5,339.12 have never been used and that we need to contact the foundation to see exactly what these funds can be used for. The Current Actual Net Revenue over Expenditures is (\$407,393.83). Benita Owens asked if there had previously been a budget for Leon Sheffield, PreK and Babcock to which Lorrie responded there had not been. Lorrie stated that one of her goals this year is to go through all the grants and create a budget for the ones that do not currently have one such as Meals on Wheels. Tim Thrasher stated that the 24 new slots for the CCP budget is included and that the LIHEAP CARES is the major budget that is not included which is \$616,000.

Infographic and Statement of Revenues and Expenditures – Head Start 12 County

Should be at 92% of the total budget and is currently at 73.32% actual revenue and 73.31% actual expense with 52.43% in-kind. Operational 81% of the budget has been spent. Purchase Orders and a spending plan to obligate all funds must be in place by 2/28. COVID funds can be carried over.

Infographic and Statement of Revenues and Expenditures – EHS Madison/Limestone

Should be at 92% of the total budget and is currently at 65.41% actual revenue and 65.42% actual expense with 19.50% In-kind. Lorrie stated that In-kind will be waived this year.

Infographic and Statement of Revenues and Expenditures – HS Madison/Limestone
Should be at 92% of the total budget and is currently at 69.97% actual revenue and 69.91% actual expense with 70.72% In-kind. Lorrie stated that this grant will have funds leftover that will be returned. Next year when the grants are combined the leftover funds can be disbursed over the other grants. The combination of all three grants together will be easier to manage.

Infographic and Statement of Revenues and Expenditures – HS Lauderdale County
Should be at 92% of the total budget and is currently at 64.29% actual revenue and 64.39% actual expense with 24.16% In-kind.

Infographic and Statement of Revenues and Expenditures – First Teacher Home Visiting Grant
Should be at 34% of the total budget and is currently at 30.66% actual revenue and 28.21% actual expense with 0.00% In-kind.

Statement of Revenues and Expenditures – DHR Expansion Grant
Should be at 34% of the total budget and is currently at 32.22% actual revenue and 27.74% actual expense.

Statement of Revenues and Expenditures – Medicaid Matching Funds Expansion Program
Should be at 34% of the total budget and is currently at (61.97%) actual revenue and 61.97% actual expense.

Statement of Revenues and Expenditures – EHS DHR
Should be at 59% of the total budget and is currently at 44.71% actual revenue and 47.95% actual expense.

Statement of Revenues and Expenditures – USDA
Should be at 34% of the total budget and is currently at 9.33% actual revenue and 8.69% actual expense. The percentage of budget used is smaller due to the school system using some of their funds to pay for our food.

Expenditure Journal – Credit Card Expenditures
There has been a lot of online training registration fees for the month. Facilities are going full force getting playgrounds ready. Charges for the month are as follows: American Express - \$2,495.40; Home Depot - \$481.53; Office Depot - \$119.30; Wal-Mart - \$9,943.35, Wex Bank - \$1,301.28. Total credit card expenditures for the month were \$14,340.86.

Posted General Ledger Transactions

PEEHIP and The Bennett Group were the two largest payments for the month. Items marked with an "A" is a direct payment to a utility company. Conscious Discipline is a Head Start license.

The floor was opened for questions. Benita Owens asked Lorrie if there was anything in the budget that the committee needs to be aware of too which Lorrie responded that she does not see anything alarming. Lorrie stated that each month the figures that feed the ratio chart are taken from a spread sheet that has a column for the prior month so she can see what changes have occurred. She reminded the Committee that the agency purchased the Central Office building and Tanner Head Start building last year. In regard to housing development, Lorrie stated that a year of not receiving any awards would be difficult to manage and referenced the CDBG grant from previous years where the agency was not reimbursed for projects until all the work was completed while staff were still having to be paid for work done on those projects.

There being no further questions and/or discussion Benita Owens asked for a motion to approve the financial reports as presented. Tim Littrell motioned. Joe Holmes seconded. Motion approved with voice vote.

Other Business

Tim Thrasher shared that we are looking at a potential housing deal in Milledgeville, Georgia, 56 unit construction and Aiken, South Carolina, 60 unit senior construction. These two potential projects will be brought before the Housing Committee for approval. We will not be doing one of the rehabs that we had anticipated. Working with The Bennett Group on two rehabs in Alabama and a new construction. Harbor Square is an on-going rehab. Hixon Pond II in Ft. Payne will be a new construction.

Tim Littrell asked if any entry was out of the ordinary to which Lorrie responded there was not and stated that we have the same expenses each month for the most part. The fees that we are required to pay to the State for extensions, \$3,000.00, are built into the pro forma which we eventually get back. Tim Thrasher stated that extensions were needed due to COVID. Joe Holmes asked about the status of the new stimulus package to which Tim responded that rental assistance is being provided on the State level with landlords having access to a portal. Candy Ayers also has access to the portal to assist clients.

Kim Dodd shared that Head Start will receive a 1.22% COLA and that Teacher Assistants with a BS Degree will now be made Co-Teachers and salaries will be moved to \$26.62/hour. She explained that the Teacher and Teacher Assistants have similar job responsibilities. Teacher Assistants with an AA will be moved to \$13.00/hour. Benita Owens asked how many staff will this impact to which Alicia Higginbotham responded there will be 35 with BS Degree and 28 with AA Degree. Tim Thrasher stated that a wage study was recently completed and that we want to stay competitive

in the market place. This will also make us well placed if we have a minimum wage increase.

Joe Holmes asked about the status of the vaccine for teachers. Kim Dodd stated that staff have been provided with information, where to go, what to do and that currently we are not mandating staff to receive the vaccine. Tim Littrell shared that he recently saw that CVS was going to start providing shots and that appointments can be made on-line.

There being no further business the meeting adjourned at 9:25 a.m. Minutes submitted by Allison Speegle, Recording Secretary to the Board of Directors.

Benita Owens, Board Chair