

Community Action Partnership of North Alabama, Inc.
Financial Committee Meeting
April 15, 2021

Benita Owens opened the meeting at 8:33 a.m. and welcomed all in attendance.

Members Present: Pat Busing

Members Electronically: Tim Littrell, Brent Breedlove, Benita Owens

Members Absent: Joe Holmes

Roll Call to Establish Quorum

Allison Speegle conducted roll call and a quorum was established.

Approval of March 18, 2021 Minutes

The March 18, 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 March 18, 2021 as received. Pat Busing motioned. Brent Breedlove seconded. There being no further questions motion was 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

Lorrie explained that the ratio indicators provide a snapshot of where we are currently compared to the previous year. Pat Busing asked Lorrie if there were any concerns that the committee should be aware of too which Lorrie stated that the Revenue to Expense needs to be above 1 and it is currently at 0.98 as a result of expending out expendable cash. We are estimating approximately \$900,000 in developer fees for 2021. The NeighborWorks Line of Credit loan will be up for renewal in 2022. The loan has been used for housing items and a one-time expense for Glory Way due to timing with the Head Start application approval which was paid back within a month.

The second page of the report are the year to date trend lines. These will change as the year progresses.

Balance Sheet-Consolidating Financial Position

The Accounts Receivables on page 4 reflect a balance of \$1,816,721 which is due to the CARES funds and the timing of payments to the State. Lorrie stated that she does not book receivables for the property side of things and that she would rather this report reflect an accurate grant report. The Current YTD Net Income on page 7 is a negative (\$151,969).

Statement of Revenues and Expenditures – Summary/Detail

Budget has increased due to the new CARES grant funds. There will also be a new \$497,000 CARES Act grant for Head Start once it has had been approved. This should bring our total budget to approximately \$46 million dollars.

Pages 10-12 is a breakdown of the actual streams of revenue and the type of expenses reflected on the page 9 of the summary page. The LIHEAP Cares Revenue includes funds for CSBG and Head Start which Lorrie will separate out. Going forward these will be tracked by grant number with individual revenue line items. The current Net Revenues on page 12 is (\$151,969.49).

Statement of Revenues – Public/Non-Public

The Current YTD In-kind donations are \$431,783.93 compared to \$389,375.83 for the prior year. The Non-Public Support Cash is currently \$313,487.79 compared to \$506,221.83 for the prior year. The Public Support funds are currently \$8,925,057.12 compared to \$8,564,877.04 for the prior year. Lorrie stated that we currently have in-kind waivers for the grants that ended 2/28 but that we will also asked for waivers going forward while still trying to collect In-kind.

Statement of Activities – Expenditures – Combining Schedule of Activities w/Budget Report includes the CSBG and LIHEAP CARES funds. Pat Busing asked if the agency is involved with rental assistance to which Lorrie responded we are not with the State but that we are locally. Tim Thrasher stated the State received funds and the money went to AHFA and our property managers are aware of these funds and refer clients to the AHFA portal for assistance. We have also utilized rental assistance funds from local municipalities, Persistent Poverty through Wells Fargo, CDBG funds from the City of Decatur, United Way, NeighborWorks, TVA, Decatur Utilities and COVID funds and that we currently have assisted over 300 clients. Lorrie stated page 19 reflects a fund called "Special Projects" that includes these funds. The Actual Net Revenue over Expenditures on page 22 is (\$151,969.49).

Infographic and Statement of Revenues and Expenditures – Head Start 14 County

This is the new consolidated grant with a budget of \$25,227,452.00. This grant serves approximately 1,800 children. Should be at 8% of the total budget and is currently at 3.71% actual revenue and 3.71% actual expense. No In-kind has been booked. Lorrie explained that the consolidation of the grants allows us to take an economy of scale that you can do things much more efficiently. It also allows the capability to spread

things out through the grants and also makes it easier to collect In-kind. This grant started March 1st and is in year 3 of a 5 year grant cycle.

Infographic and Statement of Revenues and Expenditures – HS Lauderdale County

This grant has a budget of \$4,305,055.00. Should be at 8% of the total budget and is currently at 4.73% actual revenue and 4.73% actual expense. The COVID funds which are presented as a sub-grant under each Head Start grant are reflected on page 27. Lorrie stated that the Office of Head Start is discussing assigning a grant number for the COVID funds in the future.

Infographic and Statement of Revenues and Expenditures – First Teacher Home Visiting Grant

Should be at 50% of the total budget and is currently at 49.98% actual revenue and 44.13% actual expense.

Statement of Revenues and Expenditures – DHR Expansion Program

Should be at 50% of the total budget. After reviewing report Lorrie stated the YTD Budget Revised of \$54,375.00 is incorrect and will be corrected. Report was pulling period to date instead of year to date figures. The actual expense is at 65.33%.

Statement of Revenues and Expenditures – Medicaid Matching Funds Expansion Program

Should be at 50% of the total budget. Expended 50.96%. Tim Littrell asked for clarification of this grant to which Lorrie responded these are Home Visiting grants. Tim Thrasher stated these programs have three sources of revenue.

Statement of Revenues and Expenditures – EHS DHR

This is a childcare partnership grant. Should be at 75% of the total budget and is currently at 59.89% actual revenue and 59.89% actual expense.

Statement of Revenues and Expenditures – USDA

Should be at 50% of the total budget and is currently at 12% actual revenue and 10.18% actual expense. Kim Dodd asked Lorrie if there was a Pre K budget to which Lorrie stated that she deleted these when we relinquished the grants. Lorrie stated that she can include the standalone Pre-K grants. Benita Owens asked what is the budget for the standalone grants to which Lorrie stated we receive \$145,000 for the two classrooms per year. Lorrie stated this information is included on page 18 of the Statement of Activities under State Pre-K Program – Non-HS.

Expenditure Journal – Credit Card Expenditures

Report was reviewed. Lorrie stated the majority of the American Express charges are for registration and training. The breakdown of charges for the month are as follows: American Express \$20,741.56, Home Depot \$5,914.97, Wal-Mart \$7,001.54 and Wex Bank \$4,792.91. Total charges for the month were \$38,450.98.

Lorrie noted that last month's report did not include Wal-Mart due to being keyed in January. Pat Busing asked what Enrichment Activities were to which Kim Dodd responded these are for parent activities.

Posted General Ledger Transactions

Report includes expense during the month of March. The Bob Morrow payment of \$378,388.35 was for a pay application for Glory Way. All funds from the 1303 for the Glory Way building have been drawn down. Pat Busing asked about the duplicate payment for Mosely Construction to which Lorrie stated it was a replacement check and will be credited back.

The second report reflects any person/vendor who received more than one payment during the month. The majority of these are to utility companies and weatherization contractors. Total transactions for the month are \$2,447,048.49.

Other Business

Benita Owens asked committee members if they would like to have the standalone Pre-K budgets to which the committee agreed to include these.

Tim Thrasher stated that we have CARES funds remaining and that the summer season will begin later this year. We will also receive another round of funds through the American Rescue Act that we will have two years to spend. This will amount to approximately two million dollars.

Glory Way is close to completion. This facility will have 9 classrooms, kitchen and playground. Tim stated this is a high quality state of art facility. There are some overruns in construction cost and are being met with NeighborWorks funding. An open house will be planned.

Bridge Creek in Cullman pre-leased 30 of the 56 units. People are in process of moving into some units this week.

Rehab of Parkwood in Pell City has a May target date for completion.

Amanda Loop in Montgomery should be completed in May. We are still in the processing of trying to obtain the third unit.

Harbor Pointe II in Ft. Payne is in the preliminary stage with construction expected to start mid to late summer.

Three applications have been submitted to AHFA for next year. We should be notified in July if projects have been awarded.

The South Carolina and Georgia applications will be submitted in May.

Tim Thrasher stated that if we are awarded all five of these projects the project development fees are anticipated to be around \$3.2 million dollars.

There are currently four homes under construction at Seville with 2-3 of them under contract.

We received a good preliminary report from the NeighborWorks OAD review. Tim stated that he will respond today with a few minor corrections. There were no findings but some suggestions to assist with broadband in the rural areas for Financial Capabilities classes.

Benita Owens asked Tim Thrasher to send an invitation to Board Members and Advisors for the open house for Glory Way and Bridge Creek.

There being no further business Benita Owens asked for a motion to approve the financial reports as presented. Pat Busing motioned. Tim Littrell seconded. There being no further questions motion approved with voice vote.

There being no further business the meeting adjourned at 9:18 a.m. Minutes submitted by Allison Speegle, Recording Secretary to the Board of Directors.

Benita Owens, Board Chair