



# HOPE 4 Youth Board of Directors

## Meeting Minutes

Date: November 28, 2022

Time: 5:00 pm – 7:00 pm, Anoka County Sheriff's Office or Zoom

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Board Members Present: Steve Nash, Stephan Spears, Linda Barnum, Don Phillips, JJ Slag, Anna VonRueden, Brad Konik, Paul Lenzmeier, Sue Woodard

Board Members Absent: Pat Chen, Julie Cole

Staff and Guests Present: LaChelle Williams, Mark McNamer, Nikki Kalvin, Tanya Bacigalupo, Danielle Snider (minutes)

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### Minutes:

#### Call to Order

- The meeting was called to order at 5:11 pm by Steve Nash. Welcome to Nikki Kalvin, our new Director of Advancement.

#### Mission Moment (Paul Lenzmeier)

- The Out of the Cold event was held at the Anoka County Sheriff's Office on November 17<sup>th</sup>. The sign was out the Monday of that week. The willingness of people to donate was impressive. There were donors coming up while the officers were setting up before the event even started. Paul shared that it would be fun to have different characters, like the Grinch at future events. He also suggested having a bonfire pit.

#### Chairman's Report (Steve Nash)

- Approval of Agenda and Minutes
  - o Motion made by Anna VonRueden, seconded by JJ Slag, and passed unanimously to approve the agenda and October 24 minutes.
- Update on Executive Committee
  - o Last year LaChelle stepped into an absolute mess. When it came to the Executive Committee, there were a lot of questions. Prior to LaChelle, the Executive Director was not really involved in the budget creation process. The proposed budget has much more clarity and transparency. The committee did not have a myriad of questions this year due to the large amount of work that was put in the year before.
  - o Time was dedicated to looking at the unknowns like inflation and the economy. We also discussed employee retention. The board has learned the cost of losing people over the years. It's important that we have a group of people that we want to keep.
  - o As a part of the changes that have happened, along with the budget, we are closing on the sale of our Administrative Office. There will be cost savings from the sale of the building. Staff have transitioned to the HOPE Place facility and more transitions will be happening to the Drop-In Center in the coming months. It is important that the staff (Mica Bingel) at HOPE Place feel supported. This move will give Mica support that has not occurred to date. We will also have a better understanding of what is occurring in our programs.
  - o We lost a large grant at the beginning of the year and have been playing catch up all year. There are several ways that we have worked this year to make that gap smaller. There will always be hurdles, but we will make it through them.

#### Program Committee (Anna VonRueden/ Mark McNamer)

- We had a meeting with the Executive Director of Face to Face. We wanted to discuss how they are providing mental health support for the youth people coming in. They are looking to build a unique enterprise where they will come in and provide mental health support. They could help continue to guide us and/or come alongside us to provide those supports. This will help us provide more services to our youth.

- There was also continued discussion of staff wellness in regard to secondary trauma, burnout, and the emotional toll of supporting our youth through their high-need situations.
- One Drop-In Center staff member's last day was last Wednesday, and another's last day is this coming Thursday. Mark is stepping in to support the remaining Drop-In Center staff. Interns and volunteers are a great support to the team as well. JJ suggested reaching out to past volunteers to see if they are willing/able to come back.
- Mark shared there is an intern that is currently working on doing a survey for past youth (Are you still stably housed? How is your mental health? Etc.)
- JJ noted that the children of homeless youth can be very heartbreaking. Anna noted that many funders are wanting to support two-generation families/programs.
- LaChelle shared that we are now tracking each service that a youth utilizes (shower, food pantry, clothing closet, etc.) Don noted the importance of highlighting the cost per youth to get them on track. We are also able to use these numbers to tell the story and fundraise. At the retreat, the board asked us to study benchmarks for other agencies. This is planned for 2023.
- Sue spoke about goal setting and understanding what success looks like when we get there. Anna noted the importance of highlighting our metrics of success that we are achieving. Don noted that keeping our youth on the path is just as important as getting them on the path.

#### **Advancement/Development Committee (JJ Slag/Nikki Kalvin)**

- JJ shared that Nikki was a great choice. It's rare to find someone that understands both fundraising practices and relationships. Her passion and history with the organization.
- Out of the Cold and Give to the Max Day were combined this year. We raised \$42,000 through Out of the Cold and \$9,800 from Give to the Max, so we exceeded our goal.
- Our Adopt a Family program currently has 29 donors that have adopted 82 youth. Danielle created an online form for our youth to complete. The process was streamlined overnight.
- We received funding from the Forest Lake Lions club for the first time. We also submitted our report for Allina and applied for 2023. Otto Bremer will be submitted tomorrow.
- Year-end giving
  - o The Appeal is dropping this week. It was written by LaChelle and designed by Danielle. A family story was included this year.
  - o Our Donor Appreciation event is coming up on December 8<sup>th</sup> at Margie's Kitchen. Please RSVP to Nikki or at [hope4youthmn.org/rsvp](http://hope4youthmn.org/rsvp).
  - o Giving Tuesday is tomorrow. Watch for an eblast tomorrow.
- 2023 Vision
  - o We are currently hiring for two part-time roles: Community Engagement Coordinator and Marketing and Events Coordinator. There have been 87 applicants so far. There are 12 candidates we are interviewing. In-person interviews the week of December 12<sup>th</sup>.
  - o One thing we are going to focus on is retaining first-time donors.
    - Danielle designed our appeal envelopes with four designators to track respondents.
  - o AN4H Committee
    - Paige Carlson has already agreed to serve on this committee.
  - o Don noted the importance of focusing on Corporate donors. What specific way are we targeting these donors and potential donors?
    - One thing we are looking at is location and proximity. We are looking to talk about who we are as an organization and then invite them to come alongside us in various ways. LaChelle and Nikki shared that they are meeting tomorrow to start the 2023 planning. LaChelle shared that we will be using an "And" strategy. We will continue to love on individual donors to nurture and grow them. We will also focus on corporate donors as well.

#### **Finance Committee (Don Phillips/LaChelle Williams/Tanya Bacigalupo)**

- October was a strong month with both favorable results in revenue and expense management. We have 6.6 months of cash on hand. We have an 11% increase in cash flow this month due to the payment for the Heartland Tire event.
- We have nearly 79% of our expenses directed to program. This is the highest yet!
- Donations, Gifts, and Grants are over in October and YTD due to the Heartland Tire Golf Event check coming in early. This was budgeted for December.

- The final Hope's Closet sale was booked in November with a net loss of nearly \$3,000. We are wrapping up the final elements this week with no further expenses. Steve shared that the Hope's Closet volunteers were very committed and passionate. We feel good about closing the books on this.
- Special Events are down as we wait on pledge payments for the 4K and Clays events. We believe all will come in to meet our \$240,000 goal. This is a 60% increase over last year!
- There was a \$24k hit for ERC application. Pohlrad is not in the budget for next year. We feel good. We will likely have about \$150k deficit this year.
- Don noted that excluding Pohlrad, we have met our budget/goal through our efforts. We essentially met the budget for this past year and are in a great spot going forward.

### **Operational Update (LaChelle Williams)**

- Staffing and Structure
  - o The team we have today is rooted in our mission and ready to amplify. We are excited to see how the two new Advancement roles land. We have promoted Mica Bigel to Senior Program Manager. She will now oversee both facilities. Mica has a gift for working with direct service. There has been a separation between the Drop-In Center and HOPE Place and this new role will create a continuity of culture. There will be a leadership role at both facilities. These positions will be posted soon. Our Admin team is continuing to test process improvement. Brooke is already preparing for the 2022 audit.
  - o We have continued to improve benefits through the lens of employee retention. We are adding another floating holiday for 2023. We are adding a 3% match for our retirement plan. We've added bereavement leave to our benefits package. LaChelle and Amanda Golly from MACC are currently going through our entire handbook and there is much more to come on that front. Anna noted the importance of professional development plans as well.
- 2023 Budget Projection and Discussion
  - o In the packet you all had the opportunity to review the roll-up by category in both revenue and expenses. Our proposed budget for 2023 has been vetted line by line by the Finance Committee and reviewed by the Executive Committee. There are many moving parts, but at the end of the roll-up, it is roughly the same expense budget as in 2021 and a 26% increase in revenue primarily due to ERC funding.
  - o We are planning for a significant surplus - over \$300K to allow us for proactive decision-making if we are able to move into a new facility through a legislative gift, have unplanned expenses due to an economic downturn, or have programmatic or staffing opportunities to support revenue generation in 2024. This planned surplus also prepares the organization for 2024 when all government funds are dried up.
  - o We are planning a 3.6% fundraising increase over 2021's anticipated year-end (omits government funding streams). We have closed out Hope's Closet and will have no revenue in 2022. Due to stronger fiscal management, we believe we will significantly increase our investment of operational dollars in T-Bills and Money Market allocation. We have a slight increase in our in-kind donations. Program fees will remain relatively flat with a greater effort to secure additional partnership funding through GRH
  - o We are planning for a 6% decrease in Special Events (on paper). We are moving Out of the Cold from a Special Event to a campaign. We are planning on increases in all other events.
  - o The sale of our AO office and the payoff of HOPE Place have provided a number of expense line reductions. Our payment for the ERC application of \$24,000 was realized in 2022. This is not a duplicatable expense.
  - o Our investment in expenses in 2023 is truly primarily focused on people and programs. We've added to Professional Development as well. We're right-sizing our team from 16 to 20 people. 11.2 to 14.7 FTEs and we are excited about that.
  - o Our investment in program resources and support is increasing by 5.3%
  - o We have dollars in the budget for facility improvements, however, we will be working on the creation of a capital replacement plan for HOPE Place. We are now 6 years old and will likely see more maintenance and improvement needs in the coming years.
- Recommendation of 2023 Proposed Budget
  - o Motion to approve the proposed budget. Don motioned, and Paul seconded. All in favor. Motion carries.

### **Annual Meeting**

- Vote on Slate of Officers
  - o Motion to elect slate of officers by Don, seconded by JJ. All in favor. Motion carries.
- Vote on updated Bylaws

- There was discussion and support for increasing the number of board members to 20. We need more diversity and members for full participation in our committees. Steve suggested having any recommendations talk to Stephen.
- Motion to approve updated bylaws by Anna, seconded by Linda. All in favor, Motion carries.

### **Open Business (Steve Nash)**

- Steve shared that LaChelle and her team accomplished a lot this year. The potential plan through the legislature was an unplanned opportunity we could not overlook. Ultimately, we were unsuccessful due to the politics. Our line item was part of a bigger budget that legislators failed to reconvene in a special session to discuss and vote upon. Zack Stephenson was re-elected. The potential for us to do this again could happen again next year. If something comes up, we will bring it to you. Steve thanked everyone for their participation.

### **Adjourn**

- **Motion** to adjourn was made by JJ, seconded by Paul, and approved unanimously.

The meeting ended at 6:32 pm.

Respectfully Submitted,

Danielle Snider, Administrative Coordinator

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### **Upcoming Events:**

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- December 8 – Donor Appreciation Event
- April 22, 2023 – A Night 4 HOPE