

<b>Called to Order: 4:18 PM</b>	<b>Via Zoom</b>	
I. I Roll Call and introductions		
<p><b>Roll call:</b> Ruth Sousa, Charley Martin-Berry, Martha Beathem, Ron King, Savannah Steiger, Betsy Fitzgerald, Charles Rudelitch, John Harris, Jonathan Thomas, Lisa Veazie, Wayne Hanscom, Lori Schnieders, Barbara Clark, Grant Lee, Nicholas MacDonald</p> <p><b>Quorum present</b></p> <p><b>Staff Present:</b> Rebecca Palmer, Anne Ossanna, Melissa Mattes, Donna Zdanis, Kevin Bean, Ida Bagley, Sarah Nugent, Cheryl Robbins, Rose Honders, Bobbi Harris, Lee Hardison, Kathy Spencer, Becky Guyton</p> <p><b>Guests:</b> Grant Lee Steve LeClair</p>		
II. Items for Board Action		
<p>1. Resolved, to approve the Board Meeting Minutes from 10/26/2021. (Attachment 1)  <b>Discussion: None</b>  <b>Action:</b> Ruth Sousa made the motion to approve the minutes as written Nick MacDonald seconded.  <b>Motion passed.</b></p> <p>2. Resolved, to reinstate Board member, Grant Lee, per previous decision to recuse self- due to any perceived conflict of interest while serving as mentor to new Executive Director, concluded on October 1, 2021.  <b>Discussion: None</b>  <b>Action:</b> Jonathan Thomas made the motion reinstate Board member, Grant Lee, per previous decision to recuse self- due to any perceived conflict of interest while serving as mentor to new Executive Director, concluded on October 1, 2021. Ruth Sousa seconded. Grant recused from vote  <b>Motion passed.</b></p> <p>3. Resolved, to establish DCP’s 2021/22 Board Slate of Officers (Att 2)  <b>Discussion: Walter has asked to be relieved of duty as VP, Nick has agreed to step in</b>  <b>Action:</b> Grant Lee made the motion to establish DCP’s 2021/22 Board Slate of Officers Jonathan Thomas seconded.  <b>Motion passed.</b></p> <p>4. Resolved, to approve DCP’s 20/22 Standing Committees – Executive, Finance, Governance, Development, Building, Head Start Requirements (<b>Att: 3</b>)  <b>Discussion:</b> Grant Lee relieved of chairmanship of governance committee, will stay on it as a member , if anyone wants to join a committee, get in touch with Betsy.  <b>Action:</b> Barbara Clark made the motion to approve DCP’s 20/22</p>		

Standing Committees – Executive, Finance, Governance, Development, Building, Head Start Requirements (**Att: 3**) Ruth Sousa seconded  
**Motion passed.**

**5.** Resolved, to review (2) time sensitive policies as related to Covid-19 impacts and Leave Sharing Donation Policy (**Attachments 4 and 5**)  
**Discussion:** Leave Sharing is a new one for people who have depleted their time off. Came from leadership, people with an excess want to donate to those who have none. Policy covers how to donate and how to request time. Handled confidentially. Cannot specify who gets funds.

**Covid leave policy – federal support ended in September but COVID did not. Did not copy the FMLA, went with the 80 hours of pay. This has been practice, just looking to extend it.**

**Action:** Grant Lee made the motion to approve (2) time sensitive policies as amended related to Covid-19 impacts and Leave Sharing Donation Policy Nicholas McDonald seconded.  
**Motion passed.**

### III Audit Report – Steve LeClair

Auditor met with Finance committee, goal of finishing it next week, with COVID extension, due by 12/31. Should have no problem making that deadline.

Reviewed highlights –

This is FY 2020 audit, as of 9/30/2020.

Clean audit, no findings.

Thank all staff who have worked so hard to make this possible. Very much appreciated.

Assets jumped up about a million dollars as compared to 9/30/2019.

Biggest increases in cash, investments, and property and equipment.

#### Liabilities

Up about 382,000 (13%)

Largest one is debt. Includes all principal on mortgages. Decrease in this is due to payments made.

Largest change is in deferred revenue. Funds paid in cash that we haven't earned or spent as of 9/30/2020. Up 456,000 over prior year. This is mainly related to COVID,

including paycheck protection funding, and rental assistance funds.

#### Net Assets

Increase was 652,000, essentially split between unrestricted (402,000) Board (4,000) temporarily restricted(246,000), hardly any change in permanently restricted category.

This represents the surplus that has been accumulated since the merger.

Current ratio 1.5 (want to be at least at 1.0)

#### Income statement

Revenue comparison from year to year.

Revenue up 1.6 million because of the increase in COVID funding and grants.

Fees were down due to COVID

Investment income up, market was up as compared to last year.

All other increased primarily due to buses received from MDOT.

#### Expenses

Went up 900000, or 8%

Largest expense is salary and fringe.

Largest changes were direct client, due to rental assistance.

Drops were contract services, vehicle costs and materials and supplies, all due to COVID.

#### Operating Statistics

Take total expenses for the year, based on a 5 day work week, 43,518 cost per day.

Unrestricted undesignated net assets (excluding property and equipment) comes out to 43 days, consistent with last year. Look at 30 days as a minimum target. 60-90 is better, due to possible delays in government payments.

#### Expenses by function

Management and general – 5.4%

Program – 94.6

Based on financials, 2020 was a good year.

Comment from Kevin –

This was a hard year, but thanks to support from all staff it was possible for us to step up and take up new programs that became available.

Lori – round of applause to Kevin and staff for this achievement.

Nick – Current Ratio of 1.5 is a testament to how well the organization is being run, very impressive.

Lisa – also a shout out to Kevin and the team, keeping up with all the funding out there, incredible job managing it all.

Grant – the few items still to be done that Steve alluded to in his presentation; they are not significant enough to hold up acceptance?

Response- just need to finalize the statement of activity and the compliance testing. No noncompliance to report.

Grant made motion made to accept the audit Lori seconded  
Motion carried

#### IV FY 21/22 DCP Agency Budget – Finance Committee and DCP Finance Officer

Lisa –

Finance committee met on December 1<sup>st</sup>, saw auditor presentation. Also reviewed the budget.

22.4 million in expenses. 31% increase, due to COVID programs, new buses and increases in wages.

Includes allocation of surplus from previous years, and allocation of investment income as directed.

Kevin –

Everyone should have received division and over all agency budgets, same format as monthly budget reports. Provided lengthy explanation of the budget.

Largest budget Kevin has ever seen, largely because of COVID programming. FY 21 was a very good year for us, saw that in surpluses in energy division.

We have been operating since mid-August with new phase of rental assistance program. ME Housing has plenty of funds. This phase goes to October of 22, Seen about \$160,000 per month for this program. This really drove our budget up about 8.5 million.

Stability payments from DHHS for child care centers shown here, as well as MOT COVID processes funding. Also expect 3 more buses. Also IT upgrades from CSBG budget.

Revenues

22.5 % increase

Billings continue to climb.

Expenses 31.5 % over where we ended FY 21.

New programs, expanded programs, COLA and merit increase worked into the numbers, adjusted some staffing from part time to full time.

Client assistance – rental assistance drove change here.

Expecting to see a difference in vehicle expenses over last year – had several new buses last year. Recognized the revenue when buses arrived, now will recapture depreciation over next five years, and anticipate decreasing repairs, and higher fuel expenses.

Questions –

Charley – appreciate the way you laid it out functional expenses along division lines. Wondering what is Down East Business Alliance?

Response – last remnant of old division from pre-merger – slowly shifting those cost centers. Transitioning away from it.

Divisional run down – a few points to be aware of

ECE – do expect surplus of 108000 revenues are expected to increase from DHHS.

Personnel costs are up 350K

Did authorize draw from investment, do need a motion.

SEED – budgeted 80,000 – already at 20,000, expect it to be at about 100,000

CSBG – operating under two CSBG contracts right now – regular one is annual, the other one is COVID. Totals about 600,000. Covering a number of programs – especially note FC and At Home. We are utilizing 61583 to FC, 60367 for at Home, both to support staff

Also subsidizing out of SEED and another fund – an additional FC 23989, At Home 16351.

Board has asked about this in the past, so want to bring it out in this process.

Downeast Community Partners (DCP)  
Meeting of the Board of Directors, December 7, 2021

These funds are intended to support programs like this. Decisions are reached after discussion between FD and ED

Housing – deficit from rental programs.

Bulk of deficits is depreciation.

Board member – highlight that staff and board will be changing, spoke to Rebecca about this issue, the process should reflect the census of the community. Challenge them to come up with a process to take cognizance of that.

Primary loss in elder services, At Home. Think both programs have ability to increase revenues, donations were budgeted conservatively. Think it is possible to increase donations and grants.

Energy showing surplus primarily THAW and rental activity. Everything else is close to FY 21 actuals.

Also need a motion for CARE fund draw of \$60,000.

Transportation – deficit of 39,900. Budgeted salaries higher than anticipated to be able to adjust salaries upward. We were conservative, but we may not be recognizing the full \$15 per hour. Shifted 5 drivers from Part time to full time, due to employment market. Cannot get drivers in, so costs of these employees will go up as their status changes – 50-60 K

Review of budgeting process – start in the spring, late May early June. FD projects cost centers, and creates templates for all directors. Provide prior year budget and actual. Each program gets a spreadsheet – for some, it is one or two, for others it is 25-30. There is a summary page. Once they have it completed, Kevin reviews. Compares to prior year. Returns it to them with comments, goes back and forth quite a bit, then in person final review, then review with Rebecca.

Grant – want to make sure that the board has strong input into what unrestricted revenue is used for.

Looking forward, see lots of changes, going to have to run numbers, and see how contracts can absorb increases. Can we look for efficiencies, there will be a process to go through to figure out how funds will be used.

**Action:** Ruth Sousa made the motion to draw \$60,000 draw for CARE fund from CARE endowment Lisa Veazie seconded

**Motion carried**

**Action:** Grant Lee made the motion to draw 28,312 from ESO endowment for in house subsidy for Child Care and transportation to parents in ECE. Barbara Clark seconded

**Motion Carried**

Lisa – Finance committee did approve the motion

**Action:** Lisa Veazie made the motion to accept budget Grant Lee seconded  
**Motion carried**

V Reports

1. Vaccine Mandate per Office of Head Start – Melissa Mattes, Director of ECP – **(Brief verbal report to accompany written) Included in packet, just highlight, the DC office amended the performance standards for masking and vaccinating. Encourage you to look at handouts. Is having an impact on staff. Some staff have left, some parents withdrew children due to masking requirements down to 2 years old. Significant impact on services.**

**Only other thing in report, talking about federal review is happening this year. Will be coming out separately. Board will be involved in review. Should have 45 day notice before review.**

2. Executive Directors Report– Rebecca Palmer  
January we will come back and have discussion around wage and salary adjustments. Next week is CSBG, hope board has sent in all responses. A lot has changed, looking for feedback. Community Needs has been done and presentation will be available.

3. All other Division reports

**VI Business meeting  
adjourned at 5:47 PM**

**Grant** made the motion to adjourn **Lisa**

Respectfully submitted, Sarah Nugent, Manager, Communications and Resource Development