

DWELLING PLACE OF GRAND RAPIDS
FINANCE COMMITTEE
December 13, 2019
Approved Minutes

MEMBERS PRESENT: Michael McDaniels, David Byers, Angela Sanborn, and Troy Stressman

MEMBERS ABSENT: Sadie Erickson and Gil Segovia

STAFF PRESENT: Karen Monroe, Steve Recker, Brandon Watson, Rebecca Long, Liz Mui, Kim Cross, Dennis Sturtevant, and Laurie Mullennix

COMMENCEMENT The meeting was convened at 12:02 pm by Mr. Byers.

Mr. Byers introduced Troy Stressman as a new member of the Finance Committee. Mr. Stressman moved to Grand Rapids about a year and a half ago and specializes in construction real estate at Crowe LLP.

APPROVAL OF OCTOBER MINUTES **Minutes of the Finance Committee meeting of October 30, 2019 were approved by motion of Mr. McDaniels, supported by Ms. Jacoby, and carried unanimously.**

2020 GLOBAL BUDGET REVIEW Mr. Recker presented the Dwelling Place NPHC Global Budget for 2020.

Ms. Sanborn asked if any of the grants were reoccurring. Mr. Recker and Mr. Sturtevant clarified that the NeighborWorks grant is typically reoccurring. The Weston distribution should also be fairly regular, providing that the property performs well. In addition, an average of \$500,000 from the Michigan Nonprofit Housing Corporation comes in as limited dividend payments.

Ms. Jacoby summarized that there was very little change in overall income from an annualized basis for 2019 versus the 2020 budget. She expressed that she felt comfortable with the net operating income (NOI) projections for the 2020 budget, based on the performance in 2019. Ms. Jacoby also pointed out that the net (decrease) increase in cash equivalents of -\$1.9 million for 2019 was due to funding our own construction projects, which would be recaptured in 2020.

Mr. Sturtevant reviewed that five projects that are under construction: Harrison Park, Pine Avenue, Plaza Roosevelt (2 projects), and Ferguson.

Mr. Recker provided a brief breakdown of the budgets for properties and related entities. The 2020 Budget Map details the rollup of partnership expenses from the prior year cash flow.

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Ms. Sanborn asked if the 3.4 million increase in cash flow from the Combined Income Statement included the loans for the current construction projects. Mr. Recker clarified that the loans are coming in and going out, which include large and small amounts. The 3.4 million is the combined total. An estimate was made in regards to the Ferris State University space that is planned be purchased by the end of 2020.

**MOTION TO
PRESENT 2020
BUDGET**

The 2020 budgets were recommended for presentation to the Board of Directors by motion of Mr. McDaniels, supported by Ms. Sanborn, and carried unanimously.

**UPDATES AND
ANNOUNCEMENTS**

The committee did not discuss any updates or announcements.

**PROPOSED AGENDA
AND NEXT MEETING
DATE**

The next Finance Committee meeting will be held on Wednesday, January 29th from 12:00 PM to 1:30 PM.

ADJOURNMENT

The Finance Committee meeting was adjourned at 1:04 pm by Mr. Byers.