

DWELLING PLACE OF GRAND RAPIDS
FINANCE COMMITTEE
May 27, 2020

MEMBERS PRESENT: David Byers, Angela Sanborn, Holly Jacoby, and Michael McDaniels

MEMBERS ABSENT: Sadie Erickson , Gil Segovia, Troy Stressman, and Troy Zapolski

STAFF PRESENT: Dennis Sturtevant, Steve Recker, Jessica Johnson, Brandon Watson, Kim Cross, Laurie Mullennix, Chris Bennett, Grace Thuo, Francisco Ramos Jr. and Karen Monroe

COMMENCEMENT The meeting was convened at 12:03 pm by Mr. Byers.

APPROVAL OF APRIL MINUTES **Minutes of the Finance Committee meeting of April 29, 2020 were approved by motion of Mr. McDaniels, supported by Mr. Byers and carried unanimously.**

2019 AUDIT Mr. Recker presented the 2019 draft of audited combined financial statements for Dwelling Place and all affiliated entities. The auditors' opinion is the financials present fairly, and without material issues. Mr. Recker reviewed each statement noting points of interest and answering questions. The cash restricted for current construction account include Harrison Park, Pine Avenue, Plaza Franklin, and Plaza Grandville. Ms. Sanborn inquired about the increase in cash and cash equivalents. Mr. Recker and Mr. Sturtevant explained that the cash from Michigan Non Profit Housing Corporation is the substantial portion of the increase in cash and cash equivalents. There was a significant improvement on rental gain/loss, vacancy loss, and bad debt compared to the previous year. Mr. Recker went over the notes to the combined financial statements. He stressed the importance of the note illustrating the Liquidity position of the organization. Dwelling Place has at least a year worth of liquidity based on cash and cash equivalents, and trading securities balances. Beene Garter will present the draft audit at the next board meeting if the Finance Committee approves them to do so.

Ms. Sanborn asked about the receivables and the effect of Covid-19. Ms. Monroe remarked at this time, current tenant receivables are rising as residents are unable to make timely payments. Mr. Sturtevant added Dwelling Place has received a grant from the Devos family to assist the residents with a gap in income. A total of twenty-five thousand dollars has been distributed to residents. There was also a twenty-thousand-dollar gift from United Way to use for rent assistance. We are still pursuing means to distribute these funds fairly. Ms. Monroe will be sending out an updated receivable aging report after the end of May.

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Mr. Recker presented the Single Audit for HUD funding received for the tax credit assistance programs. There were no findings on this audit. Mr. Byer asked about the corrected and uncorrected misstatement as well as strengthening internal controls in the Board letter. Mr. Recker explained that there wasn't any uncorrected misstatement because the Ferguson loan was adjusted in the main audit. The internal control is a recommendation or an opinion to the Board.

**APPROVAL OF AUDIT
PRESENTATION TO THE
BOARD**

A recommendation to present the Audit to the Board was approved by motion of Ms. Jacoby, supported by Mr. McDaniels and carried unanimously.

**UPDATES AND
ANNOUNCEMENTS**

Mr. Sturtevant reported funds from the Michigan Non Profit Housing Corporation in the sum of one million-one hundred fifty thousand dollars is to be received in the second quarter. Also, one hundred thousand dollars was received from the Dan and Pamela DeVos Foundation for the capital campaign which will go toward the three million fundraising gap. The Ferguson closing should be finalized the second week of June.

**PROPOSED AGENDA
AND NEXT MEETING
DATE**

The next Finance Committee meeting will be held on Wednesday, June 24th from 12:00 PM to 1:30 PM.

ADJOURNMENT

The Finance Committee meeting was adjourned at 1:34 PM by Mr. Byers.