MEMBERS PRESENT: Sadie Erickson, Holly Jacoby, Angela Sanborn, Troy Stressman

MEMBERS ABSENT Gilbert Segovia

STAFF PRESENT: Jessica Beeby, Jessica Johnson, Rebecca Long, Karen Monroe, Steve Recker, Dennis Sturtevant, Grace Thuo, Brandon Watson, Mason Lundsted, Sarah Tafelsky, Justin Rhodes, Kim Cross, Chris Bennett

COMMENCEMENT The meeting was convened at 12:03 pm by Ms. Erickson

APPROVAL OF MARCH MINUTES Minutes of the Finance Committee meeting of March 31, 2021 were approved by motion of Ms. Sanborn, supported by Ms. Jacoby and carried unanimously.

REVIEW OF 2020 DRAFT AUDIT AND FINANCIAL STATEMENT Mr. Recker presented the 2020 Draft Audit and Financial Statement. Representatives from Beene Garter will present a formal overview of the audit at the Board of Directors meeting on June 2, 2021.

Starting with the Communications Letter summary, Mr. Recker reported that there were no findings in the single or housing audits. However, there were two adjusting journal entries: one for Verne Barry Place for several years of accrued interest that had been missed but that the City of Grand Rapids Home Loan charged; the second was a small adjustment on an architectural invoice for Ferguson Apartments.

In the review of the Single Audit, Mr. Recker summarized the schedule of Federal Awards, notes, and the report on internal controls. He explained that there would not be any changes to the draft.

Mr. Recker moved on to the review of the Combined Financial Statements. He reported that there was a minor correction to an elimination related to the close of the old Ferguson Apartments. There was also an adjustment on the new Ferguson to account for a receivable of an affordable housing program grant from the Federal Home Loan Bank, which had been delayed due to COVID-19. Mr. Recker pointed out a difference in cash flow from our internal statements. This document included the cash flow from everything in the property, the partnership and the property side, while our internal statements show the property’s operating cash flow.

In the review of liabilities and net assets, Mr. Recker noted the increase in current liabilities due to construction activity (Avenida Brillante and Suroeste Brillante, Ferguson renovation). He added that the numbers are generally consistent with the prior year.

While presenting Revenue and Operating Expenses, it was pointed out that salaries had increased and are expected to increase again in 2021-2022. The
section also showed that maintenance was under budget, as staff were only scheduled for emergency maintenance during COVID and the numbers are expected to increase as routine maintenance becomes more regular.

Mr. Recker reviewed the notes section, stating that most of the notes were the same as the prior year, with the exception of the new entities: Community Land Trust, Ferguson Apartments (old versus new), Harrison Park Family Housing (HPFH), Avenida Brillante and Suroeste Brillante. He concluded with the Breakout of Properties section, which is the same as the internal financial layout reviewed by the Committee last month. unanimously.

**ACCEPTANCE OF 2020 DRAFT AUDIT**

The recommendation to accept the 2020 Draft Audit was approved by motion of Ms. Jacoby, supported by Ms. Sanborn and carried unanimously.

**REVIEW OF COMMITTEE NEEDS FOR MEMBERSHIP, EXPERTISE, AND DEMOGRAPHIC DIVERSITY**

Ms. Erickson and Mr. Sturtevant provided background on the discussion of Committee membership, adding that there may not be an immediate need for new members, expertise, and/or demographic diversity but it is good practice to discuss occasionally. The Committee was invited to contact Sadie or the Governance Committee with any ideas, suggestions, or recommendations for new members. Mr. Sturtevant noted that the Governance Committee vets the recommendations before sending to the full Board for final approval. Ms. Erickson requested review of the DEI implementation and work plan be added to the agenda for June’s meeting.

**UPDATES AND ANNOUNCEMENTS**

The Officers have continued to review new information from the CDC, Miller-Johnson, and MiOSHA to revise the COVID Preparedness Plan. It will likely be a gradual transition.

It was announced that Jeremy DeRoo (LincUP) was offered and has accepted the position as Dwelling Place’s next Chief Executive Officer. His official start date will be August 2, 2021, though he will begin the process of training with Mr. Sturtevant and attending meetings in June and July, while following the formal CEO Orientation Plan for Onboarding.

**PROPOSED AGENDA AND NEXT MEETING DATE**

The next Finance Committee meeting will be held on Wednesday, June 30, 2021 from 12:00 PM to 1:30 PM.

**ADJOURNMENT**

The Finance Committee meeting was adjourned at 1:16 pm by Ms. Erickson.