



**DRAFT**

# AHC Quarterly Board Meeting Minutes

<b>Title</b>	<b>AHC Annual Board Meeting</b>
<b>Date</b>	<b>Tuesday, June 20, 2023</b>
<b>Time</b>	<b>4:30pm to 5:30pm ET</b>
<b>Location</b>	<b>Zoom Recording of the Meeting: <a href="https://vimeo.com/838286181?share=copy">https://vimeo.com/838286181?share=copy</a></b>

## ROLL CALL

<b>BOARD MEMBER</b>	<b>PRESENT?</b>
Mike Sprayberry	Y
Chris Geldart – President	Y
Mike Ambrosio - Vice President	Y
Jim Sheehan	Y
Ira Tannenbaum	Y
Kelly McKinney - Treasurer	Y
Carlos Torres	Y
Chris Eisenbrey	Y
Bud Mertz	Y

<b>PMO</b>	
Tom Moran	Y
John Molnar	Y
Tom Hyatt	Y

## ACTION ITEMS or DECISIONS MADE or RECOMMENDATIONS

<b>Item</b>	<b>Responsibility</b>	<b>Due</b>
AHC Board website: <a href="http://www.ahcusa.org/ahc-board.html">http://www.ahcusa.org/ahc-board.html</a>		
Add John Molnar to AHC Bank Account	Moran	Completed
Add Tom Hyatt to AHC Bank Account	Moran	Pending
T Moran to set up sub-committee on Mitigation Initiative with Mike Sprayberry, Carlos Torres, Chris Geldart, Bud Mertz	Moran	Completed

**Minutes: ZOOM Recording available**

**NOTES:**

**1) Governance**

The meeting was called to order by Board President Chris Geldart.

A quorum was reached.

March 2023 Minutes were approved.

- 2) Motion – Geldart
- 3) 2<sup>nd</sup> – Carlos Torres
- 4) All approved

**2) Finance Report**

John Molnar provided financial review of all projects as well as projected balance sheet through the end of 2023 showing a net positive of \$491,000. This report referenced loans made by Molnar to the AHC to bridge cash flow shortfalls caused by HSEMA business growth with the AHC, HSEMA grant reimbursement policy changes, and HSEMA slow payments.

**3) Discussion: AHC Finances & Line of Credit**

Part of the finance discussion focused on the temporary loans made by Molnar to the AHC to address the AHC's business cash flow issues brought about by the rapid growth with the District of Columbia's Dept of Homeland Security and Emergency Management (HSEMA) and their subgrants to the AHC for projects and services.

These Molnar loans allowed the AHC to pay HSEMA contractors and avoid stop work issues caused by late payments. In addition to these Molnar loans, both Molnar and Moran did not take salaries for several months while the issue was being resolved.

A background document was provided to the Board members ahead of the meeting to explain the cash flow challenge, what caused it, the actions taken to correct the issues, the solution with HSEMA, and the positive financial impacts to the AHC's cash flow issues. This document included a table that showed the loan amounts and time periods. Tom Moran explained the background document to the Board.

Geldart and the Board discussed the history of the HSEMA relationship and sub-grant agreement, the low overhead rate (9%) {which was originally 6%}, and the benefits to HSEMA including the ease of doing business with the AHC, and the speedy process the AHC pays its contractors and interns.

Geldart reviewed the process that was used to alerts the AHC officers (Geldart and McKinney) and legal counsel Tom Hyatt once the issue was identified and the steps taken to rectify the issue. Moran and Molnar spoke with several banks to obtain a line of credit for the AHC but with no success.

A private session was held without Moran and Molnar present to discuss the matter of reimbursements and a reasonable interest rate.

Tom Hyatt discussed the legal perspectives on the matter:

- a) Non-profits are business too and may experience cash flow problems sometimes.
- b) In affect the AHC had a person on the leadership team make a loan to the organization
- c) The was no formal contract or promissory note in place at the time.
- d) It's appropriate to repay that loan at a reasonable rate of interest.
- e) The IRS has supported non-profits doing this at a prime rate plus 1 or 2 points.
- f) The appropriate Board action would be.
  - i. to ratify that the AHC accepted the loan and plans to re-pay the loan.
  - ii. to approve payment from the beginning to the end of the loan term at a reasonable rate of interest

The Board discussed a way to avoid this happening again in the future including requiring Board approval for loans in advance. Hyatt agreed to write up a policy to address this. All agreed.

Mike Sprayberry and other Board members discussed the need to notify the full Board of any type of issue like this to keep everyone aware and to support the AHC through it.

**MOTION:**

Geldart put forth a motion to ratify the Molnar loan(s) and to repay the Molnar loan(s) with an interest rate of prime plus 2 points. In addition, the motion includes the development of a policy to ensure that notifications are made to the full Board for these types of issues with procedures to ensure this does not happen again in the future.

2<sup>nd</sup> the Motion – Jim Sheehan. All Approved.

Tom Hyatt will draft up the language for Board review and approval.

**4) Legal update:**

Tom Hyatt discussed the need for AHC Board Disclosure Forms to be signed and submitted.

Tom Moran emailed all the Board members with the forms during the meeting to be signed and returned to Tom Moran.

**5) AHC Mitigation Initiative – Mike Sprayberry**

Mike provided a review of the AHC Mitigation initiative. A document was circulated for review prior to the meeting. The Board discussed the importance of this initiative.

**MOTION:**

A motion was put forth to adopt the initiative for the AHC.

1<sup>st</sup> – Chris Geldart

2<sup>nd</sup> – Bud Mertz

All Approved.

**6) FEMA BRIC Mitigation Initiative – Bud Mertz, Tom Moran**

Bud Mertz providing a brief on the GPODS project in Westmoreland County in Pennsylvania. The state doesn't make applications for mitigation projects, it is all pushed down to the local level. The county commissioners met with Moran on the GPODS project, very positive reactions. They liked it. The county has submitted a "letter of intent" to the state on the project for a FEMA BRIC grant. Bud Mertz sent a letter of intent to Tom Hughes (PEMA Mitigation Director) who accepted it. Now waiting on the notice of funding from FEMA in the fall of 2023. First Energy will partner with the AHC by funding the AHC team to provide the staff to produce the infrastructure grant application for the County to submit to PEMA and then FEMA for the first year Phase 1 scoping project.

**7) Annual In-Person Board Meeting**

The Board discussed options for dates/times. Tom Moran will work with Chris Eisenbrey regarding having it at EEI in Washington, D.C. as we have done before. November is a good time for many. Will also explore PECO energy in Philadelphia as well. Aiming at 4QTR 2023 as 1QTR 2024.

Discussion were concluded.

Meeting was adjourned.