

Community Action Partnership of North Alabama, Inc.  
Board of Directors Meeting  
October 22, 2020

Benita Owens called the meeting to order at 8:35 a.m. Trae Norrell gave the invocation. Benita shared that we are here for a cause and purpose and referenced the mission statement.

Members Present: Jami Jones, Benita Owens, Joe Holmes, Brent Breedlove, Tim Littrell  
Brad Henderson

Members Electronically: David Ware, Teresa Presto, Jennifer Taylor, Lori Eastman,  
Charles Owens, Sandy Adams

Members Absent: Brittany Ingram, Sherry Pentecost, Heather Smith, Allen Stover,  
Dusty Baker, Joey Martin

Advisors Present: Trae Norrell, Mayra Del Valle

Advisors Electronically: David Mathews, Bruce Gordon

Advisors Absent: Pat Gilbert, Stephanie Pitts, Marcie Hill, Paul Lott, Cissy Pearson,  
Keunna Swopes

Guests Present: Steve Strickland, Emily Reischman, Benjamin Valiente

Legal Counsel to the Board of Directors: Jonathan Watson

Roll Call to Establish Quorum

Allison Speegle conducted roll call and a quorum was established.

Approve August 20, 2020 Minutes

A copy of the August 20, 2020 minutes were sent electronically to all members and advisors prior to the meeting. Benita Owens opened the floor for any corrections. There being none Benita asked for a motion to approve the August 20, 2020 minutes as received. Brent Breedlove motioned. Jami Jones seconded. There being no further questions motion was approved with a roll call vote.

### Executive Director's Report

A copy of the Executive Director's Report was sent electronically to all members and advisors prior to the meeting. Tim Thrasher, CEO welcomed Brad Henderson who was appointed by the Lawrence County Commission on September 18<sup>th</sup> to serve as the Public Sector Lawrence County Representative replacing Tommy Praytor.

Brittany Ingram is the new Head Start Policy Council Representative to the Board but was unable to attend today's meeting due to a previous commitment. This position was held previously by Mayra Del Valle who will be serving as an Advisor to the Board.

Aron Boldog, Real Estate Developer Director and his family welcomed a baby girl, Emerson Lee Boldog, last night. Family is doing well.

Tim Thrasher reflected on his appreciation of the work of the Board, especially during these recent months.

Highlights of the report were as follows:

- Holly Hicks has been creative and innovative with our communications and has done an outstanding job during the recent pandemic.
- Nathan Curry and his team have done a great job with IT. Laptops have been delivered to the centers during this pandemic.
- Holly Hicks presented at the National Head Start Association meeting virtually.
- Approximately 95% of the Head Start classrooms are back in session and operating with 10 children per classroom while others are remote.
- General Services staff are processing utility assistance applications contactless and this process is working well.
- Meals on Wheels will deliver meals one day a week starting in November.
- Senior Companion Program is providing services either in person or through teleservice for those needing assistance.
- Foster Grandparents are beginning a new pen pal program.
- Currently have twenty-four projects in progress for Weatherization.
- Community Needs Assessment is on-going and due by the end of the year.
- Agency is participating in advocacy work. There will be a community meeting on October 27<sup>th</sup> at Frances Nungester to discuss building bridges and breaking bias. We have also formed a small committee internally that will be involved in re-shaping what we do and looking at diversity and strengthening our processes with the understanding that there are system changes that need to be made and that we must come together and work closer to make our organization stronger.
- Tim and Chris Reinhart will be making a site visit to Village at Dupont Landing in South Carolina on Monday. Construction is 99% complete and ahead of schedule.

-Candy Ayers, in conjunction with Allen Stover with the City of Decatur are looking for a new contractor for Seville in Decatur. Currently there are five new homes in the pipeline.

-Rental assistance is being provided through an off-site process in Morgan County through the support from Joe Holmes and Allen Stover as well as United Way and NeighborWorks.

-Our Wellness in the Workplace program is going strong and making a difference in our culture. Wednesday's are dedicated to a self-help group that connects electronically. Agency is working towards being a trauma informed agency.

-Tiffany Hill was named the Head Start Teacher of the Year. Congratulations to her and the great work she is doing.

-The First Teacher program is now a Blue Ribbon affiliate which means 98% of the standards have been met.

- Tim Thrasher applied for Achieving Excellence through NeighborWorks with Benita Owens approval.

-Currently there are two staff that will be going through ROMA (Results, Oriented, Management, and Accountability) implementation.

Tim asked that everyone read the report in full. Benita Owens thanked Tim for his report and congratulated Tiffany Hill for her achievement.

### Elect 3 Member Nomination Committee

Benita Owens opened the floor for three individuals to serve on the nomination committee to present a slate of officers to serve for 2021 at the November board meeting. Joe Holmes, Jami Jones and Jennifer Taylor volunteered. There being no additional volunteers Benita Owens asked for a motion to approve Joe Holmes, Jami Jones and Jennifer Taylor to serve as the Nomination Committee. Tim Littrell motioned. Brent Breedlove seconded. There being no further questions motioned was approved with a roll call vote.

### Audit

A copy of the audit was sent electronically to all members and advisors prior to the meeting. Emily Reischman presented an overview of the audit. She stated there were two types of audit, single and financial statement audits and the report received contains results from both of those audits. Page 2 reflects the report on the financial statement audit and Page 48 reflects the report on the single audit, which is an operational type audit. Head Start is audited each year due to the size of the program. Other programs audited this year were the Foster Grandparent and Senior Companion programs. The audit reflects an unmodified opinion with no material weaknesses or reportable conditions or deficiencies noted (Page 52). The floor was opened for questions. Benita Owens asked for a motion to approve the audit as presented. Charles Owens motioned. Brent Breedlove seconded. There being no further questions motion was approved with a roll call vote.

### Form 990

A copy of the 990 was sent electronically to all members and advisors prior to the meeting. Steve Strickland stated this is basically the same information that is in the financial statements and is a required by all non-profits. The 990 lists all the entities associated with the agency and is also public information. Holly Hicks shared this information will be uploaded to Guide Star. The floor was opened for questions. Jonathan Watson, Legal Counsel to the Board asked if there was anything abnormal or atypical in the 990 that would cause concern to which Steve Strickland stated there was not and that he had also asked Lorrie and her team to review. Tim Thrasher stated that he, Fred Harvey and Lorrie Mauro have reviewed the information and are satisfied with the report. Jonathan Watson informed the Board that they are approving this report and if there are any questions then now is the time to voice them. There being no further questions Benita Owens asked for a motion to approve the Form 990 as presented. Brent Breedlove motioned. Jennifer Taylor seconded. There being no further questions motion was approved with a roll call vote.

### Financials – September

A copy of the financial reports were sent electronically to all members and advisors prior to the meeting. Lorrie Mauro presented the following review.

#### *Financial Information Dashboard*

The Average Expenses Per Day is \$133,580.59. The second page of the report reflects the ratio indicators for the current year compared to the previous five years.

#### *Balance Sheet – Consolidating Financial Position*

The current YTD Net Income is \$279,444.

#### *Statement of Revenues and Expenditures – Summary/Detail*

The current year actual net revenue is \$279,444.41. The first page of this report is a summary page followed by the detail of the expenditures.

#### *Statement of Revenues – Public / Non-Public*

Current in-kind donations are 10% compared to 9% in 2019. In-kind donations have been down due to COVID-19 and classrooms being forced to close.

#### *Statement of Activities – Expenditures – Combining Schedule of Activities w/Budget*

This report provides the grant funds administered by the agency. The Ending Net Assets reflects where each grant ended the month.

#### *Infographic and Statement of Revenues and Expenditures – 12 County Head Start*

This is the largest Head Start grant and is in the second year of a five year grant cycle. Currently there are 1,138 children being served with a budget of \$20,010,539.00. Largest grant. Should be at 59% of the total budget and is currently at 44.77% actual revenue and 42.38% actual expense with 28.82% in-kind.

*Infographic and Statement of Revenues and Expenditures – Early Head Start Madison County*

This grant serves 40 children with a budget of \$1,080,153.00 and is in the second year of a five year grant cycle. Should be at 59% of the total budget and is currently at 35.77% actual revenue and 31.57% actual expense. In-kind has not been booked at this time. Application has also been submitted for an in-kind waiver due to COVID-19.

*Infographic and Statement of Revenues and Expenditures – Madison/Limestone*

This grant serves 300 children with a budget of \$5,237,007.00 and is in the third year of a five year grant cycle. Should be at 59% of the total budget and is currently at 37.78% actual revenue and 38.60% actual expense with 34.24% in-kind.

*Infographic and Statement of Revenues and Expenditures – Lauderdale County*

This grant serves 178 children with a budget of \$3,408,846.00 and is in in the second year of a five year grant cycle. Should be at 59% of the total budget and is currently at 43.19% actual revenue and 38.14% actual expense with 14.42% in-kind.

*Infographic and Statement of Revenues and Expenditures – Pre-K*

This grant serves 252 children with a budget of \$585,000.00. Should be at 100% of the total budget and is currently at 101.92% actual revenue and 74.16% actual expense with 0.00% in-kind.

*Infographic and Statement of Revenues and Expenditures – First Teacher – Home Visiting Grant*

This grant serves 200 children with a budget of \$490,000.00 and is in the third year of a three year grant cycle. Should be at 100% of the total budget and is currently at 103.60% actual revenue and 84.20% actual expense.

*Statement of Revenues and Expenditures – DHR Expansion Program*

Should be at 100% of the total budget and is currently at 95.74% actual revenue and 95.74% actual expense.

*Statement of Revenues and Expenditures – Medicaid Matching Funds Expansion Program*

Should be at 100% of the total budget and is currently at 100.00% actual revenue and 97.13% actual expense.

*Infographic and Statement of Revenues and Expenditures – Early Head Start DHR*

This grant serves 88 children with a budget of \$1,609,000.00. Should be at 25% of the total budget and is currently at 23.03% actual revenue and 22.28% actual expense.

*Statement of Revenues and Expenditures – USDA*

Should be at 100% of the total budget and is currently at 64.25% actual revenue and 59.84% actual expense.

*Expenditure Journal – Credit Card Expenditures*

Total charges for the American Express card for the month of September were \$14,926.34. Home Depot expenses were \$1,393.66. Office Dept expenses were \$165.77. Total credit card expenditures for the month of September were \$26, 717, 72.

### Posted General Ledger Transactions

The first report is sorted by the dollar amount and the second report reflects any vendor that received more than one payment during the month. Lorrie stated that these financial reports are reviewed in depth by the Financial Committee on a monthly basis. The floor was opened for questions. Tim Thrasher stated that we are looking at providing some additional financial training in the near future. Benita Owens asked for a motion to approve the financial reports as presented. David Ware motioned. Charles Owens seconded. There being no further questions the motion was approved with a roll call vote.

### Oak Meadows Acquisition Rehab Resolution

Tim Thrasher explained that we are presenting and asking for approval on four applications to submit to AHFA (Alabama Housing Finance Authority). The Housing Committee of the Board met on October 8<sup>th</sup> and approved moving forward with the requests for three rehab projects and one new construction.

A fact sheet and resolution were sent electronically to all members and advisors prior to the meeting. This 48 unit family property is located in Oneonta, Alabama. There have been plumbing issues at this property. Total development cost is \$5,910,100 with potential fees of \$770,000 (\$75,356 deferred). The Bennett Group is the Development Consultant. The resolution is approving our application submission to AHFA and gives Tim Thrasher permission to enter into this agreement. Tim Thrasher stated there will be a pre-development cost of approximately \$35,000. Benita Owens deferred to Jonathan Watson for any questions to which he asked if all members understand the purpose behind approving the resolution and what benefit this is to the agency. Tim Thrasher stated this rehab is similar to Harbor Square in Decatur that the Board approved in the past and that it allows individuals to live in high quality affordable housing which is a foundational for moving individuals/families out of poverty. Benita Owens asked for a motion to move forward with the Oak Meadows Acquisition Rehab and approve the resolution as presented. Brent Breedlove motioned. Jami Jones seconded. There being no further questions the motion was approved with a roll call vote.

### Court Manor Acquisition Rehab Resolution

A fact sheet and resolution were sent electronically to all members and advisors prior to the meeting. Tim Thrasher stated this is a 44 unit elderly property located in Prattville, Alabama. Total development cost is \$5,776,865 with potential fees of \$753,000 (\$22,444 deferred). The resolution also includes a pay down loan of \$235,000 in order to qualify for tax credits next year. The floor was opened for questions. Jonathan Watson asked if there were any preliminary costs associated with this project to which Chris Reinhart stated the \$235,000 previously mentioned and the property will be owned by the Partnership. Benita Owens asked for a motion to approve the Court Manor Acquisition Rehab and resolution as presented. Brent Breedlove motioned. Joe

Holmes seconded. There being no further questions the motion was approved with a roll call vote.

#### Charleston Square – Acquisition Rehab Resolution

A fact sheet and resolution were sent electronically to all members and advisors prior to the meeting. Tim Thrasher stated this is a 44 unit multi-family property in Troy, Alabama. The Bennett Group is the Development Consultant. Total development cost is \$5,602,250 with potential fees of \$739,000 (\$101,174 deferred). The floor was opened for questions. Bruce Gordon stated that the Housing Committee had reviewed this information previously and supported moving forward. David Mathews stated that as a Housing Committee member and also having experience with these type deals that these projects are solid deals and supports moving forward. Tim Thrasher did clarify that the project name is listed at Charleston Square but is also referred to as Deer Run. Benita Owens asked for a motion to approve the Charleston Square Acquisition Rehab and resolution as presented. Charles Owens motioned. David Ware seconded. There being no further questions the motion was approved with a roll call vote.

#### Trinity Ridge – New Construction Resolution

A fact sheet and resolution were sent electronically to all members and advisors prior to the meeting. Tim Thrasher stated this is a 56 unit senior property in Phoenix City, Alabama. We will be partnering with The Bennett Group however we will be consulting on this particular project which will also allow us to show this in our portfolio pipeline. Total development costs is \$11,505,950 with \$1,500,000 potential fees (\$47,607 deferred). This will be a 50% split with The Bennett Group. The floor was opened for questions. Jonathan Watson asked if there were any risks associated with this project to which Chris Reinhart stated the pre-development cost of approximately \$50,000 which would be split between the agency and The Bennett Group is the only risk. Joe Holmes asked if we see pursuing more projects like this in the future in which we are reversing roles of being the consultant to which Tim Thrasher stated it is very possible. Chris Reinhart stated that applications are due in February with awards announced in June-July. Chris Reinhart shared that if we are awarded all of the projects then we are looking at the potential of one million dollars in developer fees within the next two years. Joe Holmes asked if there had been any COVID issues related to rent at any of the complexes to which Tim Thrasher stated Montgomery had experienced a few but a plan was in place and no evictions had taken place at any of our properties. Benita Owens asked for a motion to approve the Trinity Ridge new construction with Community Action being the Consultant and the resolution as presented. Joe Holmes motioned. Jami Jones seconded. There being no further questions the motion was approved with a roll call vote.

### Court Manor – Loan for 15 Year Pay Down

A copy of the Bank Independent letter was sent electronically to all members and advisors prior to the meeting. Tim Thrasher stated we are asking for approval for a 15 year loan with Bank Independent for Court Manor (Pine Creek Apartments). Loan would be in the amount of \$235,000.00 at 6.00% interest with 1% fee of amount borrowed. This amount is also included in the previous resolution approved. The floor was opened for questions. Jonathan Watson, Legal Counsel stated that the resolution approved under Tab 5 of this meeting addresses the loan amount therefore an additional approval is not required.

### Sell of 6<sup>th</sup> Avenue House Resolution

A copy of the resolution was sent electronically to all members and advisors prior to the meeting. Candy Ayers, Homeownership, stated that this house was purchased as an acquisition rehab in 2012. The agency has rented this house through the years but would like to sell the house and allow an employee of the agency to purchase the home. The home is in need of some repairs which the agency would like to make so the new homeowner would not incur a lot of maintenance charges. A contractor has been secured to test all the units to ensure they are working properly. Payment will be deducted from employees pay roll check. This was brought before the Housing Committee on October 8<sup>th</sup> and it was there recommendation to move forward with the sale of the house and include additional funds to make necessary repairs. Benita Owens asked if we had sold homes to staff previously to which Candy responded that we have and if approved this would be the third home in which the agency holds the mortgage. Candy also shared that this will allow for a CDFI in the future. The home is currently vacant but the employee that would like to purchase the home has been attending Homebuyer Education classes. Candy further explained that we were going to sell the house several years ago but that we rented it to a couple whose home had sustained storm damage. Discussion continued on how staff are made aware there is a home available and if there is more than one person interested how is that determination made. Candy stated she has not sent an email out to all staff and this particular staff person has been attending Home Buyer Education classes and working through the process in hopes of having the opportunity to purchase a home. Jonathan Watson stated the question remains is the agency getting fair market value, \$55,000 or cutting a staff person a deal. He went on to say that it could possible create an issue for other staff if they did not have the opportunity but that he does not see any legal action that could be taken. Joe Holmes asked if the agency can sell an asset to anyone to which Lorrie Mauro stated that normally we go through a bid process but that with the homes we prefer the individuals to go through the education classes which all employees have the opportunity to participate in. Jonathan Watson asked Lorrie Mauro with the tax credit regulations would there be any violations to selling to an employee to which Lorrie responded no. Joe Holmes shared that we are doing a wonderful thing but just wanted to make sure we aren't violating any laws. Tim Thrasher stated this allows us to obtain CDFI funds which gives all of our employees a better opportunity. David Ware asked about the repairs to which Candy responded the flooring, lights,



windows, damage to some walls/closets and some other minor repairs would need to be done and that a Home Warranty would be included as part of the escrow. The \$55,000 purchase price includes the \$15,000 allotted for repairs. Joe Holmes recommended we adopt a policy to cover this going forward. Jonathan Watson asked Bruce Gordon and David Mathews to comment since this went through the Housing Committee to which Bruce Gordon stated that his concern was going ahead and making the necessary repairs but that it never crossed his mind about the employee fairness. David Mathews stated that as long as it was a fair price then he was good with it. Brent Breedlove stated that he was of the opinion that if the agency owns the property then we have a right to sell the property to whom we want. Candy stated that in regard to the employee that we have not skipped over any other employees for this particular employee that is interested. Benita Owens asked for a motion to approve the sale of 1104 6<sup>th</sup> Avenue SW Decatur, Alabama and resolution with the employee but in the future create a Human Resource Policies and Procedures that opens this type thing to all staff. David Ware motioned. Jennifer Taylor seconded. There being no further questions the motion was approved with a roll call vote.

#### Approve Morrow Construction for Glory Way Project

Tim Thrasher stated that the Board previously approved the agency to purchase property in Florence, Alabama to relocate our Head Start center which will now be named the Lauderdale County Education Center. Bids were solicited which resulted in two contractors not able to do the job and the third contractor, Morrow Construction accepted. Tim stated this project will cost \$1.2 million dollars and we are asking the Board to approve Morrow Construction as the contractor. The floor was opened for questions. Joe Holmes asked if the one bid is acceptable to which Lorrie stated that we have documentation the other two contractors declined the job. The architect plans have been rendered and the target date for completion is April 2021. Benita Owens asked for a motion to approve and authorize the Partnership to enter into a contract with Morrow Construction for \$1.2 million dollars for renovations of the Glory Way Project now named the Lauderdale County Education Center. Brent Breedlove motioned. Joe Holmes seconded. There being no further questions the motion was approved with a roll call vote.

#### Human Resources Policies & Procedures Social Media Policy Update

A copy of the policy was sent electronically to all members and advisors prior to the meeting. Holly Hicks, Communications Director stated the policy addresses social media for corporate and personal use. The personal use policy now reads that "no employee may post "official" business of the Partnership using social media on a person social media page or channel. The corporate policy, which is a new policy, addresses what can be on a page and the management of it. The floor was opened for questions. Benita Owens asked for a motion to approve the Human Resources Policies and Procedures Social Media policy update. Brent Breedlove motioned. Jennifer Taylor seconded. There being no further questions the motion was approved with a roll call vote.

### CAPNA CARES/COVID Client Screening Questions

The screening questions were sent electronically to all members and advisors prior to the meeting. Laurie Lincoln-Swaim, Compliance Planning & Results stated that it is a requirement of the CARES grant that we have COVID-19 screening questions for eligibility purposes. Laurie presented a brief overview of the questions which have been approved by ADECA. Holly Hicks shared two updates that have been made to the form, the first being it now reads "have you tested positive for COVID" and the second is "2020" has been added to the questions that reference the month of March. The floor was opened for questions. This is for information purposes only.

### FY2020 Organizational Standards Update

A copy of the Organizational Standards Update was sent electronically to all members and advisors prior to the meeting. Laurie Lincoln-Swaim presented a brief overview of the information and stated a desk top review followed by a conference call was recently conducted by ADECA. Based on the review and conference call the agency has met all expectations for the standards for this year. The floor was opened for questions. This is for information purposes only.

### Community Needs Resource Assessment & Strategic Plan Timeline, Flyers

A copy of the CNRA Timeline, CNRA & Strategic Plan Timeline, Community Survey Results and flyers were sent electronically to all members and advisors prior to the meeting. Laurie Lincoln-Swaim presented a brief overview of the information and stated that in August she presented an infographic that provided an update on the progress of the community surveys which included the top six needs. Laurie shared that since that time based on the results that youth education has now dropped out of the top six and has been replaced with job training. The other top needs are: utility cost, healthcare, food, home repair and childcare. She stated that we need 100 surveys per core county and currently we have received 155 for Morgan County, 78 for Cullman County and 30 for Lawrence County.

Laurie reviewed the CNRA and Strategic Plan timelines. ADECA has given an extension through December due to COVID. Timelines have been adjusted to show the analysis of the quantitative and qualitative data and interviews that will take place in January.

Laurie reviewed the flyer, which is provided in English and Spanish. She asked every to please send these out to their resources in the community. A QR code for scanning and the agency's general number are provided. Staff will also be available to take surveys for those individuals calling in. The floor was opened for questions. Jami Jones asked if it would be permissible to post the flyer on his personal Facebook or at the Police Department to which Holly Hicks responded that is acceptable. This is for information purposes only.

Other Business

Benita Owens thanked everyone for their time and attendance and opened the floor for any additional business. There being no further business the meeting adjourned at 10:43 a.m. Minutes submitted by Allison Speegle, Recording Secretary to the Board of Directors.

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Benita Owens, Chair

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Brent Breedlove, Secretary

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Tim Thrasher, CEO