

Montgomery County Green Bank Board of Directors Special Meeting
Thursday September 20, 2018 at 8:00 am
Teleconference Call
Public Access:
 155 Gibbs St; Rockville, MD
 4th Floor Conference Room A

Board of Directors Agenda

<u>Time</u>	<u>Topic</u>	<u>Lead</u>	<u>Action</u>
8:00	1. Call to Order and Roll Call	Hunter	
	2. Public Introductions & Comment		
	3. Approval of the Agenda		
	4. General Business		
	a. Finance and Operations Committee – Part 1	Marconi / Deyo	
	b. Closed Session – Board Oversight Meeting with Auditors (Board Only)	Hunter	R.1
	c. Finance and Operations – Part 2	Hunter	R.2
	5. Adjournment		

Topic 1: Call to Order: 8:10 am

Roll call confirmed the attendance by phone of:

- Patty Bubar, Acting Director, Montgomery County Department of Environmental Protection (“DEP”)
- Alex Espinosa, Director, Montgomery County Department of Finance
- Michael Gergen, Partner, Latham & Watkins
- Bert Hunter, Executive Vice President and Chief Investment Officer, Connecticut Green Bank
- Bonnie Norman, President, E3 International LLC
- Bob Sahadi, Senior Advisor, Institute for Market Transformation
- Brian Marconi, Partner, Cohn Reznick LLP
- Stacy Swann, Founding Partner, Climate Finance Advisors, Benefit LLC

Quorum met.

Board Members not present:

- Hope Brown, Vice President and Chief Compliance Officer, Calvert Research and Management, Calvert Funds
- Marcene Mitchell, Head of Business Development, Climate Business Department, International Finance Corporation
- Zach Marks, Assistant Director, Housing Opportunities Commissions

Other meeting attendees who attended in-person at the meeting space provided by MCGB for the public to attend included:

- Tom Deyo, CEO, Montgomery County Green Bank (“MCGB”)

Other meeting attendees who attended via phone included:

- Mary Casciotti, Montgomery County Department of Finance liaison
- Hertzbach (auditors – invited to present FY18 audit and 990)
 - Mark Edward
 - Zeynep Orhan
 - Tony Allen
 - Ben Nalette

Topic 2: Public Introductions and Comment

Mr. Deyo confirmed that MCGB staff was located in the 4th Floor Conference Room A at 155 Gibbs Street in Rockville and had placed a sign on the office suite entrance door directing any interested members of the public to Conference Room A. Mr. Deyo informed the Board that no members of the public had joined him in the conference room.

Topic 3: Approval of the Agenda

Mr. Hunter asked the Board of Directors if any Board Member wished to change the agenda. With no requested changes, the Board of Directors approved the agenda.

Topic 4: General Business

Finance and Operations – Part 1

Mr. Hunter asked Mr. Marconi to introduce the auditors for presentation of the FY18 audit. Mr. Marconi introduced the audit firm Hertzbach. Mr. Marconi informed the Board of Directors that the Finance and Operations Committee had reviewed the FY18 audit and 2017 IRS Form 990 with Hertzbach on September 5, 2018 and the Committee had approved that the FY18 audit and 2017 Form 990 as presented be brought to the Board of Directors for consideration of approval. Mr. Marconi then turned the presentation over to the representatives from Hertzbach to present the FY18 audit and 2017 Form 990.

Mr. Edward and Ms. Orhan presented the FY18 audit to the Board. They noted that the audit team was presenting the audit with a clean, unmodified opinion that gave it the highest level of assurance on its presentation. The auditors noted that Management provided full cooperation and the auditors concurred with Management's assessment, treatment, and presentation of financial information and the unrestricted / temporarily restricted assets. The audit was conducted in accordance with auditing standards generally accepted in the US. The auditors complimented MCGB staff on the timely and thorough provision of materials, availability and responsiveness. The auditors noted that they reviewed for Material Weaknesses and Significant Deficiencies in controls. The auditors stated they did not find any control weaknesses or deficiencies. The auditors would not be making any recommendations of improvement and would provide no letter on this. The auditors confirmed their independence of the organization.

Mr. Marconi asked if the Board of Directors had any questions for the auditor. The Board of Directors did not have any questions.

Mr. Marconi then asked Hertzbach representatives to present the 2017 Form 990.

Mr. Allen presented the 2017 Form 990 to the Board of Directors. Mr. Allen walked through the various schedules on the Form 990. He noted that Schedule A Part II was changed from the 2016 Form 990 as an error in this section in 2016 was addressed in this 2017 Form 990. The County funds had been erroneously included in line 5 in the 2016 Form 990. This was not critical in 2016 as the 33 1/3% test of public support will not be a factor until after five years; consequently, the error in the 2016 Form 990 is not a factor in this test. Mr. Allen informed the Board of Directors that the Form 990 needs to be submitted by November 15, 2018. The Form 990 needs to be reviewed by the Board.

Mr. Marconi asked if there were any questions on the 2017 Form 990. There were no questions.

Closed Session

Mr. Hunter then moved to close the meeting for a discussion with the auditor. Mr. Hunter read the following statement:

This closing statement was prepared by CEO, Tom Deyo, and I, Bert Hunter, Chairperson of the Board of Directors, attest to its compliance with the Maryland Open Meetings Act. Per §3-305(d) of the Maryland Open Meetings Act, I move to convene a closed session.

In this closed session, the Board will discuss the FY18 audit and FY17 990 with MCGB's auditor, per the "other law" exception §3-305(b)(13). The reason for closing the meeting is to discuss confidential financial information pertaining to preparation of the audit.

Mr. Hunter moved the motion and Mr. Marconi seconded.

All in Favor: 8
All Opposed: 0
Abstentions: 0

Mr. Deyo left the meeting room and Mr. Hunter informed him he would contact him when the Closed Session ended. The meeting went into Closed Session at 8:35 am.

Finance and Operations Committee– Part 2

Mr. Hunter contacted Mr. Deyo to let him know that the Closed Session had ended. Mr. Deyo re-entered the meeting room at 8:48 am as the meeting was opened to the public.

Mr. Hunter read the following resolution.

A MOTION TO APPROVE the Audited Financial Statements for Fiscal Year 2018 of the Montgomery County Green Bank as submitted to the Board by Hertzbach on September 20, 2018.

Mr. Sahadi moved the motion and Ms. Norman seconded.

All in Favor: 8
All Opposed: 0
Abstentions: 0

Topic 5: Adjournment

Mr. Hunter thanked the Board Members for their participation in the meeting and asked for a motion to adjourn.

Ms. Norman moved a motion to adjourn; Mr. Marconi seconded.

All in favor: 8

All opposed: 0

Abstentions: 0

The meeting adjourned at 8:51 am.