

MINUTES

FINANCE COMMITTEE MEETING
March 11, 2015 - 12:00 Noon
Kane County Courthouse, Commission Chambers
76 North Main Street
Kanab, Utah

MEMBERS IN ATTENDANCE

Commissioner Dale Brinkerhoff, Chair
Commissioner Tammy Pearson for
Commissioner Mike Dalton
Commissioner David Tebbs for
Commissioner Dell LeFevre
Commissioner Jim Matson

REPRESENTING

Iron County Commissioner Representative
Beaver County Commissioner Representative

Garfield County Commissioner Representative

Kane County Commissioner Representative

OTHERS IN ATTENDANCE

Bryan Thiriot
Allison McCoy
Gary Zabriskie
Diane Lamoreaux

Five County Association of Governments
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MEMBERS NOT IN ATTENDANCE

Commissioner Victor Iverson

Washington Co. Commissioner Representative

Commissioner Dale Brinkerhoff, Chair, called the meeting to order and welcomed those in attendance. The Chair noted that a quorum of members was present for conduct of business.

I. MINUTES OCTOBER 8, 2014 AND FEBRUARY 19, 2015

Chairman Dale Brinkerhoff, Chair, entertained discussion and/or a motion to approve previous meeting minutes.

MOTION WAS MADE BY COMMISSIONER JIM MATSON, SECONDED BY COMMISSIONER TAMMY PEARSON, TO APPROVE MINUTES OF THE OCTOBER 8, 2014 AND FEBRUARY 19, 2015 MEETINGS OF THE FINANCE COMMITTEE. MOTION CARRIED BY UNANIMOUS VOTE.

II. FY 2015 MID-YEAR BUDGET REVISIONS

Ms. Allison McCoy referenced information provided on pages 1-32 of the packet containing mid-year budget revisions and indicated that the majority of revisions were for increased revenue into mainly programs in the aging division. There was also a small increase in funding for the Community Services Block Grant program, and funding for the Senior Corps programs decreased. Mr. Bryan Thiriot indicated that he would further discuss the Retired Senior Volunteer Program under Agenda Item #5.

Commissioner Dale Brinkerhoff asked that Allison review individual cost centers and note increases and/or decreases in funding. Mid-year budget revisions were outlined as follows:

- 1) Aging Waiver--** Increased revenue in the amount of \$32,000;
- 2) Special Contracts--** Increased funding for Emergency Food and Shelter program in the amount of \$21,632, increase of \$14,245 in Social Services Block Grant funding and an increase of \$13,112 for the National Caregiver program. This reflects a 4% increase to funding under special contracts;
- 3) Area Agency on Aging--** Increased revenue was received and funding was shifted between several categories. Funding to the county councils on aging was increased by \$75,000;
- 4) Weatherization--** Commissioner Brinkerhoff pointed out the large amount of funding for staff and fringe benefits in this program. He noted that rental costs seem high as well and there appears to be very little funding listed as materials versus the administrative costs. He asked that an analysis of tools, equipment costs and materials over the last two years be provided at the April Finance Committee meeting. This needs to include a physical inventory of tools and equipment. The analysis should also include the names and phone numbers of clients homes that were weatherized, the number of projects completed, time and funds charged to projects, etc. The Finance Committee needs to be able to determine if private contractors would be a more viable option for this program. Ms. McCoy pointed out that the main revision to this cost center is additional revenue provided through the state of Utah. Mr. Bryan Thiriot explained that Doug Carlson directs this program and he is very frugal with funds. One employee resigned six months ago and that position was not filled. Commissioner Dale Brinkerhoff indicated that his major concern is the amount of funding that is budgeted for administrative costs. In addition, several years back a couple of homes were weatherized that were later demolished and this did not make any sense. An analysis is needed to determine if the program could provide the same amount of service utilizing private contractors rather than having in-house staff perform those functions. Commissioner Jim Matson agreed that the long-term funding and examination of alternative methods to provide these services need to be considered. A proforma should be presented for review at the April Finance Committee meeting. It is important to make sure that we are receiving an appropriate amount of services from this program;
- 5) Child Care--** Ms. McCoy explained that when the budget was approved in June for the upcoming fiscal year Lis Barker was retiring. Finance Committee members instructed her to eliminate the excess amount in salaries from the budget because the individual replacing this position would be paid less. The Department of Workforce Services has asked that the budget amount be increased to match the contract with Five County. This does not mean that the monies will be expended, but it must match with the contracted amount;
- 6) Volunteer Center--** Mr. Bryan Thiriot explained that when Carol Hollowell departed from Five County the three Senior Corps programs were revamped. The amount of fund raising that was previously outlined did not occur and staff has been working diligently to bring in additional funding. It is important that Five County work toward implementation of a non-profit organization that can accept donations from various individuals and/or agencies. In order to sustain the Senior Corps programs a certain amount of match funding must be obtained through fund raising. Carrie Schonlaw is working closely with Ms. McCoy to make sure that budgets for these programs are on target and whenever possible utilizing aging monies to supplement the budgets;
- 7) Utah Rural Foster Grandparent Program--** Mr. Thiriot explained that this is a rural program that Five County operates in Tooele and Southeast Utah. One staff person does the majority of operation for this program. The grant requires that 80% of the funds are payed as stipends to volunteers. There are also meal and travel allowances for this program;
- 8) Human Services Transportation Planning--** Ms. McCoy explained that local participation was

inadvertently omitted from the budget and that has been included as a mid-year revision; **9) Transportation Planning--** Consultant services have been increased in the budget. This amount comes from carry over funds that are available; **10) Senior Companion Program--** Some funding from aging and other contracts did not materialize and those amounts have been eliminated. Additional funds were included in donations, but the final budget has decreased by \$9,229; **11) Community Services Block Grant Program--** Additional revenue from project income has been included in the amount of \$146,469 which was provided by the state; and **12) New Choices Waiver--** This is another aging program which received additional funding from state contracts.

Commissioner Brinkerhoff noted that \$142,500 is expended for rent expenses. Ms. McCoy indicated that a portion of that amount covers the cost of space rented from Iron County at the Fiddlers Canyon facility. That lease agreement will end in June and staff is in the process of consolidating space and trying to re-negotiate the lease beginning in July. However, rental rates charged to accounts are very reasonable in comparison to market rates. Individual costs centers are charged \$.50 per square foot for space in the St. George office. The warehouse rent is more because of the nature of the space that is being rented, and it also includes office space. Ms. McCoy further explained that funding from LIHEAP, DOE, Questar, etc. are restricted grants that have very specific expenditure requirements. In addition, some of the workers have completed specialized training to become certified to work with these programs. Any change would require a specific review of work in progress prior to shifting work out to private sector contractors. Further information to be provided for review of the Finance Committee. Commissioner Brinkerhoff indicated that he would like to schedule a Finance Committee during the lunch hour on the same dates as Steering Committee for the remainder of this year. The next meeting would be April 8, 2015 in Cedar City.

MOTION WAS MADE BY COMMISSIONER JIM MATSON, SECONDED BY COMMISSIONER TAMMY PEARSON, TO APPROVE MID-YEAR BUDGET REVISIONS AS REVIEWED. MOTION CARRIED BY UNANIMOUS VOTE.

III. FINANCE COMMITTEE AND STAFF BUSINESS

A. LINE OF CREDIT FOR FIVE COUNTY ASSOCIATION OF GOVERNMENTS

Ms. Allison McCoy explained that from time to time there is a cash flow issue when covering payroll and other expenditures. Staff has been working with Wells Fargo Bank to establish a line of credit for use when these situations occur. All expenditures at the Association of Governments are covered on a reimbursement basis and sometimes this has created a cash flow issue when payments for services provided are slow in coming through. All departments are now submitting requests for funds monthly and this is helping to avoid these types of situations. Ms. McCoy noted that the line of credit would not likely be utilized often, but it provides some level of comfort knowing that it could be used as necessary. Wells Fargo Bank has approved a line of credit in the amount of \$250,000 that would be charged a daily interest rate when drawn upon. The interest rate for a line of credit is typically a little higher in the 4-5% range. The majority of the payees are federal and state agencies and payments are made on a cash basis as requests are submitted.

A MOTION WAS MADE BY COMMISSIONER JIM MATSON TO APPROVE ESTABLISHMENT OF A LINE OF CREDIT IN THE AMOUNT OF \$250,000 FOR THE FIVE COUNTY ASSOCIATION OF GOVERNMENTS WITH WELLS FARGO BANK. THE MOTION WAS SECONDED BY COMMISSIONER TAMMY PEARSON, AND CARRIED BY UNANIMOUS VOTE.

B. OUT-OF-STATE TRAVEL - REVISED REQUEST FORM

Mr. Bryan Thiriot presented a copy of the revised out-of-state travel request form for discussion. A section has been added to the form that will be utilized by Mr. Gary Zabriskie and Ms. Carrie Schonlaw, Deputy Directors, to vet all proposed employee out-of-state travel requests. This will provide more in-depth information regarding the benefits in terms of professional development as well as to the organization as a whole. A signature block has also been added for the Chairman in the event that the Executive Director is requesting out-of-state travel approval. Finance Committee members provided their consensus for staff to move forward utilizing the new form for future out-of-state travel requests.

C. PERSONNEL - MERIT AND/OR PROMOTION RECOMMENDATIONS

Mr. Bryan Thiriot presented a recommendation to promote Mr. Levi Roberts to a Senior Planner Position. Mr. Gary Zabriskie has provided a writeup outlining the benefits of Levi's expertise and promotion to this level. The Association of Governments will be undertaking a special project beginning in July to update the National Hazard Mitigation Plan for the Five County Region. Mr. Zabriskie indicated that Levi Roberts will be lead planner in this effort to provide coordination and supervision of interns and/or staff who will be involved with the project. He will also be responsible to schedule and present approximately 25 meetings throughout the region as part of this planning process. The proposed increase will increase his salary from approximately \$3,804 to \$4,303 monthly. Funds are included in the budget to cover the costs associated with this promotion.

MOTION WAS MADE BY COMMISSIONER JIM MATSON, SECONDED BY COMMISSIONER DAVID TEBBS, TO APPROVE THE PROMOTION FOR LEVI ROBERTS TO A SENIOR PLANNER POSITION. MOTION CARRIED BY UNANIMOUS VOTE.

IV. NONPROFIT ORGANIZATION STATUS UPDATE

Mr. Bryan Thiriot reported that the engagement letter has been signed and the process of reactivating the non-profit organization is moving forward. Commissioner Jim Matson mentioned that funds are on hand in what was previously the Color Country RC&D non-profit organization account to cover costs associated with this reactivation process. Further information regarding the non-profit status will be provided to the Finance Committee as it becomes available.

V. RETIRED SENIOR VOLUNTEER PROGRAM (RSVP)

Mr. Bryan Thiriot reported that the Association of Governments has received notice that the Retired Senior Volunteer Program will not receive continued funding. As this decision was received, staff appealed the decision through the Congressional Delegation all the way to Washington, D.C. He shared a response letter provided from Representative Chris Stewart. However, the decision has been finalized and the program will be terminated. Problems associated with the program surfaced as the previous director left Five County to accept employment with St. George City. Staff has worked diligently since that time to try to bring the program into compliance, but there were too many obstacles to overcome. The Association of Governments will have the opportunity to re-apply for the program next year. Grant applications for the Senior Corps programs cover a three year period.

VI. OTHER BUSINESS

None.

A MOTION TO ADJOURN WAS MADE BY COMMISSIONER DAVID TEBBS, SECONDED BY COMMISSIONER TAMMY PEARSON. MOTION CARRIED BY UNANIMOUS VOTE.

The meeting adjourned at 1:05 p.m.

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