

MINUTES

FINANCE COMMITTEE MEETING

June 6, 2014

Cedar City, Utah

MEMBERS IN ATTENDANCE

Commissioner Jim Eardley, Chair
Commissioner Mike Dalton
Commissioner Clare Ramsay
Commissioner Jim Matson
Commissioner Dale Brinkerhoff

REPRESENTING

Washington Co. Commissioner Representative
Beaver County Commissioner Representative
Garfield County Commissioner Representative
Kane County Commissioner Representative
Iron County Commissioner Representative

OTHERS IN ATTENDANCE

Bryan Thiriot
Allison McCoy
Diane Lamoreaux

Five County Association of Governments
Five County Association of Governments
Five County Association of Government

Those in attendance recited the Pledge of Allegiance.

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

I. MINUTES MAY 23, 2014 - REVIEW AND APPROVAL

Chairman Eardley presented minutes of the May 23, 2014 Finance Committee meeting for Board discussion and approval.

MOTION WAS MADE BY COMMISSIONER DALE BRINKERHOFF, SECONDED BY COMMISSIONER CLARE RAMSAY, TO APPROVE MINUTES OF THE MAY 23, 2014 MEETING AS PRESENTED. MOTION CARRIED BY UNANIMOUS VOTE.

II. COLOR COUNTRY RESOURCE, CONSERVATION AND DEVELOPMENT RC&D NON-PROFIT ORGANIZATION DISCUSSION

Commissioner Doug Heaton, as a founding member of the American Lands Council, approached the Finance Committee with a request that the Five County Association of Governments assume operation of the 501c3 status that was formerly used by the Color Country RC&D council. He explained that HB 148 would transfer federal lands to state ownership. There are currently five states with legislation dealing with public lands transfer. The response provided to the American Lands Council has been remarkable because of the tremendous economic opportunity that would be available to states. The American Lands Council has been able to make a compelling case for this action, and groups in opposition of the lands transfer are having a hard time refuting claims of the lands council. Because of this, an attack has been launched on members of the American Lands Council to discredit individuals that are involved. The request to this Committee is to assume the 501c3 non-profit status to receive and dispense funds for research and educational purposes.

Commissioner Heaton provided an example of a research project which would involve the jurisdictional analysis that was undertaken during the Eisenhower administration. He explained the classifications included in the jurisdictional analysis as follows: **1) Exclusive--** Ten miles square of the seat of government; **2) Concurrent--** Where states concede concurrent jurisdiction to the federal government for a purpose such as a military base to allow for limited rule making authority and police powers; and **3) Proprietary interest--** This term is applied to those instances wherein the Federal Government has acquired some right or title to an area in a State but has not obtained any measure of the State's authority over the area. The Bureau of Land Management, U.S. Forest Service and National Parks fall under proprietary with limited rule making authority. The intent of the American Lands Council is to have an analysis with white papers completed by universities and law firms to bring things back to the surface and to provide credibility.

Commissioner Jim Matson indicated that the Color Country RC&D non-profit organization has operated for many years, but is now in a dormant status. All filings for the non-profit are current and there is a small amount of funding that remains on the table. It is the desire of the American Lands Council to distance themselves from the 501c3 and that would be possible through the AOG assuming a role. He indicated that this option was discussed previously by the Board last year. A 501c3 could also provide a means to obtain grants related to Human Service activities and economic development. The board for the non-profit could be comprised of the five county commissioners or others to provide operational oversight and guidance. Commissioner Mike Dalton asked what the current bylaws for the organization outline as a board of directors. It was noted that the Color Country RC&D board was comprised of members from communities and counties. It was a somewhat cumbersome group and because of the number of jurisdictions involved, it was hard to keep on track. It would actually be better to have a much smaller group serve as the board. Members were concerned regarding the legality of assuming the 501c3 status that was held by the Color Country RC&D and asked that bylaws for both the RC&D and Five County would need to be examined to determine if this type of arrangement would be possible. Commissioner Eardley suggested that the Washington County Attorney's office examine the bylaws to determine if Five County would have the authority to administer this non-profit organization. It was also suggested that this agenda item be added to the June 11, 2014 Steering Committee meeting agenda for discussion.

MOTION WAS MADE BY COMMISSIONER MIKE DALTON, SECONDED BY COMMISSIONER DALE BRINKERHOFF, TO ADD THIS ITEM TO THE JUNE STEERING COMMITTEE MEETING AGENDA FOR DISCUSSION TO CONSIDER ASSUMING OPERATION OF THE 501C3 ORGANIZATION TO ASSIST THE AMERICAN LANDS COUNCIL AS WELL AS FOR HUMAN SERVICE RELATED GRANT OPPORTUNITIES. MOTION CARRIED.

Commissioner Jim Matson informed commissioners that Kane County has been notified that they will be able to enter into coordination status with the Bureau of Land Management in regards to grazing on the Grand Staircase Escalante National Monument. An open meeting is scheduled for July 28th.

III. FINANCIAL

A. FY 2015 BUDGET - REVIEW AND APPROVAL

Ms. Allison McCoy indicated that there are not a lot of changes to programs included the FY 2015 budget. There are some funding decreases in some of the Senior Corps programs and there could be further funding cuts in these programs in October. It is anticipated that the Retired Senior Volunteer Program (RSVP) could be reduced by 65%. Other programs are slated for a 6% decrease. Congress is still working through appropriations and final amounts will not be available until closer to the end of the federal fiscal year. There is a 9% reduction in health insurance costs. The cost of insurance decreased when the Five County AOG became a small employer group. Shifting of staff time allocations in programs also increased salaries and fringe in various cost centers. Carol Hollowell has resigned to pursue employment with St. George City to operate the city's resource center. The director's salary will be eliminated and current staff will assume additional responsibilities. This will help to mitigate anticipated funding decreases in the Senior Corps programs. The budget has a net increase from FY 2014. The contract for critical needs housing will be administered by the Resource Center. Commissioner Jim Matson indicated that as staff changes occur it is good to see more work production with fewer people. It is always good to promote within whenever possible. Ms. McCoy indicated that Lis Barker has announced her retirement effective June 30, 2014. The job announcement will be advertised in-house as well as in the local newspaper.

MOTION WAS MADE BY COMMISSIONER CLARE RAMSEY, SECONDED BY COMMISSIONER DALE BRINKERHOFF, TO APPROVE THE FY 2015 BUDGET FOR RECOMMENDATION TO THE STEERING COMMITTEE. MOTION CARRIED.

B. FY 2014 BUDGET REVISIONS - REVIEW AND APPROVAL

Ms. Allison McCoy provided copies of the FY 2014 budget revisions for discussion. The majority of revisions are included in the administration cost center. Mr. Bryan Thriot indicated that more of his time was spent in administration to become familiar with the organization's operations. Ms. McCoy reported that some revisions were also required in aging programs. The HOME rehabilitation program funding has been revised downward. Insurance for retirees cost was \$10,000 more than what was budgeted because the premium for those individuals is higher than regular employees. These costs will decrease during this fiscal year because all retirees will be on COBRA and the premium will only increase 2%. The premium in previous years was 178% over the cost of the regular employee premium. Employees who are retired will be covered for 18 months on COBRA and will then have to procure their own insurance on the open market if they have not reached age 65.

Ms. McCoy pointed out two programs that require discussion as follows: 1) Foster Grandparent Program and 2) Senior Companion Program. The budget for both of these programs has come up short. There is a deficit of \$14,747 in the Foster Grandparent Program and a deficit of \$16,660 in the Senior Companion program. Ms. Carol Hollowell will stay through June to write grants and solicit donations for these programs. She explained that the majority of carryover funding in Aging

programs will be spent during the first quarter of FY 2015. The Metropolitan Planning Organization also has some carryover funds. Committee members expressed concern with the accounts that are in the red. They also asked Ms. McCoy to examine the savings account and report back on the status of funds. It was noted that it is important that an amount of funding is left on-hand to close out operations in the event of closure of the Association of Governments.

MOTION WAS MADE BY COMMISSIONER CLARE RAMSAY, SECONDED BY COMMISSIONER DALE BRINKERHOFF, TO APPROVE FY 2014 BUDGET REVISIONS AS PRESENTED. MOTION CARRIED.

IV. MUTUAL SELF-HELP PROGRAM DISCUSSION

Ms. Allison McCoy reported that since the last meeting staff has examined the contract between the AOG and USDA Rural Development to determine if the program can be terminated. The current contract calls for construction of 13 homes to complete the Color Country Community Housing, Inc. contract. A handout was provided outlining the reasons that Five County should reconsider completion of the contract. Questions remain on property availability, but the cost of lots in LaVerkin would be lowered in order to accommodate mitigation of soil conditions. There is also a possibility of obtaining some lots in the Dixie Springs subdivision in Hurricane. A sufficient number of applications have been submitted and people are waiting to move forward with constructing their homes. The contract runs through December 30, 2015. If the program were to terminate, it would result in the loss of one full-time employee and the contract for the construction site manager. It would also become necessary to reallocate other funding to supplement other employee salaries. USDA Rural Development and the Rural Community Assistance Corporation would like Five County to complete this contract because the program has already been setup and is working to this point. Tools have been obtained that were previously held by Color Country Community Housing, and the program is currently on budget. There is sufficient grant monies available to complete the contract and the AOG will not be required to land bank properties. Property will be procured through the loans at the time of closing. Should the AOG decide to terminate the contract, funds would be transferred out of the area to other programs. Commissioner Mike Dalton indicated that the AOG could in no way get into the property business, and this was discussed previously when the program was originally presented. Rural Development and RCAC have agreed to help facilitate in locating property for clients because the property needs to be in the same general location. Ms. McCoy indicated that five homes are currently under construction in Ivins that will be completed in September. Eight additional homes will need to be constructed prior to December 30, 2015. Funds are in place to pay salaries and benefits to employees under the technical assistance grant that is adequate to pay for program expenses. Commissioner Mike Dalton mentioned that this is a good program that provides opportunity for income qualified clients to get into a home. These individuals would not otherwise be able to purchase a home. Ms. McCoy reported that clients have to pay back the subsidy if they sell the home.

MOTION WAS MADE BY COMMISSIONER JIM MATSON, SECONDED BY COMMISSIONER MIKE DALTON, TO PROCEED WITH THE MUTUAL SELF-HELP PROGRAM WITH A SCHEDULED REVIEW EVERY SIX MONTHS, STIPULATING THAT

FIVE COUNTY WILL NOT PURCHASE PROPERTY TO LAND BANK AND THAT THE \$25,000 IS SUFFICIENT TO COVER OPERATIONAL COSTS. MOTION CARRIED.

Commissioner Dale Brinkerhoff indicated that this in no way provides authorization to submit an application for a second round of funding at this point. This option would be available to revisit as a new application is required. He noted that the program appears to be viable, especially in Washington County where housing prices are high.

V. SUNRISE ENGINEERING GIS PROPOSAL - FOLLOW-UP DISCUSSION

Mr. Bryan Thiriot indicated that Beaver County asked that this agenda item be included for discussion. Commissioner Mike Dalton asked if any jurisdictions in other counties had expressed interest in participating in the GIS proposal that was presented at a previous meeting by Sunrise Engineering. Beaver City has expressed interest in pursuing this option. Each of the other county commissioners indicated that no contact had been made by communities that were interested in pursuing the GIS proposal.

VI. FINANCE COMMITTEE AND STAFF BUSINESS

Mr. Bryan Thiriot reported that Lis Barker, Director of Care About Child Care, has announced her retirement after 20 years of employment at Five County. The salary for this position will adjust downward by approximately \$20,000 to \$30,000. Staff is proposing to advertise internally, through DWS and in the local newspaper. He also announced that Carol Hollowell will be leaving to operate the St. George City Resource Center. As mentioned previously, duties will be adjusted for other staff and this position will not be advertised. Commissioners asked that the budget for Care About Child Care be adjusted to a lower amount in the FY 2015 budget. Another staff person, Amy Brinkerhoff, will go from full-time to part-time in order for her to spend time at home with her newborn child. A promotion that was approved earlier had the wrong title for Tracy HeavyRunner. The new title will be Home and Community Based Program Director. Mr. Thiriot also announced that Jana Roberts, who has been a contract employee, will be moved to employee part-time status in the Rural Foster Grandparent Program. This program has sufficient funding available to support this change. Commissioners were in consensus regarding the staffing changes and advertisement of the Care About Child Care director position.

MOTION WAS MADE BY COMMISSIONER MIKE DALTON, SECONDED BY COMMISSIONER CLARE RAMSAY, TO ADJOURN. MOTION CARRIED.

The meeting adjourned at 11:30 a.m.