

MINUTES

STEERING COMMITTEE MEETING

September 19, 2012

Beaver, Utah

MEMBERS IN ATTENDANCE

Commissioner Clare Ramsay, Chair
Mayor Jerry Taylor, Vice-Chair
Ken Platt
Commissioner Chad Johnson
Lisa Carter for Carolyn White
Commissioner Dale Brinkerhoff
Mayor Connie Robinson
Commissioner Douglas Heaton
Commissioner Denny Drake
LuAnne Forrest
Dorian Page
Alex Kolody for Frank Lojko

REPRESENTING

Garfield County Commissioner Representative
Garfield County Mayor Representative
Garfield County Schools Representative
Beaver County Commissioner Representative
Beaver County Schools Representative
Iron County Commissioner Representative
Iron County Mayor Representative
Kane County Commissioner Representative
Washington Co. Commissioner Representative
Washington County Schools Representative
Southern Utah University
Dixie State College of Utah

OTHERS IN ATTENDANCE

Marreen Casper
Ellen Schunk
Mike Empey
Dell Smith
John Bennett
Lisa Economy
Ken Sizemore
Scott Leavitt
Carol Hollowell
Diane Lamoreaux

Senator Hatch's Office
Senator Lee's Office
Congressman Matheson's Office
Congressman Chaffetz's Office
Governor's Office of Planning & Budget
Department of Workforce Services
Five County Association of Governments
Five County Association of Governments
Five County Association of Governments
Five County Association of Governments

MEMBERS NOT IN ATTENDANCE

Mayor Mark Yardley
Alan Adams, Excused
Mayor Nina Laycook, Excused
Wendy Allan
Mayor Darrin LeFevre, Excused

Beaver County Mayor Representative
Iron County Schools Representative
Kane County Mayor Representative
Kane County Schools Representative
Washington County Mayor Representative

Commissioner Clare Ramsay, Chair, welcomed everyone in attendance. Those asking to be excused include Mayor Nina Laycook, Kane County Schools Representative; Mr. Alan Adams, Iron County Schools Representative; and Mayor Darrin LeFevre, Washington County Mayor Representative. He acknowledged Ms. Lisa Carter who is representing Ms. Carolyn White, Beaver County Schools Representative.

Chairman Ramsay indicated that a quorum was present for conduct of business.

I. MINUTES OF AUGUST 8, 2012 - REVIEW & APPROVE

Commissioner Ramsay presented minutes of the August 8, 2012 Steering Committee meeting for Board discussion and consideration.

MOTION WAS MADE BY COMMISSIONER DOUGLAS HEATON, SECONDED BY MR. KEN PLATT, TO APPROVE MINUTES OF THE AUGUST 8, 2012 MEETING AS PRESENTED. MOTION CARRIED BY UNANIMOUS VOTE.

II. FY 2012 FISCAL REPORT

Mr. Scott Leavitt provided brief highlights of the FY 2012 budget which concluded June 30, 2012. Page 10 of the packet contains the budget summary sheet which shows an opening balance of \$614,820 and an ending balance of \$624,910. This indicates that the AOG operates on an even keel with a limited amount of additional or lost revenue. The majority of programs operate on a reimbursement basis. Highlights include the following: **1) Account 1--** Includes a transfer of funds from Account 5 to cover the cash pay out to Bob Rasmussen and to cover training for Scott prior to Bob's retirement. An explanation of how indirect cost allocations are determined was provided; **2) Account 5--** Savings account funds are included in this account as a holding place. This also includes the local funds collected from member counties; **3) Account 6--** This cost center contains various contracts that are mainly pass through monies that do not cover salaries and fringe benefits. The CSBG program was separated from special contracts and now has it's own cost center. There is about \$30,000 in this cost center which resulted from an extra Medicaid billing system error. Expenses in the new fiscal year will be billed against this excess of funds; and **4) Account 8--** The revenue transfer of \$9,441 was transferred to the ARRA account. The ARRA account has been closed out and equipment transferred to zero out this account.

Mr. Leavitt solicited Board questions and/or comments regarding any of the financial information provided in the packet. Commissioner Denny Drake asked about the negative balance in account 24. Mr. Leavitt explained that matching funds were not collected for this cost center until this year and staff felt that it was not prudent to utilize local match funds because of the amount of match monies used for retirement payout last year. Funds will be transferred into this account during the current fiscal year to eliminate the deficit amount. Commissioner Denny Drake also questioned deficit amounts in Account 27 and Account 28 and asked for an explanation. Mr. Leavitt responded that he had a communication error when presenting deficit amounts to Carol Hollowell and The Friends of the Volunteer Center non-profit organization will provide a check to zero out the negative balance in the Senior Companion Program. It was noted that a payment earlier in the year for the Community Services Block Grant program was credited to the TANF program in error. A journal entry will be made to rectify this problem. Mr. Leavitt also noted that a number of billings are typically submitted to funding agencies prior to payment of all expenses associated with each cost center. Reimbursement for these expenses will be received in the new fiscal year. The negative balance in the Iron County RPO cost center will be zeroed out with a payment that was received last week.

Board members questioned the ratio of salaries to benefits. Mr. Ken Sizemore pointed out that this has decreased from 54% to 51% this year. Staff is working to bring down this

ratio, but the major driver is health insurance costs. It was noted that the auditors have started work on this year's audit which will be presented during the November Steering Committee meeting. Mr. Dorian Page questioned the amount listed for retirement insurance. Mr. Sizemore explained that the amount shown for retirement insurance covers the cost of health insurance for retirees. It was also noted that health insurance costs will continue to be a challenge because of the constant increased costs. Many of the cost centers will not zero out because contracts cover various periods of time, i.e. state fiscal year, federal fiscal year and/or a calendar year. This report provides a snap shot of where each account stood at the end of the fiscal year on June 30, 2012. Cash flow continues to be a major challenge, but staff is working to submit monthly payment requests to assist in alleviating this issue. Mr. Sizemore reported that most of the other AOG's match funding is determined on a per capita dues structure. Staff will present options to the Executive Committee next spring to revisit the dues structure. He also noted that a large percentage of federal funding is passed through to counties for operation of aging and nutrition programs. Mr. Sizemore highlighted several items as follows: 1) Carol Hollowell has turned around the Senior Corps programs and is doing an excellent job; 2) The MPO has achieved the goal of having one year of funding held in reserve. Discussion is taking place in regard to expansion of the MPO to include Hurricane, LaVerkin, Toquerville and Leeds; 3) The ARRA weatherization program closed out during the past fiscal year and included the reduction in force of four crew members; 4) The New Choices Waiver program is now operating in the black; and 5) The lease agreement with UDOT has been terminated and space is now being utilized for MPO staff. The main issue next year will be federal funding levels that could be addressed through sequestration of funds during FY 2013.

Chairman Ramsay presented the fiscal year end report for Board consideration.

MOTION WAS MADE BY COMMISSIONER DENNY DRAKE, SECONDED BY COMMISSIONER DOUGLAS HEATON, TO APPROVE THE FY 2012 FISCAL REPORT AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

III. VOLUNTEER/SENIOR CORPS PROGRAM REPORT

Ms. Carol Hollowell reported that writing various grants became an endless task over the past year in order to stay within budget in the Senior Corps programs. One of the big issues in these programs is providing adequate transportation to address the growing needs of clients. A new grant from the Department of Workforce Services will allow Senior Companions to provide transportation for clients to various appointments. Additional funding will also be solicited from the dialysis center and wound clinic for transport of patients. Over the past two years, fund raising and grant writing have been the key to success in these programs. However, all of the grant funds are very competitive.

She reported that major changes were made and implemented in the Retired Senior Volunteer Program and other volunteer programs. During the past year, Congress changed the direction of the three Senior Corps programs. These changes include the following: 1) Disaster Services; 2) Economic Opportunity; 3) Education; 4) Environmental Stewardship; 5) Healthy Futures; and 6) Veterans and military families. With the shift to these new strategies, volunteers are no longer reimbursed for mileage and hours are not tracked for volunteering at Tuacahn. Last week over 1,300 volunteers assisted with the Santa Clara flood and volunteers have also assisted with fires in the area. Some good evidence based data has been generated to show that volunteers are engaging in service

to meet community needs. During the past year, the volunteer center participated in a state management program inviting 35 agencies to participate in training once a month at the Five County office. A number of changes have been accomplished over the past year to provide better financial management of these programs in terms of reporting and match requirements. Additional funding has been provided for expansion of the Foster Grandparent program into other areas. She complimented all of the volunteer center staff members for their hard work and diligence to build partnerships and for their collaboration with communities and non-profit organizations to meet community needs. The youth volunteer programs in Iron County are much stronger than in previous years.

Ms. Hollowell reported that the Senior Medical Patrol and Senior Health Insurance Information Program (SHIIP) programs exceeded state goals. An additional \$10,000 has been awarded to this program for FY 2013 to expand services provided in the more rural areas of the region. Volunteers and staff were able to assist 1600 Medicare beneficiaries last year, including assistance with applications for low income subsidies for drug prescriptions.

Ms. Hollowell outlined other volunteer center activities as follows: 1) Provided 650 back packs for low income students; 2) Work with homeless individuals providing food, clothing, blankets, housing and school supplies; 3) Canstruction projects to gather food for local food banks; 4) Job fair conducted for those over 55 who are seeking employment; 5) Memory kits for Alzheimer patients; and 6) Obtained a Vista volunteer through Southern Utah University. The new Vista volunteer will focus on recruitment of Senior Corps and Foster Grandparent volunteers in Beaver, Garfield, Iron and Kane counties. Commissioner Denny Drake complimented Carol and volunteer center staff for their great work and efforts in coordinating volunteers for the various events.

IV. NON-PROFIT COMMUNITY FOUNDATION REPORT

Mr. Ken Sizemore referenced information on page 46 of the packet containing a nonprofit entity summary. It was noted that most of the other Utah AOG's have created 501(c)3 organizations for various purposes as outlined in the summary. It appears that the Five County AOG may be the last AOG in Utah to consider the creation of an affiliated non-profit organization. One of the major reasons for achieving this non-profit status has been to facilitate economic development districts. State CDBG staff has encouraged AOG's to create a non-profit organization affiliated with the AOG in order to release revolved funds lent through the Revolving Loan Fund from further monitoring/oversight requirements. However, the Economic Development Administration does not allow this to occur and still requires reporting to their organization. Staff at Five County feels that there is a definite need to explore the possibility of creating an affiliated non-profit organization. This will include the determination of the pros and cons that would be associated with such an action. Mr. Sizemore also indicated that there is a benefit to consider the existing Color Country Resource Conservation & Development (RC&D) non-profit status which Five County may be able to assume. Mr. Dorian Page mentioned that there are filing requirements associated with the non-profit status that can be very laborious. It was noted that the Color Country RC&D board is comprised of mayors and county commissioners which fits very well with the AOG. Commissioner Douglas Heaton indicated that he has a competing interest in obtaining the Color Country RC&D designation for the Public Lands Council. This would allow the acceptance of public and private donations for conservation purposes, and it is difficult to obtain a new non-profit designation for this purpose. Mr.

Sizemore reported that the Color Country RC&D Council non-profit 501(c)3 has approximately \$25,000 in funds that are in place. For the past three years, the organization has been paying for accounting services. Board members indicated that it would be good to call a meeting of the Color Country RC&D Council to discuss the fund balance, continued need for accounting services, and/or relinquishing the non-profit status to another organization. Ms. Carol Hollowell commented that private grants require a 501(c)3 non-profit organization for disbursement of funds.

MOTION WAS MADE BY MR. KEN PLATT, SECONDED BY MAYOR CONNIE ROBINSON, TO AUTHORIZE STAFF TO EXPLORE CREATION OF AN AFFILIATED NON-PROFIT ORGANIZATION DESIGNATION. MOTION CARRIED.

V. WELCOME CENTER DISCUSSION

Mr. Sizemore reported that the welcome center in St. George is currently operated out of the Dixie Center. The relocation of the visitor center to the current location was necessitated when construction of Exit 2 was undertaken and the old visitor center was closed. This move was a stop gap measure but was never intended to provide a permanent solution to the center's operation. The new Exit 5 at Dixie Drive provides directional signs to the Dixie Center and visitation has increased to some extent. Various problems with the functionality of the Welcome Center have necessitated searching for an alternate location for this activity. Many of the individuals visiting the Welcome Center are partaking of food that is provided for other events, camping on the grass areas around the Dixie Center, contributing to parking issues, etc. UDOT had previously allocated \$2 million dollars for the Welcome Center but was unable to reach agreement with SITLA for land near the Southern Parkway Exit 2. These funds were reprogrammed by UDOT to another project when it was thought that the Dixie Center would function as a permanent location. UDOT has now indicated that perhaps the Welcome Center should be moved to the rest area in Iron County. This shift would miss a lot of traffic coming into the state of Utah that would visit Zion National Park and other areas in Washington County. A lot of traffic comes into southwest Utah up the I-15 corridor but finding an appropriate location has not been an easy task. The original location of the Welcome Center is not considered a good location for this activity. The port of entry site has been a topic of consideration but there are many safety issues associated with this location. Another location that has been under discussion is the SITLA buildings which are located next to the BLM offices on Riverside Drive.

Commissioner Denny Drake indicated that the Welcome Center is a very useful tool for Utah, but it will need to be relocated from the Dixie Center. Mr. Sizemore indicated that UDOT needs to be encouraged to negotiate with SITLA and/or St. George City to locate the facility as close to I-15 as possible. Because the previously programmed enhancement funds are no longer available, it may be necessary to champion legislation to address this issue during the upcoming session. Another consideration is that many of the welcome centers throughout the state are outdated and in need of rehabilitation. It was noted that the Utah Travel Council contributes to the operation of the welcome centers but construction of the facilities has typically been accomplished by UDOT. It was the consensus of the Board for staff to draft correspondence for the Chair's signature in support of locating a facility as close to the Arizona border as possible, negotiate with Arizona and/or Nevada to partner on construction of a facility, or encourage UDOT to renegotiate siting of the facility with SITLA.

VI. DEPARTMENT OF WORKFORCE SERVICES UPDATE

Ms. Lori Economy reported that DWS has initiated a new program called the “Bridge Program” as a hiring incentive for employers across the state of Utah. This program is focused on small-business job creation and provides limited reimbursement opportunity to small businesses that incur training costs from the creation of new jobs. DWS intends to reinvest these funds strategically back into Utah’s workforce to strengthen the economy. Applications are available online on the DWS website . Approximately 7-8 applications from Iron and Washington counties have been submitted for consideration. Qualifying jobs must pay at least 80 percent of the County Small Business Average Wage. Created jobs cannot be seasonal or temporary and existing jobs cannot be terminated to make way for a new job. A business may qualify to receive an additional \$500.00 if they hire a UI claimant to fill a new job. Specific information regarding this program is posted at: DWS_BridgeProgram@utah.gov. Ms. Economy also provided a handout with the “Top” jobs for various locations throughout the state of Utah. Other handouts contained job placement numbers for Five and Six County and unemployment rates for all counties in the state of Utah. It was noted that approximately 16,000 clients are actively seeking employment in the Five County area, with 9,000 of these individuals being located in Washington County. Employment with a self-sustaining wage is needed to alleviate people having to hold down multiple jobs. Many individuals throughout the region are currently underemployed.

VII. SOUTHERN UTAH UNIVERSITY (SUU) UPDATE

Mr. Dorian Page, SUU, reported that the largest and most prepared freshman class enrolled at SUU for fall semester with an approximate 3.5 percent increase. The University has announced a Request for Proposals from firms interested in completing an economic study to evaluate impacts of SUU on Iron County and Cedar City. SUU receives \$33 million in state tax dollars compared to \$35 million in tuition. The annual payroll is approximately \$44 million, with 725 full time benefitted staff. Total payroll including benefits is about \$60 million. Federal grants and financial aid totals \$8 million annually. Some of the most recent successful events include the Utah Summer Games, Shakespeare and Southern Utah Museum of Arts (SUMA). Revenue from athletics totals \$8 million and the Shakespeare Festival generates \$9 million in revenue. Total fall enrollment is approximately 7,460 full time equivalent students.

VIII. DIXIE STATE COLLEGE UPDATE

Mr. Alex Kolody, Dixie State College, provided a brief presentation outlining the Dixie State College 2012 Annual Report. Information included an update on the college profile and highlighted increases in student minority population. Enrollment at Dixie State College has increased 10 percent over the past ten year period, with the majority of students receiving associate degrees. However, the number of bachelor degrees has seen an increase over the past few years. There has been a 165% increase in minority graduates over the past five years. The report provides information regarding academic services which are available as well as degrees offered and the push for university status. Specific highlights were provided for the newly dedicated Jeffery Holland Centennial building. Commissioner Denny Drake mentioned that Washington County typically receives a number of requests for feasibility studies and he wondered if Dixie State College or SUU students are able to

provide these services. Mr. Ken Sizemore pointed out that the Economic's department at SUU has provided information associated with a cost-of-living index compiled by Dr. Alan Hamblin. Dorian Page reported that most of the business students are required to undertake a specific project and it may be possible that a project could be accomplished by these students.

IX. UTAH DEPARTMENT OF TRANSPORTATION UPDATE

Chairman Ramsay acknowledged that no representative for UDOT was present and asked Mr. John Bennett, Governor's Office of Planning and Budget (GOPB) to provide a brief update. Mr. Bennett reported that Governor Herbert recently decided to change the name of the GOPB to the Office of Management and Budget. Kristen Cox, former director over the Department of Workforce Services, has been selected to head this office. Ron Bigelow will retain his position as the budget director. Other than the name change, there will be no dramatic changes. Mr. Bennett will continue to serve as the liaison between the AOG's and local government. Some new assignments will likely be delegated to staff over time, but the new director will focus on working with other state agencies to see similar savings. State government is always working to achieve more efficiency with less funding. These changes have been discussed in the Interim Legislative Committee and it will require changes in state code to be formally implemented. He encouraged local elected officials to contact him with any concerns regarding the changes. Mr. Ken Sizemore made the observation that over the course of the last 18 months the state of Utah has lost reference to the words community and planning. First through changes implemented to the Department of Community & Culture and now with the recent announcement of changes to OPB. He noted that planning should remain an important part of the state's mission. Mr. Bennett responded that Mike Mower will retain the position of State Planning Coordinator and will continue to work with state government and local government on planning issues.

X. CONGRESSIONAL STAFF UPDATES

Ms. Ellen Schunk, Senator Lee's Office, reported that their office is not at a loss in terms of issues. The question is what will be accomplished by Congress between now and the elections in November. The House of Representatives has passed a continuing resolution which did not include budget cuts. The Senate will be working to pass the continuing resolution to address the budget to the end of March 2013. Tax cuts will expire after the first of the year, and it is uncertain if an extension will be addressed. However, a lot of members of Congress on both sides of the aisle would like to see an extension to the tax rates. There are some potential bills on the horizon, but no resolution is anticipated until after the election. The Senator and staff are continuing to monitor the prairie dog and sage grouse issues. Mayor Connie Robinson asked that congressional staff push to keep legislation on the table to address prairie dog issues because the 4d rule does not appear to be a viable option.

Ms. Marreen Casper, Senator Hatch's Office, reported that things are very indefinite in the Senate. The continuing resolution is being debated but may not pass through the Senate until after the November elections. Senator Hatch and Senator Kemp have introduced a joint resolution to prevent the current administration from waiving portions of the Welfare to Work Reform Act for individuals receiving benefits from TANF having to apply for work. It is likely that this resolution will pass in the House, but it will not see the light of day in the Senate. Commissioner Chad Johnson expressed frustration regarding what is happening

in the Middle East and noted that the United States should withdraw aid to countries such as Iran, Iraq, and Egypt. Ms. Casper acknowledged that a lot of constituents share this sentiment.

Mr. Mike Empey, Congressman Matheson's Office, reported that the House has been in recess until today. A number of non-controversial bills will be considered in the House, but another recess is scheduled to begin on Friday and will continue until after the election. He reported that there has been some discussion in Congress to pull aid from foreign countries but it is not likely that anything will be considered before the November elections. It does not look like the farm bill will pass until after November and the current bill will expire at the end of this month. This is a very important bill to farmers as well as the USDA rural housing. For young people interested in the military academy, a meeting is scheduled for October 11th at the Dixie High School. Academy graduates will talk to high school students who may be interested in attending the military academy. Those interested in obtaining details should contact Mike for specific information.

Mr. Dell Smith, Congressman Chaffetz's Office, reported that Congressman Chaffetz is very concerned about sequestration and the potential impacts on the Department of Defense and veterans. Two hearings were held last week. One presented a report on the mismanagement of products and direct payments to the Afghanistani government totaling \$2.8 billion. The other hearing addressed the Dawood Hospital in Afghanistan where the United States is paying for treatment of Afghanistan citizens. Congressman Chaffetz is very concerned with the mismanagement of federal dollars.

XI. LOCAL AFFAIRS

A. CORRESPONDENCE

Mr. Sizemore provided information regarding a Rural Economic Gardening Workshop scheduled for October 9th in Nephi. A press release from the Color Country Interagency Fire Center highlights work to rehabilitate areas burned by 2012 wildfires. He also announced that the AOG newsletter has been mailed to elected officials. This issue highlights a Quality Growth Award for work in unified transportation efforts which was presented to the Dixie Metropolitan Organization. It also features announcement of the Community Development Block Grant program for 2013 and the How-to-Apply workshops scheduled for November 1st in St. George and November 2nd in Panguitch.

B. OUT-OF-STATE TRAVEL

None.

C. PERMANENT COMMUNITY IMPACT FUND BOARD (PCIFB) APPLICATIONS

None.

D. PLANNING ASSISTANCE

None.

E. OTHER BUSINESS

None.

XII. AREAWIDE CLEARINGHOUSE REVIEWS

Mr. Sizemore referenced two reviews contained in the packet for consideration. State Trust Lands Administration is proposing a land sale in Garfield County to support a prairie dog recovery program. Commissioner Clare Ramsay indicated that the Garfield County Commission is aware of this proposal and has questioned the potential impact on grazing rights on this parcel. The parcel contains 800 acres that are inside of a grazing area. Board members expressed concern about the sale if it would have any impact on grazing rights. The other review is also a SITLA land trade on the Parowan Bench. Both reviews have a supportive staff recommendation.

MOTION WAS MADE BY COMMISSIONER CHAD JOHNSON, SECONDED BY MAYOR CONNIE ROBINSON, TO APPROVE STAFF RECOMMENDATIONS FOR BOTH A-95 REVIEWS. MOTION CARRIED, WITH ONE OPPOSED TO THE GARFIELD COUNTY LAND SALE ACTION.

The next meeting is scheduled for Wednesday, October 10, 2012 in Cedar at the Heritage Center. Mr. Sizemore mentioned that the November meeting in St. George will be the last meeting for Commissioner Chad Johnson, Mr. Alan Adams, Ms. Marreen Casper, and Mr. Mike Empey. There will be recognition provided for these individuals at that meeting.

MOTION TO ADJOURN WAS MADE BY MAYOR CONNIE ROBINSON AND SECONDED BY COMMISSIONER CHAD JOHNSON. MOTION CARRIED.

The meeting adjourned at 3:05 p.m.