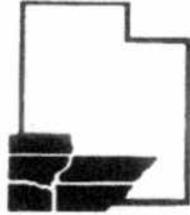


Five County Association of Governments

1070 West 1600 South, Building B
St. George, Utah 84770

Fax (435) 673-3540



SOUTHWEST UTAH

Post Office Box 1550
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**** M E M O R A N D U M ****

TO: EXECUTIVE COMMITTEE MEMBERS

FROM: COMMISSIONER CLARE M. RAMSAY, CHAIR

DATE: NOVEMBER 7, 2012

SUBJECT: EXECUTIVE COMMITTEE MEETING

The Executive Committee meeting will be held on Wednesday, November 14, 2012 at the Five County Association of Governments Office, located at 1070 West 1600 South, Building B., St. George, Utah.

The attached materials are provided to assist you in preparing for our meeting. Please review the materials and address any questions or concerns to Kenneth L. Sizemore. This will allow time to research your questions or concerns prior to the Executive Committee meeting.

I look forward to meeting with you at 11:00 a.m. for Executive Committee meeting in St. George on Wednesday, November 14, 2012.

KLS:dI
Enclosures

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AGENDA

**EXECUTIVE COMMITTEE MEETING
WEDNESDAY, NOVEMBER 14, 2012
FIVE COUNTY ASSOCIATION OF GOVERNMENTS OFFICE
1070 WEST 1600 SOUTH, BUILDING B
ST. GEORGE, UTAH - 11:00 A.M.**

- I. WELCOME AND APPROVAL OF JUNE 13, 2012 MEETING MINUTES**
- II. SUCCESSION PLANNING**

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify KENNETH SIZEMORE, EXECUTIVE DIRECTOR, FIVE COUNTY ASSOCIATION OF GOVERNMENTS, at 1070 West 1600 South, Building B, St. George, Utah, (435) 673-3548 at least three working days prior to the meeting.

BEAVER

GARFIELD

IRON

KANE

WASHINGTON

MINUTES

EXECUTIVE COMMITTEE MEETING

June 13, 2012

Kanab, Utah

MEMBERS IN ATTENDANCE

Commissioner Leland Pollock for
Commissioner Clare Ramsay, Chair
Commissioner Chad Johnson
Commissioner Dale Brinkerhoff
Commissioner Douglas Heaton
Commissioner Denny Drake

REPRESENTING

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

OTHERS IN ATTENDANCE

Kenneth Sizemore
Scott Leavitt
Diane Lamoreaux

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

I. WELCOME AND APPROVAL OF APRIL 11, 2012 MINUTES

Commissioner Leland Pollock, proxy for Commissioner Clare Ramsay, Chair, called the meeting to order and welcomed those in attendance. An update was provided regarding Commissioner Ramsay's knee surgery recovery. It was noted that a quorum was present for the conduct of business. Chairman Pollock entertained a motion to approve minutes of the April 11, 2012 meeting.

MOTION WAS MADE BY COMMISSIONER DENNY DRAKE, SECONDED BY COMMISSIONER CHAD JOHNSON, TO APPROVE MINUTES OF THE APRIL 11, 2012 MEETING AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

II. FY 2012 BUDGET REVISIONS

Mr. Sizemore referenced information contained in the packet on pages 5-34 of the packet outlining budget revisions at mid year, final revisions, administrative revisions and final budget numbers. He reviewed final revisions for each cost center as follows: **1) Administration--** Includes an additional \$19,983 which comes from the funds provided by each county. Total local participation in this cost center is \$66,478. This adjustment is required due to Bob Rasmussen's retirement and Scott Leavitt charging more time to administration. A portion of Bob's time was charged to aging programs and Carrie Schonlaw has assumed the accounting functions for the Area Agency on Aging. All leased vehicles are charged to this cost center initially and then quarterly payments are credited back from other cost centers; **2) Aging Waiver Administration--** No final revisions required; **3) HOME Program--** Reflects a slight adjustment from printing to telephone. Scott Leavitt will continue operation of the HOME program; **4) Aging Waiver Services--** A slight revision moving \$800.00 from State Retirement to Health Insurance due to Tracy

HeavyRunner spending additional time in this program; **5) Community and Economic Development**-- Reflects adjustments to cover additional time spent by the Executive Director; **6) Special Contracts**-- No final revisions required; **7) Area Agency on Aging**-- Adjustment required for decreased time of Accounting Technician. This is also a reflection of Bob Rasmussen's retirement and leave benefit payout; **8) Weatherization**-- Final revision includes adjustment in funds from office supplies to Questar. The FY 2013 budget will reflect a significant reduction resulting from the end of American Recovery and Reinvestment Act (ARRA) funds. Commissioner Leland Pollock addressed issues with the Weatherization crew's appearance and the need in his opinion to conduct drug testing of AOG employees. The conduct of the crew came to question in Panguitch a few months ago. Mr. Sizemore explained that drug testing could be initiated, but it would require all employees to be tested initially to establish a baseline. The charge for drug testing would be \$35.00 per individual and would require hiring a firm to conduct the testing and randomized process for ongoing testing. To require testing of a specific staff person, there would have to be an accident or specific issue with the employee. The Executive Committee established a drug testing policy one year ago and the program could be initiated. The loss of ARRA funds will require the layoff of several crew members. Board members stressed the importance of the crew members being well groomed and providing a good appearance when out in the field; **9) RSVP**-- Final revisions are necessary to utilize the unallocated salary reserve which has been obtained through fund-raising efforts to make up previous deficits to balance the budget; **10) Human Services**-- No final revisions, but this cost center is being shifted to CSBG in the FY 2013 budget; **11) Volunteer Center, Iron County**-- There has been a new coordinator hired to replace previous staff and a new assistant has been hired twice this past year. Because of this transition, Carol Hollowell had to spend additional time in this area. Background checks must be done for all volunteers coming on board; **12) Child Care Resource & Referral**- - Final budget revisions reflect a reduction in staffing because one staff person was not replaced when they resigned. The excess funds were returned to the state of Utah for reprogramming in other programs; **13) Nutrition**-- Funding for supervisors has been shifted to kitchen supplies. This change will also be reflected in the FY 2013 budget. Funding will likely continue to decrease in this program but the demand is always increasing. The Area Agency on Aging and Nutrition Council has recommended an increase in the suggested donation for meals from \$2.50 to \$3.00 beginning in July 2012. Significant cuts will be reflected in the FY 2013 budget due to a funding formula which does not utilize current population numbers. This is a one year issue that will be addressed in future funding cycles; **14) HEAT Assistance Program**-- Reflects the transfer of \$450.00 from Worker's Compensation to 401-K for new employees. Board members commented that counties opted to not participate in the 401-K program unless employees contributed. Mr. Sizemore indicated that he would research this issue to make sure that this is a requirement. Information will be brought back to the Board; **15) Mobility Management**-- Adjustment to shift funding in the amount of \$350.00 from printing to travel; **16) Volunteer Center, Washington County**-- No final revisions required; **17) Foster Grandparent Program**-- Reflects the transfer of \$1,000 from office supplies to cover meal reimbursement to volunteers; **18) United Way**-- Transfer of a slight amount to cover equipment. This organization rents space, services and contracts payroll through the AOG; **19) Human Services Transportation Planning**-- No revisions necessary; **20) Transportation Planning, Dixie Metropolitan Planning Organization (DMPO)**-- Final revisions come from reserve funding to cover costs associated with mobility management. Additional funds are also reflected for health insurance and state retirement.

Local participation comes from a vote share cost for St. George, Ivins, Santa Clara and Washington cities. Washington County provides in-kind match with GIS resources; **21) ARRA Weatherization**-- Final revisions reflect close-out of this program on June 30, 2012. This cost center will not be included in the FY 2013 budget; **22) Senior Companion Program**-- The final revision is the product of having fewer senior companions serving in the program and the need for additional funds to cover increased travel costs; **23) Community Services Block Grant Program**-- No final revisions are required; **24) Iron County, Rural Planning Organization**-- Includes an adjustment from consultant services to travel. This is necessary to cover additional travel of Curt Hutchings to attend meetings in Iron County. Scott Leavitt is transitioning from this program to assume CFO responsibilities and a new staff person will be hired; **25) Habitat for Humanity**-- An affiliate organization that rents space and services from the AOG; **26) UDOT**-- Another affiliate renting space and services from the AOG. Staff will be working to terminate this lease in order to provide accommodate the new planner that will be brought on board; **27) New Choices Waiver**-- No revisions required; **28) Down Payment Assistance Program**- - No final revisions; **29) Eastern Washington County, Rural Planning Organization**-- Final revisions include the addition of reserve funds from the Washington County COG to cover costs associated with corridor studies. These studies will overlap fiscal years; **30) TANF Program**-- No final revisions required. This program provides rental assistance for a short term to qualifying clients. Mid year revisions brought in funding for this state contract.

Commissioner Leland Pollock presented final budget revisions for FY 2012 for Board consideration.

MOTION WAS MADE BY COMMISSIONER DENNY DRAKE, SECONDED BY COMMISSIONER DOUGLAS HEATON, TO APPROVE FINAL BUDGET REVISIONS AS PRESENTED. MOTION CARRIED.

III. FY 2013 BUDGET REVIEW

Mr. Sizemore explained that a public hearing and review of the FY 2013 budget will occur this afternoon during the Steering Committee meeting.

Commissioner Douglas Heaton questioned how the Association of Governments is planning to deal with decreases that are anticipated in federal funding. The fiscal crisis looming in Washington D.C. will likely force Congress to address funding cuts to social programs. Because the AOG derives a large amount of funding from the federal government, a number of programs may not be sustainable. Mr. Sizemore explained that a reserve account is in place to cover costs for a one year period of time to close out programs and if necessary sell off the assets and close the office. Board members agreed that county budgets are strapped and no additional funds are available to pick up costs for those programs facing budget cuts, including funding of services for senior citizens. It was also agreed that there is no way to create a contingency plan without first knowing which program funding will be cut. It was determined that it would not be prudent to notify recipients of aid that funds may be reduced until the reductions are announced at the federal level.

Mr. Sizemore reported that senior staff has worked hard to meet objectives established by this Board in developing the FY 2013 budget. Significant reductions in funds for Aging programs and the completion of ARRA are reflected in the budget. A handout depicting fringe benefits from FY 2001 through FY 2013 was reviewed. The ratio of salary to fringe is down 1% and staff will continue to work to bring the trend line down.

IV. EXECUTIVE DIRECTOR COMPENSATION ALTERNATIVES

Mr. Sizemore reminded Board members that last year a new policy was implemented that will phase out the sick leave conversion program for AOG employees. The full conversion benefit is in place through June 2013 and the program then phases out incrementally each year by 25% to end completely in six years. From his personal perspective this is a lot of money involved for payout of this benefit. The assumption is that employees will retire by the cut-off date to take advantage of this program. He mentioned that his retirement will require initiation of a recruitment process well in advance of his departure. It is proposed that the Board consider allowing him to continue employment beyond the cut-off date keeping the full conversion benefit in tact. It was noted that the former Executive Director chose to be exempt from the state retirement system.

The Board discussed the various means for considering this request including a closed session, delaying the decision because it would not impact today's budget, scheduling another meeting at a later date and/or moving the Executive Director to contract employment. Members indicated that the purpose of sick leave is to provide an assurance that employees can recover from illnesses and return to work. It was not meant to be a benefit.

MOTION WAS MADE BY COMMISSIONER DALE BRINKERHOFF TO SCHEDULE A CLOSED SESSION PRIOR TO THE NEXT FIVE COUNTY MEETING TO FURTHER DISCUSS THIS ISSUE. MOTION DIED FOR LACK OF A SECOND.

Other Board members indicated that this discussion and decision would not require a closed session. This is a discussion of policy and not personality issues of an individual. Therefore, this issue should be addressed in a public meeting. The discussion continued to address establishment of a policy and then making the policy exclusive to one employee.

It was the consensus of Board members that the policy should remain as established for all employees. Recruitment will be addressed as Mr. Sizemore announces his future plans. It was determined that the February Executive Committee meeting would be a good time for this discussion.

Meeting adjourned at 12:15 a.m.