

**Upper Arkansas Area Council of Governments
Board of Directors Meeting
Wednesday, December 16, 2009
10:30 a.m.**

**Upper Arkansas Area Council of Governments Administration Building
Canon City, CO**

- I. Larry called the meeting to order at 10:51.
- II. **Introductions:** Board members— Dennis Giese, Bart Hall, Larry Lasha, and Carole Custer. Staff present JoBeth Palmer, Carol Roberts, Judy Lohnes, Audrey Sandefur, and Steve Holland. Guest: Susan Touchstone.
- III. **Approval of minutes** – action item
Carole moved we approve the minutes from October 21, 2009 with a 2nd by Larry. **All approved.**
- IV. **Additions/changes to Agenda** – Added grant documentation board chairman signature under letter O.
Bart made a motion to approve the additions to the agenda with a 2nd by Carole. **All approved.**
- V. **Financial Report**
- A. **Financial Statements** – Audrey – action item
1. Cash in bank \$508,635.98
 2. Cash in savings \$41,481.35
 3. Cash in Canon National Bank Prairie Sage \$21,143.91
 4. Cash in CSAFE \$358,553.85
 5. Indirect cost rate at 10-31-09 7.6310%

Bart made a motion to approve the financial statements with a 2nd by Carole. **All approved.**

B. Budget changes – Audrey – action item

Housing: net reduction of \$1,076.00

NFMC #1	<9,639> - carry-over in wrong budget
CHDO	853 – January 1 available balance not included in original 2009 budget
Rehab	<10,541> - carry-in less than expected
Self-Help	<170610> - only had 24% of time left on contract; not 60%
Self-Help	74800 – 17% of a new 2-year contract
EPA LBP	35247 – contracted extended into 2009; unknown at time of original budget
NFMC #2	11779 – new contract
DPA	67035 – new contract

WIA: net increase of \$363,681.00

Adult	<38269> - actual carry forward at 1-1-09
DW	<6136> - actual carry forward at 1-1-09
EDW	<9745> - actual carry forward at 1-1-09
70% Youth	<4019> - actual carry forward at 1-1-09
70% Youth	<12963> - actual carry forward at 1-1-09

30% Youth <1007> - actual carry forward at 1-1-09
 30% Youth <9705> - actual carry forward at 1-1-09
 30% Youth 24530 – 6 mos of new contract
 70% Youth 57235 – 6 mos of new contract
 Adult 104426 – 6 mos of new contract
 ARRA Adult 47731 – 6 mos of new contract
 DW 28171 – 6 mos of new contract
 ARRA DW 60718 – 6 mos of new contract
 70% ARRA Youth 66500 – new contract – summer youth-operating only
 30% ARRA Youth 28500 – new contract – summer youth – operating only
 ARRA Adult 4051 – additional monies
 Adult CI 8087 – 6 mos of reallocated funds
 DW CI 3069 – 6 mos of reallocated funds
 70% Youth CI 6727 – 6 mos of reallocated funds
 30% Youth CI 1408 – 6 mos of reallocated funds
 EDW CI 4372 – 6 mos of reallocated funds

Salaries & Fringe =	2,431,589	Changes for this budget modification are
61,494		
Operating =	1,541,546	Changes for this budget modification are
139,028		
Direct Client Funding =	<u>1,739,138</u>	Changes for this budget modification are
162,084		
Total		\$5,712,273
362,606		

Carole made a motion to approve the budget changes with a 2nd by Dennis. **All approved.**

VI. Old Business

- A. Gunnison County Housing Authority Self Help request update – Judy
This is not going to happen. They are looking at Mesa County as an organization to collaborate with.

VII. New Business

- A. The Canon Literacy Center request for use of 501(c)3 status of UARSC – Judy and Dave Wall. Carole moved that the COG board approve being the fiscal agent for up to one year for the Canon Literacy Center with a 2nd by Bart. **All approved.**
- B. Insurance Plan – Carol – action item
 - a. COG managers are recommending staying with Anthem Blue Advantage BA/BD plan with an 18% increase. Rocky Mountain quoted us and the rates were very high. Kaiser bid, but 61% of the staff would have to change doctors and there are no providers in other counties besides Fremont. The COG managers decided to take a step down in plans and the rate is \$597.64 per person per month. It was also decided to increase the employee's portion of insurance to \$40.00 per month. Bart made a motion to approve the insurance plan as presented by staff with a 2nd by Dennis. **All approved.**

- C. Head Start In-Depth Review Results – JoBeth – report

- a. JoBeth reported on the in-depth review that was held the week of November 29 through December 4. The team was very thorough and we had 17 team members on site. The official report will be received in 45 to 90 days. There are 1600 performance standards. The final decision comes from the office of Head Start at the federal level. Most of the possible areas of non-compliance are easy to fix. Most came out of the new Head Start reauthorization.
- b. JoBeth also reported there was an immediate deficiency that stemmed from a teach leaving a child alone in the classroom. The letter of deficiency has been received and the management team has already responded with a plan for correction. Some of the agenda items that follow are a result of that plan.

D. Head Start Policy Regarding Leaving Children Alone – JoBeth – action item

- a. Bart made a motion to approve the Head Start Policy regarding leaving children alone with a 2nd by Dennis. **All approved.**

E. Head Start Service Deliver Plan – JoBeth – action item

- a. Bart made the motion to approve the Head Start service delivery plan as presented with a 2nd by Dennis. **All approved.**

F. Head Start Policy Council By-Laws – JoBeth – action item

- a. Bart made a motion to approve the Head Start policy council by-laws as presented with a 2nd by Carole. **All approved.**

G. UAACOG 2010 Annual Budget – Audrey – action item

The UAACOG annual budget takes into account all programs that will be in effect for the year of 2010. Many of these programs started in fiscal year 2009 but continue into fiscal year 2010. There are only 6 months of Workforce Investment Act budgets due to the contract expiration date of June 30, 2010 and at this point no word on a renewal. The budget expenditures are balanced with the income to be received.

The cash budget for fiscal year 2010 is \$5,592,954, with the following breakdown:

Salaries/Fringe	\$2,425,687	43%
Operating	\$1,427,709	26%
Direct Client Funding	\$1,739,558	31%

Changes from 2009 to 2010 in total are (\$330,891) with the following breakdown:

Salaries/Fringe	(\$106,093)
Operating	(\$167,722)
Direct Client Funding	(\$ 57,076)

Total changes by programs are as follows:

Aging	(\$ 5,322)
Head Start	(\$ 14,960)
UAACOG	(\$150,135)
Housing	(\$ 13,676)
Workforce Center	(\$146,798)

Each department budget takes into account any increases in health insurance and merit increases. The merit increases for 2010 are based on employee evaluations. The departments looking at 3% increases are WIC, Housing (COLA/Merit), Area Agency on Aging, Fiscal, Recycling/SSUF. The WIA program and the UAADC programs are not planning on a merit increase at this time.

Bart made a motion to approve the 2010 annual budget as presented with a 2nd by Carole. **All approved.**

The meeting was recessed for lunch at 12:15 p.m.
The meeting was called back to order at 12:55 p.m.

H. Loan Write Off's – Carol – action item

As per Aging Report:

0259 –write off as per Jeff's report and recommendation

Last payment made 10/09/2008. \$20,543.99. – **BOARD APPROVED WRITE OFF**

#0701 –write off as per Jeff's report and recommendation.

Last payment made 11/12/09 from auction proceeds. Was previously included in Bad Debt Allowance under previous borrower. \$26,372.19. **BOARD APPROVED WRITE OFF**

#0266 –include in Allowance for Bad Debt. As per Jeff's report, possibility of payoff from sale. Last payment made 05/22/2009. \$20,385.28. **BOARD APPROVED ALLOWANCE FOR BAD DEBT.**

#2603 –last activity 09/17/2008. Already included in Allowance for Bad Debt. As per Erlin's report, nothing is really happening with it. Would like to write it off. \$20,863.11. **BOARD SAID TO INITIATE FORECLOSURE.**

#0267 –refer to Jeff's report, but he is living out of state and has transferred title to his truck to that state (we still hold the collateral, however). Regular payments are \$626.61; has been paying \$100 per month in the past couple of months but is only paid through May, 2009. Would like to include in Allowance for Bad Debt. **BOARD SAID TO ISSUE A DEMAND LETTER AND REPOSSESS THE TRUCK IF NECESSARY.**

#2614 –already included in Allowance for Bad Debt. Last payment made 11/04/09; paid through March 2009. No further action requested at this time. **REWRITE NOTE TO BRING CURRENT.**

#0260 –already included in Allowance for Bad Debt. Last payment 02/18/2009. Would like to write-off. **WRITE OFF BUT STILL PURSUE REPAYMENT.**

#2206 –include in Allowance for Bad Debt. \$46,553.56. As per Erlin's report, filed Chapter 7 bankruptcy. Last payment January 2009. Filed bankruptcy August 2009. **INITIATE FORECLOSURE IF POSSIBLE.**

#2702 –already included in Allowance for Bad Debt. Last payment was 9/16/09. No further action requested at this time. **REWRITE NOTE TO MAKE CURRENT.**

#2607 –already included in Allowance for Bad Debt. Last payment was 7/1/09, paid through 7/25/08. \$12576.41. Board's pleasure. **INITIATE FORECLOSURE.**

#0254 –already included in Allowance for Bad Debt; family has begun making \$200 payments every two weeks. No action requested at this time. **TRY TO REWRITE NOTE WITH MOM.**

#0269 –addressed in Jeff's report. No action requested at this time. **REWRITE TERMS TO BRING CURRENT.**

#2210 –last payment made 3/26/09; paid through 5/5/09. Include on Allowance for bad debt. **REWRITE NOTE TO BRING CURRENT.**

#2608 –already in Allowance for Bad Debt. Last payment 10/07/09. No action requested at this time. **WRITE OFF.**

The board said we should be issuing 1099C's for debt written off. However, once we do that we can no longer pursue the option to receive any additional dollars.

The board recommended we need to have an aggressive collection agent. Centralized collection agent/employee that is different from the loan officers and loan committees.

Bart made a motion to approve the loan write offs/rewrites or actions taken as discussed concerning the various delinquent loans, with a 2nd by Larry. **All approved.**

I. Fraud Risk Assessment Procedure – Carol – action item

This is a recommendation from the agency auditor. This document is the procedures followed by the fiscal office for the audit. This document is should be reviewed annually by the board of directors for their fraud risk review. Dennis made a motion to approve the fraud risk assessment with a 2nd by Carole. **All approved.**

J. Sick Leave Bank Policy – Judy/Carol – action item

There is a policy developed and an application that an employee will use to tap into the leave bank. Larry would like to have the agency attorney review the policy. Make the change to the program managers as the decision maker and the board as the appeal. Action on this was tabled to the February 2010 meeting and to have it reviewed by the agency attorney.

K. Office closure for Christmas Party – Judy

Friday, December 18, 2009 we will be closing the office for a Christmas Party with the board's approval. All approved.

L. Energy Impact Funds available- Judy – action item

We received an increase in our technical assistance funds in 2009. As we are coming to the end of the program year, we anticipate having some dollars left. We are looking at the amount being close to \$10,000.00. It will have to be spent on one of six areas that are identified in the original grant application. The areas are disaster mitigation, health, transportation, housing, jobs, and education. We have to report to DOLA how the funds were spent. We are looking at allocating the dollars back to the counties based on their COG dues, which break down to: 34% to Chaffee; 9% Custer; 47% to Fremont and 10% to Lake. Larry would like to allocate the Fremont County dollars for transportation. Dennis would like to identify this for GPS units for EMS under disaster mitigation/health. Carole will use this for EMS/GIS. Mike will get back with us on their use of the funds. Dennis moved that we would refund dollars to the counties with a 2nd by Larry. **All approved.**

M. Plan for new board members - discussion and FYI

We now have two vacancies. Dennis would like see that we list that a proxy could serve on the board. Letters will go out to each of the municipalities to see what interest there is to serve on the board. Once interested parties are identified, an official ballot will be sent out. By February, we will have two new board members.

N. AAA program update – Steve Holland – discussion

State Health Insurance program is no longer with the AAA. The contract expired Dec. 14. This will have a negative impact that we no longer operate the program.

A carry over request was submitted in good faith to the state. 13 of the 16 agencies that had carry over and each were denied. There is no appeal process. The state did exempt the administration dollars from the carry over.

O. Grant Document signature by board chairman –

Sharon has a grant amendment that needs to be signed for \$110,000 for the Self Help contract. Bart made a motion to allow the chairman to sign the amendment with a 2nd by Dennis. **All approved.**

VIII. Guest Presentation

A. Data Mining Report: Occupational Projections for Upper Arkansas Region 2010-2014 – Susan Touchstone (Colorado Workforce Center)

Susan handed out the unemployment rates by county.

Susan handed out a packet of paperwork to give an overview of Economic Modeling Systems Inc. Takes data from CDLE and gives information to use in strategic planning. These handouts are county specific. She can share this information electronically. Bart wanted to know if she had access to other counties and she does have this access. It is a value to share this information. These reports are pulled quarterly. Dennis wanted to know where these numbers are coming from. Some data comes from the Colorado Department of Labor among other sources. The board members would like to have this information quarterly.

IX. Regional Issues

A. Open discussion

X. Legislative Issues

A. Open Discussion

Larry reported that CCI has taken a stance with three of Doug Bruce's issues. They discussed certificate of participations and if this passes, it will bankrupt government. Dennis indicated that the license plate issue will hit the ballot in 2010 and will have a huge impact.

XI. County/Community Reports

A. Florence – Bart Hall

Paul Vilagrana was elected mayor. There is some turmoil in Florence with the city manager's resignation. Great Christmas season. Sales tax will come in at about 6% down. They were able to give employees a raise and a bonus. Thirty-nine applications were received for city manager. Downtown merchants are lit up with lights for the season. Florence received ARRA dollars for the clear well.

B. Fremont County – Larry Lasha

In 2010, they have 3 holidays that are not being paid and 4% suspension on pension plan. Sold property near the airport, which will be a chemical distribution center. Old sheetrock company on highway 120 is still in negotiations with Aircrete. Going to build lightweight blocks, air injected concrete. Have two people to step forward to run for sheriff and know of four that will be running for county commissioner for Larry's position.

- C. Chaffee County – Dennis Giese
Budget is down 6% with sales tax. Within two months of opening the combined project with the City of Salida. Finish project with Nestle.
- D. Lake County – Mike Bordogna
- E. Leadville – Bud Elliott
- F. Custer County – Carole Custer
Working on budget and have approved it. They are down 27% in sales tax. Employees received a 3% increase plus bonuses. Working with Innovate for cleaning up the air in the courthouse, this was built in 1924. There was a discussion with the Weatherization Program with ARRA funds. The Pueblo Weatherization Program said they could now serve nine homeowners for weatherization rather than eight. Trying to get ADA compliant in the building. The Christmas party is being held in a non-ADA compliant building.
- G. Silver Cliff – Allen Butler

XII

Director's report

A. General information

Have been the fiscal agent for the Rural Philanthropy Days for many years. This year we have had an issue with the indirect costs not being an allowable cost with CRC. This will be transitioned to the Wet Mountain Community Foundation.

The year 2010 is going to be a tough time to get money from foundations.

- B. 2010 Board Meeting Schedule-Judy handed out a calendar with the meeting dates and locations.

The board meeting was adjourned at 3:30 p.m. by Larry.

XII

Next meeting date February 17, Fremont County