

MINUTES

Middle Georgia Regional Commission
Council Meeting
Thursday, February 20, 2014, 6:00 p.m.
175 Emery Highway, Suite C, Macon, GA

MEMBERS PRESENT:

BALDWIN COUNTY

Johnny Westmoreland
Richard Mullins
Bill Millians
Denese Shinholster

CRAWFORD COUNTY

Paul Chapman
Becky Smith
Charlie Westberry
Charles Cook
Robert Ray

HOUSTON COUNTY

Tommy Stalnaker
John Harley
George Slappey

JONES COUNTY

Jimmy Roberts
Francis Adams
Frank Duke

MACON-BIBB COUNTY

Lonnie Miley

MONROE COUNTY

Dick Bazemore
Edd Norris

PEACH COUNTY

Melvin Walker
Alfredia Walker

PULASKI COUNTY

Butch Hall
Henry Cravey
Lee Slade
Nicky Cabero

PUTNAM COUNTY

Billy Webster

TWIGGS COUNTY

Ken Fowler
Shannon Hart
Johnny Branan
Joyce Mitchum

MIDDLE GEORGIA

Charles Sims

Middle Georgia Regional Commission

February 20, 2014

Page Two

GUESTS PRESENT

Lynn Ashcraft – Georgia Department of Community Affairs
Charles Coney – Assistant County Manager for Macon-Bibb County
David Matthews – Crawford County Development Authority
Michelle Sands – Office of Congressman Sanford Bishop

STAFF PRESENT

Denise Brookins – Government Services Specialist
Daniel Cummings – Government Services Specialist
Sheknita Davis – Workforce Director
Chrissy Fuller - Finance
Julie Hall – Aging Services Manager
Kristi Harpst – Regional Planner
Nick Kouloungis – Technology Services Director
Brent Lanford – Deputy Director
Chan Layson – Director of Business Development
Laura Mathis – Deputy Director
Ralph Nix – Executive Director
Carol Payton – Secretary
Bob Rychel – Transportation Mobility Manager
Robert Smith – Government Services Specialist
Linnea Vance – Government Services Specialist

CALL TO ORDER

Council Chairman Charlie Westberry called the February 2014 meeting to order at 6:25 p.m.

ROLL CALL

Executive Secretary Carol Payton called the roll and indicated that a quorum was present with 21 voting and 9 non-voting members present.

OPENING CEREMONIES

a. Invocation

Crawford County member Charles Cook gave the invocation.

Middle Georgia Regional Commission

February 20, 2014

Page Three

b. Welcome

Chairman Westberry welcomed everyone to the meeting.

c. Introduction of New Members and Guests

The following guests were recognized:

David Matthews
Crawford County Development Authority

Charles Coney
Macon-Bibb County

REPORT FROM BUDGET, AUDIT & PERSONNEL COMMITTEE

a. Proposed Amendment #2 to FY 2014 Budget

Committee Chair Butch Hall reported that the Committee met on February 5 to consider a number of issues and has four recommendations for consideration by the Council. He called on Laura Mathis to present proposed Budget Amendment #2, amendments to the Annual Work Program, and a resolution regarding the debt of the Georgia Small Business Lender, Inc.

Laura Mathis began with the Revenues. Local Revenues decreased by \$90,000; State Revenues increased by \$91,218; Federal Revenues increased by \$104,467; DHS Aging Pass-Through decreased by \$215,194; and Other Pass-Through increased by \$625,000 for a total increase of \$515,491 as compared to Amendment #1 to the FY 2014 budget. Ms. Mathis went over the line items where there was a change. There being no questions concerning the Revenues, Ms. Mathis continued with changes to the Expenditures. She also went over each line item adjustment of which there were nine.

Butch Hall said the Committee recommends the approval of Budget Amendment #2 as presented. Since this is a recommendation from the Committee, no second is required. The Council Chair called for a vote, and Amendment #2 was unanimously approved as presented.

b. Proposed Amendment to FY 2014 Initial Work Program

Ms. Mathis said when there are proposed amendments to the budget, an amendment to the Work Program is usually necessary. The following revision is needed:

Area Agency on Aging (AAA) – Program Development Coordination:

Middle Georgia Regional Commission

February 20, 2014

Page Four

- DHS – Medicare Improvements for Patients and Providers Act (MIPPA) has been added to use Medicare Improvements for Patients and Providers Act (MIPPA) grant funds to increase access to and provide assistance with applying for Low-Income Subsidies (LIS) and Medicare Savings Programs (MSPs). MIPPA provides Part D counseling to Medicare beneficiaries living in rural areas and promotes new Medicare prevention and wellness benefits.

Committee Chair Hall said the Committee recommends approval of the Amendment to the Annual Work Program as presented. Since this is a recommendation from the Committee, no second is required. The Council Chair called for a vote, and the Work Program Amendment was unanimously approved as presented.

c. Resolution Regarding Debt of Georgia Small Business Lender, Inc.

Ms. Mathis reported that an update on the GSBL portfolio is made available at each quarterly Budget Committee meeting. Due to recent SBA changes, there is an issue that has developed concerning the GSBL. The following are four concerns with regards to the debt issue:

- SBA guidelines have changed, and there is a statutory limit of 75% of the processing/servicing fee that can be paid for the management contract.
- SBA guidelines also state that if a CDC is not solvent, it will be subject to an OCRM review and eventual de-designation as a CDC.
- Historically, GSBL revenue has first been utilized to pay debt service, cover operating expenses such as professional fees, insurance, training, and registrations. The balance of revenues were paid to the Regional Commission based on the Management Agreement. The amount paid to the Regional Commission varied greatly from year to year, both in real dollars and in percentage of fees earned.
- Over a number of years, the CDC has amassed a debt to the Regional Commission of \$702,999. This debt represents MGRC costs that were incurred for staff and services, but there were insufficient revenues generated on an annual basis to cover all of the MGRC costs. The non-current liabilities reflected in both the MGRC audit and the GSBL audit indicate that GSBL would be insolvent if required to pay this debt.

In consultation with the auditor, the staff made the following recommendations to the Committee:

- The MGRC remove from its books the non-current receivables associated with GSBL, and that this be reflected in the audits of both the GSBL and MGRC.
- The agreement between MGRC and GSBL for staff and services should be amended to indicate the 75% limitation on the servicing and processing fees.

Middle Georgia Regional Commission

February 20, 2014

Page Five

- A separate Memorandum of Understanding memorializing the write-off amount and a commitment that any revenues generated by GSBL above and beyond the funds needed to be deemed solvent shall be paid to the Regional Commission, as funds become available.

There is no cash being lost. Ms. Mathis gave an update on the actions that have been taken to bring the GSBL to a positive position. In 2013, the GSBL made the second highest number of loans it has done in 25 years. It was also noted that the GSBL builds wealth in the community and helps with jobs creation. Also, if you compare the number of loans and the value that is going back on the tax digest in the communities, it would have more impact to the local governments than lost revenues. If the current trend follows what has been accomplished over the last several months, it should result in approximately \$15 million in loans. There is now enthusiasm and marketing in the GSBL programs, and it definitely has made a difference. With the other loan programs, besides the SBA 504 loan program, that are in existence, there is no reason that the GSBL should be deemed insolvent.

The Budget, Audit, and Personnel Committee is recommending that the non-current assets associated with the GSBL be removed from the MGRC books. In addition, the Committee recommends that the Chairman be authorized to execute a Memorandum of Understanding regarding the support of the GSBL program and that if funds exist after all expenses are realized, GSBL will make supplemental payments to the MGRC. The following Resolution No. RC-14-02 reflects these recommendations:

* * * * *

WHEREAS, the Middle Georgia Regional Commission was instrumental in creating the Georgia Small Business Lender, Inc. (GSBL) in 1983 for the purpose of operating small business loan programs that would foster job creation, private investment, and economic growth; and

WHEREAS, the Georgia Small Business Lender, Inc. is a stand-alone Certified Development Corporation with a Board of Directors to govern its operations and enters into a Management Agreement with the Middle Georgia Regional Commission for staff and support services; and

WHEREAS, over the life of the Corporation, 176 in loans have been made, resulting in the creation or saving of 1,638 jobs and over \$156 million private investment, which increased the tax base of Middle Georgia; and

WHEREAS, the Middle Georgia Regional Commission remains committed to the principles which originally guided the creation of GSBL and intends to sustain the program for as long as the U.S. Small Business Administration recognizes its status as a Certified Development Corporation; and

Middle Georgia Regional Commission

February 20, 2014

Page Six

WHEREAS, the Small Business Administration (SBA) has issued new standards governing the performance of Certified Development Corporations targeted towards increasing the solvency and sustainability of the Corporations; and

WHEREAS, periodically, GSBL has not generated adequate revenue to cover annual costs including the Management Agreement with the Regional Commission; and

WHEREAS, the prior years' debt of GSBL to the Regional Commission totals \$702,999 as of September 30, 2013, a situation that puts the GSBL certification and programs in jeopardy with SBA; and

WHEREAS, this matter has been discussed on a number of occasions with the Budget, Audit, and Personnel Committee, most recently at its February 5, 2014 meeting.

NOW, THEREFORE, BE IT RESOLVED that the Middle Georgia Regional Commission, upon recommendation from the Budget, Audit, and Personnel Committee and after discussion with the audit firm, declares the note payable from Georgia Small Business Lender as of September 30, 2013 in the amount of \$702,999 as uncollectible and authorizes staff to make the necessary financial adjusting entries to the financial statements to reflect this action for FY 2014; and

BE IT FURTHER RESOLVED that the Middle Georgia Regional Commission authorizes the Chairman to memorialize this event through a non-binding Memorandum of Understanding with GSBL reflecting this action and the intent that when resources are available, payments may be made to the Middle Georgia Regional Commission from GSBL at the discretion of the GSBL Board of Directors; and

BE IT FURTHER RESOLVED that the Middle Georgia Regional Commission directs staff and the Budget, Audit, and Personnel Committee to review the financial condition of GSBL not less than annually and make any necessary recommendations for further action to the Council.

* * * * *

Committee Chairman Hall said the Committee recommends adoption of the resolution. No second is required; therefore, Resolution No. RC-14-02 was approved as presented.

d. Proposal Regarding Dues Increase

The Committee Chair said the final item of the Budget Committee is a proposed dues increase. Houston County Commission Chair Tommy Stalnaker asked to attend the February 5 Committee meeting to discuss a proposal for a dues increase. The current dues for the Regional Commission is \$1.00 per capita, which has been the rate since July of 2008. Local dues are used as leverage and match for Federal and State funds to support programs such as Aging Services, Transportation Planning, and Economic Development in addition to general services in the area

Middle Georgia Regional Commission

February 20, 2014

Page Seven

of Technology Services and Public Administration. Once the current programs are matched, there are no funds available to match new programs or to provide additional services to member governments. Part of the discussion of the Committee included the recommendation to spread an increase of 30 cents per capita over a three-year period at ten cents per year. Also, the Committee discussed implementing the increase based on the local government fiscal year rather than the MGRC fiscal year. Based on current population, the total increase is \$49,534 for FY 2015. The Committee Chair said the Committee also thought it was important to take action at this time so that notification can be provided to local governments whose fiscal year begins July 1 in order to plan and budget the increase.

The Budget Committee recommends the establishment of the dues for FY 2015 at \$1.10 per capita, FY 2016 at \$1.20 per capita, and FY 2017 at \$1.30. No second is required on the Committee's recommendation, and the dues increase was unanimously approved as presented.

Favorable comments were made with regard to what the return on investment was with the dues increase.

* * * * *

Committee Chair Butch Hall thanked the following members of the Budget Committee:

Dennis Holder, County Member
Bert Bivins, Municipal Member
George Slappey, Non-public Member
Frank Duke, Associate Member
Grady Clemonts, Member-at-large

This completes the report of the Committee.

STANDARD ORDER OF BUSINESS

- a. Approval of Minutes of November 14, 2013 and January 9, 2014 Council Meetings

There were no changes/corrections to the minutes of the November 14, 2013 and January 9, 2014 Council meetings, and they were unanimously approved on a motion by Henry Cravey and seconded by John Harley.

- b. Old Business

None to report.

- c. New Business
 - i. Local Assistance Requests

Middle Georgia Regional Commission

February 20, 2014

Page Eight

MGRC staff member Robert Smith presented the following local assistance requests that have been received since the January meeting:

* * * * *

- Community:** **Baldwin County**
Project Title: Planning Retreat
Project Description: Facilitate Planning Retreat of the Baldwin County Commission.
- Community:** **Baldwin County**
Project Title: Fit Kids are Happy Kids Grant
Project Description: Prepare a Fit Kids are Happy Kids Grant application for a Cycle Kids Program on behalf of the Recreation Department.
- Community:** **City of Centerville**
Project Title: Planning Retreat
Project Description: Facilitate Planning Retreat of Mayor and Council.
- Community:** **City of Eatonton**
Project Title: Repurposing Request
Project Description: Prepare repurposing request to DCA for a former day care building.
- Community:** **City of Forsyth**
Project Title: Map
Project Description: Prepare map of Department of Transportation Gateway Grant project site.
- Community:** **City of Hawkinsville**
Project Title: Community Development Block Grant
Project Description: Prepare 2014 CDBG application for infrastructure improvements.
- Community:** **Jones County**
Project Title: Neighborhood Revitalization Plan
Project Description: Prepare Neighborhood Revitalization Plan for Haddock Community.
- Community:** **Putnam County**
Project Title: Tax Incentive Schedule
Project Description: Develop standardized tax incentive schedule for economic development purposes.
- Community:** **City of Warner Robins**
Project Title: Historic Preservation
Project Description: Provide assistance to newly formed Historic Preservation Commission Board for approximately six months.

Middle Georgia Regional Commission

February 20, 2014

Page Nine

Community: City of Warner Robins

Project Title: Service Delivery Strategy Amendment

Project Description: Prepare amendment to Houston County Service Delivery Strategy related to sewer service.

Community: Development Authority of Wilkinson County

Project Title: Economic Development Marketing Materials

Project Description: Develop and print marketing material on available industrial sites in Wilkinson County.

* * * * *

The local assistance requests were unanimously approved on a motion by Lee Slade and seconded by Tommy Stalnaker.

ii. Area Agency on Aging Resolution Approving Submission of FY 2015 Area Plan

Julie Hall, Aging Services Manager, said an Area Plan must be submitted every four years with updates submitted yearly. The Plan identifies the types and quantifies the level of services needed by the older citizens of Middle Georgia. Resolution No. RC-14-03 also authorizes the Board Chairman, Vice Chairman, or Executive Director of the RC to sign any contracts, assurances, or other documents as may be required to administer said program.

* * * * *

WHEREAS, the Middle Georgia Regional Commission (RC) has served as the Area Agency on Aging (AAA) since 1977; and

WHEREAS, the Middle Georgia RC has provided program planning and development, technical assistance, coordination, administration, and fiscal accountability for program services to older citizens of Middle Georgia; and

WHEREAS, the services provided through subcontracts administered by the Area Agency on Aging have directly or indirectly benefited a large portion of the Middle Georgia population; and

WHEREAS, the work program and services of the Area Agency on Aging are reviewed and approved by the Middle Georgia Regional Commission Council prior to implementation; and

WHEREAS, the Department of Human Services, Division of Aging Services requires preparation of an annual plan which identifies the types and quantifies the level of services needed by the older citizens of Middle Georgia; and

Middle Georgia Regional Commission

February 20, 2014

Page Ten

WHEREAS, it is in the best interest of the citizens of Middle Georgia that an FY 2015 Area Agency on Aging Area Plan Revision be developed and submitted to the Division of Aging Services.

NOW, THEREFORE, BE IT RESOLVED that the Council of the Middle Georgia Regional Commission, by adoption of this resolution, does hereby proclaim its commitment to serving the senior citizens of Middle Georgia.

BE IT FURTHER RESOLVED that the Chairman, Vice Chairman or Executive Director of the Middle Georgia Regional Commission is empowered to sign contracts, assurances, certifications or other documents, as may be required to administer Area Agency on Aging programs.

* * * * *

Becky Smith made a motion that the resolution be approved. The motion was seconded by Billy Webster and unanimously approved.

- iii. Resolution Authorizing the Preparation and Submittal of the FTA Section 5310 Application

Bob Rychel said that the RC is currently managing DHS Coordinated Transportation services in the following MGRC counties: Baldwin, Bibb, Crawford, Houston, Jones, Monroe, Peach, Pulaski, Twiggs, and Wilkinson Counties. To assist with these services, the Middle Georgia RC applies annually for a Section 5310 grant through the Department of Transportation. The Section 5310 program is administered by the Federal Transit Administration. This year's requested amount is \$169,743. These monies will be used only for transportation services for the elderly and disabled clients in the Middle Georgia RC service area. No match is required. The resolution authorizes the RC to file the application and empowers the Executive Director to sign the contract on behalf of the RC. On a motion by Lee Slade and seconded by Henry Cravey, the following Resolution No. RC-14-04 was unanimously approved:

* * * * *

WHEREAS, the Middle Georgia Regional Commission, hereinafter referred to as the "Applicant" has requested grant funding assistance from the Georgia Department of Human Services (DHS) for the purpose of providing transportation service to eligible DHS Division of Aging Services clients; and

WHEREAS, this project is considered to be important and necessary to public transportation in Baldwin, Bibb, Crawford, Houston, Jones, Monroe, Peach, Pulaski, Twiggs and Wilkinson Counties.

Middle Georgia Regional Commission

February 20, 2014

Page Eleven

NOW, THEREFORE, BE IT RESOLVED that the Applicant, while making application to or receiving grants from the Federal Transit Administration, will comply with the Federal statutes, regulations, executive orders and administrative requirements as listed in Appendix A of the FTA Circular FTA C 9070.1C and as also included in Appendix B of the Georgia Department of Human Resources State Management Plan and Application Package for Elderly and Disabled Transportation inclusive; and

BE IT FURTHER RESOLVED that Ralph Nix, Executive Director, is empowered to sign contracts on behalf of the Applicant, and that he may sign on behalf of the Applicant any assurance, certification, or other documentation that may be required as a part of the application submitted.

* * * * *

- iv. Resolution Authorizing the Filing of Grant Application through GDOT and U.S. Department of Transportation for Public Transportation Assistance under Title 49 U.S.C., Section 5311

MGRC staff member Bob Rychel stated that Resolution No. RC-14-05 authorizes the filing of an application with the Federal Transit Administration for continued funding of the Regional Mobility Management Program. This application will be for the FY 2015 funding cycle. The application will be filed with the Georgia Department of Transportation which will then submit it to the Federal Transit Administration once approved.

* * * * *

WHEREAS, the Federal Transit Administration and the Georgia Department of Transportation are authorized to make grants to non-urbanized areas for mass transportation projects; and

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including the provision of its local share of the project costs; and

WHEREAS, it is required by the U.S. Department of Transportation and the Georgia Department of Transportation in accord with the provisions of Title VI of the Civil Rights Act of 1964, that in connection with the filing of an application for assistance under the Federal Transit Act, the applicant gives an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and other pertinent directives and the U.S. Department of Transportation requirements thereunder.

Middle Georgia Regional Commission

February 20, 2014

Page Twelve

NOW, THEREFORE, BE IT RESOLVED on the 20th day of February 2014, the Middle Georgia Regional Commission Council hereby authorizes the Executive Director to:

Execute and file an application on behalf of the Middle Georgia Regional Commission with the Georgia Department of Transportation to aid in the financing of public transportation assistance pursuant to Section 5311 of the Federal Transit Act.

That the Executive Director is authorized to execute and file with such application and assurances or any other document required by the U.S. Department of Transportation and the Georgia Department of Transportation effectuating the purpose of Title VI of the Civil Rights Act of 1964.

That the Executive Director is authorized to execute and file all other standard assurances or any other document required by the Georgia Department of Transportation or the U.S. Department of Transportation in connection with the application for public transportation assistance.

That the Executive Director is authorized to furnish such additional information as the U.S. Department of Transportation or the Georgia Department of Transportation may require in connection with the application of the project.

That the Executive Director is authorized to execute grant contract agreements on behalf of the Middle Georgia Regional Commission with the Georgia Department of Transportation in connection with the application for public transportation assistance.

That the Middle Georgia Regional Commission while making application to or receiving grants from the Federal Transit Administration will comply with FTA Circular 9040.1G, FTA Certifications and Assurances for Federal Assistance 2014 as listed in Appendix M and General Operating Guidelines as illustrated in Appendix D of the Georgia State Management Plan and Administrative Guide for Rural Public Transportation Programs.

That the Middle Georgia Regional Commission has or will have available the required non-federal funds to meet local share requirements.

* * * * *

There being no questions or comments, Dick Bazemore made a motion that the resolution be approved. The motion was seconded by Tommy Stalnaker and unanimously approved.

v. Proposed Bylaws Amendment

Brent Lanford referenced the Bylaws Amendment that was made available to the Council in their board packets. On occasion it becomes prudent and necessary to review the Bylaws to make sure the organization is operating in accordance with its intended purpose. He noted that there

Middle Georgia Regional Commission

February 20, 2014

Page Thirteen

are proposed amendments that need to be made and those were highlighted in red. Mr. Lanford proceeded with a brief explanation for each change, most of which were nominal.

There were no comments concerning the proposed Bylaws Amendment, and they were unanimously approved on a motion by Ken Fowler and seconded by John Harley.

GOOD OF THE ORDER

a. Standing Committee Appointments

Council Chair Charlie Westberry made the following appointments as authorized in Article IX, Section II of the Bylaws:

Audit, Budget, and Personnel Committee

Butch Hall – Committee Chair and Council Vice Chair

Dennis Holder – County Member

Bert Bivins – Municipal Member

George Slappey – Non-public Member

Frank Duke – Associate Member

Grady Clemons – At-large Member

Charlie Westberry – Council Chair

Pension Committee

John Reid – Council Member

Dennis Holder – Council Member

Nicole Gaither – Staff Member

Chan Layson – Staff Member

Aging Services Committee

Johnny Westmoreland – Baldwin County

Charles Cook – Crawford County

John Harley – Houston County

Francis Adams – Jones County

Lonnie Miley – Macon-Bibb County

Mike Bilderback – Monroe County

Alfredia Walker – Peach County

Henry Cravey – Pulaski County

Terry Schwindler – Putnam County

Shannon Hart – Twiggs County

Jonathan Jackson – Wilkinson County

Middle Georgia Regional Commission

February 20, 2014

Page Fourteen

CEDS Committee

MGRC Council

GARC Policy Member

John Reid

Aging and Disabilities Council Chair

Jesse Hall

ANOUNCEMENTS

a. PlanFirst

MGRC staff member Kristi Harpst briefed the Council on a new program through the Georgia Department of Community Affairs. The new PlanFirst program will reward communities that demonstrate an established pattern of implementing their local Comprehensive Plans. Communities of all sizes may apply and should show:

- A history of public involvement with development of the plan;
- Active engagement in plan implementation; and
- Proven progress with achieving the community's stated vision or goals.

There is one application round each year with applications due May 15, 2014. For further information the website is www.dca.ga.gov or contact Adriane Wood at adriane.wood@dca.ga.gov.

ADJOURN

There being no further business, the February meeting was adjourned at 7:15 p.m.