

Marla Thompson	Long View
Keith Warren	Sawmills
Malla Vue	Appointed
Casey Pope	Appointed

Guests/Others Present:

Donald Duncan, Conover, Call-in
Todd Herms, Maiden, Call-in
Sherri Bradshaw, Drexel, Call-in
Logan Shook, Hildebran, Call-in
Chase Winebarger, Call-in
Scott Hildebrand, Call-in
Barbara Harmon, Call-in
Erica Brown, Martin Starnes and Associates, Call-in

WPCOG Staff Present:

Anthony Starr, Executive Director, In-person at WPCOG
Sherry Long, Assistant Executive Director, In-person at WPCOG
Ashley Bolick, Director of Administrative Services and Human Resources, In-person at WPCOG
Andrea Roper, Finance Director, In-person at WPCOG
Stephanie Hanvey, Regional Housing Director, In-person at WPCOG

Call to Order/Welcome and Roll Call

A regular meeting of the WPCOG Policy Board was called to order at 6:05 pm by Chair Bob Floyd. Chair Floyd thanked the board for their flexibility in dealing with meeting changes due to COVID-19. Chair Floyd asked the board clerk for a roll call. The roll call was completed and names recorded for the meeting minutes.

Minutes of Previous Meeting

Minutes of the previous meeting were considered. Mr. Joie Fulbright made a motion to approve the minutes from the January 28, 2020 meeting and Ms. Jill Patton offered a second. The motion passed unanimously.

Unfinished Business/Reports

There was no unfinished business.

New Business

Recognition of New Board Member

Chair Floyd welcomed Mr. Chris Jernigan, Morganton City Council member, to his first Policy Board Meeting. Mr. Jernigan is the newly appointed City of Morganton delegate.

FY 19 Audit Presentation

Ms. Erica Brown, Partner with independent auditing firm, Martin Starnes & Associates, CPAs, P.A, presented a report to the Board regarding the financial audit of the Western Piedmont Council of Governments for the fiscal year ending June 30, 2019. The audit is required by State Law and various regulation of funding entities.

Ms. Brown reported a clean unmodified opinion and thanked the WPCOG Finance Director and staff for their cooperation during this first year audit with MSA. The total ending General Fund balance as of June 30, 2018 was \$2,459,003. This is a \$466,966 increase over the 2018 General Fund balance.

Ms. Brown offered other general highlights on the WIOA Special Revenue Fund, The Aging Special Revenue Fund and Section 8 Special Revenue Fund. Other points made by Ms. Brown include the building generator project that was completed and a \$20,000 increase in the OPEB Pension Trust.

Previous audit did not report on four agency funds that will now be reported in WPCOG's audit.

- Future Forward with a balance of \$149,842
- Sister Cities with a balance of \$27,115
- SE4A with a balance of \$3,840
- NC4A with a balance of \$9,454

Mr. Chip Black asked if these agency funds could be dissolved or if they are active. Mr. Anthony Starr answered that three of the four funds are active.

Mr. Jerry Hodge made a motion that the Policy Board accept the audit report as presented. Ms. Jill Patton offered a second. The motion passed unanimously.

5th Amendment of the 2019-2020 Budget

Ms. Andrea Roper, Director of Finance, discussed the 5th Amendment of the 2019-2020 Budget reflecting a total budget of \$20,362,892 and an operating budget of \$7,578,685 which represents a decrease of the total budget from the January 28, 2020 budget amendment of \$443,279.

Highlights of the 5th Amendment of the 2019-2020 Budget include:

- General Government increased \$30,000 due to additional annual meeting revenues and anticipated expenses.
- An increase of \$245,302 in Transportation due to the Burke Transit project.
- Environmental Protection increased by \$10,804 due to additional revenue for the 319 Septic Tank project and additional funds being used for stormwater projects.
- Community Development increased \$29,659 due to an increase in staff time on several projects.
- A decrease of \$15,895 in Economic Development due to reduced contract amounts for two projects.
- Regional Public Housing increased \$30,028 due to additional funding from ARC and the addition of a new position for the Envision Center.
- Aging decreased \$142,638 due to the NC4A and SE4A funds being transferred to an agency fund.
- Fund Balance Appropriated and Prior Year Indirect Funds increased \$12,907 and \$25,475, respectfully, due to several capital outlay expenses for the facility.

- Salaries decreased \$13,953 due to compensated absence expense increasing and personnel changes.
- Contractual increased \$253,500, mainly due to the Burke Transit monthly expense to the Western Piedmont Regional Transit Authority.
- Maintenance/Equipment decreased \$49,000 to better reflect anticipated expenses.
- Annual Meeting increased \$18,000 to account for anticipated expenses.
- Capital Outlay increased \$50,000 due to several needed facility repairs/updates.
- Contingency decreased by \$193,790 to allocate funds to for current year expenses and for anticipated expenses next fiscal year, increasing Reserve for Future Use by \$112,112.
- OPEB increased \$62,109 due to the allocation of fringe contingency funds.
- Aging Special Revenue Funds decreased \$672,130 to reflect actual administration costs.
- All other changes to the expenditure lines reflect normal program needs.

Staff requested that the Policy Board review and approve the fifth amendment of the 2019-2020 Budget.

Mr. George Holleman made a motion that the Board approve the fifth amendment of the 2019-2020 Budget as proposed. Ms. Kitty Barnes offered a second. The motion passed unanimously.

First Reading of the FY 2020-2021 Budget

Ms. Andrea Roper, Director of Finance, presented the 1st Reading of the 2020-2021 Budget. The 1st Reading of the FY 20-21 budget reflects a total budget of \$19,026,920 and an operating budget of \$6,288,567 which represents a decrease of the total budget from the January 28, 2020 budget amendment of approximately 8% or \$1,743,251.

Some key parts of the budget are uncertain at this time and that is somewhat normal for the first reading. The 1st Reading of the 2020-2021 Budget includes:

- 57 full and part-time staff positions
- WPCOG dues rate increased by \$.10 per capita per board approved 3-year plan.
- Financial Administration Services for four local governments and one local non-profit.
- Town planning services for 8 local governments.
- Code Enforcement services for 10 local governments.
- Administration of several new community development projects (building reuse, infrastructure, economic development, etc.)
- A group insurance increase (\$30,729) reflecting a health insurance increase of 8%. We usually do not receive quotes until early May for FY21 and this number will be adjusted at that time.
- The decrease of \$711,800 in contractual is attributed to the current fiscal year ESFR, URP and STEMWEST projects that ended.
- Mortgage/Occupancy costs decreased by \$50,273 due to decreased infrastructure funding for WIOA.
- Capital Outlay decreased \$80,879, no equipment purchases are planned at this time.
- Contingency decreased \$316,155 due to those funds being utilized in the FY 20-21 budget.

- OPEB (Other Post-Employment Benefits) Trust Allocation increased \$65,054 due to the allocation of fringe contingency.
- Aging Special Revenue Funds decreased by \$672,130 to reflect anticipated administration costs.
- Approximately \$264,523 in anticipated contracts for FY21. This amount is \$26,653 lower than the FY20 anticipated contracts amount. The unfunded areas at this point are within the Community Development department.

Staff requested that the Board review and approve the 1st Reading of the FY 2020 - 2021 budget.

Mr. Chip Black made a motion that the Policy Board approve the 1st Reading of the 2020-2021 Budget as proposed. Ms. Jill Patton offered a second. The motion was passed unanimously.

RHA Annual Administrative & 5-Year Plan Amendments

Ms. Stephanie Hanvey provided an overview to the board of the US Department of Housing and Urban Development's requirement of all public housing agencies (PHAs) to prepare and adopt both Annual and 5-Year Agency Plans. This year the Western Piedmont PHA is required to prepare and adopt both an Annual Plan (July 1, 2020-June 30, 2021) and a 5-Year Plan (July 1, 2020-June 30, 2025). HUD prescribes a standardized plan format for PHA plans, which provides very brief information relating to the day-to-day operations of the program. These plans provide public information about the way that the PHA's housing programs are operated and afford opportunities for client and public review and input. The public hearing was held at 9:00am on Monday, March 23, 2020. Upon board approval, both the 1-year and the 5-year Agency Plans are due in the Greensboro HUD office no later than April 15, 2020.

Ms. Helen Chestnut asked if the Western Piedmont RHA would begin taking applications for rental assistance again within the next five years. Ms. Hanvey answered that in her estimation, it will take two to three years to work through the current waiting list.

Mr. Larry Chapman made a motion that the Policy Board approve the both the Annual Administrative and the 5-Year Plans for submission to HUD as presented. Mr. Jerry Hodge offered a second. The motion was passed unanimously.

RHA Family Self-Sufficiency (FSS) Action Plan Amendments

Ms. Stephanie Hanvey, Regional Housing Director, updated the board on the Regional Housing Authority Family Self-Sufficiency (FSS) Action Plan. The plan was late updated and effective April 1, 2019. Housing authorities are required to send any administrative plan amendments to HUD annually. Staff have four proposed amendments for board approval. Staff would like to send these amendments to HUD with the Annual Administrative Plan amendments. Staff would like these amendments to become effective April 1, 2020.

Proposed amendments to the FSS Action Plan include:

- 1) Maintaining Mandatory Minimum Program Size (MMPS)
PHA Policy-As of December 2019, 29 Participants have graduated from the PHA's FSS program, bringing the current MMPS total down from 104 to 96 . (Ch. 2, pg. 6)

- 2) Estimate of Participating Families
Estimate of Eligible Families Due to an increase of 96 Mainstream Vouchers in January 2020, 1205 Eligible FSS families can reasonably be expected to receive supportive services under the FSS program, based on available and anticipated resources.. (Ch. 2, pg. 8)
- 3) FSS Activities and Support Services Since 2019, the PHA has been able to add some special transportation services and limited routes in Caldwell and Alexander Counties. This will be an amendment to the FSS plan. (Ch. 4, pg. 7)
- 4) Reporting on the FSS Account- At a minimum, the PHA will now provide escrowing FSS participants statements of the status of their escrow account on a quarterly basis instead of monthly. (Ch. 6, pg. 8)

Upon board approval, plan amendments will be effective April 1, 2020.

Ms. Kitty Barnes made a motion that the Policy Board approve the RHA Family Self-Sufficiency Action Plan Amendments as presented. Ms. Jill Patton offered a second. The motion was passed unanimously.

Caldwell County ESFR 2020 Assistance Policy & Procurement and Disbursement Policy

Ms. Sherry Long, Assistant Executive Director and Director of Community & Economic Development presented the proposed Caldwell County Essential Family-Rehabilitation Grant (ESFR) policies. WPCOG is the recipient of a \$190,000 ESFR grant for Caldwell County. In order to proceed the proposed policies need to be adopted by the Policy Board. These policies guide the selection and rehabilitation processes and are required by the NC Housing Finance Agency.

Mr. Chip Black made a motion that the Policy Board approve the Caldwell County ESFR policies as presented. Mr. Chris Jernigan offered a second. The motion was passed unanimously.

Resolution Regarding the Delegation of Authority During Emergencies and Line of Succession

Mr. Anthony Starr, Executive Director presented a resolution to the board concerning the delegation of authority during emergencies as well as line of succession. With the recent impacts of the COVID-19 virus in various parts of the world, United States and North Carolina, local governments are taking various steps to prepare. Infection rates for our community could exceed 25% and employee absenteeism could exceed 40% over the next 18-24 months according to public health officials.

A state of emergency has been declared by the President and the Governor of North Carolina. Various measures have been enacted that are intended to slow the community spread of the virus. With the projected infection rates, continuity of operations for the staff and board are a concern with the COVID-19 virus.

Article IX, Section 1 of the WPCOG Bylaws empowers the Executive Committee to act for the Policy Board in matters of personnel, finance, and other matters expressly authorized by the Policy Board

through resolution. In the coming weeks and months it may become difficult to conduct meetings of the full Policy Board. Enacting a resolution that gives the Executive Committee the full authority of the Policy Board during declared states of emergency may be a wise precaution to implement in the event it becomes necessary during this or future emergencies. The attached resolution implements this measure.

In addition, preserving the line of succession for the executive director is an important issue to address. The attached resolution gives the executive director the explicit authority to designate the line of succession, should that become necessary because the executive director is incapacitated or is otherwise unable to fulfill the duties of the position. This is an unlikely situation but one that we should prepare to enact. This resolution would not limit the power of the Executive Committee to appoint an acting executive director of its own choosing.

Ms. Helen Chestnut made a motion that the Policy Board approve the resolution as presented. Mr. Joe Gibbons offered a second. The motion was passed unanimously.

Staff Updates

Mr. Anthony Starr reviewed the Executive Director's Report outlining both current and upcoming projects by department.

Adjournment

Mr. Larry Chapman made a motion that the meeting adjourn at 6:54 pm and the motion was seconded by Mr. Joie Fulbright. The motion passed unanimously.