

MINUTES

PTRC Board of Delegates

June 18, 2014

Members Present:

Lori Armstrong, Town of Stoneville
Kevin Austin, Yadkin County
Joe Bennett, City of Thomasville
Jimmy Blake, Town of Biscoe
Buddy Boggs, Town of Haw River
Frank Bruno, Town of Stokesdale
Dillard Burnette, City of King
Zane Cardwell, Rockingham County
Terry Caviness, Town of Liberty
Sharon Conaway, Town of Walnut Cove
Alvin Foster, Town of Yanceyville
Debra Frazier, City of Trinity
Darrell Frye, Randolph County
Nathaniel Hall, Caswell County
Lestine Hutchens, Town of Elkin
Paul Johnson, Surry County
Ernest Lankford, Stokes County
Molly Leight, City of Winston-Salem
Walter Marshall, Forsyth County
Linda Massey, Alamance County
John McDermon, Town of Rural Hall
Billy McHone, Village of Tobaccoville
Wayne Moore, Town of Jonesville
Dan Pugh, Town of Lewisville
Terry Renegar, Davie County
Tim Sessoms, Town of Summerfield
Naydine Sharpe, Village of Alamance
Tobin Shepherd, City of Lexington
Tracey Shifflette, City of Lexington
Mike Stone, Town of Oak Ridge
Don Truell, Davidson County
Keith Volz, Town of Jamestown
Larry Ward, Down of Denton
Janet Whitt, Town of Danbury
Leonard Williams, Town of Gibsonville
Steve Yokeley, City of Mount Airy

Members Absent:

Wayne Atkins, Town of Dobson
William Baity, Town of Boonville
Bill Bencini, Guilford County
Mary Cameron, Village of Clemmons
Darryl Carter, City of Eden
Perry Conner, Town of Franklinville
Mike Dawkins, City of Randleman
John "Jay" Donecker, City of Reidsville
Carissa Graves, Town of Green Level
Peggy Leight, Town of Walkertown
Michelle Leonard, Town of Bethania
Will Marklin, Town of Mocksville
Jackie Morris, Montgomery County
Dennis Paschal, Town of Wentworth
John Peterson, Town of Elon
Patty Philipps, City of Mebane
Brenda Platt, Town of Madison
Kenneth Rethmeier, Town of Bermuda Run
Danny Shaw, Town of Ramseur
Earl Sheppard, Town of Pilot Mountain
Bernita Sims, City of High Point
David Smith, City of Asheboro
Bert Stone, City of Archdale
Ron Surgeon, Town of Pleasant Garden
Laurence Todd, Town of East Bend
Chip Turner, City of Graham
Ronnie Wall, City of Burlington
Chris Watkins, Town of Troy
Branson Webb, Town of Mount Gilead

Chairman Molly Leight welcomed the PTRC Board of Delegates and called the meeting to order at 12:00 p.m. She requested a moment of silence and then led the Board in the Pledge of Allegiance.

1. Consent Item: Request for approval of April 16, 2014 Board of Delegates minutes, Molly Leight, PTRC Chairman

- a. A motion was made by Mr. Steve Yokeley.
- b. The motion was seconded by Mr. Dan Pugh.
- c. Request for approval of April 16, 2014 minutes was approved.

2. Consent Item: Request to adjust the assignment of classification to grades, Molly Leight, PTRC Chairman

- a. Chairman Leight introduced Mr. Reece to the Board. He began by explaining that the Executive Director is responsible for the administration and maintenance of the position classification and pay plan. He added that the Department Directors are responsible for bringing to the attention of the Executive Director any material change in the work of staff for further review and study to determine if the classification of the position should be changed. The Executive Director will then bring requests to create new classifications to the Board of Delegates for approval.
- b. He further explained that the Weatherization Assistance Program was formally recognized as an independent department in April 2014. PTRC employee Mark Louris has been working to manage the daily operations including scheduling and deploying auditors and contractors to assess and install weatherization measures. He is the supervisor for the auditor/inspector staff and assesses their performance and training needs. Mark is also the point of contact for the resolution of program issues. He assists with the development procedures for implementing the weatherization program and monitors all weatherization program documentation and invoicing. He ensures and maintains compliance of all regulatory measures with a thorough knowledge of federal regulations protocol and Building Science. This work requires Mark have Building Performance Institute certification.
- c. Matt added that when the Weatherization Program was a component of Workforce Development Program, Mark was assigned to the classification of Service Corps Coordinator grade 19. His role at that time was to assist the director with overall program implementation. Given the increased supervisory responsibilities and the specialization of work, it is recommended that the classification of Weatherization Program Supervisor be established.
- d. He concluded by stating that Mr. Dolge and the PTRC staff concur and recommend the adoption of this change to the PTRC pay plan.
- e. A motion was made by Mr. Darrell Frye
- f. Motion was seconded by Mr. Keith Volz
- g. Request to adjust the assignment of classification to grades was approved.

3. Request for authorization to submit the State Fiscal Year 2015 Aging Funding Plan, Blair Barton-Percival, Area Agency on Aging Director

- a. Mr. Barton-Percival began by explaining that each year, PTRC’s Area Agency on Aging Department receives federal and state funding to support county programming for adults over 60 and their caregivers.
- b. The funding allocations are for the Home and Community Care Block Grant (HCCBG), the Family Caregiver Support Program (FCSP), and Legal Services.
- c. He then went on to describe the way in which the HCCBG funds are administered and allocated to the 12 counties, which is based on population with each county receiving a base of \$60,000.

| | |
|---------------|-----------------|
| Weight | Variable |
| 50% | 60+ population |
| 30% | 60+ poverty |
| 10% | 60+ rural |
| 10% | 60+ minority |

- d. He explained that this year, the North Carolina Division of Aging and Adult Services applied the 2010 census date to recalculate allocations for the Intrastate Formula, which had an impact on the allocation for every county in our region.
- e. Specific allocations for each area of funding were discussed (tables inserted below).

**HOME AND COMMUNITY CARE BLOCK GRANT
FISCAL YEAR 2015
FEDERAL/STATE ALLOCATION**

(Nutrition Services Incentive Program (NSIP) entitlement funds provide 75 cents per meal and will be included in the PTRC budget)

| County | FY 2014 Allocation | FY 2015 Allocation | Change |
|--------------------|--------------------|--------------------|-----------------|
| Alamance | \$ 826,452 | 797,750 | (28,702) |
| Caswell | 248,928 | 250,646 | +1,718 |
| Davidson | 927,280 | 915,911 | (11,369) |
| Davie | 300,075 | 285,564 | (14,511) |
| Forsyth | 1,733,380 | 1,646,711 | (86,669) |
| Guilford | 2,230,867 | 2,320,101 | +89,234 |
| Montgomery | 263,370 | 266,275 | +2,905 |
| Randolph | 743,396 | 771,441 | +28,045 |
| Rockingham | 651,981 | 619,464 | (32,517) |
| Stokes | 320,270 | 333,893 | +13,623 |
| Surry | 580,267 | 554,417 | (25,850) |
| Yadkin | 298,414 | 295,651 | (2,763) |
| TOTAL HCCBG | \$9,124,680 | 9,057,824 | (66,856) |

TITLE III-E FAMILY CAREGIVER SUPPORT PROGRAM

| Provider | FY 2014 Allocation | FY 2015 Allocation | Change |
|---|---------------------------|---------------------------|---------------|
| Alamance Eldercare, Inc. | \$ 27,839 | 28,149 | +310 |
| Friendship Adult Day Services, Inc. | 2,557 | 2,866 | +309 |
| Caswell County | 8,981 | 9,358 | +377 |
| The Life Center of Davidson County | 32,414 | 32,279 | (135) |
| Davie County | 12,802 | 13,125 | +323 |
| Senior Services, Inc. (Forsyth) | 62,626 | 59,289 | (3,337) |
| Senior Resources of Guilford | 42,025 | 42,980 | +955 |
| Adult Center for Enrichment, Inc. | 33,944 | 34,899 | +955 |
| Montgomery County Council on Aging, Inc. | 10,139 | 10,273 | +134 |
| Randolph County Senior Adults Assn., Inc. | 27,060 | 28,163 | +1,103 |
| Aging, Disability & Transit Services, Inc. (Rockingham) | 23,402 | 22,487 | (915) |
| Stokes County (DSS) | 12,721 | 13,690 | +969 |
| Surry County (Health & Nutrition) | 20,549 | 19,205 | (1,344) |
| New Horizons Home Care, Inc. (Yadkin) | 11,967 | 12,264 | +297 |
| TOTAL | \$329,026 | 329,027 | 1 |

LEGAL SERVICES

| Agency | FY 2014 Allocation | FY 2015 Allocation | Change |
|-------------------------------|---------------------------|---------------------------|---------------|
| Legal Aide of NC | \$ 60,689 | 60,689 | 0 |
| Davie County (Sr. Svs. Dept.) | 3,386 | 3,386 | 0 |
| YVEDDI, Inc. | 8,719 | 8,719 | 0 |
| TOTAL LEGAL | \$72,794 | 72,794 | 0 |

f. Mr. Barton-Percival concluded by requesting authorization to submit the Fiscal Year 2015 Aging Funding Plan and to enter in to contracts with the North

Carolina Aging and Adult Services, county governments, and service providers for the grant period July 1, 2014 – June 30, 2015.

- g. There being no questions, a motion was made by Mr. Don Truell
- h. The motion was seconded by Mr. Steve Yokeley.
- i. Request for authorization to submit the State Fiscal Year 2015 Aging Funding Plan was approved.

4. Aging Budget Cuts, Blair Barton-Percival, Area Agency on Aging Director

- a. Mr. Barton-Percival explained that the Senate budget proposal for Fiscal 2014 – 15 includes a cut of almost \$1 million for the Home and Community Care Block Grant. This is funding for senior citizens which is programmed by our local boards each year. Important programs funded with this money include Meals-on-Wheels and In-home Aid. If this cut is maintained we will receive approximately \$170,000 less in funding for these programs. The cost of aging increases dramatically once elder adults have to be institutionalized. The programs funded by the block grant are inexpensive and allow seniors to live independently for a longer period of time – making them happier, healthier, and saving money.
- b. He then showed the Board a letter and requested that the Board authorize the chair to forward the attached memo to all the members of the Piedmont Triad legislative delegation for their immediate attention.
- c. There being no questions, the request to send a letter was approved.

5. Request for authorization to enter into contract with Northwest Community Care Network for the period July 1, 2014 to October 8, 2014 to conduct assessments for people transitioning across care settings.

- a. Mr. Barton-Percival explained that the Northwest Community Care Network (NWCCN), a part of the Community Care Network of North Carolina, is the lead entity for a Community Care Transitions Program (CCTP) grant in our local area. The Area Agency on Aging and Aging Network is a partner in this initiative to help reduce readmissions to hospitals and have been working closely with the NCCN and other partners.
- b. He added that due to the recognized expertise and experience of the Area Agency on Aging (AAA) with institutional and community based services, the Northwest Community Care Network requested the involvement of the AAA in an expansion of this initiative to include Davie, Stokes, Wilkes, and Yadkin Counties beyond the existing Davidson, Forsyth, and Surry County initiative.
- c. The request is for the AAA to accept referrals from hospitals in the four counties and connect the referral to local support services to create a successful transitions across care settings. The goal is to reduce emergency department and hospital utilizations within the NWCCN network. Per referral, a reimbursement of \$49 will be awarded to PTRC AAA upon the completion of the CCTP Community Services Assessment form.
- d. There being no questions, a motion was made by Mr. Darrell Frye.
- e. The motion was seconded by Mr. Wayne Moore.
- f. Request for authorization to enter into contract with Northwest Community Care Network for the period July 1, 2014 to October 8, 2014 to conduct assessments for people transitioning across care settings was approved.

6. Resolution of Membership & Ratification of the Charter – Town of Wallburg, Matthew Dolge, Executive Director

- a. Mr. Dolge explained that the Town of Wallburg had recently expressed interest in joining the Regional Council. He noted that Council Member Mark Swaim was present at the meeting. Mr. Swaim added that he was honored to be at the meeting.
- b. There being no questions, a motion was made by Mr. Darrell Frye.
- c. The motion was seconded.
- d. The Resolution of Membership & Ratification of the Charter for the Town of Wallburg was approved.

7. Request for approval of PTRC's Final Budget Revision for FY 2013-2014, Jarrod Hand, Assistant Finance Director

- a. Mr. Hand explained that this is the second revision for the current fiscal year. There has been a net increase of about 163,000 due to occupancy rates and additional income for services offered.
- b. There being no questions, a motion was made and seconded.
- c. Request for approval of PTRC's Final Budget Revision for FY 2013-2014 was approved.

Chairman Leight announced the beginning of a Public Hearing to discuss PTRC's FY 2014-2015 Budget. There were no comments at this time.

8. Request for authorization to approve the PTRC FY 2014-2015 Budget, Matthew Dolge, Executive Director

- a. Mr. Dolge thanked the attendees for coming. He noted that unfortunately this is the first year for PTRC where there were several unknowns going into planning the budget. Year two brought more significant changes to the organization, the most evident being our move to new offices.
- b. He then briefly spoke on the decision to purchase PTRC's new headquarters. This decision puts the organization on course for sustainability. The first payment on PTRC's building was made earlier this year. The schedule of slowly declining payments means PTRC is paying the most they will pay for space in the first five years, so PTRC will no longer face regular increases in rent. He noted that PTRC staff appreciates the leadership from the Board in providing an attractive, centrally located resource to our programs and the region.
- c. He explained that the budget consists of five sections: Projection of expected revenues, salaries, the fringe benefit plan, the indirect cost allocation plan, and the total budget.
- d. The revenue projections for fiscal 2014 – 2015 are a combination of historical information, current known budgetary decisions by state and federal funding sources, and known contracts. He added that Ms. Robin Shelton and the finance staff have used all available information to project a revenue stream of \$30,375,305 for the Piedmont Triad Regional Council for its third year of operation.

- i. This figure includes a slight increase in funding from the North Carolina Division of Aging. Changes in the State budget may lower this figure by as much as \$300,000.
 - ii. It also reflects a slight decrease in Workforce Investment Act funding based on projected reductions in federal dollars.
 - iii. PTRC continues to experience growth in criminal justice programs as we expand our service areas to meet state needs.
 - iv. PTRC's planning budget is down due to the completion of two major projects; the Piedmont Together sustainability grant and the Triad Tomorrow economic development grant. The planning staff continues to pursue fee based and grant based revenue to offset the revenue loss from the completion of these two large projects.
 - v. The PTRC continues to experience growth in our Weatherization revenues. An additional allocation for the geographic expansion to Alamance and Caswell Counties is not included in the revenue projections since we have not received formal notification of an award as of this time.
- e. He added that the majority of the total revenue in our four major programs, Aging, Workforce, Housing, and Weatherization, pass through to participants and service providers for the direct benefit of the citizens of the region.
 - f. He explained that the expenditure portion of the budget is broken down in the four previously described sections across seven major program areas. These major programs by size are the Area Agency on Aging, Workforce Development, Housing, Weatherization, Planning, Criminal Justice, and Other. Each program budget consists of staff salaries, fringe benefit costs, indirect cost allocation, and general operational costs.
 - g. Staff salaries are the largest single expenditure category in the budget. The Piedmont Triad Regional Council currently operates with 76 full time staff, and salaries are allocated based on the revised pay and classification system approved by the Board of Delegates on June 19, 2013. Salaries for fiscal year 2014 – 2015 are slightly lower than the current year due to changes in staffing levels and the attrition. The budget includes 5.5% for one time merit payments not to exceed 3%, and performance based increases at an average of 2.5% for employees meeting or exceeding work expectations.
 - h. He added that the fringe benefit rate of 30% is multiplied by salaries to provide a total cost for all fringe benefits provided to the staff by the regional council. The major cost driver in this category is health insurance. Insurance costs forced a 1% increase in our fringe benefit rate for the coming year. This budget also includes an employee contribution to healthcare premiums for the first time. Each employee is responsible for \$50 per month of their premium costs. Employees who voluntarily participate in the wellness program and meet their goals will have this cost waived. Wellness is a key component to our ability to control healthcare costs in the future. Employees may access coverage for dependents at their own expense. Other items in the fringe benefit rate are included in the fringe benefit schedule.
 - i. The indirect rate of 38.75% is charged against salaries and fringe benefits. The Piedmont Triad Regional Council charges an indirect rate for general administrative

cost rather than directly charging each item. This is the same as an overhead rate in the private sector. Indirect cost allocation is a mechanism which cuts down on administrative work. Indirect cost allocation plans must conform to Internal Revenue tax codes to be valid. The Department of Housing and Urban Development (HUD) is our cognizant agency and certifies our indirect cost allocation plan. Approval by HUD allows the plan to be used for any federal program.

- j. The dues rate remains constant at \$.21 per capita. The dues are used to match grant allocations from various programs and to cover the general operation and support to the board of delegates. It is a point of pride to PTRC's staff that over 65% of the dues go right back into the community as direct services through match for the aging program. PTRC strives to be good stewards of the Region's funds and commit to maximizing the return on investment each and every budget cycle.
- k. He concluded that the finance staff has worked diligently to provide this document for the consideration of the Executive Committee and Board.
- l. A motion was made by Mr. Keith Volz.
- m. The motion was seconded by Mr. Jimmy Blake.
- n. Request for authorization to approve the PTRC FY 2014-2015 Budget was approved.

9. Executive Director's Report, Matthew Dolge, PTRC Executive Director

Mr. Dolge thanked the Board for their patience and listed two items on the state level that he wanted to make the Board aware of.

- a. The first item was historic tax credits. He noted that currently, there is a question on whether the state will implement a way to move this forward, and that these credits are a huge resource for downtown revitalization. This credit is what developers use to make historic places usable. He then asked the Board what their thoughts were on the matter. Mr. Paul Kron added that this is incredibly important for all communities and developers across the region.
- b. Chairman Leight added that she had lunch yesterday with staff from the Innovation Quarter, and came to the conclusion that the business of repurposing historic buildings could not happen without the tax credits. She would like PTRC to add their voice to the issue.
- c. Mr. Walter Marshall asked Mr. Dolge who is currently supporting it. Mr. Dolge replied that from a Legislative standpoint, they would like to get rid of as many tax credits as possible so they can keep the overall tax rate low. The issue with this is the assumption that all projects start from the same baseline.
- d. Mr. Dolge asked the Board if they would be okay with sending a letter regarding the tax credits.
- e. There being no other questions, a motion was made by Ms. Lori Armstrong.
- f. The motion was seconded by Mr. Tobin Shepherd.
- g. Request for permission to send a letter regarding the historic tax credits was approved.
- h. Mr. Dolge mentioned the other item of discussion: the cutting of taxes for the film industry.
- i. Mr. Zane Cardwell stated that he was in favor of giving these tax credits to the film industry because of its great benefit. People will come through to buy gas and

goods, but the region doesn't have to support them since they don't have to live in the county. He added that it is a great benefit to economic development that we often overlook.

- j. Chairman Leight added that she has noticed several job opportunities through the School of the Arts in the film industry.
- k. There being no other comments or questions, a motion was made by Mr. Zane Cardwell.
- l. The motion was seconded by Mr. Steve Yokeley.
- m. Request to send letter regarding tax credit cuts to the film industry was approved.

10. New Business: Reorganization of the Piedmont Triad Development Corporation, Matthew Dolge, Executive Director

- i. Mr. Dolge again thanked the attendees for their patience. Began by introducing Ruben Gonzales, PTRC's new staff person working with the PTRDC. He explained that the Piedmont Triad Regional Development Corporation (PTRDC) is a tax exempt non-profit entity developed to encourage economic development activities in the region. It was reorganized in 2012 to serve the entire 12 county region encompassed by the PTRC.
- ii. He added that to this point its primary purpose has been the administration of the SBA 504 loan program. Due to slow economic conditions and very competitive interest rates this program has operated at a deficit for the past five years. The recent change in leadership for the loan program puts PTRC in a position to reverse the negative impact on the PTRC budget, and use new connections to increase the loan portfolio.
- iii. He explained that there are two other factors that are impacting the possible function and structure of the PTRDC:
 - 1. The recent completion and approval of a CEDS for the region put the PTRC in position to seek designation as an Economic Development District (EDD) through the Economic Development Administration (EDA). This designation allows for administrative and planning funds to flow through the EDD. These funds can be used to help members write grants and seek funding for projects which will spur economic development. The PTRC Board cannot be the EDD board, but the PTRDC board can be formulated to meet EDA standards.
 - 2. The dissolution of the regional development partnerships by the general assembly has caused some valuable efforts to be left in limbo. Mr. Dolge stated that he had recently been contacted by the economic developers for the region, and a sub-group, the rural economic development directors, to see if PTRC can facilitate further efforts they wish to undertake in the region. PTRC's commitment will include some basic administrative support, meeting space, and a conduit for funds

they are raising for their efforts on the member's behalf. The PTDC can provide a vehicle for their efforts.

- iv. The change in loan administration and servicing and the possible enhancements to our economic development activities can be accomplished with a restructuring of the PTDC. My recommendation is that the board be seated as described in the bylaws. The corporations activities will be designed to foster economic development across the 12 county region by functioning as an EDD, and overseeing such other activities as are approved by the board.
- v. Mr. Dolge added that a sub-committee will be set up to work with the new staff to review and recommend new loans to the board from the SBA 504 program or other resources which may be developed later. This sub-committee will be composed of bankers and other board members who have expertise in packaging and closing construction projects and loans.
- vi. A second sub-committee will be seated which will consist of the economic developers from the twelve county region. They will develop strategies and approve expenditures for the funds they raise. They will also serve as an advisory committee for the full board for general economic efforts. Other sub-committees can be set up as needed to meet the goals and programming of the PTDC as directed by the board.
- vii. Mr. Dolge concluded by asking permission from the Board to move towards a formal reorganization plan.
- viii. There being no other questions, a motion was made by Mr. Nate Hall
- ix. The motion was seconded.
- x. Request to allow working towards a formal plan of the PTRDC to look at in August was approved. Mr. Dolge added that PTRC would be putting together a proposal and that this would not cost local governments, but service as an endorsement of application.

Lastly, Mr. Trent Cockerham briefly spoke on Senate Bill 73. He noted that last time he was at a Board meeting, he asked support from the Board to delay the bill. Secretary Decker respectfully declined, and Mr. Cockerham thanked Mr. Dolge and PTRC for putting together an RFP. He concluded that at this morning's Workforce Board meeting, the RFP was unanimously approved.

There being no other business, the meeting was adjourned @ 1:10pm.