

PIEDMONT TRIAD REGIONAL COUNCIL
BOARD OF DELEGATES
June 20, 2012

The Piedmont Triad Regional Council (PTRC) Board of Delegates met on Wednesday, June 20, 2012, 12:00 Noon, at Paul J. Ciener Botanical Gardens, Kernersville, NC. PTRC Chair Darrell Frye called the meeting to order at approximately 12:00 pm.

Delegates present:

Darrell Frye, Vice Chairman, Randolph County Bd. of Commissioners, PTRC Chair
Molly Leight, Council member, City of Winston-Salem, PTRC Vice Chair
Nate Hall, Chair, Caswell County Bd. Of Commissioners, PTRC Treasurer
Bert Lance Stone, Mayor, City of Archdale
William Paul Baity, Commissioner, Town of Boonville
Don Truell, Commissioner, Davidson County Bd. Of Commissioners
Ken White, Commissioner, Davie County Bd. Of Commissioners
Scott Morris, Mayor, Town of Denton
Laurence Todd, Commissioner, Town of East Bend
Darryl Carter, Councilman, City of Eden
Walter Marshall, Councilman, Forsyth County Bd. of Commissioners
Leonard Williams, Mayor, Town of Gibsonville
Chip Turner, Councilman, City of Graham
Yvonne Johnson, Mayor Pro Tem, City of Greensboro
Buddy Boggs, Mayor, Town of Haw River
Latimer Alexander, Mayor Pro Tem, City of High Point
Keith Volz, Mayor, Town of Jamestown
Wayne Moore, Commissioner, Town of Jonesville
Dana Jones, Mayor Pro Tem, Town of Kernersville
Dillard Burnette, Councilman, City of King
Dan Pugh, Mayor, Town of Lewisville
Lewis Phillips, Councilman, City of Lexington
Terry Caviness, Mayor, Town of Liberty
James Cardwell, Mayor, Town of Mayodan
Patty Philipps, Mayor Pro Tem, City of Mebane
Will Marklin, Commissioner, Town of Mocksville
Sue Stephens, Councilwoman, Town of Midway
Steve Yokeley, Mayor Pro Tem, City of Mount Airy
Earl Sheppard, Mayor, Town of Pilot Mountain
Ernest Lankford, Commissioner, Stokes County Bd. of Commissioners
Dena Barnes, Mayor Pro Tem, Town of Summerfield
Paul Johnson, Commissioner, Surry County Bd. of Commissioners
Joe Bennett, Mayor, City of Thomasville
Billy McHone, Mayor, Town of Tobaccoville
Carlton Boyles, Mayor, City of Trinity
Chris Watkins, Commissioner, Town of Troy
Peggy Leight, Commissioner, Town of Walkertown
Sharon Conaway, Commissioner, Town of Walnut Cove
Robert Aswell, Mayor, town of Wentworth
Kevin Austin, Commissioner, Yadkin County
Alvin Foster, Councilman, Town of Yanceyville

Chair Frye welcomed the PTRC Board of Delegates, managers, and guests.

Request for Approval of Membership for Guilford County

Chair Frye stated that the Guilford County Board of Commissioners voted at their meeting on June 7, 2012 to join the PTRC.

Motion was made by Mr. Hall, seconded by Mr. Williams, and carried unanimously to approve Guilford County for membership in the PTRC.

A. Public Hearing

Chair Frye opened the Public Hearing on the PTRC FY 2012-2013 Budget. There was no one that spoke in opposition to the FY 2012-2013 Budget. Chair Frye closed the public hearing.

B. Presentation

- ***"Focus on Members – Davie County"***, by Beth, Davie County Manager

This month's focus on a PTRC members was Davie County. Ms. Dirks presented a PowerPoint slide show on the history of Davie County.

C. Action Items

1. Request for approval of April 18, 2012, PTRC Board of Delegates minutes

Chair Frye asked if there were any revisions to be made in the April 18, 2012, PTRC Board of Delegates' minutes.

There being none, motion was made by Mr. Hall, seconded by Mr. Williams, and carried unanimously to approve the April 18, 2012, PTRC Board of Delegates' minutes.

2. Request for authorization to amend PTRC's Capitalization Policy, by Robin Shelton, PTRC Finance Director

Ms. Shelton stated that she recommended that PTRC and its component unit (NW Piedmont Job Training Consortium/ Workforce Development Board) establish two different capitalization thresholds. The goal of capitalization is to capture 90% of the value of all assets. PTRC could achieve this goal using the following thresholds:

- PTRC assets with a value of \$5,000.00 or more will be recorded in the capital assets records to comply with the Code of Federal Regulations and OMB Circular A-87.

- Workforce Development assets will maintain the Workforce Investment Act required standard of \$500.00 or more.

These values will capture 90% (\$1,477,261) of the combined reported value of assets (\$1,642,797) for PTRC as of June 30, 2011.

At this time, the Workforce Development assets (\$1,184,261) represent 72% of the combined reported values of PTRC; with these recommended changes that would increase to 80%

Motion was made by Mr. Pugh, seconded by Mr. White, and carried unanimously to authorize the PTRC staff to amend PTRC's Capitalization Policy.

3. Request for approval of PTRC Final Budget Revision for FY 2011-2012,
by Robin Shelton

Ms. Shelton presented the following proposed final revision to the 2011-2012 budget of the Piedmont Triad Regional Council. She stated that this final revision shows an increase, from the revision approved April 18, 2012, of \$877,697. The following pages show the revised Total Budget, the revised Budget Ordinance, and an Analysis of the Changes.

Ms. Shelton recommended that the PTRC Board of Delegates adopt this budget revision to recognize a net increase of \$877,697 in the 2011-2012 budget.

Motion was made by Mr. Marshall, seconded by Mr. Burnette, and carried unanimously to adopt the PTRC Final Budget Revision for FY 2011-2012.

**PIEDMONT TRIAD REGIONAL COUNCIL
TOTAL BUDGET (FUNDS 001, 002 & 003)
7/1/11 to 6/30/12**

EXPENDITURES

Salaries	4,228,004
Part time Salaries - No Benefits	85,596
Participant Salaries	456,190
Fringe Benefits (30.5%)	1,289,545
Participant FB	34,899
Operating Expenses	6,766,877
Participant Costs	567,997
Indirect Cost (40%)	0
Housing Asst Payments	3,700,000
Subcontracts	11,849,110
Capital Equipment	70,000
Fringe Benefit Alloc Part Time (7.65%)	6,549
	(1)
TOTAL EXPENDITURES:	29,054,765

REVENUES

Federal	19,809,182
State	6,307,893
Appropriated Fund Balance	402,608
Dues	649,795
Interest	14,000
Local Project Fees and Local Grants	1,871,287
TOTAL REVENUES:	29,054,765
Difference	(0)

**PIEDMONT TRIAD REGIONAL COUNCIL
BUDGET ORDINANCE 2011-2012
June 20, 2012**

Be it ordained by the Piedmont Triad Regional Council (PTRC):

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of PTRC and its activities for the fiscal year beginning July 1, 2011 and ending June 30, 2012 in accordance with the Chart of Accounts heretofore established for PTRC:

General / Council	\$	171,439
TOTAL GENERAL FUND APPROPRIATION	\$	171,439

Section 2. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

Fund Balance	\$	150,000
Dues	\$	11,439
Interest	\$	10,000
TOTAL GENERAL FUND ESTIMATED REVENUES	\$	171,439

Section 3. The following amounts are hereby appropriated in the Special Revenue Fund - Grant Project Fund for the operation of PTRC and its activities for the fiscal year beginning July 1, 2011 and ending June 30, 2012 in accordance with the Chart of Accounts heretofore established for PTRC:

Appalachian Regional Commission 302(a)	\$	177,300
NC Dept of Adm./State Eco. Dev. Funds	\$	29,714
Aging & Home & Community Care Block Grant	\$	13,471,684
Section 8 Housing Assistance Programs	\$	4,254,484
NC Dept of Commerce/ ARC Housing TA, Water Related TA , Tech TA	\$	27,500
HOME & SFR	\$	222,286
NC Dept of Commerce/ CDBG	\$	7,000
NC Dept of Transportation/ Rural Transportation Planning	\$	324,039
Corporation for National Service (RSVP)	\$	209,093
Crime Control / Pre-Trial Projects / Re-entry Projects	\$	461,923
NC Dept of Environment and Natural Resources / Water Projects	\$	268,512
HUD-PART Sustainability	\$	450,000
Workforce Investment Act / Service Corp/Economic Stimulus		6,853,109
TOTAL GRANT PROJECT APPROPRIATION	\$	26,756,644



Section 4. It is estimated that the following revenues will be available in the Special Projects Fund - Grant Project Fund for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

Federal Grants	\$	19,809,182
State Grants	\$	6,307,893
Appropriated Fund Balance	\$	59,089
Dues	\$	435,697
Interest	\$	4,000
Local Projects & Fees	\$	140,783
TOTAL GRANT PROJECT ESTIMATED REVENUES	\$	26,756,644

Section 5. The following amounts are hereby appropriated in the Special Revenue Fund- Local Projects Fund for the operation of PTRC and its activities for the fiscal year beginning July 1, 2011 and ending June 30, 2012 in accordance with the Chart of Accounts heretofore established for PTRC:

Northwest Piedmont Development Corp	\$	135,000
Upper Cape Fear	\$	150,000
Misc. Criminal Justice Programs	\$	385,964
Aging Local Projects	\$	123,347
GIS / Water Local Projects	\$	86,156
WFD Local Projects	\$	334,350
Local Technical Assistance Projects and Planning	\$	740,132
Housing Local Projects	\$	8,000
Misc. Local Projects	\$	163,733
TOTAL LOCAL PROJECTS APPROPRIATION	\$	2,126,682

Section 6. It is estimated that the following revenues will be available in the Special Revenue Fund - Local Projects Fund for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

Appropriate Fund Balance	\$	193,519
Dues	\$	202,659
Interest	\$	-
Local Project Fund Fees	\$	1,730,504
TOTAL LOCAL PROJECT ESTIMATED REVENUES	\$	2,126,682

TOTAL APPROPRIATIONS **\$** **29,054,765**

Section 7: The Executive Director is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line item expenditures within a grant without limitation and without a report being required



ANALYSIS OF PTRC 6/30/2012 BUDGET
Comparison of Budget Revision Approved April 18, 2012 to Final Revision

	7/1/11 to 6/30/12 Revision Approved 4/18/12	Increase / (Decrease)	7/1/10 to 6/30/11 Final Revision
FUND 001			
Appalachian Regional Commission 302(a)	177,300	-	177,300
NC Dept of Adm./State Eco. Dev. Funds	21,449	8,265	29,714
Aging & Home & Community Care Block Grant	13,471,684	-	13,471,684
Section 8 Housing Assistance Programs	4,190,054	64,430	4,254,484
NC Dept of Commerce/ ARC Housing TA, Water Related TA , Tech TA	27,500	-	27,500
HOME/SFR	187,286	35,000	222,286
NC Dept of Commerce/ CDBG	7,000	-	7,000
NC Dept of Transportation/ Rural Transportation Planning/USDOT/Green Energy	325,308	(1,269)	324,039
Corporation for National Service (RSVP)	175,995	33,098	209,093
Crime Control / Pre-Trial Projects / Re-entry Projects	460,523	1,400	461,923
NC Dept of Environment and Natural Resources / Water Projects	206,309	62,203	268,512
HUD-PART Sustainability	362,000	88,000	450,000
Workforce Investment Act / Service Corp/Economic Stimulus	6,804,821	48,288	6,853,109
FUND 002			
Northwest Piedmont Development Corp	135,000	-	135,000
Upper Cape Fear	22,600	127,400	150,000
Misc. Criminal Justice Programs	354,281	31,683	385,964
Aging Local Projects	107,000	16,347	123,347
GIS / Water Local Projects	94,080	(7,924)	86,156
WFD Local Projects	303,350	31,000	334,350
Local Technical Assistance Projects and Planning	546,895	193,237	740,132
Housing Local Projects	8,000	-	8,000
Misc. Local Projects	128,633	35,100	163,733
FUND 003			
General / Council	60,000	111,439	171,439
TOTALS	28,177,068	877,697	29,054,765

ANALYSIS OF PTRC 6/30/2012 BUDGET
Original Budget, Budget Revision Approved April 18, 2012 and Final Revision

	7/1/11 to 6/30/12 Original Budget	7/1/11 to 6/30/12 Revision Approved 4/18/12	7/1/10 to 6/30/11 Final Revision
FUND 001			
Appalachian Regional Commission 302(a)	124,341	177,300	177,300
NC Dept of Adm./State Eco. Dev. Funds	10,000	21,449	29,714
Aging & Home & Community Care Block Grant	12,409,431	13,471,684	13,471,684
Section 8 Housing Assistance Programs	4,190,054	4,190,054	4,254,484
NC Dept of Commerce/ ARC Housing TA, Water Related TA , Tech TA	-	27,500	27,500
HOME/SFR	165,000	187,286	222,286
NC Dept of Commerce/ CDBG	-	7,000	7,000
NC Dept of Transportation/ Rural Transportation Planning/USDOT/Green Energy	238,572	325,308	324,039
Corporation for National Service (RSVP)	135,932	175,995	209,093
Crime Control / Pre-Trial Projects / Re-entry Projects	491,965	460,523	461,923
NC Dept of Environment and Natural Resources / Water Projects	254,907	206,309	268,512
HUD-PART Sustainability	362,000	362,000	450,000
Workforce Investment Act / Service Corp/Economic Stimulus	6,038,053	6,804,821	6,853,109
FUND 002			
Northwest Piedmont Development Corp	135,000	135,000	135,000
Upper Cape Fear	22,600	22,600	150,000
Misc. Criminal Justice Programs	298,324	354,281	385,964
Aging Local Projects	107,453	107,000	123,347
GIS / Water Local Projects	96,473	94,080	86,156
WFD Local Projects	297,350	303,350	334,350
Local Technical Assistance Projects and Planning	502,579	546,895	740,132
Housing Local Projects	8,000	8,000	8,000
Misc. Local Projects	77,240	128,633	163,733
FUND 003			
General / Council	60,000	60,000	171,439
TOTALS	26,025,274	28,177,068	29,054,765

4. Request for authorization to approve the PTRC FY 201-2013 Budget, by Matthew Dolge, PTRC Executive Director, and Robin Shelton

Mr. Dolge stated that it has been almost a year since the Northwest Piedmont Council of Governments and the Piedmont Triad Council of Governments were combined to form the Piedmont Triad Regional Council. The merger was undertaken to provide programmatic changes and opportunities that were not available to our separate units due to geography. Cost reduction was not a major reason driving the discussion during the merger process but has been a priority for staff. Economies of scale have begun to reveal themselves. The first year of operations for the Piedmont Triad Regional Council has provided a clearer picture of the cost structure necessary to maintain our efforts and provide exemplary services to our member governments and their citizens. It is within this framework that I offer the attached budget proposal for our second full year of operations for your consideration.

Revenues

Revenues have been strong in the first year of operations and many of the benefits of merger are already being realized. The diligent work of your staff has brought forth new opportunities for the planning, aging and workforce programs. Several new initiatives are underway which should bear fruit in the coming fiscal year. Cooperation between housing, workforce, criminal justice, aging and planning lead to at least half a dozen new projects, and there are more to come. Projected revenues to start the fiscal year are up slightly.

Dues

Dues paid by member governments provide necessary match for aging programs and planning initiatives, as well as general operation and support for the Board of Delegates. A dues rate of \$0.22 per capita was put into place to keep the PTRC revenue neutral for fiscal 2011 – 2012. Upon review of our current situation I have included a reduction in the dues rate to \$0.21 per capita. The minimum dues rate of \$550 is recommended to remain unchanged for members less than 2,500 in population. Under this rate, the members of the former PTCOG return to the rate which was in place prior to the merger. A chart outlining projected revenues by source and program is attached.

Expenditures

Many transitional costs for combining staff, services and locations have been absorbed in the current budget year. Changes to benefits and staffing will impact long-term expenditures, and office changes can involve one time operating cost or cost reductions that will be manifest in future budgets. The management staff's hope is that through the streamlining of processes and greater efficiencies, overhead costs can be contained and then reduced. Three major areas of spending impact our ability to manipulate our bottom line. These are personnel costs, fringe benefits and facilities costs.

Personnel Costs and Fringe Benefits

Health Insurance:

The board's decision to move all employees into the Healthcare Reserve Account system paid immediate dividends in two ways. Premiums for former PTCOG employees were lowered and coverage levels were increased. The Board also took the step of offering retirees coverage for the first time in the history of either region. The rates we received were based on projected usage gleaned from the previous experiences of the separate units prior to July 1, 2011. We knew the 2012 – 2013 rates could change dramatically based on the actual usage data produced by our employees and market forces. It is a pleasure to inform the Board that based on our actual usage and negotiations with our provider, Blue Cross and Blue Shield of North Carolina, our employee rate will decrease by 15% for the coming fiscal year. Decreases are also in place for all other levels of coverage in our employee plan.

The chart attached below summarizes our employee health plan costs. The PTRC currently pays 100% of the cost to cover employees. Employees pay the cost of covering dependents. It is my recommendation that we continue this arrangement unchanged for the coming fiscal year.

Coverage Level	Current Employee Monthly Costs (Through 6/30/12)	Employee Monthly Costs as of 7/1/2012
Employee Only	\$406.54	\$344.32
Employee + Spouse	\$547.35	\$463.43
Employee +Child(ren)	\$386.12	\$327.10
Family	\$930.27	\$787.79

The current fiscal year also marked the implementation of a retiree health plan. Under the plan approved by the Board effective July 1, 2011, retirees with 30 years of service to the region are eligible to receive a \$200 per month reduction in the cost of their health insurance in a separate retiree plan. The retiree plan will see a moderate rate increase of 6.5% for the coming year. The increase does not impact the cost to the PTRC. I am, however, recommending an extension of the plan for the future. This extension will provide a cost reduction to retirees with between 20 and 30 years of service to the region who meet specific standards under our retirement system.

Coverage for -	FY 2011-2012 Cost	FY 2012-2013
Employee only	\$406.54	\$344.32
Eligible Retiree only	\$662.55	\$705.99
Retiree with 30+ years	\$662.55 - \$200.00 = \$462.44	\$705.99 - \$200.00 = \$505.99

As we look into next year and beyond we can foresee the retirements of employees who have spent a considerable part, if not the major part, of their careers with us but will not have 30 years of service with the PTRC and its predecessor agencies. This begs a question. Should the threshold for receiving a contribution for health care be lowered from 30 years minimum?

Establishing thresholds for the provision of benefits must be made with consideration for sustainability and feasibility. The intent is obviously to recognize long-term employees and provide a bridge of health care coverage until Medicare and supplemental insurance become the primary coverage. The cost of our coverage is prohibitive in comparison to Medicare and supplemental insurance as primary coverage. What type of plan can we establish that will recognize long-term employees but not place financial hardship on the PTRC?

The plan must set a high threshold for eligibility:

- 1) Employees must have a service retirement with the Local Governmental Employees' Retirement System (LGERS) to participate in the retiree portion of PTRC's health plan.
- 2) To receive a contribution to the lower cost of the health insurance premiums paid then the retiree must have 20 or more years of service with NWP/PT-COGs and/or PTRC.
- 3) Their service retirement cannot be reduced by taking early retirement options by more than 15%. (See attached charts from LGERS.)
- 4) (Continued next page)

5) Employees who meet these qualifications can purchase PTRC retiree coverage and receive a monthly contribution along the following scale:

Previous years of service NW/PT-COGs and/or PTRC		Amount of service retirement reduction allowed due to early retirement		Monthly contribution to PTRC's retiree group health plan
30	+	Not to exceed 15%	=	\$200.00
29	+		=	\$190.00
28	+		=	\$180.00
27	+		=	\$170.00
26	+		=	\$160.00
25	+		=	\$150.00
24	+		=	\$140.00
23	+		=	\$130.00
22	+		=	\$120.00
21	+		=	\$110.00
20	+		=	\$100.00
0-19		No contribution is made. Employee may participate.		

Other Benefits:

No other major changes to benefits are projected in this year's budget. Some minor adjustments in carriers or services may be proposed, but none are projected to impact the budget in a material way. Based on our total benefit offering our fringe benefit rate is being reduced from 30.5% to 29%.

Personnel:

Personnel costs also are slightly lower than projected. This can be attributed to conservative projections and staff turnover during the year. I am proposing several changes for the coming year:

The proposed budget represents a 6% increase in personnel costs. This includes the following items:

- The second year of the implementation of the pay and classification plan
- An assistant director's position is currently unfilled and is included in the budget
- Reorganization of the aging services function includes two assistant directors and a program manager in the ombudsman program. The succession plan is also finalized
- Reorganization for a second assistant director in the workforce program and the completion of succession planning
- Interim costs in the housing program
- A one-time merit payment not to exceed 3% and not as an increase to salary
- Other pay increases as appropriate for employees not otherwise impacted by changes during the previous six months
- All other staff changes to meet programming needs

The increase in personnel costs are contained in the proposed structure with no increase in dues or fees within our programs billed to members.

Facilities and Overhead

The Piedmont Triad Regional Council continues to move forward with a plan to consolidate our two main offices into one location. At the Board's direction, costs projections and site plans are being formulated for a stand-alone building in the Kernersville area. This budget projects our costs as if we are maintaining leased space for the coming year. Our initial cost projections for new space will allow the PTRC to combine our offices within the budget framework provided to you here.

Indirect costs are the general business overhead expenses for the Regional Council. Consolidation of office space and the requisite support structures to run an office will generate savings in subsequent years. Many costs of consolidation have already been absorbed this year. Other costs, like moving, furnishing and wiring the new offices are included in the indirect rate for this year. Many of these are one-time expenses. Other costs will decrease as leases and maintenance for office equipment lapses and is not renewed. This budget increases the indirect rate from 40% to 40.5%.

Conclusion

The first year of operations for the Piedmont Triad Regional Council has been solid from both a revenue and budgetary standpoint. Based on this experience the major changes to this year's budget include the following

- A reduction in dues of 4%
- A reduction in the fringe benefit rate of 1.5%
- An increase in personnel costs of 6%
- An increase in indirect cost of 0.5%

I am proud of the work your staff has done to make the merger of two accomplished organizations a success. Last year's budget projected our needs based on the best available data. This budget reflects the concrete ramifications of the merger on our operation. We continue to provide a full range of high quality services in an efficient manner. The staff of the Piedmont Triad Regional Council has come to work each day, through changes, turmoil, and uncertainty, and gotten the job done. I want to personally thank them for their efforts. The work of the finance staff has been herculean this year. This proposed budget is largely due to the combined efforts of that staff. It is a gift to have the services of such a highly skilled group of professionals at my disposal, and I thank them.

Finally, I want to thank each Board member for the faith they put in me and this staff to serve the citizens of this region. A great leap of faith was taken and codified on July 1, 2011. We understand the gravity of the decisions you have to make and appreciate the leadership you provide.

This budget is hereby conveyed for your consideration.

**PIEDMONT TRIAD REGIONAL COUNCIL
TOTAL BUDGET (FUNDS 001, 002 & 003)
7/1/12 to 6/30/13**

EXPENDITURES

Salaries	3,952,730
Part Time Salaries - No Benefits	17,107
Participant Salaries	366,845
Fringe Benefits (29%)	1,146,289
Participant Fringe Benefits (7.65%)	28,064
Insurance & Bonds	30,000
Professional/Legal/Accounting Services	386,729
Consultants (sub & youth contractors)	11,217,314
Advertising	42,168
Printing & Binding	16,165
Computer Services & Licensing	39,481
Building Rent	426,238
Equipment Rent	4,490
Telephone & Internet	39,894
Postage	4,105
Publications & Newspapers	2,400
Dues & Memberships	5,700
Supplies	26,646
Special Materials	278,714
Capital Equipment	117,000
Repair & Maintenance	3,000
Travel/Conferences/Training (including participants)	1,113,355
Fringe Benefits Part-Time	1,308
Participant Costs	2,104,594
Indirect Cost (40.5%)	1,185,308
Volunteer Travel (RSVP)	42,312
Housing Asst Payments	3,641,006

TOTAL EXPENDITURES: 26,238,962

REVENUES

Federal	18,791,309
State	5,211,369
Appropriated Fund Balance	109,089
Dues and Interest	654,877
Local Project Fees and Local Grants	1,472,318

TOTAL REVENUES: 26,238,962

**PIEDMONT TRIAD REGIONAL COUNCIL
BUDGET ORDINANCE 2012-2013
June 20, 2012**

Be it ordained by the Piedmont Triad Regional Council (PTRC):

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of PTRC and its activities for the fiscal year beginning July 1, 2012 and ending June 30, 2013 in accordance with the Chart of Accounts heretofore established for PTRC:

General / Council	\$	180,055
TOTAL GENERAL FUND APPROPRIATION	\$	180,055

Section 2. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

Fund Balance	\$	50,000
Dues	\$	125,055
Interest	\$	5,000
TOTAL GENERAL FUND ESTIMATED REVENUES	\$	180,055

Section 3. The following amounts are hereby appropriated in the Special Revenue Fund – Grant Project Fund for the operation of PTRC and its activities for the fiscal year beginning July 1, 2012 and ending June 30, 2013 in accordance with the Chart of Accounts heretofore established for PTRC:

Appalachian Regional Commission 302(a)	\$	165,788
NC Dept of Adm./State Eco. Dev. Funds	\$	21,449
Aging & Home & Community Care Block Grant	\$	12,192,933
Section 8 Housing Assistance Programs	\$	4,190,054
NC Dept of Commerce/ ARC Housing TA, Water Related TA , Tech TA	\$	27,500
HOME & SFR	\$	185,000
NC Dept of Transportation/ Rural Transportation Planning	\$	401,262
Corporation for National Service (RSVP)	\$	89,433
Crime Control / Pre-Trial Projects / Re-entry Projects	\$	209,016
NC Dept of Environment and Natural Resources / Water Projects	\$	148,439
HUD-PART Sustainability	\$	411,128
Workforce Investment Act / Service Corp/Economic Stimulus	\$	6,541,340
TOTAL GRANT PROJECT APPROPRIATION	\$	24,583,342

Section 4. It is estimated that the following revenues will be available in the Special Projects Fund -Grant Project Fund for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

Federal Grants	\$	18,791,309
State Grants	\$	5,211,369
Appropriated Fund Balance	\$	59,089
Dues	\$	400,836
Interest	\$	4,000
Local Projects & Fees	\$	116,739
TOTAL GRANT PROJECT ESTIMATED REVENUES	\$	24,583,342

Section 5. The following amounts are hereby appropriated in the Special Revenue Fund- Local Projects Fund for the operation of PTRC and its activities for the fiscal year beginning July 1, 2012 and ending June 30, 2012 in accordance with the Chart of Accounts heretofore established for PTRC:

Northwest Piedmont Development Corp	\$	135,000
Upper Cape Fear	\$	22,600
Misc. Criminal Justice Programs	\$	589,784
Aging Local Projects	\$	123,700
GIS / Water Local Projects	\$	105,710
WFD Local Projects	\$	198,350
Local Technical Assistance Projects - Admin	\$	58,050
Local Technical Assistance Projects - Planning	\$	134,131
Housing Local Projects	\$	8,000
Misc. Local Projects	\$	100,240
TOTAL LOCAL PROJECTS APPROPRIATION	\$	1,475,565

Section 6. It is estimated that the following revenues will be available in the Special Revenue Fund -Local Projects Fund for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

Appropriate Fund Balance	\$	-
Dues and Interest	\$	250,041
Local Project Fund Fees	\$	1,225,524
TOTAL LOCAL PROJECT ESTIMATED REVENUES	\$	1,475,565

TOTAL APPROPRIATIONS **\$ 26,238,962**

Section 7: The Executive Director is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line item expenditures within a grant without limitation and without a report being required.

PTRC Proposed Dues Structure – FY 2012-2013

<i>Local Government</i>	<i>2010 Census Population</i>	<i>FY 2011-2012 Dues .22 per capita</i>	<i>Proposed FY 2012-2013 Dues .21 per capita</i>	<i>Difference</i>	<i>RPO Dues</i>	<i>Stormwater Dues</i>	<i>Total</i>
Alamance (Village)	951	550	550	-	-	-	\$550
Alamance County	151,131	33,249	31,738	(1,511)	-	-	31,738
Archdale	11,415	2,511	2,397	(114)	-	3,997	6,394
Asheboro	25,012	5,503	5,253	(250)	-	4,419	9,672
Bermuda Run	1,725	550	550	-	-	-	550
Bethania	328	550	550	-	-	-	550
Biscoe	1,700	550	550	-	-	-	550
Boonville	1,222	550	550	-	285	-	835
Burlington	49,963	10,992	10,492	(500)	-	5,194	15,686
Caswell County	23,719	5,218	4,981	(237)	1,753	-	6,734
Clemmons	18,627	4,098	3,912	(186)	-	-	3,912
Cooleemee	960	550	550	-	285	-	835
Danbury	189	550	550	-	285	-	835
Davidson County	162,878	35,833	34,204	(1,629)	7,279	6,992	48,475
Davie County	41,240	9,073	8,660	(413)	3,850	-	12,510
Denton	1,636	550	550	-	-	-	550
Dobson	1,586	550	550	-	285	-	835
East Bend	612	550	550	-	285	-	835
Eden	15,527	3,416	3,261	(155)	-	-	3,261
Elkin	4,001	880	840	(40)	855	-	1,695
Elon	9,419	2,072	1,978	(94)	-	3,935	5,913
Forsyth County	350,670	77,147	73,641	(3,506)	-	-	73,641
Franklinville	1,164	550	550	-	-	-	550
Gibsonville	6,410	1,410	1,346	(64)	-	3,841	5,187
Graham	14,153	3,114	2,972	(142)	-	4,082	7,054
Green Level	2,100	550	550	-	-	3,707	4,257
Greensboro	269,666	59,327	56,630	(2,697)	-	-	56,630
Guilford County	488,406	107,449	102,565	(4,884)	-	-	102,565
Haw River	2,298	550	550	-	-	3,713	4,263
High Point	104,371	22,962	21,918	(1,044)	-	6,885	28,803
Jamestown	3,382	744	710	(34)	-	-	710
Jonesville	2,285	550	550	-	570	-	1,120
Kernersville	23,123	5,087	4,856	(231)	-	-	4,856
King	6,904	1,519	1,450	(69)	-	-	1,450
Lewisville	12,639	2,781	2,654	(127)	-	-	2,654
Lexington	18,931	4,165	3,976	(189)	-	4,230	8,206
Liberty	2,656	584	558	(26)	-	-	558
Madison	2,246	550	550	-	-	-	550
Mayodan	2,478	550	550	-	-	-	550
Mebane	11,393	2,506	2,393	(113)	-	3,996	6,389

<i>Local Government</i>	<i>2010 Census Population</i>	<i>FY 2011-2012 Dues .22 per capita</i>	<i>Proposed FY 2012-2013 Dues .21 per capita</i>	<i>Difference</i>	<i>RPO Dues</i>	<i>Stormwater Dues</i>	<i>Total</i>
Midway	4,679	1,029	983	(46)	-	-	983
Mocksville	5,051	1,111	1,061	(50)	855	-	1,916
Montgomery County	27,798	6,116	5,838	(278)	2,067	-	7,905
Mount Airy	10,388	2,285	2,181	(104)	855	-	3,036
Mount Gilead	1,181	550	550	-	-	-	550
Oak Ridge	6,185	1,361	1,299	(62)	-	3,834	5,133
Pilot Mountain	1,477	550	550	-	285	-	835
Pleasant Garden	4,489	988	943	(45)	-	-	943
Ramseur	1,692	550	550	-	-	-	550
Randleman	4,113	905	864	(41)	-	3,770	4,634
Randolph County	141,752	31,185	29,768	(1,417)	8,123	6,391	44,282
Reidsville	14,520	3,194	3,049	(145)	-	4,093	7,142
Rockingham County	93,643	20,601	19,665	(936)	6,934	5,351	31,950
Rural Hall	2,937	646	617	(29)	-	-	617
Seagrove	228	550	550	-	-	-	550
Staley	393	550	550	-	-	-	550
Stokes County	47,401	10,428	9,954	(474)	3,850	-	13,804
Stokesdale	5,047	1,110	1,060	(50)	-	-	1,060
Stoneville	1,056	550	550	-	-	-	550
Summerfield	10,232	2,251	2,149	(102)	-	3,960	6,109
Surry County	73,673	16,208	15,471	(737)	3,850	-	19,321
Thomasville	26,757	5,887	5,619	(268)	-	4,473	10,092
Tobaccoville	2,441	550	550	-	-	-	550
Trinity	6,614	1,455	1,389	(66)	-	3,847	5,236
Troy	3,189	702	670	(32)	-	-	670
Walkertown	4,675	1,029	982	(47)	-	-	982
Walnut Cove	1,425	550	550	-	285	-	835
Wentworth	2,807	618	589	(29)	-	-	589
Whitsett	590	550	550	-	-	-	550
Winston-Salem	229,617	50,516	48,220	(2,296)	-	-	48,220
Yadkin County	38,406	8,449	8,065	(384)	3,850	-	11,915
Yadkinville	2,959	651	621	(30)	570	-	1,191
Yanceyville	2,039	550	550	-	-	-	550
			558,739		47,256	90,710	696,705

NOTES:

1. Minimum membership dues for the proposed structure are \$550.
2. An additional per capita fee will be assessed to those local governments served by the Retired & Senior Volunteer Program (RSVP).
3. Population figures are obtained from the 2010 Census.

**PIEDMONT TRIAD REGIONAL COUNCIL
INDIRECT COST AND FRINGE BENEFIT PLAN
PROVISIONAL RATE METHOD
BASE METHOD: SALARIES PLUS FRINGE
JULY 1, 2011 - JUNE 30, 2012**

**CERTIFICATION BY THE PIEDMONT TRIAD
REGIONAL COUNCIL**

INDIRECT COST PROPOSAL

I hereby certify as the responsible official of the Piedmont Triad Regional Council that the information contained in this indirect cost proposal for the fiscal year ending June 30, 2012, is correct and was prepared in accordance with the policies and procedures contained in the OMB Circular A-87. I further certify these procedures were utilized:

- (a) to prevent cost from being allocated to Federal Programs as indirect costs that have already been treated as direct program costs; and
- (b) to ensure that consistent treatment was accorded similar costs, for all programs in the Agency, regardless of source of funds; and
- (c) to ensure that costs have not been treated as indirect costs of Federal Programs inconsistent with statutory restrictions governing those programs.

Matthew L. Dolge
Executive Director

Robin C. Shelton
Finance Director

PIEDMONT TRIAD REGIONAL COUNCIL

Indirect Costs to be Allocated

Cost Allocation Plan for Fiscal Year 2011 – 2012

SALARIES

PERSONNEL AS LISTED WILL BE CHARGED TO THE INDIRECT COST POOL.

FRINGE BENEFITS

FRINGE BENEFITS WILL BE CHARGED TO ALL PROJECTS AND THE INDIRECT COST POOL ON A PRE-DETERMINED FRINGE BENEFIT RATE.

RETIREMENT

RETIREMENT EXPENSES WILL BE CHARGED TO ALL PROJECTS AND THE INDIRECT COST POOL ON A PRE-DETERMINED RATE SET BY N. C. LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM BASED ON ACTUAL COST.

TEMPORARY PERSONNEL

TEMPORARY PERSONNEL EXPENSE WILL BE CHARGED TO THE INDIRECT COST POOL. TEMPORARY PERSONNEL EXPENSE FOR SPECIFIC PROGRAMS WILL BE CHARGED DIRECTLY TO THE PROGRAM.

PROFESSIONAL SERVICES

SINGLE AUDIT FEES WILL BE CHARGED TO THE INDIRECT COST POOL. OTHER PROFESSIONAL SERVICES EXPENSE WILL BE CHARGED TO THE INDIRECT COST POOL (ATTORNEY, LRO LIASON, ETC.)

TELEPHONE & POSTAGE

ALL TELEPHONE, POSTAGE AND MISCELLANEOUS COMMUNICATION CHARGES ARE TO BE CHARGED TO THE INDIRECT COST POOL. TELEPHONE AND POSTAGE FOR SPECIFIC PROGRAMS WILL BE CHARGED TO THE PROGRAM.

TRAVEL & PARKING

TRAVEL WILL BE CHARGED DIRECTLY TO ALL PROJECTS AND THE INDIRECT COST POOL BASED ON ACTUAL COST. (THE TRAVEL LINE ITEM IN THE INDIRECT COST PLAN APPLIES ONLY TO THOSE EMPLOYEES LISTED IN THE INDIRECT COST PLAN.) PARKING EXPENSE FOR BOARD MEMBERS AND OTHER VISITORS WILL BE CHARGED TO THE INDIRECT COST POOL.

EQUIPMENT MAINTENANCE-REPAIR

ALL EQUIPMENT MAINTENANCE AND REPAIR COST WILL BE CHARGED TO THE INDIRECT COST POOL. MAINTENANCE AND REPAIR COSTS FOR SPECIFIC PROGRAMS WILL BE CHARGED DIRECTLY TO THE PROGRAM.

RENT OF SPACE

ALL RENT AND OTHER OCCUPANCY FOR COMMON AREAS ARE TO BE CHARGED TO THE INDIRECT COST POOL. RENT FOR SPECIFIC PROGRAMS WILL BE CHARGED DIRECTLY TO THE PROGRAM BASED ON THE SQUARE FOOTAGE RATE MULTIPLIED BY THE SQUARE FOOTAGE OCCUPIED.

PIEDMONT TRIAD REGIONAL COUNCIL
Indirect Costs to be Allocated
Cost Allocation Plan for Fiscal Year 2011 - 2012

PAGE 2

EQUIPMENT RENTAL

ALL RENTED EQUIPMENT USED WILL BE CHARGED TO THE INDIRECT COST POOL. RENTAL EQUIPMENT USED FOR SPECIFIC PROGRAMS WILL BE CHARGED DIRECTLY TO THE PROGRAM.

ADVERTISING

ALL ADVERTISING EXPENSES ARE TO BE CHARGED TO THE INDIRECT COST POOL. ADVERTISING EXPENSES FOR SPECIFIC PROGRAMS WILL BE CHARGED DIRECTLY TO THE PROGRAM.

SUPPLIES

ALL OFFICE AND GENERAL USE SUPPLIES ARE TO BE CHARGED TO THE INDIRECT COST POOL. SPECIAL SUPPLIES FOR SPECIFIC PROGRAMS WILL BE CHARGED DIRECTLY TO THE PROGRAM.

PRINTING COSTS

ALL PRINTING COSTS ARE TO BE CHARGED TO THE INDIRECT COST POOL. SPECIAL PRINTING COSTS FOR SPECIFIC PROGRAMS WILL BE CHARGED DIRECTLY TO THE PROGRAM.

COMPUTER SERVICES

ALL COMPUTER SERVICES SUCH AS PAYROLL PROCESSING EXPENSES WILL BE CHARGED TO THE INDIRECT COST POOL. PAYROLL PROCESSING CHARGES FOR SPECIFIC PROGRAMS WILL BE CHARGED DIRECTLY TO THE PROGRAM.

TRASH DISPOSAL

ALL TRASH DISPOSAL EXPENSES WILL BE CHARGED TO THE INDIRECT COST POOL. SPECIAL TRASH DISPOSAL EXPENSES FOR SPECIFIC PROGRAMS WILL BE CHARGED TO THE PROGRAM.

DUES, SUBSCRIPTIONS & MISCELLANEOUS

ALL DUES, SUBSCRIPTIONS AND MISCELLANEOUS COSTS WILL BE CHARGED TO THE INDIRECT COST POOL.

BONDING, FIRE INSURANCE & PUBLIC EMPLOYEE LIABILITY

ALL BONDING, FIRE INSURANCE AND PUBLIC EMPLOYEE LIABILITY INSURANCE WILL BE CHARGED TO THE INDIRECT COST POOL.

PIEDMONT TRIAD REGIONAL COUNCIL
Calculation of Fringe Benefits Rate
Fiscal Year 2012-2013

Total Salaries	4,417,505		
Salaries over SS Max	(29,042)		
Cafeteria Plan Deductions	(102,060)		
Plus Employee Compensation	10,044		
Social Security 6.2%	4,296,447	6.20%	266,380
Medicare 1.45%	4,325,489	1.45%	62,720
Group Health, Life and Dental Insurance			415,092
Worker's Compensation Insurance			27,000
Employee Healthcare Advocacy			5,000
Unemployment - Direct Pay			5,000
Employee Assistance Plan			5,000
Employee Wellness			5,000
Accrued Vacation Leave			30,000
Employer Contribution to Retirement System	4,393,963	6.83%	300,108
Employer Contribution to 401K	4,393,963	2.50%	109,849
Health Reimbursement Arrangement			50,000
Total Fringe Benefits			1,281,148
Fringe Benefits Rate:	Total Fringe Benefits	1,281,148	29.00%
	Total Salaries	4,417,505	

PIEDMONT TRIAD REGIONAL COUNCIL
Calculation of Indirect Cost Rate
Fiscal Year 2012-2013

Executive Director	52,979
Associate Director	40,000
Director of Management Services	81,872
Finance Director	84,308
Information Technology Manager	53,909
Information & Data Services Manager	42,977
Accounting Technician	16,892
Accountant	24,317
Accounting Technician - Part Time	7,635
Executive Assistant	52,150
Executive Assistant	59,250
Part-Time Assistant	10,200
Receptionist	29,261

TOTAL SALARIES **555,750**

Fringe Benefits	(see Indirect TB)	29.00%	155,995
Fringe Benefits Indirect Part-Time			1,364
Professional Services			48,417
Attorney's Fees			1,037
Temporary Personnel			11,463
Postage			22,489
Telephone			42,358
Travel & Parking			19,480
Equipment Maintenance and Repair			10,086
Rent for Office Space (Common Areas)			194,369
Equipment Rental			44,394
Advertising			1,232
Office Supplies			34,971
Printing Costs			19,460
Computer Services & Payroll Processing			34,553
Trash Disposal			344
Dues, Subscriptions, Memberships, Misc.			34,917
Bonding, Fire Insurance & Public Officials Liability Insurance			5,204

TOTAL INDIRECT COST **1,237,885**

Indirect Cost Rate:	<u>Total Indirect Costs</u>	1,237,885	40.50%	**
	Total Direct Salaries & Fringe	3,056,624		

	Salaries	Fringe Benefits	Total
Total Direct Salaries & Fringe Benefits	3,861,755	1,119,909	4,981,664
Minus Salaries for Positions at Satellite Offices	(1,492,279)	(432,761)	(1,925,040)
	<u>2,369,476</u>	<u>687,148</u>	<u>3,056,624</u>

* Yadkin, Surry, Davie, Rockingham and Forsyth WFD positions are not housed in PTRC offices.
 Davie, Surry and Yadkin Criminal Justice positions are not housed in PTRC offices.
 Service Corp is direct charged

PIEDMONT TRIAD REGIONAL COUNCIL
SATELLITE OFFICES
Calculation of Indirect Cost Rate
Fiscal Year 2012-2013

Budgeted Bonding, Fire, and Public Officials Liability Insurance	\$	5,000
Divided by: Total Budgeted Salaries	\$	4,417,505
Multiplied by Salaries at Satellite Offices	\$	1,492,279
Indirect Cost for Satellite Offices	\$	1,689

Motion was made by Mr. Johnson, seconded by Mr. Williams, and carried unanimously to approve the PTRC FY 2012-2013 budget as presented .

5. Request to enter into contracts with Surry County for the NC Tomorrow project, by Hanna Cockburn, PTRC Planning Program Manager

Ms. Cockburn presented two contracts for the NC Tomorrow project that were executed with Surry County at their May 21st meeting of the Surry County Board of Commissioners.

The technical services contract for \$45,000 will cover the costs for producing the NC Tomorrow Comprehensive Economic Development Strategy (CEDS) by March 2014. The administrative services contract for \$5,000 will cover costs incurred by PTRC (\$3,000) and Surry County (\$2,000) to administer the two-year grant.

Staff is requesting authorization for Matthew Dolge, PTRC Executive Director, to enter into contract with Surry County as referenced above

Motion was made by Mr. Pugh, seconded by Ms. Phillips, and carried unanimously for the PTRC staff to enter into contracts with Surry County for the NC Tomorrow project.

6. Request for authorization to pursue federal grant funding to address water quality concerns in the Triad region, by Elizabeth Jernigan, PTRC Stormwater Outreach and Education Coordinator

Ms. Jernigan stated the 205(j) Grant Program is a federally funded program administered in North Carolina by the state Department of Environment and Natural Resources Division of Water Quality. Limited competitive funding is available to regional Councils of Government (COGs) for water quality management planning efforts. Funds are allotted by the state in accordance with section 205(j) of the federal Clean Water Act. PTRC Water Resources staff is requesting permission to pursue three grants totaling \$50,000 in the 2012 funding cycle.

PTRC staff seeks funding to develop and implement a targeted educational campaign in the High Rock Lake watershed. The watershed is currently undergoing a Total Maximum Daily Load (TMDL) assessment and some rule-making process will likely occur in the future. The goal of this campaign is to provide administrators and elected officials with the tools they need to adequately prepare for this process.

PTRC staff will also seek funds to complete a 12-county water supply inventory. A similar study was completed in 2004, however the Randleman Reservoir and additional intakes warrant an updated evaluation.

PTRC staff has completed, or are in the process of completing watershed prioritization plans for each river basin in our region. Due to the variance in each process and lessons learned, a final evaluation utilizing consistent data and metrics must be completed. The final product will detail top conservation and restoration sites across the Piedmont Triad and guide future project implementation.

Staff recommends approval of authorization to pursue federal grant funding to address water quality concerns in the Triad region.

Motion was made by Ms. Leight, seconded by Ms. Phillips, and carried unanimously to authorize PTRC staff to pursue federal grant funding to address water quality concerns in the Triad region.

D. Executive Director’s Report

Matthew Dolge, Executive Director, stated that staff has examined several sites for placing the new office building for PTRC. An FRP was issued on June 4, 2012 for a 25,000 sq. foot office build-to-suit in Kernersville, NC

Two sites were examined. The first site is the Carrollton consisting of approximately 1.8 acres located on HWY 66 south of Interstate 40 and near Bishop McGinnis High School. This site has been leveled and some site prep work has been accomplished. The second site is the Pineview Drive site and consists of approximately 2 acres. Extensive site prep will be necessary to use this site. Site preparation consists of adding a 30-inch drain and cutting trees.

He presented three proposals for acquisition of new building. There were as follows:

Proposals	Carrollton	Pineview
Samet Corporation	\$4,656,415	\$4,372,090
Carolina Investment	\$4,670,574	\$4,341,162
Arden Group	\$3,997,553	\$3,957,633

He stated that staff and consultants interviewed each of the organizations submitting proposals. All interviews were in-depth and the organization’s responses were

detailed and all were very professional.

Mr. Dolge said that the PTR staff recommends that the Carrollton site be selected and Arden Group be awarded contract.

Motion was made by Mr. Pugh, seconded by Mr. Burnette, and carried unanimously to authorize the PTRC Chair to enter into contract for office space as stated above. The Executive Director was directed to examine alternatives to finance the purchase of office space and the PTRC chair was authorized to correspond with member governments to support the funding of the purchase of office space as per the Local Government Commission application process.

E. Old Business

There was not old business.

F. New Business

There was no new business.

G. Chairman's Remarks and Announcements

- **August PTRC Executive Committee meeting –
Wednesday, August 1, 2012, 12 Noon**
Paul J. Ciener Botanical Gardens, 215 S. Main Street, Kernersville, NC
- **August PTRC Board of Delegates meeting –
Wednesday, August 15, 2012, 12:00 Noon**
Paul J. Ciener Botanical Gardens, 215 S. Main Street, Kernersville, NC

H. Informational Items

I. Adjournment

There being no other business, the meeting adjourned at 1:00 pm

Chair

Executive Director