

**SOUTHERN GEORGIA REGIONAL COMMISSION
MINUTES OF THE EXECUTIVE/AUDIT COMMITTEE MEETING
SPORTS COMPLEX & CIVIC CENTER, PEARSON, GEORGIA**

April 25, 2019

10:00 A.M.

Members in Attendance:

Bennett, Neal
Duke, Buddy
Evans, Joyce
Nelson, Carlos
Taylor, Steve
Thompson, Grady

Staff Present:

Cribb, Lisa
Schultz, Kelly
Strom, Chris

REVIEW AND APPROVAL OF MINUTES FOR JANUARY 24, 2019 MEETING:

Chair Evans called the meeting to order and then reminded those present that the minutes of the January 24, 2019 Executive Committee meeting were emailed to members for their review (copy attached and made a part of these minutes). Buddy Duke made a motion to accept the minutes, and Grady Thompson seconded the motion. Motion carried unanimously.

REVIEW CURRENT YEAR BUDGET AMENDMENT: Chair Evans called upon RC Finance Director, Kelly Schultz to present the current year budget amendment. Ms. Schultz reminded the executive committee each year at this time the RC performs an amendment to the initial RC budget developed at the beginning of the fiscal year. The reason for this, she stated, is that changes naturally occur during the fiscal year that cannot be foreseen. Ms. Schultz directed members to turn to the page in their packet entitled revenue comparison (copy attached and made a part of these minutes). She noted that the comparison between the approved FY2019 budget and the revised FY2019 budget illustrated a decrease in revenues of \$379,389. Ms. Schultz pointed out that in the comparison of original vs. proposed expenses, there was a similar reduction in expenditures totaling \$319,602. She explained that the decrease in both of these categories is, in large part, the result of the timing of grant and contract awards, staff assignment changes and other factors. A specific example of a substantial reduction in revenues she listed was the decrease in workforce development of \$400,000 of pass-through to service providers. This was dislocated worker money which was not needed due to the good economy. She explained this money will be carried over to next fiscal year and transferred to Adult where it would be utilized. She noted that there is a corresponding decrease in expenditures for this same amount. On the expenditure side of the budget, there was a decrease in contractor expenditures in the amount of \$229,629 in the original vs. proposed expense comparison for FY2019. This was in part due to the cancellation of a contract to conduct an MPO special study that was to be done. Ms. Schultz then stated SGRC also experienced a significant decrease in salaries due to retirement and staff changes. Finally, Ms. Schultz pointed out that the anticipated rise in health insurance costs for FY19 did not materialize and therefore resulted in the budget decrease in this area. She stated that the original budget had indicated excess revenues over expenditures of \$30,358; at the time of the meeting, the revised budget shows a deficit of revenues over expenditures of \$29,429.

Ms. Schultz then directed executive committee members to turn to the first page of the proposed budget amendment document (copy attached and made a part of these minutes). Ms. Schultz explained how to read the charts on this page and the following pages that detail each program area. In summary, she told those present that the end result of the proposed budget amendment was a deficit of \$59,787 in revenues over expenditures from the original budget. She then asked for questions from members. With no other questions or comments, Grady Thompson made a motion to recommend this budget amendment for adoption by the full council. Buddy Duke seconded the motion, and with no more discussion, the motion passed unanimously.

REVIEW DUES SCHEDULE FOR FY2020: Chair Evans called upon RC Finance Director, Kelly Schultz to present the proposed dues schedule for FY2020. Ms. Schultz began by reminding members that the Department of Community Affairs mandates regional commissions use the latest population estimates for assessment of member dues each year. As such, she explained that each year around this time, the RC gathers updated population information from the U.S. Census Bureau database and compiles a new dues schedule based upon this updated estimate for each county. Ms. Schultz referred committee members to the dues schedule located in their packets (copy attached and made a part of these minutes) and began her explanation of the information presented. She explained that this document was a comparison of the current, FY2019 dues to the proposed FY2020 dues and was based upon the 2017 and 2018 population estimates respectively. She further explained that the per capita dues in this comparison remain the same across both years at \$1.25. From the documents provided, Ms. Schultz quoted the estimated population change across the entire RC region amounted to a positive difference of 522 people. This population increase translates, as she explained, to a \$653 increase in total dues anticipated for FY2020. Ms. Schultz concluded her presentation and asked if there were any questions. With no questions, Chair Evans called for a motion to recommend the FY2020 dues schedule to the SGRC council for approval. Grady Thompson made this motion, and Steve Taylor seconded the motion. With no other discussion, the motion passed unanimously.

REPORT ON STATUS OF VALDOSTA OFFICE RELOCATION: SGRC Assistant Executive Director Chris Strom gave the Executive Committee members an update on the relocation of the SGRC Valdosta Office. He started by saying the plan review has been completed by the city of Valdosta and a Phase 1 environmental review has been started on the property. He stated that the bank and financing options have been reviewed and the list has been narrowed down to Commercial Banking Company (CBC Bank). Other banks that submitted proposals to partner in the financing of the new building were Ameris Bank, Guardian Bank, and Renasant Bank. Mr. Strom shared with the committee that CBC Bank's proposal had the second lowest rate, but being a local bank and having partnered with the SGRC on other projects in the past made them a good option for financing the new building. He then shared that he along with SGRC Executive Director, Lisa Cribb, SGRC attorney, Vince Settle, Valdosta Lowndes Development Authority legal counsel and CBC Bank officials had met to discuss the process and steps to be taken once the building is approved by the council, the loan is in place, and construction begins.

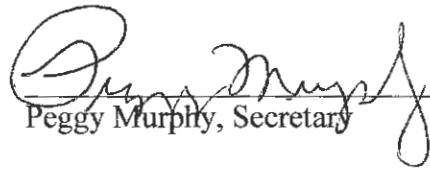
Mr. Strom stated that the RFP for General Contractor was sent out for proposals on April 19, 2019. He said the RFP was posted on the SGRC website, Georgia Procurement Registry, and in the Valdosta, Tifton, and Waycross newspapers. The RFP is also available for contractors to

review on Dodge Data & Analytics, an on-line plan room. A pre-bid conference will be held in early May. The closing date and bid opening for the RFP for General Contractor will be May 21st at 2pm at the SGRC's Valdosta office. Mr. Strom concluded his discussion by stating that the low bidder could be presented to the committee for review and recommendation as early as the June Executive Committee meeting.

ADJOURN:



Joyce Evans, Chair



Peggy Murphy, Secretary