

Big Sandy Area Development District
Board of Directors Meeting
April 24, 2018 – 11:30 – District Meeting Room

MEMBERS PRESENT

Judge-Executive Ben Hale, Chair
Judge-Executive Tucker Daniel
Judge-Executive Doc Hardin
Mayor Les Stapleton
Mayor Pete Shepherd
Mayor Ed Daniels
Mayor Sam Howell, by proxy Mr. James Reynolds
Mayor Andrew Scott
Mayor Jerry Fultz
Mayor Bill Mike Runyon
Mr. Burl Wells Spurlock
Mr. Thomas Hummer
Mr. Willow McCarty
Ms. Nita Collier
Ms. Lillian Wheeler, by proxy Judge-Executive Tucker Daniel
Ms. Susan Howard, by proxy Ms. Shauna Moore

GUESTS PRESENT

Mr. Adam Rice, Congressman Rogers Office
Ms. Nancy Hale - UNITE
Mr. Larry Combs, KY Wired/Center for Rural Development
Ms. Bertha Daniels, Aging Advisory Council
Ms. Kathy Allen, Foundation for Appalachia Kentucky
Ms. Jill Horn Mahlor, Department of Transportation
Ms. Mary Meadows, Chronical & Times
Ms. Donna McClure, Senator McConnell's Office
Mr. Mike Wilson, Magoffin County Fiscal Court

STAFF PRESENT

Ms. Sandy Runyon	Ms. Micha Curnutte
Ms. Terry Trimble	Ms. Janice Prater
Mr. Greg Salyers	Ms. Liz Hamilton
Mr. Joe Jacobs	Ms. Retha Mullins
Ms. Sharlet Butler	Ms. Sandra Justice
Ms. Denise Thomas	Ms. Regina McClure
Mr. Steve Jones	Ms. Peggy McKenzie

After a quorum was determined to be present, the chair called the meeting to order and introduced guests. The minutes from the February 27, 2018 meeting were reviewed and with no changes a motion and a second were made by Mr. Millow McCarty and Mayor Ed Daniels. Motion carried. The agenda was approved as presented with a motion and a second by Mr. Millow McCarty and Mr. Burl Wells Spurlock.

Mr. Greg Salyers gave the financial report. At the end of March 2018, we had a balance of \$650,000 cash in the bank and \$373,000 in the ED RLF account. The fund balance at the end of March is \$1.45 Million. Receivables are high due to slow pay on contracts. The aging department is on target and KY Works is underspent in contracts. The local department is overspent due to meeting expenses not being able to be charged to shared anymore. Agency wide we have a \$39,000 surplus. We have billed per our contracts and in some cases, they have been paid in lesser amounts.

A revised budget was included in the packets. The revised budget adjusts aging funds and KIA water management funds to actual contract amounts, and accounts for an expected reduction in JFA funds. Also, additional expense was added to the local department to cover board meeting food costs. DAIL has directed the ADDs to no longer charge this to shared cost, which had been standard practice in the past. The revised budget projects essentially a break-even status at the end of the year. A motion and a second by Mayor Andrew Scott and Mayor Pete Shepherd approved the financial report and revised budget for FY 2018. Motion carried.

The Executive Review included projects listed below:

- Water System Controls and Raw Water Modifications – Martin County - \$3.5 Million
- Prestonsburg Utilities Security Gate Project – City of Prestonsburg - \$23,273.00
- Pikeville Farmers Market Winterization Project – City of Pikeville - \$100,000.00

A motion and a second by Mr. Millow McCarty and Mayor Pete Shepherd approved the report. Motion carried.

The following were Executive Committee Polls to be ratified by the board.

3/26/18 – Ms. Mary Ann Kennedy – Family Services Specialist – Motion and Second by Judge-Executive Tucker Daniels and Judge-Executive Doc Hardin ratified the Executive Committee action. Motion carried. Ms. Kennedy has since resigned this position.

3/26/18 – ADF Allocation for Pike County in the amount of \$3750.00 to purchase a Drone for the county 911 system, that may be utilized regionally. A motion and a second by Mayor Pete Shepherd and Mayor Ed Daniels ratified the Executive Committee action. Motion carried.

4/5/18 – RLF Application to provide leverage of \$40,000 to purchase equipment for Wet Willies Car Wash. A motion and a second by Mr. Millow McCarty and Ms. Nita Collier ratified the Executive Committee action. Motion carried.

Larry Combs with The Center for Rural Development's KY Wired Project gave an update to the board. He first clarified that KY Wired and the KY Super I-Way were two separate projects. The Super I-Way is to run fiber optic cable throughout eastern Kentucky. The KY Wired Project is to bring broadband into the region and is a part of SOAR which was initiated through Congressman Rogers. The Digital Divide is the Internet haves and have-nots. The Center wants to close that divide. It is about access which usually refers to Internet speed and was fully funded in the budget process. Mr. Combs did a quick presentation and took questions from the board.

Directors Comments:

Paul Kincheloe, the Water Management Coordinator has resigned his position with the ADD and has accepted a job elsewhere. We have advertised and will be interviewing at the end of the month. Ms. Runyon assured the board the transition would be seamless.

The East Kentucky Leadership Conference will be at Hindman Thursday and Friday of this week.

Our next board meeting will fall on Election Day so it was recommended that the May meeting be cancelled. A motion by Judge-Executive Doc Hardin and Mr. Millow McCarty approved the cancellation. Motion carried.

The Legislature didn't do away with the ADF but they put zero dollars in there. Stay tuned.

The board presented Judge-Executive Doc Hardin with a \$79,000 ADF check for the new Bloomington Park in Magoffin County.

Senator McConnell just announced the Comprehensive Addiction, Recovery and Re-entry Act for opioid addiction.

Discussion followed concerning the 2018 Legislative Session. There was some new/additional language in the Budget Bill regarding the JFA formula for Area Development Districts. Some ADDs, including BSADD, advocated for language that would say: "federal funds would be matched before any formula was applied". That preferred language was not approved. The following is now language in the 2019-2020 Budget Bill:

- **Area Development District Funding:** Included in the above General Fund appropriation is \$1,984,000 in each fiscal year for the Joint Funding Administration Program in support of the Area Development Districts.
- **Allocation of Area Development District Funding:** The Department for Local Government shall allocate Area Development District Funding appropriated to the Joint Funding Administration Program to the area development districts in accordance with the following formula:
 - 70 percent of the total appropriation shall be allocated equally among all area development districts;

- (b) 20 percent of the total appropriation shall be allocated based upon each area development district's proportionate share of total state population, as identified by the 2010 United States Census; and
- (c) Ten percent of the total appropriation shall be allocated based upon each area development district's proportionate share of total incorporated cities and counties, as identified by the records of the Kentucky Secretary of State's Land Office at the time of the allocation.
- The Department for Local Government shall, upon the unanimous written direction of all Area Development Districts, reduce the allocation based upon proportionate share of total incorporated cities and counties and instead allocate those funds to provide additional nonfederal dollars to area development districts for the purpose of maximizing federal awards.
- Joint Funding Agreement grants from the Community Economic Development Block Grant Program and the Appalachian Regional Commission shall be matched on a dollar-for-dollar basis"

Ms. Runyon advised the Board that this language will create a problem for BSADD in the future if we should receive any increase of EDA, ARC or HUD funds. We will not be able to draw down those dollars because we will not be able to provide the required match.

Bertha Daniels reminded the board of Project Lifesaver and that May is Older Americans Month. She asked the counties for proclamations.

With no further business, the meeting adjourned.