

**Big Sandy Area Development District  
Board of Directors Meeting  
November 27, 2018 - 11:30 a.m. - District Meeting Room**

**Members Present:**

Judge Executive Ben Hale  
Judge Executive Dr. Charles Hardin, by proxy Mr. Mike Wilson  
Judge Executive Bill Deskins  
Mayor Les Stapleton  
Mayor Bill Mike Runyon  
Mayor Edward Daniels  
Mayor Jimmy Carter, by proxy Mr. Brad Slone  
Mayor Andrew Scott  
Mayor Jerry Fultz  
Mayor Pete Shepherd  
Ms. Susan Howard  
Mr. Herbie Deskins  
Mr. Burl Spurlock  
Ms. Nita Collier  
Ms. Lillian Wheeler, by proxy Ms. Susan Howard

**Guests Present:**

Ms. Allison Cross, Center for Rural Development  
Ms. Kathy King Allen, Foundation for Appalachian Kentucky  
Mr. Aaron Thompson, Governor Bevin's Office  
Mr. Adam Rice, Congressman Hal Roger's office  
Mr. Barry Davis, Floyd County Fiscal Court

**Staff Present:**

Ms. Terry Trimble	Mr. Joe Jacobs
Ms. Janice Prater	Ms. Misha Curnutte
Ms. Peggy Thompson	Ms. Sharlet Butler
Ms. Elizabeth Hamilton	Mr. Steve Jones
Ms. Kristy Hunt	Mr. Greg Salyers
Ms. Regina McClure	

Greg Salyers gave the FY 2018 audit report. Kelley Galloway Smith Goolsby, PSC of Ashland was procured to do the audit. The audit manager was unable to attend due to prior commitments. The audit opinion given in the report was that the financial statements were fairly presented. The statement of net assets shows the unfunded pension liability which is required to be recognized has increased to \$6 million, while the retiree health insurance liability is required to be recognized for the first time, and is in the amount of \$2 million. The building was paid off in FY 2018, the only debt BSADD has besides the unfunded pension liability is the Mountain Housing/Kentucky Housing loans.

The audit shows a deficit of \$839,000 for the year, but this includes booking the unfunded pension liability expense and additional building depreciation and does not reflect our day to day operations. Without these adjustments we had a surplus of about \$11,000. Kentucky Works was the largest federal program at 2.4 million. Abandoned Mine Lands eKAMI, Royalton Trail Town and the Revolving Loan Fund were selected as the major programs for the audit. The opinion was an unmodified "clean" opinion, with no findings, no questioned costs, no significant deficiencies or material weaknesses. The auditors did have a few recommendations which we have already implemented. A motion by Mayor Pete Shepherd and second by Mayor Jerry Fultz was made to approve the report. Motion passed.

**Executive Review:**

Pikeville Water Plant High Service Pumps Improvements for \$381,360.00. A motion was made by Mayor Pete Shepherd and a second by Judge Executive Ben Hale to approve the executive review. Motion passed.

**Executive Session:**

A motion was made by Judge Executive Ben Hale and second by Mayor Pete Shepherd to go into Executive Session.

A motion was made by Mayor Jerry Fultz and second by Brad Slone, proxy for Mayor Jimmy Carter to reconvene.

A motion by Mayor Les Stapleton and a second by Mayor Ed Daniels to accept the recommendations from the Executive Session for pay raises for staff in the Community and Economic Development department due to increased duties. Pay raises will be retroactive to November 1, 2018. Motion passed.

**New Business:**

Joe Jacobs presented a Resolution for the 2019 CEDS update. Mayor Bill Mike Runyon made a motion and a second by Judge Executive Ben Hale to approve the resolution. Motion passed.

Mayor Les Stapleton made a motion and a second by Mayor Jerry Fultz to approve a Transportation Funding Resolution asking the Area Development Districts to encourage the General Assembly to look at funding options for transportation. Motion passed.

A motion was made by Judge Executive Ben Hale and a second by Mayor Pete Shepherd to approve a request by Pike County Judge Executive Bill Deskins for Pike County ADF in the amount of \$450.00 for signage for a bridge located at Lookout, KY. Motion passed.

A motion was made by Mayor Les Stapleton and a second by Mayor Jerry Fultz to table the Fee Structure discussion until after the first of the year.

Deputy Directors Comments:

None

Mayor Les Stapleton made a motion and was seconded by Mayor Bill Mike Runyon to adjourn. Motion passed.