



Board of Delegates Meeting Agenda

Wednesday, February 9, 2022

Zoom Meeting

Join by computer

<https://us06web.zoom.us/j/85090782784>

Join by phone: Dial 1-929-436-2866 and enter

Meeting ID: 850 9078 2784

Chairman Bobby Compton will convene a meeting of the Centralina Board of Delegates **on Wednesday, February 9, 2022 at 5:00 pm**. The meeting will be held via Zoom.

Time	Item	Presenter
5:00 p.m.	Welcome and Call to Order	Bobby Compton
	Roll Call	
	Moment of Silence	
	Amendments to the Agenda (if any)	
Consent Items: Consent agenda items may be considered in one motion and without discussion except for those items removed by a Board Member.		
5:10 p.m. Item 1 Pages 4 – 12	Resolution to Amend the Centralina Charter and Bylaws The Board of Delegates is asked to amend the Centralina Charter and Bylaws to add language that will prohibit private entities from having an interest in the organization's earnings and financial assets or receiving financial assets in the event of its dissolution. Action/Recommendation: <i>Motion to adopt a resolution amending the Centralina Charter and Bylaws as presented.</i>	Geraldine Gardner
Item 2 Page 14	Approval of Membership Request The Board of Delegates is asked to approve the Town of Lilesville's request to join Centralina Regional Council. Action/Recommendation: <i>Motion to approve the request from the Town of Lilesville to join Centralina Regional Council.</i>	Geraldine Gardner
Item 3 Pages 16 – 19	Approval of the October 13, 2021 Board of Delegates Meeting Minutes The minutes from the October 13, 2021 meeting have been distributed to all members of the Board of Delegates and should be approved if correct. Action/Recommendation: <i>Motion to approve the October 13, 2021 Board of Delegates meeting minutes.</i>	Bobby Compton
Regular Business Items:		
5:15 p.m. Item 4 30 minutes Pages 21 – 23	Delegate Orientation and Kickoff Activity The Executive Director will present an overview of Centralina and highlights from FY2022. Delegates will then participate in an interactive exercise to learn more about Centralina's work and the roles and responsibilities of a Delegate. Action/Recommendation: <i>Receive as information.</i>	Geraldine Gardner

<p>5:45 p.m. Item 5 10 minutes <i>Pages 25 – 27</i></p>	<p>Public Hearing and Approval of Proposed Centralina Budget Ordinances for Fiscal Year 2022-2023 The Board of Delegates will hold a public hearing on the annual placeholder budget for FY2022-2023 and consider approval of the proposal.</p> <p>Action/Recommendation: <i>Motion to approve the FY2023 operating placeholder budget and the passthrough placeholder budget ordinances in the amount of \$7,508,647 and \$15,460,000, respectively and to approve the membership dues assessment of \$0.24 per capita and remove the minimum assessment of \$750 per member</i></p>	<p>Denise Strosser</p>
<p>5:55 p.m. Item 6 10 minutes <i>Page 29</i></p>	<p>Nominating Committee Report and Election of 2022 Officers The Nominating Committee will present the slate of nominees for Centralina's 2022 officers. The Board of Delegates will then vote to elect the officers.</p> <p>Action/Recommendation: <i>Motion to accept the Nominating Committee report and elect the slate of officers by acclamation.</i></p>	<p>Nominating Committee</p>
<p>6:05 p.m. Item 7 5 minutes</p>	<p>Installation of Officers The Clerk to the Board will install the 2022 Centralina officers.</p>	<p>Kelly Weston</p>
<p>6:10 p.m. Item 8 20 minutes</p>	<p>County Caucusing and Networking Delegates will gather in virtual breakout rooms by county to (1) select their municipal representative for the Executive Board, where applicable, and (2) network with their fellow elected officials.</p> <p>Action/Recommendation: <i>Receive as information.</i></p>	<p>Centralina Staff</p>
<p>6:30 p.m. 5 minutes</p>	<p>Comments from the Board of Delegates and Centralina Staff</p>	<p>Board Members and Staff</p>
<p>6:35 p.m. 5 minutes</p>	<p>Comments from the Executive Director</p>	<p>Geraldine Gardner</p>
<p>6:40 p.m. 5 minutes</p>	<p>Comments from the Chair</p>	<p>Bobby Compton</p>
<p>6:45 p.m.</p>	<p>Adjournment</p>	<p>Bobby Compton</p>

Centralina Regional Council complies with the Americans with Disabilities Act (ADA), which prohibits discrimination on the basis of disability. Centralina Regional Council will make reasonable accommodations in all programs/services to enable participation by an individual with a disability who meets essential eligibility requirements. Centralina Regional Council's programs will be available in the most integrated setting for each individual. If any accommodations are necessary for participation, please contact the Clerk to the Board, 9815 David Taylor Drive, Charlotte, NC 28262, phone (704) 348-2728. Please allow 72 hours advance notice for preparation. Visit our website: www.centralina.org.



CENTRALINA

REGIONAL COUNCIL

Item 1



Board Agenda Item Cover Sheet

Board Meeting Date:	February 9, 2022	Agenda Item Type:	Consent:	X	Regular:	
Submitting Person:	Kelly Weston	Presentation Time:	5 minutes, if needed			
Presenter at Meeting:	Geraldine Gardner	Phone Number:	704-351-7130			
		Email:	ggardner@centralina.org			
Alternate Contact:	Denise Strosser	Phone Number:	704-348-2704			
		Email:	dstrosser@centralina.org			
Submitting Department:	Administration	Department Head Approval:	Geraldine Gardner			
Description of Agenda Item:						
<p>The Board of Delegates is asked to amend the Centralina Charter and Bylaws to add language that will prohibit private entities from having an interest in the organization's earnings and financial assets or receiving financial assets in the event of its dissolution.</p>						
Background & Basis of Recommendations:						
<p>Centralina Management has determined that there is an unresolved issue with the organization's tax status and has worked with Centralina attorneys from Shumaker, Loop, and Kendrick to determine appropriate action. Shumaker, Loop, and Kendrick have determined that Centralina performs an "essential government function" consistent with Internal Revenue Code Section 115(1), which specifies tax exemption for income derived from such a function. However, specific sections of the Centralina Charter and Bylaws must be amended to prohibit any private party from benefitting or having an interest in the organization's earnings and assets. Amendments to these sections would allow the organization to qualify for federal income tax exemption under Section 115(1) of the Internal Revenue Code and resolve the current issue.</p>						
Requested Action / Recommendation:						
Motion to adopt a resolution amending the Centralina Charter and Bylaws as presented.						
Time Sensitivity: <i>(none or explain)</i>	None					
Budget Impact: <i>(none or explain)</i>	None.					
Attachments: <i>(none or list)</i>	<ul style="list-style-type: none"> • Resolution Amending the Centralina Charter and Bylaws • Centralina Tax Status Memo 					



RESOLUTION AMENDING THE CENTRALINA CHARTER AND BYLAWS

WHEREAS, Centralina Regional Council is one of 16 regional councils in North Carolina, authorized by the General Assembly to address regional issues and opportunities by offering planning, coordination, program management, advocacy, and technical assistance services; and

WHEREAS, Centralina’s Charter notes that the organization was created for the region’s local governments to “consult among themselves to act in concert and to jointly exercise the powers of local government with reference to regional matters affecting health, safety, welfare, education, transportation, recreation, economic conditions, regional planning or regional development”; and

WHEREAS, Centralina attorneys from Shumaker, Loop, and Kendrick have advised that this statement in the Centralina Charter indicates that the organization performs an “essential government function” consistent with Internal Revenue Code Section 115(1), which specifies tax exemption for income derived from such a function; and

WHEREAS, Centralina’s income is not exempt from federal income tax under Internal Revenue Code Section 115(1), however, because the Charter and Bylaws do not specifically prohibit a private party from benefitting or having an interest in the organization’s earnings or assets; and

WHEREAS, Centralina attorneys have advised that Centralina’s income will be eligible for a federal income tax exempt status if the organization amends its Charter and Bylaws to explicitly provide that no private party may benefit or have an interest in Centralina’s earnings or assets, and that upon dissolution, those assets will be distributed solely to Centralina member governments.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Delegates of Centralina Regional Council amends the organization’s Charter Resolution as follows (underlining indicates additions and strikethroughs indicate deletions):

ITEM IX, Section J:

No private party may benefit or have an interest in Centralina’s earnings or financial assets.

...

ITEM XII, Section B:

The Council may be dissolved at the end of any fiscal year only (1) upon adoption of a dissolution resolution by three-fourths of the governing bodies of all governmental units, or (2) the withdrawal from the Council of all but one of the member governmental units. ~~If such dissolution is effected by resolution of the member governments, such resolution shall specify the method of liquidating~~



~~the Council's assets and liabilities. If such dissolution is occasioned by withdrawal of all but one member, the remaining governmental unit shall have the power to liquidate all assets and liabilities and it shall then distribute the net proceeds, if any,~~ Upon dissolution, the Council's financial assets will be distributed solely to those members who paid the latest annual assessment and in the same proportion. Any deficit shall be the responsibility of those member governments who would have received the net proceeds, and in the same proportions.

BE IT FURTHER RESOLVED, that Centralina Regional Council amends its Bylaws as follows (underlining indicates additions):

Article X: Financial

G. Financial Interest and Distribution of Assets: No private party may benefit or have an interest in the Council's earnings or financial assets. Upon dissolution of the Council, its financial assets will be distributed solely to the member governments that paid the latest annual assessment and in the same proportion.

Adopted this _____ day of _____, 2022.

Bobby Compton, Centralina Regional Council Board Chairman

ATTEST:

Kelly Weston, Clerk to the Board

M E M O R A N D U M

TO: Geraldine Gardner – Centralina Regional Counsel

FROM: Jack Santaniello & Andrew Bosserman - Shumaker

DATE: December 20, 2021

RE: Centralina’s Tax Status and Executive Director Powers

QUESTIONS

- 1) Is Centralina’s income exempt from federal income tax?
- 2) What is Centralina’s correct non-profit tax status?
- 3) What powers does Centralina’s Executive Director have under the Charter Resolution and Bylaws?

SHORT ANSWERS

- 1) Centralina’s income is not exempt from federal income tax under IRC § 115(1) because its charter and bylaws do not specifically prohibit any private party from benefitting or having an interest in Centralina’s earnings or assets, and that upon dissolution, assets will be solely distributed to its member counties and municipalities. If its charter and bylaws are amended, Centralina’s income would be exempt from federal income tax under § 115(1).
- 2) Centralina does not need to be a true non-profit under IRC §501(c) if its income is exempt under § 115(1). Non-profit exempt status may be desirable if Centralina wishes to accept public contributions or for other reasons. However, exempt status is not required to accept tax-deductible contributions as long as Centralina meets the “political subdivision” test.
- 3) Centralina’s Executive Director powers include approving certain contracts and recommending a budget to the Executive Board.

DISCUSSION

- I. Centralina's income is not exempt from federal income tax under IRC § 115(1) because its charter and bylaws do not specifically prohibit any private party from benefitting or having an interest in Centralina's earnings or assets, and that upon dissolution, assets will be solely distributed to its member counties and municipalities. If its charter and bylaws are amended, Centralina's income would be exempt from federal income tax under § 115(1).

Generally, all income is subject to federal income tax unless a specific exception applies. IRC § 61. One of these exceptions is income of states and municipalities. According to IRC § 115(1), "gross income does not include—income derived from...the exercise of any essential governmental function and accruing to a State or any political subdivision thereof."

Whether an activity consists of an "essential governmental function" is determined based on an individualized basis. Factors the IRS considers includes whether the activity is one traditionally considered governmental (as opposed to private or proprietary), whether it involves the exercise of governmental (sovereign) powers, the extent of government control over the activity, and the extent of government financial interest in the activity. Rev. Rul 77-261; 1990 EO CPE Text on "Instrumentalities."

Income "accrues to a State" when the State or subdivision has an unrestricted right to a proportionate share of the income. Rev. Rul. 77-261. Further, upon dissolution of the organization, the assets of the organization must be distributed to one or more States or subdivisions. Rev. Proc. 2003-12 § 2.02. Even if state law satisfies the distribution requirement, the organization will not meet the requirements of § 115(1) (for purposes of obtaining a ruling) unless its articles of organization also limit distribution of assets upon dissolution to States, subdivisions, or other qualified entities. *Id.* § 3.

Centralina's situation is extremely similar to the association in PLR 9050052 (1990). In PLR 9050052, the IRS ruled that the income of a tax-exempt, nonpartisan association of county governments was excluded from gross income per IRC §115(1). The association was formed to solve problems common to counties of the State. *Id.* The association performed an essential government function because the member counties received the benefits of improved service and reduced costs through cooperative efforts. *Id.* Crucial to the IRS' decision that the Association's income accrued to the State were the following provisions in the Association's constitution:

- 1) No part of Association's earning may inure to the benefit of any private interest;
- 2) Only Association members that are counties have a proprietary interest

in the assets of Association; and

3) Upon distribution of any assets during the life of the Association, or upon dissolution of the Association, assets will be distributed solely to the member counties. *Id.*

The IRS' decision in PLR 9050052 is similar to its decision in PLR 200909019 (2009), where it found an association's income accrued to a State where the association's articles of incorporation provided that any remaining assets after satisfaction of liabilities were to be distributed only to the association's member states.

Here, Centralina likely performs an essential government function required under IRC § 115(1). According to its Charter Resolution, Centralina was created for the area's county and municipal governments to "consult among themselves and to act in concert with reference to regional matters affecting health, safety, welfare, education, recreation, economic conditions, regional planning or regional development." This is similar to the association in PLR 9050052 "solving problems common to counties of the State."

However, Centralina likely does not meet the requirement of its income "accruing to the State" based on its current charter and bylaws. Currently, its charter is not as specific regarding finances as the association's constitution analyzed in PLR 9050052 and the association's articles of incorporation in PLR 200909019.

Centralina's charter provides that "if such dissolution is affected by resolution of the member governments, such resolution shall specify the method of liquidating the Council's assets and liabilities." Centralina Charter Resolution, Item XII § B. This provision is not specific enough to meet the requirements of PLRs 9050052 and 200909019, where the association's Constitution and articles of incorporation specifically provided for distribution solely to the member counties upon dissolution, along with other provisions prohibiting any private interest in the association's earnings or assets.

Further, even though Centralina's bylaws provide that its "accounting and fiscal control procedure shall be in accordance with the Local Government Budget and Fiscal Control Act of North Carolina," this does not meet the requirements of Rev. Proc. 2003-12 that provisions regarding accrual to the State must actually be in the association's articles of organization (or similar documents).

Therefore, we recommend that Centralina's Charter Resolution and Bylaws be amended to explicitly provide that no private party may benefit or have an interest in Centralina's earnings or assets, and that upon dissolution,

assets will be solely distributed to its member counties and municipalities. These amendments are necessary for Centralina's income to be exempt from taxation under IRC § 115(1).

- II. Centralina does not need to be a true non-profit under IRC §501(c) if its income is exempt under § 115(1). Non-profit exempt status would likely be undesirable because it would result in additional tax filing and compliance requirements. Centralina may still accept tax-deductible contributions if it meets the "political subdivision" test, even if it is not exempt under § 501.

Generally, every tax-exempt organization must file an annual return or report with the IRS unless an exception applies. IRC § 6033(a)(1). One type of organization that does not have to file an annual report or return is "a State institution, the income of which is excluded from gross income under section 115(1)." Treas. Reg. §§ 1.6033-2(g)(1)(v); 1.6033-6(b)(2)(v). This is consistent with Section B of the 2020 Form 990 Instructions, which state that "a state institution whose income is excluded from gross income under section 115" is not required to file Form 990. This conclusion is also consistent with PLR 9143057, in which the gross income from a 501(c)(3) business incubator formed by a state council of governments was exempt from tax under IRC § 115(1) and not required to file a Form 990 per Treas. Reg. § 1.6033-2(g)(1)(v).

Meeting a tax-exempt classification under IRC § 501(c) is not necessary for Centralina's income to be tax exempt and exempt from filing requirements as long as Centralina meets the requirements of IRC § 115. However, Centralina may still meet a tax-exempt classification under IRC § 501(c) if it wishes.

One potential important issue to Centralina is the deductibility of contributions to Centralina. If Centralina amends its Charter Resolution and Bylaws to be a § 115 entity, it must also be a "political subdivision" to accept tax-deductible contributions. § 170(c)(1). The IRS looks at a six-factor test when determining whether an organization is a "political subdivision" for purposes of § 170. Rev. Rul. 57-128. The six factors are:

- 1) Whether the entity is used for a governmental purpose and performs a governmental function;
- 2) Whether the entity performs its functions on behalf of one or more states or political subdivisions;
- 3) Whether there are any private interests involved, or whether the state or political subdivision involved has the powers and interests of an owner;
- 4) Whether control and supervision of the entity is vested in a public

- authority;
- 5) Whether governmental authorization is necessary for creation or use of the entity; and
 - 6) The degree of financial autonomy and the source of the entity's operating revenues. *Id.*

An association of governors that provided a forum for governors to exchange their views on good governance was held to meet the first factor. PLR 200909019. Centralina likely meets the first factor because it provides a forum for counties and municipalities to “consult among themselves and to act in concert with reference to regional matters.” Centralina Charter Resolution, Preamble.

To meet the second factor, an entity must generally be a “wholly governmentally controlled entity.” TAM 200222029 (2002). Here, Centralina is controlled by delegates of its constituent governments. Centralina Charter Resolution, Items V & VI. Therefore, Centralina will likely meet this test since it is wholly controlled by its constituent governments through their delegates.

The third factor is generally met if, upon dissolution, the assets flow to a governmental entity rather than private interests. Centralina will meet this factor if it amends its Charter Resolution and Bylaws as recommended in the previous section.

The fourth factor is met if the entity is governed by public officials acting in their official capacity. Rev. Rul. 65-26. Municipal officers acting in their individual, rather than official, capacity did not meet this factor. *Id.* Centralina likely meets this factor because its Charter Resolution provides that “all rights and privileges of membership in the Council shall be exercised on behalf of the member governments by their delegates to the Council.” Centralina Charter Resolution, Item III § C.

Centralina meets the fifth factor because it was created under specific state law authorization. N.C.G.S. § 160A-470-478.

The sixth factor is satisfied if an association expects to receive a significant part of its funding from membership dues paid by its members and the members have authority to oversee the use of the association's funds. PLR 200909019. Centralina likely meets the sixth factor because its Charter Resolution provides that “the general operating expenses of the Council shall be paid from funds paid to the Council by each member governmental unit.” Centralina Charter Resolution, Item IX § A. Further, Centralina's powers and duties include control over all member assessments and any other funds received. *Id.*, Item VIII § B2.

In conclusion, Centralina will likely meet the political subdivision test if it amends its bylaws as recommended in Section I. If Centralina is both a § 115 entity and a political subdivision, its income will be tax-exempt and it will be able to accept tax-deductible contributions. If this is the case, tax-exempt status under § 501 would be unnecessary and also result in additional filing requirements.

III. Centralina's Executive Director has the power to approve certain contracts and recommend a budget to the Executive Board.

All of the powers of Centralina's Executive Director come from Centralina's Bylaws. The Council has the power to "adopt By-laws containing such rules and regulations for the conduct of its business as it may deem necessary for the proper discharge of its duties and the performance of its functions, not inconsistent with the Charter or the laws of North Carolina." Centralina Charter Resolution, Item VIII § B6.

Under its Bylaws, the main powers of Centralina's Executive Director include powers to contract and recommending a budget. Centralina Regional Council Bylaws (August 11, 2021).

The Executive Director is authorized to "approve and contract for (a) the expenditure of general operating revenue in the amount or value of \$50,000 or less, (b) the expenditures of federal, state and/or local funds of \$200,000 or less," as long as the contracts are consistent with the current budget. *Id.*, Article IV § A2. Any contracts not meeting these guidelines must be approved by the Executive Board. *Id.*, Article IV § A1.

Further, the Executive Director also may "approve and contract for services to be provided to member governments at cost, regardless of amount or value, provided the service agreement entered into by the Executive Director is reported to the Executive Board at its next meeting." *Id.*, Article IV § A3.

Other powers of the Executive Director include designating the time and place of Executive Board meetings, as well as preparing and recommending an annual budget. *Id.*, Article VII § D2; Article X § B.

Finally, the Executive Director also has the power to write off uncollectible accounts of \$100 or less. *Id.*, Article X § F. The Treasurer or the Executive Board must approve write-offs of more than \$100. *Id.*



CENTRALINA

REGIONAL COUNCIL

Item 2



Board Agenda Item Cover Sheet

Board Meeting Date:	February 9, 2022	Agenda Item Type:	Consent:	X	Regular:	
Submitting Person:	Kelly Weston	Presentation Time:	5 minutes, if needed			
Presenter at Meeting:	Geraldine Gardner	Phone Number:	704-351-7130			
		Email:	ggardner@centralina.org			
Alternate Contact:	Kelly Weston	Phone Number:	704-348-2728			
		Email:	kweston@centralina.org			
Submitting Department:	Administration	Department Head Approval:	Geraldine Gardner			
Description of Agenda Item:						
The Board of Delegates is asked to approve the Town of Lilesville's request to join Centralina Regional Council.						
Background & Basis of Recommendations:						
Centralina has received a membership request from the Town of Lilesville. In accordance with the Bylaws, the Board of Delegates must vote on the Town's request to become a Centralina member						
Requested Action / Recommendation:						
Motion to approve the request from the Town of Lilesville to join Centralina Regional Council.						
Time Sensitivity: <i>(none or explain)</i>	None.					
Budget Impact: <i>(none or explain)</i>	None.					
Attachments: <i>(none or list)</i>	None.					



CENTRALINA

REGIONAL COUNCIL

Item 3

Call to Order

Chairman Bobby Compton, Town of Mooresville, called the meeting to order.

He welcomed Nina Barrett, Centralina’s newest Government Affairs and Member Engagement Coordinator.

He also welcomed Commissioner Leigh Altman, Mecklenburg County.

Commissioner Altman stated that she welcomed the opportunity to represent the Metropolitan Transit Commission as the Board of Delegates considered the CONNECT Beyond regional mobility plan. She noted that the plan will improve quality of life for the region’s residents and visitors and create a more sustainable transportation system for future generations. She also noted that creating a more complete mobility vision will increase the region’s economic competitiveness, build stronger connections between rural and urban areas, and help create a cleaner and safer environment.

Roll Call

Kelly Weston, Clerk to the Board, called roll and noted that a quorum was present.

Moment of Silence

Chairman Compton called for a Moment of Silence.

Amendments to the Agenda

There were no amendments to the agenda.

Consent Agenda

- 1. Bylaws Amendment**
- 2. Approval of the May 12, 2021 and August 11, 2021 Board of Delegates Meeting Minutes**

Chairman Compton explained that because a quorum was not present at the last meeting, items from that meeting had been carried over to the Consent Agenda. He noted that the Consent Agenda included a bylaws amendment intended as a general clean up with non-substantive formatting changes for clarity, consistency, and conciseness. He also noted that the amendment included changes to reflect current Centralina practices related to financial and budgeting processes, and Board and staff roles and responsibilities.

Council Member Troy Selberg, Town of Harrisburg, made a motion to approve the Consent Agenda. Council Member Larken Egleston, City of Charlotte, seconded the motion and it carried unanimously.

3. Centralina Updates and Annual Report Presentation

Geraldine Gardner, Executive Director, presented an overview of the FY21 annual report. She noted that the report highlights the organizations top five set of accomplishments, including: the organization’s rebranding; expanding member services and outreach; supporting local governments through the COVID-19 pandemic; transforming Aging services in response to the pandemic; and the CONNECT Beyond regional mobility plan. She also highlighted the technical services Centralina provided to local governments. She noted that the Centralina Area Agency on Aging and the Centralina Workforce Development Board took their services online and expanded their reach during the past year. She presented highlights from the first quarter of FY22, including the Regional Resilience Summit, the completion of CONNECT Beyond, redistricting support services, American Rescue Plan Act spending plan development support, COVID-19 vaccine outreach, and workforce services.

Linda Miller, Area Agency on Aging Director, presented an update on three grants Centralina received for COVID-19 vaccine outreach programs. She explained that a grant from the Centers for Disease Control and Prevention will be used to disseminate credible information about COVID-19. She also explained that

a grant from the NC Department of Health and Human Services will be used to identify individuals needing home vaccinations, while a grant from the Health Resources and Services Administration will be used to integrate vaccine outreach into Medicare education and counseling.

Reaghan Murphy, Regional Planner, explained that the Regional Planning department is helping identify low-vaccination areas and high-risk populations to target the vaccine outreach to specific audiences. She presented maps illustrating the relationship between vaccination rates and variables such as vehicle access and internet access.

David Hollars, Centralina Workforce Development Board Executive Director, highlighted Centralina's new workforce development mobile app which provides career seekers and employers access to resources including hiring events, workshops, and support services.

In response to a question from Mayor Pro Tem Martha Sue Hall, City of Albemarle, Mr. Hollars explained that there are a combination of factors contributing to the current labor shortage, including people's desire to go to work, the extension of unemployment benefits, an increase in the number of retiring baby boomers, and the lack of childcare. He noted that employers are trying to attract workers by adding benefits and increasing wages. He also noted that the labor shortage is impacting the supply chain which is impacting inflation.

4. CONNECT Beyond Plan Endorsement

Michelle Nance, Regional Planning Director, explained that the CONNECT Beyond regional mobility plan is the culmination of 18 months of work built on the region's strong leadership and technical expertise. She noted that the plan is a bold, long-term vision with short-term strategies focused on local needs.

The Delegates viewed a project overview video.

Ms. Nance summarized the stakeholder feedback received after the plan's draft recommendations were released.

Jason Wager, Assistant Regional Planning Director, presented an overview of Centralina's workplan as the CONNECT Beyond implementation manager as well as a schedule of upcoming plan update meetings.

Council Member Selberg made a motion to adopt the CONNECT Beyond plan, including its recommendations, and endorse Centralina Regional Council's role as the CONNECT Beyond implementation manager. Commissioner Ken McCool, Town of Matthews, seconded the motion and it carried with Commissioner David Williams, Union County, and Council Member Richard Wise, Town of Midland, voting in opposition.

5. Regional Dialogues Series Focus Group

Emily Parker, Senior Planner, explained that the Regional Dialogues Series is designed to connect Centralina with regional partners and stakeholders, understand the region's major opportunities and challenges, and use insights to inform Centralina's FY23-26 strategic plan and the 2021-2026 Comprehensive Economic Development Strategy. She presented the process timeline, key questions, and an overview of the strategic subcommittee.

The Delegates were divided into breakout rooms for small group discussions about issue areas impacting the region's quality of life, growth, and economic prosperity.

Comments from the Board of Delegates and Centralina Staff

There were no comments from the Board or Centralina staff.

Comments from the Executive Director

Ms. Gardner thanked the Board of Delegates for endorsing the CONNECT Beyond plan.

Comments from the Chairman

Chairman Compton noted that Centralina will hold a virtual workshop on November 16th focusing on emergency management as part of the Regional Resilience Collaborative project. He added that the event will bring together local and elected officials, nonprofits, businesses, and other regional stakeholders around the topic of disaster recovery.

He also noted that the application period for the CLT Aviation Academy is now open and explained that the academy provides a better understanding of the Charlotte Douglas International Airport and its contributions to the community as the region's biggest economic driver. He added that applications are being accepted through Friday, November 12th.

Chairman Compton extended well wishes to all Delegates running for re-election in November. He also recognized Mayor Bill Feather, Town of Granite Quarry, who noted he was not seeking re-election.

Mayor Feather noted that he has enjoyed his time with the Board.

Chairman Compton thanked all the Centralina Delegates and Alternates for representing their communities on the Board of Delegates for the past year.

Adjournment

With no further business to be discussed, Chairman Compton adjourned the meeting at 6:36 p.m.



CENTRALINA

REGIONAL COUNCIL

Item 4

Board Agenda Item Cover Sheet

Board Meeting Date:	February 9, 2022	Agenda Item Type:	Consent:		Regular:	X
Submitting Person:	Kelly Weston	Presentation Time:	30 minutes			
Presenter at Meeting:	Geraldine Gardner	Phone Number:	704-351-7130			
		Email:	ggardner@centralina.org			
Alternate Contact:	Kelly Weston	Phone Number:	704-348-2728			
		Email:	kweston@centralina.org			
Submitting Department:	Administration	Department Head Approval:	Geraldine Gardner			
Description of Agenda Item:						
<p>The Executive Director will present an overview of Centralina and highlights from FY2022. Delegates will then participate in an interactive exercise to learn more about Centralina's work and the roles and responsibilities of a Delegate.</p>						
Background & Basis of Recommendations:						
<p>The overview is intended to provide new Delegates with an introduction to the organization and serve as a refresher for returning Delegates.</p> <p>The attached Mid-Year Progress Report provides a current snapshot of Centralina's activities this year.</p>						
Requested Action / Recommendation:						
Receive as information.						
Time Sensitivity: <i>(none or explain)</i>	None.					
Budget Impact: <i>(none or explain)</i>	None.					
Attachments: <i>(none or list)</i>	<ul style="list-style-type: none"> • Board Update – FY22 Mid-Year Progress Report • See additional overview information in the Delegate handbook distributed electronically via email prior to the February 9th meeting. 					



CENTRALINA
REGIONAL COUNCIL

February 2022

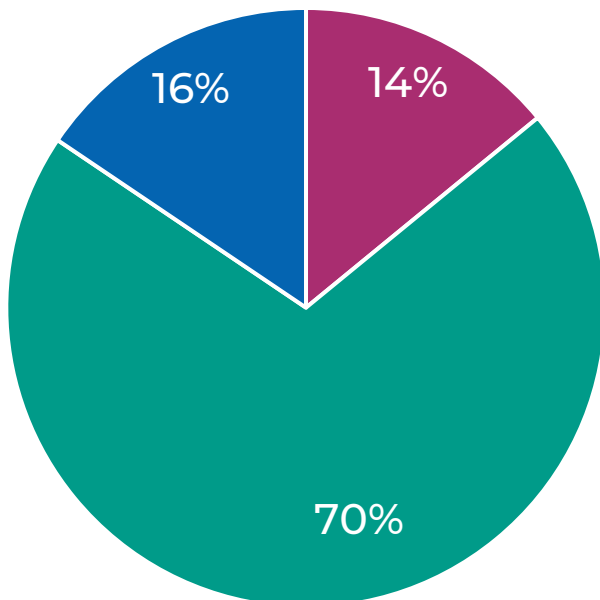
Board Update

FY22 Mid-Year Progress Report

The Centralina team has been working diligently on the implementation of the FY2022 workplan, which includes 136 strategies that support eight goals.

Halfway through the fiscal year we have either started or completed 84% of our activities for the year. The remainder of the strategies are scheduled to begin next quarter.

■ Completed ■ In Progress ■ Not Started



Our Goals

1. **Growth:** Manage cross-jurisdictional collaboration for coordinated regional growth
2. **Mobility:** Expand regional mobility choices and connections
3. **Health:** Improve the health and resilience of individuals, communities and our region
4. **Economic development:** Facilitate business and infrastructure investments in our local communities and regional economy
5. **Talent:** Provide talent tactics and solutions for a qualified and competitive workforce
6. **Innovation:** Support and champion our local governments
7. **Operations:** Enhance Centralina operations, infrastructure and partnerships
8. Complete Updates to framework documents that set a regional agenda for the next 3-5 years.

2nd Quarter Highlights & Success Stories

- Completed the **Regional Dialogues Series** engagement initiative to reconnect with Centralina stakeholders and understand priorities for regional collaboration.
- Adopted the **CONNECT Beyond** regional mobility initiative to set priorities for improving mobility and connectivity throughout the region.
- Supported local governments in understanding the **American Rescue Plan** funding opportunities and supporting spending plan development.
- **Increasing awareness** about the COVID-19 vaccine among older adults through marketing and proactive engagement with targeted populations.
- Launched the **NCWorks Centralina mobile app** to connect job seekers to resources, tools and information.
- Completed the **Regional Resilience Collaborative**, a federally-funded recovery initiative working group with local governments and regional emergency management professionals.
- **Preparing for the office move** to Resource Square 4, less than a half a mile north of our current location. We expect to occupy the new office by April 1st.

FY22 Technical Assistance Projects

We're proud to be working with the following local governments on a variety of technical assistance projects, such as land use planning, code enforcement and facilitation services.

City of Albemarle

City of Belmont

City of Bessemer

City of Charlotte

City of Cherryville

City of Gastonia

City of Lincolnton

City of Lowell

City of Statesville

Town of Dallas

Town of Granite Quarry

Town of Lilesville

Town of Marvin

Town of Morven

Town of Pineville

Town of Spencer

Town of Stallings

Town of Stanley

Town of Wingate

Anson County

Lincoln County

Mecklenburg County

Stanly County

Union County

Lake Wylie Marine
Commission



CENTRALINA

REGIONAL COUNCIL

Item 5



Board Agenda Item Cover Sheet

Board Meeting Date:	February 9, 2022	Agenda Item Type:	Consent: <input type="checkbox"/>	Regular: <input checked="" type="checkbox"/>	X
Submitting Person:	Denise Strosser	Presentation Time:	10 minutes		
Presenter at Meeting:	Denise Strosser	Phone Number:	704-372-2416		
		Email:	dstrosser@centralina.org		
Alternate Contact:	Geraldine Gardner	Phone Number:	704-348-2704		
		Email:	ggardner@centralina.org		
Submitting Department:	Finance	Department Head Approval:	Denise Strosser		
Description of Agenda Item:					
<p>The Board of Delegates will review the placeholder annual operating and pass-through budget proposals for Fiscal Year 2023. On January 12, 2022, the Executive Board voted to recommend these budgets to the Board of Delegates.</p>					
Background & Basis of Recommendations:					
<p>To comply with the Charter, the budgets for Centralina must be adopted by the Board of Delegates no later than April 15th of each year. The Board of Delegates meets in February and then again in May, so the adoption must occur prior to or at the February 2022 meeting to comply with the Charter.</p> <p>The membership dues assessment has remained at \$0.24 per capita with a minimum assessment of \$750 per member since FY2014. To promote membership participation and relieve financial burden among our smaller communities, management is recommending removing the \$750 minimum dues assessment and assess dues at actual population for all members. Of the current 60 members, this will relieve financial burden for 11 members and potentially encourage other smaller communities to join the council. With the recommendation to calculate member assessment on actual populations with no minimum assessment, revenue is projected to increase \$19,000 FY 2023 over FY 2022.</p>					
Requested Action / Recommendation:					
<p>Motion to approve FY2023 operating place holder budget and the passthrough place holder budget ordinances in the amount of \$7,508,647 and \$15,460,000, respectively and to approve the membership dues assessment of \$0.24 per capita and remove the minimum assessment of \$750 per member.</p>					
Time Sensitivity: <i>(none or explain)</i>	As described above.				
Budget Impact: <i>(none or explain)</i>	As described above.				
Attachments: <i>(none or list)</i>	<ul style="list-style-type: none"> • FY2023 Annual Operating Budget Ordinance • FY2023 Annual Pass-Through Budget Ordinance 				

Fiscal Year 2022 - 2023 Proposed Annual Operating Budget Ordinance

ANTICIPATED REVENUES	FY21 Audited YE Budget	FY21 Audited YE Actuals	FY22 Adopted Budget	FY22 Estimated CY Budget	FY23 Placeholder Budget
Program Revenues					
Restricted Intergovernmental Revenue	4,853,820	4,128,901	3,525,000	4,462,830	5,699,605 (1)
Technical Assistance Projects	2,379,532	2,341,384	1,500,000	1,168,485	621,569 (2)
Other Program Revenue	903,440	703,852	750,000	686,579	257,473 (3)
Fund Balance Appropriated	-	-	-	307,479	- (4)
Total Program Revenue	8,136,792	7,174,137	5,775,000	6,625,373	6,578,647
Other Revenues					
Member Dues Support	898,000	897,901	890,000	910,000	929,000
Interest and Other Revenue	63,544	60,137	3,000	1,000	1,000
Total Other Revenues	961,544	958,038	893,000	911,000	930,000
TOTAL ANTICIPATED REVENUES	9,098,336	8,132,175	6,668,000	7,536,373	7,508,647
EXPENSE APPROPRIATIONS					
Member services, Board and committees	462,117	388,478	350,000	279,299	225,000
Management and Business Operations	1,849,303	1,462,239	1,900,000	2,034,047	1,935,000
Information Technology	235,650	179,739	160,000	166,220	165,000
Community and Economic Development Depart.	1,162,588	1,078,205	990,000	1,042,690	696,188 (1)
Planning Department	2,640,165	2,394,453	1,909,000	1,336,478	620,509 (2), (3)
Area Agency on Aging Department	3,735,054	3,145,663	2,300,000	3,347,102	4,656,950 (1), (3)
Workforce Development Department	1,096,350	951,294	950,000	950,447	830,000
Indirect Costs Representation	(2,082,891)	(1,935,070)	(1,891,000)	(1,619,910)	(1,620,000)
TOTAL EXPENSE APPROPRIATIONS	9,098,336	7,665,001	6,668,000	7,536,373	7,508,647
Revenues over expenditures	-	467,174	-	-	-

(1) Net increase is due to ARPA funds received by Aging department offset by decrease in CARES and Disaster Relief grants in CEDC

(2) Net decrease due primarily to Connect beyond project ending.

(3) Net decrease due to UNCA project life ending and other smaller projects.

(4) Decrease due to relocation cost incurred in FY22, none are expected for FY23

Fiscal Year 2022-2023 Placeholder Grant Pass Through Budgets Proposal

<u>Program</u>	<u>FY21 Audited YE Budget</u>	<u>FY21 Audited YE Actuals</u>	<u>FY22 Adopted Budget</u>	<u>FY22 Current Authorization 11.30.2021</u>	<u>FY23 Placeholder Budget</u>
Area Agency on Aging					
HCC Block Grant	9,840,057	9,830,859	9,850,000	9,992,458	9,850,000
USDA Supplement	650,000	537,551	650,000	650,000	650,000 (1)
Title III-B Legal	157,361	91,531	85,000	88,405	85,000
Family Caregiver	541,020	505,483	520,000	555,020	520,000
Disease Prevention/Health Promotion	35,685	29,415	40,000	55,000	40,000
State Senior Center General Purpose	119,834	117,716	120,000	119,835	120,000
Heat Fan Relief	15,000	14,417	15,000	14,363	15,000
Families First	633,440	112,939	-	56,058	-
CARES HCC Block Grant Supplemental Nutrition	50,000	-	250,000	1,264,229	250,000
	<u>12,042,397</u>	<u>11,239,911</u>	<u>11,530,000</u>	<u>13,559,097</u>	<u>11,280,000</u>
Workforce Development					
WIOA - XX-4010 Administrative Cost Pool			50,000	110,900	450,000
WIOA XX-4020 Adult Services	95,661	27,695	1,097,000	1,194,675	1,275,000
WIOA XX-4030 Dislocated Worker			955,000	992,209	950,000
WIOA XX-4040 Youth Services	1,979,787	1,858,281	995,000	1,172,304	1,250,000
WIOA XX-4050 Youth Imitative			-	83,469	65,000
WIOA XX-4050 Finish Line Grant	194,593	190,351	20,000	112,891	105,000
WIOA XX- XXXX Infrastructure Cost			85,000	96,108	85,000
WIOA NC Works Innovation Fund	1,157,885	973,231	-	182,425	
NDWG COVID 2X-3130			80,000	250,322	
	<u>3,427,926</u>	<u>3,049,558</u>	<u>3,282,000</u>	<u>4,195,303</u>	<u>4,180,000</u>
Total Grant	<u>15,470,323</u>	<u>14,289,469</u>	<u>14,812,000</u>	<u>17,754,400</u>	<u>15,460,000</u>

(1) Program does not have a lump sum authorization currently. It is authorized at .75 per meal. Current Authorization is an estimate.



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Item 6



Board Agenda Item Cover Sheet

Board Meeting Date:	February 9, 2022	Agenda Item Type:	Consent:		Regular:	X
Submitting Person:	Kelly Weston	Presentation Time:	10 minutes			
Presenter at Meeting:	Nominating Committee	Phone Number:				
		Email:				
Alternate Contact:	Kelly Weston	Phone Number:	704-348-2728			
		Email:	kweston@centralina.org			
Submitting Department:	Administration	Department Head Approval:	n/a			
Description of Agenda Item:						
<p>The Nominating Committee will present the slate of nominees for Centralina's 2022 officers. The Board of Delegates will then vote to elect the officers.</p>						
Background & Basis of Recommendations:						
<p>Per Centralina bylaws, the Executive Board must form a 3-person Nominating Committee each year. The Committee's is charged with identifying a proposed slate of nominees for the offices of Chair, Vice Chair, Secretary, and Treasurer. Officers serve one-year terms or until their successors are elected.</p>						
Requested Action / Recommendation:						
<p>Motion to accept the Nominating Committee report and elect the slate of officers by acclimation.</p>						
Time Sensitivity: <i>(none or explain)</i>	Centralina bylaws require the Board of Delegates to elect and install officers at Board's first regular meeting of the year.					
Budget Impact: <i>(none or explain)</i>	None.					
Attachments: <i>(none or list)</i>	None.					



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No attachments for Items 7 - 8