

The Executive Board Agenda

Chairman Bobby Compton will convene a meeting of the Centralina COG Executive Board at 11:00 a.m. on Wednesday, April 10, 2019. A light lunch will be served. The meeting will be held in the Catawba Room of the Centralina COG Office on the 1st floor of the Broadcom building.

Time	Item	Presenter
11:00 a.m.	Lunch Please RSVP to Kelly Weston at kweston@centralina.org or (704) 348-2728 by 12:00 p.m. on Monday, April 8th so that catering can be arranged.	Kelly Weston
11:15 a.m.	Call to Order	Bobby Compton
	Amendments to the Agenda (if any)	Bobby Compton
Consent Items: <i>Consent agenda items may be considered in one motion and without discussion except for those items removed by a Board member.</i>		
11:20 a.m. Item 1 Pages 4 - 6	FY18-19 Budget Amendment This budget amendment represents changes to reflect Federal and State grant allocations as of March 25, 2019 as well as other contracts received and confirmed since the adoption of the budget. We will continue to update the budget as new funds are received from new business contracts or grants from state and federal agencies. The attached amendments are to replace the FY18-19 placeholder budget and prior amendments with current and up-to-date funding and expenditures. In general, this budget reflects a similar budget position compared to the same time last year. Action/Recommendation: <i>Motion to approve the FY18-19 operating and grants budget amendments.</i>	Denise Strosser
Item 2 Pages 8 - 22	Audit Contract The Executive Board is asked to approve the audit engagement letter from Cherry Bekaert for the fiscal year ending June 30, 2019. Action/Recommendation: <i>Motion to approve the audit engagement letter from Cherry Bekaert.</i>	Denise Strosser
Item 3 Pages 24 - 27	Federal Action Plan The FY20 Federal Action Plan directs the advocacy activities of CCOG's federal relations consultant, Leslie Mazingo of Strategics Consulting, for the upcoming fiscal year. The plan will also shape the action for advocacy meetings with the region's Congressional delegation during their August recess. Action/Recommendation: <i>Motion to approve CCOG's FY20 Federal Action Plan as presented.</i>	Leslie Mazingo
Item 4 Pages 29 - 31	Federal Relations Performance Report The Executive Board is asked to review and approve Strategics Consulting's performance report of federal relations activities from March 2019. Action/Recommendation: <i>Motion to accept the March 2019 Strategics Consulting performance report.</i>	Leslie Mazingo
Item 5 Pages 33 - 36	Approval of the March 20, 2019 Executive Board Meeting Minutes The minutes of the March 20, 2019 meeting have been distributed to all members of the Executive Board and should be approved if correct. Action/Recommendation: <i>Motion to approve the March 20, 2019 Executive Board Meeting Minutes.</i>	Bobby Compton

Regular Business Items:		
11:25 a.m. Item 6 5 minutes Pages 38 - 40	Bylaws Amendment The purpose of these amendments is to (a) clarify the term dates of the at-large members to the Executive Board, and (b) establish a formal procedure for selecting an Executive Board member to serve as CCOG's representative to the North Carolina Association of Regional Councils of Government's (NCARCOG) Forum board. The Executive Board is asked to recommend that the Board of Delegates adopt these amendments at its May 8, 2019 meeting. Action/Recommendation: <i>Motion recommending that the Board of Delegates approve the proposed amendments to the CCOG bylaws as presented.</i>	Kelly Weston
11:30 a.m. Item 7 10 minutes Pages 42 - 43	Merit-Based Salary Adjustment The budget for the Fiscal Year Ending June 30, 2020 will be adjusted for a 2% merit increase pool included in department budgets. The budget will be balanced with this increase. It has been our practice to receive separate authorization for implementation of the merit increase budget from the Executive Board. Action/Recommendation: <i>Provide direction to staff regarding the provision of merit increases with a total pool of 2.0% of salaries based on employee evaluation results.</i>	Geraldine Gardner
11:40 a.m. Item 8 60 minutes Page 45	Strategic Review Informal Work Session Geraldine Gardner, CCOG Executive Director, will facilitate a work session to receive input from the Executive Board as part of the strategic review process to develop the programmatic priorities for the coming fiscal year, as well as, input into a communication/branding refresh process for CCOG. Action/Recommendation: <i>Discuss and provide feedback during the work session.</i>	Geraldine Gardner
12:40 p.m. 5 minutes	Comments from the Executive Board	Board Members
12:45 p.m. 5 minutes	Comments from the Chair	Bobby Compton
12:50 p.m. 5 minutes	Comments from the Executive Director	Geraldine Gardner
12:55 p.m.	Adjournment	Bobby Compton
<p>Centralina Council of Governments complies with the Americans with Disabilities Act (ADA), which prohibits discrimination on the basis of disability. Centralina Council of Governments will make reasonable accommodations in all programs/services to enable participation by an individual with a disability who meets essential eligibility requirements. Centralina Council of Governments' 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.</p>		



Centralina Council of Governments

Item 1



Board Agenda Item Cover Sheet

Board Meeting Date:	April 10, 2019	Agenda Item Type:	Consent:	X	Regular:	
Submitting Person:	Denise Strosser	Presentation Time (est.):	5 minutes			
Presenter at meeting:	Denise Strosser	Phone Number/Ext:	704-348-2704			
		Email:	dstrosser@centralina.org			
Alternate Contact Person:	Geraldine Gardner	Phone Number/Ext:	704-348-2703			
		Email:	ggardner@centralina.org			
Submitting Department:	Finance	Department Head Approval:				
Board Expectation: <i>(required action or responsibility expected from Board members)</i>						
The required action from the Executive Board members is approval of the budget amendments for the operating and grants budgets.						
Description of Agenda Item:						
As required by general statute, attached is an updated budget amendment for FY18-19 operating and grant budgets.						
Background & Basis of Recommendations:						
A placeholder budget was approved by the Executive Board on January 10, 2018 and adopted by the Board of Delegates on February 7, 2018 as required by CCOG Charter. This initial “placeholder” budget is developed prior to receiving information from various state and federal agencies. This third amendment represents changes to reflect Federal and State grant allocations as of March 25, 2019 as well as other contracts received and confirmed since the adoption of the budget. We will continue to update the budget as new funds are received from new business contracts or grants from state and federal agencies. The attached amendments are to replace the placeholder budget and prior amendments with current and up to date fundings and expenditures. In general, this budget reflects a similar budget position compared to the same time last year.						
Action / Recommendation:						
Motion to approve the FY18-19 operating and grants budget amendments.						
Time Sensitivity (none or explain):						
Budget Impact (if applicable):	As indicated on attachments					
List of Attachments (if any):	Operating and Grants Budget Amendments					

Fiscal Year 2018 - 2019 Annual Operating Budget Ordinance

ANTICIPATED REVENUES	FY2018-2019 Adopted Budget	FY2018-2019 Budget As of 12.13.2018	FY2018-2019 Budget As of 2.25.2019	FY2018-2019 Budget As of 3.21.2019	Net Increase (Decrease)
Program Revenues					
Restricted Intergovernmental Revenue	4,100,000	4,647,703	4,440,437	4,440,437	-
Technical Assistance Projects	750,000	511,659	517,192	527,780	10,588
Contracts and fees	18,000	18,000	18,000	18,000	-
Other Program Revenue	657,000	307,678	459,178	459,178	-
Transfers In/(Out)	-	61,154	61,154	61,154	-
Fund Balance Appropriated	-	47,410	47,410	47,410	-
Total Program Revenue	<u>5,525,000</u>	<u>5,593,604</u>	<u>5,543,371</u>	<u>5,553,959</u>	<u>10,588</u>
Other Revenues					
Member Dues Support	830,000	835,000	835,000	835,000	-
Interest and Other Revenue	240,000	166,639	172,589	203,089	30,500
Total Other Revenues	<u>1,070,000</u>	<u>1,001,639</u>	<u>1,007,589</u>	<u>1,038,089</u>	<u>30,500</u>
TOTAL ANTICIPATED REVENUES	<u>6,595,000</u>	<u>6,595,243</u>	<u>6,550,960</u>	<u>6,592,048</u>	<u>41,088</u>
EXPENSE APPROPRIATIONS					
Board and Executive Committee	150,000	104,700	104,700	104,700	-
Management and Business Operations	1,875,000	1,691,988	1,702,988	1,702,988	-
Information Technology Division	130,000	110,000	110,000	110,000	-
Community and Economic Development	840,000	1,014,364	995,249	1,002,837	7,588
Planning Department	1,800,000	1,142,689	1,204,625	1,238,125	33,500
Area Agency on Aging	2,700,000	2,986,413	2,992,363	2,992,363	-
Workforce Development	1,000,000	1,295,089	1,191,035	1,191,035	-
Indirect Costs Representation	(1,900,000)	(1,750,000)	(1,750,000)	(1,750,000)	-
TOTAL EXPENSE APPROPRIATIONS	<u>6,595,000</u>	<u>6,595,243</u>	<u>6,550,960</u>	<u>6,592,048</u>	<u>41,088</u>
	-	-	-	-	
				Lincolnton Code Enforcemer	7,588
				Spencer Strategic Planning	<u>3,000</u>
					10,588
				CRTPO Community Viz	25,000
				CRTPO/GCLMPO Meeting	<u>5,500</u>
					30,500
				Total	<u><u>41,088</u></u>

Fiscal Year 2018-2019 Grant Project Budgets Amendment

<u>Program</u>	FY2018-2019 One Year Adopted Budget	1.9.2019 FY2018-2019 One Year Budget dated 12.13.2018	3.20.2019 FY2018-2019 One Year Budget dated 2.25.2019	4.10.2019 FY2018-2019 One Year Budget dated 3.25.2019	
Workforce Development					
WIOA ACP 18-4010 UpSkill Contract	-	-	104,345	104,345	No Change
WIOA 18-4020 Adult Services-2018	1,800,000	1,295,866	1,963,789	1,963,789	No Change
WIOA 18-4030 Dislocated Workers-2018	950,000	1,210,303	437,493	437,493	No Change
WIOA 18-4040 Youth Services-2018	1,350,000	1,284,833	1,284,833	1,284,833	No Change
WIOA Infrastructure Cost	-	-	107,511	107,511	No Change
WIOA Finish Line Grant	-	-	84,500	84,500	No Change
	<u>4,100,000</u>	<u>3,791,002</u>	<u>3,982,471</u>	<u>3,982,471</u>	
	FY2018-2019 One Year Adopted Budget	1.9.2019 FY2018-2019 One Year Budget dated 12.13.2018	3.20.2019 FY2018-2019 One Year Budget dated 2.25.2019	4.10.2019 FY2018-2019 One Year Budget dated 3.25.2019	
Area Agency on Aging					
HCC Block Grant	9,920,000	9,734,677	9,734,677	9,734,677	No Change
USDA Supplement	650,000	650,000	650,000	650,000 (1)	No Change
Title III-B Legal	87,000	150,000	150,000	150,000	No Change
Family Caregiver	431,000	517,966	517,966	517,966	No Change
Disease Prevention/Health Promotion	36,500	34,450	34,450	34,450	No Change
State Senior Center General Purpose	160,000	120,333	120,333	120,333	No Change
Heat Fan Relief	20,000	14,750	14,750	14,750	No Change
	<u>11,304,500</u>	<u>11,222,176</u>	<u>11,222,176</u>	<u>11,222,176</u>	
Total Grant Projects Budgets	<u>15,404,500</u>	<u>15,013,178</u>	<u>15,204,647</u>	<u>15,204,647</u>	

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



Centralina Council of Governments

Item 2



Board Agenda Item Cover Sheet

Board Meeting Date:	April 10, 2019	Agenda Item Type:	Consent:	X	Regular:	
Submitting Person:	Denise Strosser	Presentation Time (est.):	5 minutes			
Presenter at meeting:	Denise Strosser	Phone Number/Ext:	704-348-2704			
		Email:	dstrosser@centralina.org			
Alternate Contact Person:	Geraldine Gardner	Phone Number/Ext:	704-348-2703			
		Email:	ggardner@centralina.org			
Submitting Department:	Finance	Department Head Approval:				
Board Expectation: <i>(required action or responsibility expected from Board members)</i>						
The required action from the Executive Board members is approval of the audit engagement letter for the fiscal year ending June 30, 2019.						
Description of Agenda Item:						
As required by Centralina bylaws Article IV, expenditures of the Council's general operating revenue obtained through member assessment and are in in amount of more than \$50,000 shall be submitted to and approved by the Executive Board of the Council.						
Background & Basis of Recommendations:						
Cherry Bekaert was contracted during the year ending 2017 and has prepared the audit for the past two years. There has been a good working relationship with the audit firm and it continues to grow. The fees for the past two years are as follows:						
2017 – \$48,500						
2018 – \$49,500						
2019 – \$50,500 - proposed						
Action / Recommendation:						
Motion to approve the audit engagement letter from Cherry Bekaert.						
Time Sensitivity (none or explain):	Prior to May 6, 2019					
Budget Impact (if applicable):	None - Include in budget					
List of Attachments (if any):	Audit Engagement Letter					

February 20, 2019

The Board of Delegates
Centralina Council of Governments
9815 David Taylor Drive
Charlotte, NC 28262

This engagement letter between Centralina Council of Governments (hereafter referred to as the “Council” or “you” or “your” or “management”) and Cherry Bekaert LLP (the “Firm” or “Cherry Bekaert” or “we” or “us” or “our”) sets forth the nature and scope of the services we will provide, the Council’s required involvement and assistance in support of our services, the related fee arrangements and other Terms and Conditions, which are attached hereto and incorporated by reference, designed to facilitate the performance of our professional services and to achieve the mutually agreed upon objectives of the Council.

SUMMARY OF SERVICES

We will provide the following services to the Council as of and for the year ended June 30, 2019:

Audit and attestation services

1. We will audit the basic financial statements of the Council as of and for the year ended June 30, 2019, including the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information.
2. We will audit the individual fund statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards. As part of our engagement, we will apply certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.
3. We will apply limited procedures to the required supplementary information (RSI), such as Management’s Discussion and Analysis (MD&A) and Required Supplementary information as listed in the table of contents of the financial statements which will consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements.

Nonattest accounting and other services

We will provide the following additional services:

1. Complete the appropriate sections of and sign the Data Collection Form.

YOUR EXPECTATIONS

As part of our planning process, we have discussed with you your expectations of Cherry Bekaert, changes that occurred during the year, your views on risks facing you, any relationship issues with Cherry Bekaert, and specific engagement arrangements and timing. Our services plan, which includes our audit plan, is designed to provide a foundation for an effective, efficient, and quality-focused approach to accomplish the engagement objectives

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and meet or exceed the Council's expectations. Our service plan will be reviewed with you periodically and will serve as a benchmark against which you will be able to measure our performance. Any additional services that you may request, and that we agree to provide, will be the subject of separate written arrangements.

The Council recognizes that our professional standards require that we be independent from the Council in our audit of the Council's financial statements and our accompanying report in order to ensure that our objectivity and professional skepticism have not been compromised. As a result, we cannot enter into a fiduciary relationship with the Council and the Council should not expect that we will act only with due regard to the Council's interest in the performance of this audit and the Council should not impose on us special confidence that we will conduct this audit with only the Council's interest in mind. Because of our obligation to be independent of the Council, no fiduciary relationship will be created by this engagement or audit of the Council's financial statements.

The engagement will be led by Eddie Burke, who will be responsible for assuring the overall quality, value, and timeliness of the services provided to you.

AUDIT AND ATTESTATION SERVICES

The objective of our audit is the expression of [an opinion or opinions] as to whether the Council's basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the Summary of Services section when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on:

- Internal control over financial reporting and compliance with the provisions of applicable laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the State Single Audit Implementation Act.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance and State Single Audit Implementation Act report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and State Single Audit Implementation Act. Both reports will state that the report is not suitable for any other purpose.

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Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Uniform Guidance; the Single Audit Act Amendments of 1996; State Single Audit Implementation Act and OMB *Guidance for Grants and Agreements* (2 CFR 200) the State Single Audit Implementation Act and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance and State Single Audit Implementation Act, and other procedures as deemed necessary to enable us to express such opinions. We will also issue written reports upon completion of our Single Audit. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or issue reports, or may withdraw from this engagement.

NONATTEST ACCOUNTING AND OTHER SERVICES

The accounting and other services described in this section are nonaudit services, which do not constitute audit services under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming Council's management responsibilities.

Data Collection Form

We will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the Council; however, it is the Council's management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the designated federal audit clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

Council's management responsibilities related to accounting and other services

For all nonattest services we perform in connection with the engagement, you are responsible for designating a competent employee to oversee the services, make any management decisions, perform any management functions related to the services, evaluate the adequacy of the services, and accept overall responsibility for the results of the services.

Prior to the release of the report, the Council's management will need to sign a representation letter acknowledging its responsibility for the results of these services.

COUNCIL'S MANAGEMENT RESPONSIBILITIES RELATED TO THE AUDIT

The Council's management is responsible for (1) designing, implementing, and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4)

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ensuring that the Council's management and financial information is reliable and properly reported. The Council's management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and State awards and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationship in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

The Council's management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which it is aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance and State Single Audit Implementation Act, (3) additional information that we may request for the purpose of the audit and (4) unrestricted access to persons within the Council from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Council involving (1) the Council's management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Council received in communications from employees, former employees, grantors, regulators, or other. In addition, you are responsible for identifying and ensuring that the Council complies with applicable laws, regulations contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance and State Single Audit Implementation Act, it is the Council's management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

The Council's management is responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and State awards (including notes and noncash assistance received) in conformity with the Uniform Guidance and State Single Audit Implementation Act. You agree to include our report on the schedule of expenditures of federal and State awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and State awards. You also agree to include the

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audited financial statements with any presentation of the schedule of expenditures of federal and State awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and State awards in accordance with the Uniform Guidance and State Single Audit Implementation Act; (2) you believe the schedule of expenditures of federal and State awards, including its form and content, is stated fairly in accordance with the Uniform Guidance and State Single Audit Implementation Act; (3) the methods of measurement or presentation have not changed from those used in the prior period or, if they have changed, the reasons for such changes; and (4) the Council has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and State awards.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

The Council's management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. The Council's management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing Council's management views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

The Council's management agrees to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal and State awards, and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and State awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal and State awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them. The Firm will rely on the Council's management providing these representations to us, both in the planning and performance of the audit, and in considering the fees that we will charge to perform the audit.

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FEES

The estimated fee contemplates only the services described in the Summary of Services section of this letter. If the Council's management requests additional services not listed above, we will provide an estimate of those fees prior to commencing additional work.

The following summarizes the fees for the services described above:

<u>Description of Services</u>	<u>Estimated Fee</u>
Audit services	
Audit of the financial statements	\$ 47,000
Single Audit (per program)	3,500
Total	<u>\$ 50,500</u>

Fees are based upon the standard billing practices of the Firm, considering hourly rates for personnel working on the engagement, hours incurred to complete the engagement, and the complexity of the engagement.

The fees will be billed periodically. Invoices are due on presentation. A service charge will be added to past due accounts equal to 1½% per month (18% annually) on the previous month's balance less payments received during the month, with a minimum charge of \$2.00 per month.

If the foregoing is in accordance with your understanding, please sign a copy of this letter in the space provided and return it to us. If you have any questions, please call Eddie Burke at 919-782-1040

Sincerely,

CHERRY BEKAERT LLP



ATTACHMENT – Engagement Letter Terms and Conditions

Centralina Council of Governments

ACCEPTED BY: _____

TITLE: _____ DATE: _____

Cherry Bekaert LLP
Engagement Letter Terms and Conditions

The following terms and conditions are an integral part of the attached engagement letter and should be read in their entirety in conjunction with your review of the letter.

LIMITATIONS OF THE AUDIT REPORT

Should the Council wish to include or incorporate by reference these financial statements and our report thereon into *any* other document at some future date, we will consider granting permission to include our report into another such document at the time of the request. However, we may be required by generally accepted auditing standards (“GAAS”) to perform certain procedures before we can give our permission to include our report in another document such as an annual report, private placement, regulator filing, official statement, offering of debt securities, etc. You agree that the Council will not include or incorporate by reference these financial statements and our report thereon, or our report into any other document without our prior written permission. In addition, to avoid unnecessary delay or misunderstandings, it is important to provide us with timely notice of your intention to issue any such document.

LIMITATIONS OF THE AUDIT PROCESS

In conducting the audit, we will perform tests of the accounting records and such other procedures as we consider necessary in the circumstances to provide a reasonable basis for our opinion on the financial statements. We also will assess the accounting principles used and significant estimates made by the Council’s management, as well as evaluate the overall financial statement presentation.

Our audit will include procedures designed to obtain reasonable assurance of detecting misstatements due to errors or fraud that are material to the financial statements. Absolute assurance is not attainable because of the nature of audit evidence and the characteristics of fraud. For example, audits performed in accordance with GAAS are based on the concept of selective testing of the data being examined and are, therefore, subject to the limitation that material misstatements due to errors or fraud, if they exist, may not be detected. Also, an audit is not designed to detect matters that are immaterial to the financial statements. In addition, an audit conducted in accordance with GAAS does not include procedures specifically designed to detect illegal acts having an indirect effect (e.g., violations of fraud and abuse statutes that result in fines or penalties being imposed on the Council) on the financial statements.

Similarly, in performing our audit we will be aware of the possibility that illegal acts may have occurred. However, it should be recognized that our audit provides no assurance that illegal acts generally will be detected, and only reasonable assurance that illegal acts having a direct and material effect on the determination of financial statement amounts will be detected. We will inform you with respect to errors and fraud, or illegal acts that come to our attention during the course of our audit unless clearly inconsequential. In the event that we have to consult with the Council’s counsel or counsel of our choosing regarding any illegal acts we identify, additional fees incurred may be billed to the Council. You agree that the Council will cooperate fully with any procedures we deem necessary to perform with respect to these matters.

We will issue a written report upon completion of our audit of the Council’s financial statements. If, for any reason, we are unable to complete the audit, or are unable to form, or have not formed an opinion on the financial statements, we may decline to express an opinion or decline to issue a report as a result of the engagement. We will notify the appropriate party within your organization of our decision and discuss the reasons supporting our position.

AUDIT PROCEDURES – GENERAL

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve professional judgment about the number of

transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the Council's management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Council or to acts by the Council's management or employees acting on behalf of the Council. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of the Council's management of any material errors and fraud, or illegal acts that come to our attention during the course of our audit. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditor is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditor.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal and State awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

AUDIT PROCEDURES – INTERNAL CONTROLS

Our audit will include obtaining an understanding of the Council and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance and State Single Audit Implementation Act, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance and State Single Audit Implementation Act.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to the Council's management and

those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance and State Single Audit Implementation Act.

AUDIT PROCEDURES - COMPLIANCE

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Council's compliance with provisions of applicable laws and regulations, contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance and State Single Audit Implementation Act requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Council's major programs. The purpose of these procedures will be to express an opinion on the Council's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and State Single Audit Implementation Act.

NONATTEST SERVICES (IF APPLICABLE)

All nonattest services to be provided in the attached engagement letter (if applicable) shall be provided pursuant to the AICPA Code of Professional Conduct. The AICPA Code of Professional Conduct requires that we establish objectives of the engagement and the services to be performed, which are described under nonattest services in the attached letter.

You agree that the Council's designated individual will assume all the Council's management responsibilities for the nonattest services we provide; oversee the services by designating an individual, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. In order to ensure we provide such services in compliance with all professional standards, the designated individual is responsible for-

- Making all financial records and related information available to us.
- Ensuring that all material information is disclosed to us.
- Granting unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
- Identifying and ensuring that such nonattest complies with the laws and regulations.

The accuracy and appropriateness of such nonattest services shall be limited by the accuracy and sufficiency of the information provided by the Council's designated individual. In the course of providing such nonattest services, we may provide professional advice and guidance based on knowledge of accounting, tax and other compliance, and of the facts and circumstances as provided by the Council's designated individual. Such advice and guidance shall be limited as permitted under the Code of Professional Conduct.

COMMUNICATIONS

At the conclusion of the audit engagement, we may provide the Council's management and those charged with governance a letter stating any significant deficiencies or material weaknesses which may have been identified by us during the audit and our recommendations designed to help the Council make improvements in its internal control structure and operations related to the identified matters discovered in the financial statement audit. As part of this engagement we will ensure that certain additional matters are communicated to the appropriate members of the Council. Such matters include (1) our responsibility

under GAAS; (2) the initial selection of and changes in significant accounting policies and their application; (3) our independence with respect to the Council; (4) the process used by Council's management in formulating particularly sensitive accounting estimates and the basis for our conclusion regarding the reasonableness of those estimates; (5) audit adjustments, if any, that could, in our judgment, either individually or in the aggregate be significant to the financial statements or our report; (6) any disagreements with the Council's management concerning a financial accounting, reporting or auditing matter that could be significant to the financial statements; (7) our views about matters that were the subject of the Council's management's consultation with other accountants about auditing and accounting matters; (8) major issues that were discussed with the Council's management in connection with the retention of our services, including, among other matters, any discussions regarding the application of accounting principles and auditing standards; and (9) serious difficulties that we encountered in dealing with the Council's management related to the performance of the audit.

We have attached a copy of the report on our most recent peer review.

OTHER MATTERS

Access to working papers

The working papers and related documentation for the engagement are the property of the Firm and constitute confidential information. We have a responsibility to retain the documentation for a period of time to satisfy legal or regulatory requirements for records retention. It is our policy to retain all workpapers and client information for seven years from the date of issuance of the report. It is our policy to retain emails and attachments to emails for a period of 12 months, except as required by any governmental regulation. Except as discussed below, any requests for access to our working papers will be discussed with you prior to making them available to requesting parties. Any parties seeking access to our working papers must agree to sign our standard access letter.

We may be requested to make certain documentation available to regulators, governmental agencies (e.g., SEC, PCAOB, HUD, DOL, etc.) or their representatives ("Regulators") pursuant to law or regulations. If requested, access to the documentation will be provided to the Regulators. The Regulators may intend to distribute to others, including other governmental agencies, our working papers and related documentation without our knowledge or express permission. You hereby acknowledge and authorize us to allow Regulators access to and copies of documentation as requested. In addition, our Firm, as well as all other major accounting firms, participates in a "peer review" program covering our audit and accounting practices as required by the American Institute of Certified Public Accountants. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is possible that the work we perform for the Council may be selected by the other firm for their review. If it is, they are bound by professional standards to keep all information confidential. If you object to having the work we do for you reviewed by our peer reviewer, please notify us in writing.

Electronic transmittals

During the course of our engagement, we may need to electronically transmit confidential information to each other, within the Firm, and to other entities engaged by either party. Although email is an efficient way to communicate, it is not always a secure means of communication and thus, confidentiality may be compromised. As an alternative, we recommend using our Client Portal ("Portal") to transmit documents. Portal allows the Council, us, and other involved entities to upload and download documents in a secure location. You agree to the use of email, Portal, and other electronic methods to transmit and receive information, including confidential information between the Firm, the Council, and other third party providers utilized by either party in connection with the engagement.

Subpoenas

In the event we are requested or authorized by the Council, or required by government regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement for the Council, the Council will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expense, as well as the fees and expenses of our counsel, incurred in responding to such a request at standard billing rates.

Dispute resolution procedures

If any dispute, controversy or claim arises in connection with the performance or breach of this agreement, either party may, on written notice to the other party, request that the matter be mediated. Such mediation would be conducted by a mediator acceptable to both parties. Both parties would exert their best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute, controversy, or claim.

Waiver of Trial by Jury

In the event the parties are unable to successfully mediate any dispute, controversy or claim, the parties agree to WAIVE TRIAL BY JURY and agree that the court will hear any matter without a jury.

Independent Contractor

Each Party is an independent contractor with respect to the other and shall not be construed as having a trustee, joint venture, agency or fiduciary relationship.

No Third-Party Beneficiaries

The Parties do not intend to benefit any third party by entering into this Agreement, and nothing contained in this Agreement confers any right or benefit upon any person or entity who or which is not a signatory of this Agreement.

TERMS AND CONDITIONS SUPPORTING FEE

The estimated fees set forth in the attached engagement letter are based on anticipated full cooperation from the Council's personnel, timely delivery of requested audit schedules and supporting information, timely communication of all significant accounting and financial reporting matters, the assumption that unexpected circumstances will not be encountered during the audit, as well as working space and clerical assistance as mutually agreed upon and as is normal and reasonable in the circumstances. We strive to ensure that we have the right professionals scheduled on each engagement. As a result, sudden Council requested scheduling changes or scheduling changes necessitated by the agreed information not being ready on the agreed upon dates can result in expensive downtime for our professionals. Any last minute schedule changes that result in downtime for our professionals could result in additional fees. Our estimated fee does not include assistance in bookkeeping or other accounting services not previously described. If for any reason the Council is unable to provide such schedules, information and assistance, the Firm and the Council will mutually revise the fee to reflect additional services, if any, required of us to achieve these objectives.

The estimated fees contemplate that the Council will provide adequate documentation of its systems and controls related to significant transaction cycles and audit areas.

In providing our services, we will consult with the Council with respect to matters of accounting, financial reporting or other significant business issues as permitted by professional standards. Accordingly, time necessary to affect a reasonable amount of such consultation is reflected in our fee. However, should a matter require research, consultation or audit work beyond that amount, the Firm and the Council will agree to an appropriate revision in our fee.

The estimated fees are based on auditing and accounting standards effective as of the date of this engagement letter and known to apply to the Council at this time, but do not include any time related to the application of new auditing or accounting standards that impact the Council for the first time. If new auditing or accounting standards are issued subsequent to the date of this letter and are effective for the period under audit, we will estimate the impact of any such standard on the nature, timing and extent of our planned audit procedures and will communicate with the Council concerning the scope of the additional procedures and the estimated fees.

The Council agrees to pay all costs of collection (including reasonable attorneys' fees) that the Firm may incur in connection with the collection of unpaid invoices. In the event of nonpayment of any invoice rendered by us, we retain the right to (a) suspend the performance of our services, (b) change the payment conditions under this engagement letter, or (c) terminate our services. If we elect to suspend our services, such services will not be resumed until your account is paid. If we elect to terminate our services for nonpayment, the Council will be obligated to compensate us for all time expended and reimburse us for all expenses through the date of termination.

This engagement letter sets forth the entire understanding between the Council and the Firm regarding the services described herein and supersedes any previous proposals, correspondence, and understandings whether written or oral. Any subsequent changes to the terms of this letter, other than additional billings, will be rendered in writing and shall be executed by both parties. Should any portion of this engagement letter be ruled invalid, it is agreed that such invalidity will not affect any of the remaining portions.

System Review Report

January 10, 2017

To the Partners of Cherry Bekaert LLP
And the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Cherry Bekaert LLP (the firm), applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*; audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [Service Organizations Control (SOC) 1 and SOC 2 engagements].

In our opinion, the system of quality control for the accounting and auditing practice of Cherry Bekaert LLP, applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Cherry Bekaert LLP has received a peer review rating of *pass*.

EisnerAmper LLP
EisnerAmper LLP
Iselin, NJ

January 13, 2017

Howard Joseph Kies
Cherry Bekaert LLP
200 S 10th St Ste 900
Richmond, VA 23219

Dear Mr. Kies:

It is my pleasure to notify you that on January 12, 2017 the National Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is October 31, 2019. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,



Michael Fawley
Chair—National PRC
nprc@aicpa.org 919 4024502

cc: Marc T. Fogarty; Raymond R Quintin

Firm Number: 10011816

Review Number 451036

Letter ID: 1139057A



Centralina Council of Governments

Item 3



Board Agenda Item Cover Sheet

Board Meeting Date:	April 10, 2019	Agenda Item Type:	Consent:	X	Regular:	
Submitting Person:	Kelly Weston	Presentation Time (est.):	5 minutes			
Presenter at meeting:	Leslie Mazingo	Phone Number/Ext:	(202) 255-576			
		Email:	leslie@strategics.consulting			
Alternate Contact Person:	Geraldine Gardner	Phone Number/Ext:	704-348-2703			
		Email:	ggardner@centralina.org			
Submitting Department:	Administration	Department Head Approval:	Geraldine Gardner			
Board Expectation: (required action or responsibility expected from Board members)						
The Executive Board is asked to approve CCOG's Federal Action Plan for FY20.						
Description of Agenda Item:						
The FY20 Federal Action Plan directs the advocacy activities of CCOG's federal relations consultant, Leslie Mazingo of Strategics Consulting, for the upcoming fiscal year. The plan will also shape the action for advocacy meetings with the region's Congressional delegation during their August recess.						
Background & Basis of Recommendations:						
At the March 20, 2019 Executive Board meeting, the Board reviewed and provided feedback on the draft FY20 Federal Action Plan. The final plan includes the Board feedback received since that meeting.						
The plan will address the following issue areas:						
<ul style="list-style-type: none"> • Appropriations – Competitive Grants Eligibility • Appropriations – FY20 Funding Agencies and Programs • Older Americans Act Reauthorization • Federal Surface Transportation Reauthorization • Alternative Fuels Tax Incentives & Infrastructure Funding 						
Action / Recommendation:						
<i>Motion to approve CCOG's FY20 Federal Action Plan.</i>						
Time Sensitivity (none or explain):	None.					
Budget Impact (if applicable):	None.					
List of Attachments (if any):	FY20 Federal Action Plan					

2019 (FY20) FEDERAL ACTION PLAN

AREA	ISSUE	REQUESTED ACTION	HOW THIS BENEFITS THE CENTRALINA REGION
APPROPRIATIONS – COMPETITIVE GRANTS ELIGIBILITY	Regional councils / councils of governments (COGs) are not always explicitly eligible for competitive grants and direct funding from federal agencies	Amend definitions of local governments to include COGs. Submit request for appropriations report language to the following Appropriations Subcommittees: <ul style="list-style-type: none"> • Agriculture and Rural Development • Commerce, Justice, Science • Energy and Water • Interior, Environment, and Related Agencies • Labor, Health and Human Services • Transportation, Housing and Urban Development 	CCOG can apply for and administer grants benefiting the region and member governments
APPROPRIATIONS – FY20 FUNDING AGENCIES AND PROGRAMS	Retain current funding levels for certain federal agency programs that regional councils of governments (COGs) and member communities rely on for crucial planning, implementation and service delivery activities.	Work to protect the following agencies and programs and <i>at least</i> maintain funding levels in FY20 budget: <ul style="list-style-type: none"> • Aging Programs funded by Older Americans Act (HHS) • Workforce Innovation and Opportunity Act (WIOA) Funds (DOL, ED, HHS) • Economic Development Administration (Commerce) • BUILD Transportation Grants (DOT) • Clean Cities alternative fuel deployment program (DOE) and the Diesel Emission Reduction Grants Program (EPA) • Rural Development Programs (USDA) • Community Development Block Grants (HUD) • HOME Program (HUD) Housing Choice Voucher Program (HUD) 	Adequate funding for key programs and services directly supports: <ul style="list-style-type: none"> -Centralina Area Agencies on Aging -Centralina Workforce Investment Board -Centralina Economic Development District -Centralina Clean Fuels Coalition

AREA	ISSUE	REQUESTED ACTION	BENEFITS
OLDER AMERICANS ACT (OAA) REAUTHORIZATION	The Older Americans Act (OAA) will expire at the end of 2019 unless reauthorized. OAA provides critical funding for Area Agencies on Aging (AAA) in NC. As of 2019 there are more adults over the age of 60 in North Carolina, than youth under 18. Investing in individual health and wellness outcomes, as well as systems to support aging is a critical priority.	Work with Centralina Area Agency on Aging (CAAA) to incorporate policy and funding needs and pass timely reauthorization of the OAA before it expires. Ensure: <ul style="list-style-type: none"> • Sufficient and flexible funding to support the needs of NC’s growing aging population • AAAs remain the focal point for providing crucial aging services based on individual needs • OAA avoids imposing new restrictions on AAAs and Title VI service providers that would inhibit or prevent effective service delivery • OAA supports cost effective strategies such as aging in place, and coordinated regional planning 	OAA reauthorization and adequate, flexible funding will enable the CAAA to continue serving the region and provide older adults with crucial health, employment, safety and wellness programs.
FEDERAL SURFACE TRANSPORTATION REAUTHORIZATION	Reauthorization will provide resources for planning and investment in new and existing surface transportation network so that it is safe and efficient. Regional councils play an important planning and coordinating role in the overall transportation system.	The vision and values of local residents are best represented and advanced by shifting decision making to local communities and empowering local and regional planning for guiding investments and engaging citizens. Regional planning is at the heart of the federal transportation planning process. Productive federal policy would build on these regional institutions and support good planning. Reauthorization should: <ul style="list-style-type: none"> • Increase the overall funding levels of federal transportation programs, including support urban and rural transit projects that are greatly needed in growing regions, like Centralina. • Increase funding for regional planning, including support for NC COGs’ role in coordinating regional transportation with housing, economic development and growth. • Recognize COGs as the entities best suited to plan for and coordinate rural transportation needs. • Authorizes Regional Infrastructure Improvement Zones (RIIZs), a federal tax code change to allow businesses and individuals to make tax deductible contributions toward a regionally-approved infrastructure project. 	Safe, efficient and multi-modal transportation is essential to the Centralina region’s continued economic competitiveness and attractiveness for investment. With over 50% of the workforce commuting to another county for jobs, regional coordination is essential.

AREA	ISSUE	REQUESTED ACTION	BENEFITS
ALTERNATIVE FUELS TAX INCENTIVES & INFRASTRUCTURE FUNDING	Tax credits that support alternative fuels, vehicles, and infrastructure nationwide expired in 2016 and additional funding is needed to support alternative fuel infrastructure throughout major metropolitan regions.	Support the continued investment in alternative fuels (lithium ion batteries, ethanol, biodiesel, propane-powered, and natural gas) as a nationwide economic development and job creation opportunity by: <ul style="list-style-type: none"> • Funding Alternative Fueling Infrastructure in federal infrastructure legislation (i.e. to install the charging and fueling stations in the designated corridors and other locations) • Providing a minimum five-year extension of the tax incentives for alternative fuels, vehicles, and infrastructure, most of which expired at the end of 2016 	These efforts will support the Centralina Clean Fuels Coalition and its work on clean transportation projects in the region.



STRATEGICS

For more information contact Leslie Mazingo at (202) 255-5760 or leslie@strategics.consulting.



Centralina Council of Governments

Item 4



Board Agenda Item Cover Sheet

Board Meeting Date:	April 10, 2019	Agenda Item Type:	Consent: x	Regular:
Submitting Person:	Kelly Weston	Presentation Time (est.):	5 minutes	
Presenter at meeting:	Leslie Mozingo	Phone Number/Ext:	(202) 255-576	
		Email:	leslie@strategics.consulting	
Alternate Contact Person:	Geraldine Gardner	Phone Number/Ext:	704-348-2703	
		Email:	ggardner@centralina.org	
Submitting Department:	Administration	Department Head Approval:	Geraldine Gardner	
Board Expectation: <i>(required action or responsibility expected from Board members)</i>				
The Executive Board will review a report on activities associated with CCOG's federal relations efforts.				
Description of Agenda Item:				
The Executive Board is asked to review and approve Strategics Consulting's performance report of federal relations activities from March 2019.				
Background & Basis of Recommendations:				
Since 2015, the Executive Board has contracted with Strategics Consulting for federal relations consulting services. The Executive Board has requested that Ms. Mozingo present performance metrics reports at each of its meetings.				
Action / Recommendation:				
<i>Motion to accept the March 2019 Strategics Consulting performance report.</i>				
Time Sensitivity (none or explain):	None.			
Budget Impact (if applicable):	None.			
List of Attachments (if any):	Strategics Performance Report: March 2019			

PERFORMANCE REPORT: MARCH 2019

VALUE TO CCOG

Review and provide feedback on federal competitive grants prior to submission, draft letters of support and organize support strategies.

- ✓ Historic Preservation Subgrant Program application in process.

Analyze federal agency grants for areas of opportunities to support CCOG priorities:

- Innovation Corridors
 - Career Headlight
 - Regional Freight
- ✓ Nothing new to report.

Where there are no good fits, work with CCOG to start creating new opportunities for the priorities listed above.

- ✓ Started process for annual appropriations report language request, including revisions to language to reflect FY20 request, draft request letters to the relevant subcommittees, and communications with CCOG's Congressional Delegation staff on same.

Alert CCOG to competitive grant funding opportunity announcements.

- ✓ Sent special alert regarding Community Challenge grant from AARP.

Alert CCOG to legislation and executive action where new funding opportunities are created.

- ✓ Reviewed Older Americans Act priorities outlined by Meals on Wheels America.

Build knowledge of CCOG's positive reputation with Congressional Delegation and Executive Offices.

- ✓ Prepared customized packets for Hill meetings during three different DC conferences – National Association of Counties (NACO), National League of Cities (NLC) and National Association of Development Organizations (NADO) – and communicated on same with CCOG members and Executive Director during those conferences while also personally attending each.
- ✓ Worked with Executive Director and department Directors on draft Federal Action Plan.
- ✓ Met with District Director for Member of CCOG's Congressional Delegation to discuss upcoming grants, local meetings and other ways to work together.

Connect CCOG with key points of contact.

- ✓ Scheduled DC meetings for Executive Director, and attended the meetings, during NADO Conference.

Report quarterly to Executive Board.

- ✓ Reported to Executive Board during March 20th meeting.
- ✓ Prepared March Performance Report for presentation to Executive Board on April 10th.

VALUE TO CCOG MEMBERS

Provide notice on competitive grant opportunities for local governments.

- ✓ Worked on quarterly update to Annual Forecast of competitive grants available to local governments.

Conduct quarterly “Lunch and Learn” grants workshops at CCOG offices.

- ✓ Next workshop being discussed for possibly May.

Review and provide feedback on six federal competitive grants brought forward from CCOG members on a first-come-first-serve basis, prior to submission, as well as draft letters of support and organize support strategy for those six applications.

- ✓ No requests made this month.

Draft customized talking points for communications with Congressional Delegation and staff members.

- ✓ Prepared customized talking points for CCOG members’ Hill meetings during three different DC conferences –NACO, NLC and NADO.

ADDITIONAL WORK PERFORMED

- ✓ Continued communications with CCOG staff regarding statistical information needed for the MSA HUD issue.
- ✓ Strategy call with CCOG staff regarding funds threatened by HUD for Union County.
- ✓ Communicated in detail with Executive Director regarding strategy following DC meetings.
- ✓ Updating annual calendar for next call with Executive Director.

For more information, contact Leslie Mazingo at (202) 255-5760 or leslie@strategics.consulting.



Centralina Council of Governments

Item 5



**Executive Board Meeting Minutes
March 20, 2019**

Officers Present	Delegates Present	Delegates Not Present	Centralina Staff
Bobby Compton, Chairman Jay McCosh, Vice Chairman Jarvis Woodburn, Secretary William Morgan, Treasurer	Deloris Chambers John Crump Larken Egleston Bill Feather Trevor Fuller Brent Moser Rich Permenter Lynn Shue <i>Via Phone</i> Gene Houpe	Frank Aikmus Zach Almond Autumn Michael Nick Walsh Jim Watson Ronnie Worley	Geraldine Gardner Emily Hickok Debi Lee Linda Miller Sherika Rich Angel Stoy Kelly Weston Venecia White Bobby Williams <i>Guest</i> Leslie Mozingo, Strategics Consulting

Call to Order

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

Amendments to the Agenda

There were no amendments to the agenda.

Consent Agenda

- 1. FY18-19 Budget Amendment**
- 2. Approval of the January 9, 2019 Executive Board Meeting Minutes**

Council Member Larken Egleston, City of Charlotte, made a motion to approve the consent agenda. Treasurer William Morgan, City of Statesville, seconded the motion and it carried unanimously.

3. 2019 CCOG Conference Report

Angel Stoy, Aging Specialist, presented a recap of the 2019 CCOG Regional Conference and pre-conference workshop. She noted that there were 65 attendees at the March 7th workshop, including members of the Executive Board. She also noted that there were 175 attendees at the March 8th conference, including individuals from within and outside of the region. She added that she was glad to see many of the Board Members there as well. She further noted that 27 municipalities and 7 counties were represented at both events. Overall, the feedback for both the workshop and conference has been largely positive. She presented a preliminary financial report of the conference and workshop. She noted that there was a major cost savings in the venue rental fees. She also noted that the event did well with sponsorships, raising \$32,100. Overall, revenues exceeded expenditures and the event will have a projected surplus of over \$13,000.

Emily Hickok, Marketing and Communications Manager, presented a summary of marketing activities for the conference. She explained that CCOG rolled out a new conference logo this year and created banners and ads that can be repurposed for other marketing efforts in the future. She noted that the event reached 7,000 individuals via social media.

Chairman Compton stated that staff did a great job with planning the conference and added that the venue was good. He noted that the event showed a lot of good regional collaboration and exceeded the financial goal of breaking even.

4. FY19-20 Strategic Priorities Update

Geraldine Gardner, Executive Director, noted that in her first 12 weeks at CCOG, she has met with 25 of the organization's 58 member communities. She added that it has been insightful spending time gaining a better understanding of the region and its priorities and identifying where opportunities and challenges exist. She explained that between now and June 30th, she would like to work on a strategic review and examine the organization's mission and priorities in a 2-year timeframe. She presented a draft review plan organized as a series of objectives, outcomes and deliverables based on three themes: 1) mission and priorities, 2) internal operations, and 3) branding, external communication, and engagement. She added that there will be a standing item on the Directors Team, Management Team, Executive Board, and Board of Delegates meeting agendas to address key questions and have strategic conversations.

In response to questions from Commissioner Trevor Fuller, Mecklenburg County, Ms. Gardner explained that the Executive Board's role would involve reviewing documents ahead of meetings, bringing feedback to meetings, and helping ensure Delegates attend Board of Delegates meetings or identify other ways to include their voices in the strategic process. She added that to avoid making additional demands of Board Members' time, the plan is focused on using the opportunities in which staff is already engaging with Board Members, though a subcommittee for further engagement would be welcome. She noted that success will have to be defined collectively, but should include conversations with members a year from now about the work CCOG has done in their communities and why they should be members of the organization.

In response to questions from Council Member Egleston, Ms. Gardner explained that the organization needs to build a bigger pipeline so there are more resources to do its work. She added that having more focused priorities will help set the agenda for what the organization is trying to accomplish, which will include identifying linkage points between the work of member communities so CCOG can provide resources to help members achieve their goals. She also added that the organization may need to pick one or two issues to prioritize, but that will need to be a collective decision.

Chairman Compton noted that the region changes with each election cycle, and CCOG needs to change as the region changes.

In response to a question from Vice Chairman Jay McCosh, Town of McAdenville, Ms. Gardner noted that CCOG departments currently provide a number of informative training opportunities such as CCOG U, which covers cutting-edge planning topics for the region's planners. She added that there may be other trainings CCOG can offer from a government operations standpoint through partnerships with UNC School of Government and UNC Charlotte that will help local communities control the cost of government.

Vice Chairman McCosh noted that part of the role of the Executive Board is to support the success of the organization. He further noted that smaller communities may find value in their membership through the training offerings.

Secretary Jarvis Woodburn, Anson County, noted that because the councils in member communities have changed over the years, they could also benefit from a re-education of CCOG services in addition to training opportunities.

Commissioner Rich Permenter, Lincoln County, noted that defining success has to involve an elevator speech that communicates the inherent value of CCOG.

Chairman Compton noted that a lot of information came out of the CONNECT Our Future project, which ended five years ago. The project's website has 75 best practice tools that Executive Board Members can share with their communities. He also noted that training for newly elected officials may be beneficial.

Vice Chairman McCosh suggested simplifying the CCOG 10 Fast Facts marketing collateral.

Chairman Compton asked the Board Members to review the Strategic Planning Process Overview to help continue the conversation about strategic priorities.

5. Federal Relations Update

Leslie Mazingo, Strategies Consulting, presented the performance report of federal relations activities from January and February. She also presented a draft Federal Action Plan. She explained that the plan directs her federal advocacy activities and also provides direction to federal elected officials and their staff on behalf of CCOG.

Ms. Gardner added that the plan will help shape action around advocacy meetings during Congress's August recess.

Commissioner Permenter noted that the plan represents value added for CCOG membership and sends a cohesive, regional message to federal legislators.

Chairman Compton asked the Board Members to review the draft Federal Action Plan and provide comments prior to the next Executive Board meeting.

Vice Chairman McCosh made a motion to accept the Strategies Consulting performance report for January through February 2019. Treasurer William Morgan, City of Statesville, seconded the motion, and it carried unanimously.

6. Chairman's Appointment of At-Large Members to the Executive Board

Chairman Compton reported that he selected Council Member Michael Johnson, City of Statesville, and Mayor Pro Tem Martha Sue Hall, City of Albemarle, to fill the two at-large seats on the Executive Board for a one-year term. He noted that Council Member Johnson is CCOG's representative to the North Carolina Association of Regional Councils of Government's Forum board and current chair of the Charlotte Regional Transportation Planning Organization, a role that brings him into contact with people who can help with the regional transportation plan. Chairman Compton also noted that Mayor Pro Tem Hall has been involved with CCOG since the 1990s and is involved with the North Carolina League of Municipalities. He added that both are past CCOG Chairs and their experience will be helpful to him as the new Chair and to Ms. Gardner as the new Executive Director. He further noted that he is not opposed to appointing new individuals to the Executive Board in the future.

Secretary Woodburn and Treasurer Morgan agreed that both were good selections.

Comments from the Executive Board

There were no comments from the Board.

Comments from the Chair

Chairman Compton noted that the next Executive Board meeting will be held at the CCOG office on April 10th. He added that Kelly Weston, Clerk to the Board, will send the Board Members a scheduling poll to identify an earlier time for the meeting. He also noted that the next Board of Delegates meeting will be held on May 8th at the CCOG office. The Delegates will discuss the strategic review at that meeting.

He also reported that he had considered forming a Membership Committee, but will not move forward with it at this time. In the meantime, he asked the Board Members to encourage Delegates from communities in their counties to attend meetings.

Treasurer Morgan requested a list of municipalities that are not members of CCOG.

Mayor Pro Tem Deloris Chambers, Town of Badin, noted that several communities have withdrawn from CCOG over the years, and there must be something the Board can do to bring them back.

Commissioner Lynn Shue, Cabarrus County, noted that smaller communities receive the same membership benefits as larger communities and counties.

Commissioner Fuller noted that engaging local government staff may make it easier to get buy-in from elected officials.

Comments from the Executive Director

Ms. Gardner reported that former CCOG Treasurer and former Weddington Mayor Bill Deter attended the Weddington Town Council meeting last week to speak on behalf of CCOG since the town is considering withdrawing its membership in the organization.

Ms. Gardner also reported that Denise Strosser has been promoted to Chief Financial Officer.

Adjournment

Mayor Feather made a motion to adjourn the meeting. Commissioner Fuller seconded the motion, and it carried unanimously.

The meeting adjourned at 7:33 p.m.



Centralina Council of Governments

Item 6



Board Agenda Item Cover Sheet

Board Meeting Date:	April 10, 2019	Agenda Item Type:	Consent:		Regular:	X
Submitting Person:	Kelly Weston	Presentation Time (est.):	5 minutes			
Presenter at meeting:	Kelly Weston	Phone Number/Ext:	704-348-2728			
		Email:	kweston@centralina.org			
Alternate Contact Person:	Geraldine Gardner	Phone Number/Ext:	704-348-2703			
		Email:	ggardner@centralina.org			
Submitting Department:	Administration	Department Head Approval:	Geraldine Gardner			
Board Expectation: <i>(required action or responsibility expected from Board members)</i>						
The Executive Board is asked to review proposed amendments to the CCOG bylaws and recommend that the Board of Delegates adopt the amendments at its next meeting.						
Description of Agenda Item:						
<p>The purpose of these amendments is to (a) clarify the term dates of the at-large members to the Executive Board, and (b) establish a formal procedure for selecting an Executive Board member to serve as CCOG's representative to the North Carolina Association of Regional Councils of Government's (NCARCOG) Forum board.</p> <p>The Executive Board is asked to recommend that the Board of Delegates adopt these amendments at its May 8, 2019 meeting.</p>						
Background & Basis of Recommendations:						
<p>A) Changes to Article VII: Executive Board, Section A "Membership" and Section C "Term of Membership": The recommended changes clarify that the Board Chair will appoint at-large members at the March Executive Board meeting, which is the first meeting of the newly formed Executive Board following the Board of Delegates annual meeting. The changes also clarify that the at-large members will serve one-year terms from April 1 through March 31.</p> <p>B) Changes to Article IX: Officers, Section C "Duties of Chair": The recommended change adds to the Chair's duties the appointment of an Executive Board member to serve as CCOG's representative to the NCARCOG Forum board when that position is vacant. The Forum is comprised of elected officials from each COG in the state and serves as an advocacy and advisory group to the association.</p> <p>Per Article XI of the CCOG bylaws, a two-thirds majority vote and proper advance notice are both required to amend the bylaws at a meeting at which a quorum is present.</p>						
Action / Recommendation:						
Motion recommending that the Board of Delegates approve the proposed amendments to the CCOG bylaws as presented.						
Time Sensitivity (none or explain):	None					
Budget Impact (if applicable):	None					
List of Attachments (if any):	Centralina Council of Governments Proposed Bylaws Amendments for Executive Board Consideration - April 10, 2019					

CENTRALINA COUNCIL OF GOVERNMENTS

Proposed Bylaws Amendments for Executive Board Consideration April 10, 2019

Article VII: EXECUTIVE BOARD

A. **Membership:** The Executive Board shall be composed of: (1) The officers of the Council, (2) the delegate from each County member government, (3) the delegate from the City of Charlotte, and (4) one municipal delegate from each County area representing all municipalities within such County area, including one to represent the municipalities in the Mecklenburg County area other than the City of Charlotte. Provided, however, if a county, a County area, or the City of Charlotte has a delegate who is an officer of the Council, that unit shall not be entitled to an additional representative on the Executive Board. The municipal delegates from all municipal member government units within each County area (excluding the City of Charlotte delegate as to the Mecklenburg County area) shall elect from their number by caucus at the first Council meeting of the calendar year, the municipal delegate from the County area to serve on the Executive Board. Only delegates (not alternates) may serve on the Executive Board.

At-Large Member to the Executive Board: The Chair of the Executive Board may appoint two (2) elected members of the governing body of any member government to serve on the Executive Board upon the advice and consent of the Executive Board. The Chair shall make these appointments at the March Executive Board meeting. The at-large members shall serve for a term of one year commencing on April 1 and expiring on March 31 of the following year.

...

C. **Term of Membership:** The term of membership for all delegates on the Executive Board, **with the exception of the at-large members,** shall commence following the Council's first meeting of the calendar year, and the delegate shall serve until his or her successor is selected and qualified. Should any delegate cease to be an elected public official, that person shall no longer be eligible to be a delegate or to serve on the Executive Board. Vacancies created by death, resignation or otherwise shall be filled in the same manner as required for the selection of the member.

Article IX: OFFICERS

...

C. **Duties of Chair:** To preside over all meetings of the Council and its Executive Board and exercise such other duties and authority as otherwise set out in the Charter or these Bylaws or in resolutions of the Executive Board or the Council; **to appoint an Executive Board member to serve as the Council's representative to the North Carolina Association of Regional Councils of Government's Forum when that position is vacant;** to execute such instruments, contracts, or other documents in the name of the Council, as herein set out or as otherwise authorized; to supervise the Executive Director of the Council in the performance of his or her duties; and to perform such other tasks as required herein or as directed by the Executive Board or the Council.

...

[End of proposed Amendments.]



Centralina Council of Governments

Item 7



Centralina Council of Governments

Board Agenda Item Cover Sheet

Board Meeting Date:	April 10, 2019	Agenda Item Type:	Consent:	Regular:	X
Submitting Person:	Geraldine Gardner	Presentation Time (est.):	10 minutes		
Presenter at meeting:	Geraldine Gardner	Phone Number/Ext:	(704) 348-2703		
		Email:	ggardner@centralina.org		
Alternate Contact:	None	Phone Number/Ext:			
		Email:			
Submitting Department:	Executive	Department Head Approval:			
Board Expectation: (required action or responsibility expected from Board members)					
Authorize implementation of a merit-based salary adjustment for Centralina employees effective July 1, 2018.					
Description of Agenda Item:					
Merit-based salary adjustments					
Background & Basis of Recommendations:					
<p>The budget for the Fiscal Year Ending June 30, 2020 will be adjusted for a 2% merit increase pool included in department budgets. The budget will be balanced with this increase. It has been our practice to receive separate authorization for implementation of the merit increase budget from the Executive Board and I would like to request your approval for this implementation.</p> <p>Cost of living adjustments (separate from merit increases) have not been included within the budget, so for most employees, potential merit increases will be the only salary increase realized; merit adjustments are based on employee performance review and the recommendation of departmental directors. Merit increases supports maintaining competitive pay for our employees, which is especially important given the need to retain and attract high performing staff for the increasingly challenging and complex work delivered by Centralina in a highly competitive region.</p> <p>Over the last ten years, the Board has authorized salary adjustment as follows:</p> <p>2009 – No increase or merit adjustments 2010 – No increase or merit adjustments 2011 – No increase or merit adjustments 2012 – Cost of living adjustment (across the board) 2.5% 2013 – Pay and class adjustments (varied – and merit adjustment pool of 2.5%) 2014 – 2.5% merit adjustment pool (exact amount per employee varies dependent upon performance). 2015 – 2.5% merit adjustment pool (exact amount per employee varies dependent upon performance). 2016 – 2% merit adjustment pool (exact amount per employee varies dependent upon performance). 2017 – 2% merit adjustment pool (exact amount per employee varies dependent upon performance). 2018 – 2.5% merit adjustment pool (exact amount per employee varies dependent upon performance).</p> <p>This year we are recommending a 2% merit adjustment pool in order to ensure a balanced budget while accounting for increasing costs of fringe benefits. Key facts to consider:</p> <ul style="list-style-type: none"> • The cost of providing a merit adjustment pool of 2% is estimated at \$51,500. • LGRES retirement system has mandated a 1.2% increased in employer contributions per employee for the next three years. This requirement will cost \$34,300 before the proposed merit increase or \$35,000 after. • Health care costs continue to rise each year and for the coming fiscal year Centralina’s premium and fees will be 8% higher, increasing insurance costs by \$25,000. • The total cost of the aforementioned increase to LGRES, health care contributions, and 2% merit 					



pool is \$111,500.

- Of that amount, \$56,300 will be reimbursed by grant revenues (direct and fringe), leaving a net amount of \$55,200 to be funded by non-grant funds. The principle sources of non-grant funds include member dues and technical contract services. Projected revenues from these sources indicate sufficient revenues to recover the cost of merit increases.

Action / Recommendation:

Provide direction to staff regarding the provision of merit increases with a total pool of 2.0% of salaries based on employee evaluation results.

Time Sensitivity (*none or explain*): As noted.

Budget Impact (*if applicable*): Merit increases would add a gross cost of \$111,500 of which approximately \$55,200 net is non-grant reimbursed cost. Unavoidable benefit cost included in \$55,200 is \$30,000 resulting in net additional cost to CCOG of \$25,200.

List of Attachments (*if any*): None



Centralina Council of Governments

Item 8



Board Agenda Item Cover Sheet

Board Meeting Date:	April 10, 2019	Agenda Item Type:	Consent:		Regular:	x
Submitting Person:	Geraldine Gardner	Presentation Time (est.):	60 minutes			
Presenter at meeting:	Geraldine Gardner	Phone Number/Ext:	704-348-2703			
		Email:	ggardner@centralina.org			
Alternate Contact Person:	Kelly Weston	Phone Number/Ext:	704-348-2728			
		Email:	kweston@centralina.org			
Submitting Department:	Administration	Department Head Approval:				
Board Expectation: <i>(required action or responsibility expected from Board members)</i>						
The Executive Board will engage in an work session as part of the strategic review process.						
Description of Agenda Item:						
Geraldine Gardner, CCOG Executive Director, will facilitate a work session to receive input from the Executive Board as part of the strategic review process to develop the programmatic priorities for the coming fiscal year, as well as, input into a communication/branding refresh process for CCOG.						
Background & Basis of Recommendations:						
This is the first in a series of work sessions to inform the stratetgic review process that was discussed with the Executive Board at the March 2019 meeting.						
Action / Recommendation:						
Discuss and provide feedback during the work session.						
Time Sensitivity <i>(none or explain):</i>	None					
Budget Impact <i>(if applicable):</i>	None					
List of Attachments <i>(if any):</i>	None					