

## Executive Committee Minutes

April 19, 2023

The Executive Committee met Wednesday, April 19, 2023 at the Lexington Senior Center. Chair Mayor Robert Blythe called the meeting to order at 4:00 p.m. The following members were present:

<b>Anderson County</b>	<b>Bourbon County</b>	<b>Boyle County</b>
	Judge Mike Williams	Judge Trille Bottom
<b>Clark County</b>	<b>Estill County</b>	<b>Fayette County</b>
Mayor JoEllen Reed	Judge Donnie Watson	Chris Ford
<b>Franklin County</b>	<b>Garrard County</b>	<b>Harrison County</b>
Judge Michael Mueller		Mayor James Smith
<b>Jessamine County</b>	<b>Lincoln County</b>	<b>Madison County</b>
	Judge Woods Adams	Mayor Robert Blythe
<b>Mercer County</b>	<b>Nicholas County</b>	<b>Powell County</b>
	Judge Steve Hamilton	James Caudill
<b>Scott County</b>	<b>Woodford County</b>	
Jared Hollon	Mayor Brian Traugott	

Others present were:

Staff		Guests
Michael Buschmann	Mike Riley	Ed Burtner
David Duttlinger	Celeste Robinson	Officer Joe Lain
Shane New	Kelly Rode	Judge Les Yates

A quorum was declared present.

### Minutes

Secretary Judge Steve Hamilton directed the Board to pages 1-4 of the packet for the March 22, 2023 Executive Committee Meeting minutes. Judge Hamilton asked for approval of the minutes. A motion was made by Mayor James Smith and seconded by Mayor JoEllen Reed to approve the March 22, 2023 Executive Committee Meeting Minutes. The motion carried.

### Financial Report

Michael Buschmann, CFO, directed the Executive Committee to the Financial Report that was available at the sign in desk. For the month of March 2023 our current year expenses exceeded revenue giving us

a current year fund balance of -\$328,000. This negative fund balance is labeled on the Statement of Financial Position, as well as on the year-to-date statement of activities, where it is called “Change in Net Assets”. This loss is mainly due to undrawn funds in the Workforce Program and the hold on payment in the Aging Program due to the Audit. Michael Buschmann expects that the Workforce Program should be caught up by either the end of April or early May 2023. The Aging Program will be completely caught up as soon as the Audit is submitted to the Department of Aging and Independent Living.

The Statement of Activities shows our expenses exceeding revenue for the month of March by \$187,000. During the same time period individual programs have Net Income as follows:

Program	Net Income
Aging	\$99,000
Community Planning	(105,000)
Workforce	(\$148,000)
Other	(\$33,000)

Due to cyclical invoicing, programs should be caught up in the next month and we should see our revenue exceeding our expenses.

David Duttlinger complimented the great work of both Michael Buschmann and Mike Riley. He reported that all of the information needed to complete the audit has been submitted to the auditors. The auditors have indicated a three-week completion time. As soon as the audit is returned to the Bluegrass Area Development District it will be submitted to the State. It is anticipated that there will be findings in this audit, the majority of which have already been addressed and corrected.

David Duttlinger also reported on the approximately \$390,000 deficit in the workforce program that is currently owed to Equus, the direct service provider. The entirety of this money was spent on eligible workforce services and eligible recipients. Mike Riley has been able to negotiate with the State to help the situation. The State realizes that our workforce program simply overspent in serving the community. There have been no disallowed costs. The State has agreed to shift money from an underspent area the state (EKCEP) in order to pay our direct service provider the money owed to them. The state has asked that the BGADD budget paying this money back to EKCEP in the three years.

James Caudill a motion to approve the March 2023 Financial Report. The motion was seconded by Judge Mike Williams. The motion passed unanimously.

### **Report on Investment**

Michael Buschmann gave the Report on Investments. The beginning balance was \$679,074.77 and interest earned by \$2,007.68. The investment balance at the end of March 2023 was \$692,629.91. Judge Mike Williams made a motion to approve the March 2023 Report on Investments. The motion was seconded by Judge Donnie Watson. The motion carried.

### **Review of Credit Card Statements**

Chair Mayor Robert Blythe indicated that credit card statements were emailed to the group and asked for questions regarding the statements. A motion was made by Judge Steve Hamilton to approve the March Credit Card Statements. The motion was seconded by Judge Mike Williams. The motion passed unanimously.

### **District Staff Report**

Chair Mayor Robert Blythe called on David Duttlinger to review the District Staff Report. David indicated that you could find his report on page 5 of the packet. David Duttlinger indicated that an ADF (Area Development Fund) application can be found on pages 6-11 of the packet. The application was submitted for a new sheriff vehicle for Estill County. The total project cost is \$11,365. They are requesting \$10,561.23 from ADF for the project. Mayor James Smith made a motion to approve the ADF Fund Application as presented. The motion was seconded by James Caudill. The motion carried.

### **Aging Department Report**

David Duttlinger called on Celeste Robinson to give the Aging Department Report. She welcomed everyone to the Lexington Senior Center and encouraged members to take the optional tour after the meeting. She also reported that a focus for the year has been to help the socially isolated seniors in the region. Based on survey results, 112 individuals in the region scored as being socially isolated. The Aging Department will be distributing robotic animals to help with the effects of social isolation. Staff will be attending several conferences throughout the summer and into the fall. Celeste will report on those conferences as they happen. She also reminded the committee that May is older Americans month.

### **Community Planning Department Report**

David Duttlinger called on Shane New to give the Community Planning Department Report. Staff are starting the final push for CDBG grants. Any opportunities should be submitted before the end of April. The application window for the Kentucky Product Development Initiative through the Kentucky Cabinet for Economic Development is closing soon. Staff continues to work on Broadband efforts to help speed up the process. Staff also continues to work on opioid abatement money and finding clarification on correct application and receiving money.

David Duttlinger also encouraged committee members to inquire on whether or not they have met threshold for CDBG threshold eligibility.

### **Workforce Department Report**

David Duttlinger called on Mike Riley to give the Workforce Department update. He indicated that the past several weeks has involved many staffing changes for the Workforce Department. He indicated that several staff have returned from layoffs. The department is ready to hit the ground running. Many people have used the VR headsets and they continue to grow in popularity. Please let staff know if you would like to schedule a time to use the VR headsets. There are about 26 jobs fairs scheduled for May and June. Mike Riley also reported that the State has agreed to fund an additional \$379,000, which needs to be spent before June 30, 2023 in the youth programs. We will be able to hire 3 staff in youth development with this money.

David Duttlinger reported that the BGADD is experiencing a great success with an information technology security program called KnowB4. Jeremy Heard is heading up an effort to better educate staff, which in turn keeps the organization more secure. If committee members would like to explore this with their local staff, please let us know.

David also reported on an economic development issue in Mercer County. He indicated that KU/LG&E Energy has stopped the development of a mega industrial park and is petitioning to build a solar farm on the site. Other than the economic implications this would have on the region, there is also the issue of

local control. Currently this situation has been put in the hands of the state government and not locally. The BGADD will always advocate for local control.

Lastly, David recognized Logan Hart as the employee of the quarter for the Bluegrass ADD. Logan earned the award based on sacrifice and his work ethic.

### **Adjournment**

There being no further business, the committee asked for a motion to adjourn. Judge Mike Williams made a motion to adjourn the meeting. The motion was seconded by Judge Donnie Watson. The motion carried. The meeting adjourned at 4:56 p.m. Staff from the Lexington Senior Center and the Aging Department of the BGADD are on hand to give a tour of the Lexington Senior Center.



These minutes and attachments having been approved by the Executive Committee of the Bluegrass Area Development District on May 24, 2023 are hereby made part of the permanent records of the district.



Chair  
Mayor Robert Blythe