

**MINUTES OF  
THE EXECUTIVE BOARD MEETING  
10 A.M., FRIDAY, MAY 20, 2022  
IN-PERSON AND VIA ZOOM  
TOWN OF THATCHER  
3700 W. MAIN ST. THATCHER, AZ 85552**

OFFICERS PRESENT: Garino, Arturo – City of Nogales (Chair) (In-person)  
Gomez, David – Greenlee County (1<sup>nd</sup> Vice-Chair) (Zoom)  
Ortega, Richard – City of Safford (2<sup>nd</sup> Vice-Chair) (In-person)  
Budge, Ken – Mayor, City of Bisbee (Treasurer) (Zoom)

MEMBERS PRESENT: Ahmann, Stephen – PSR, Greenlee County (Zoom)  
Barlow, Bill – Councilmember, Town of Tombstone (In-person)  
Budd, David – PSR, Santa Cruz County (Zoom)  
Carlton, Eddy – Councilor, Town of Thatcher (In-person)  
David, Paul – Supervisor, Graham County (In-person)  
English, Ann – Supervisor, Cochise County (Zoom)  
Lopez, Ed – PSR, Graham County (In-person)  
Montoya, Luis- Mayor, Town of Clifton (Zoom)  
Valle, Dan- PSR, Cochise County (Zoom)  
Floyd, Heather- PSR, Cochise County (In-person)

STAFF PRESENT: Curtiss, Dina – Accounting Manager (Zoom)  
De La Cruz, Marisa- Community Coordinator (In-person)  
Dennis, Keith – Community Development Program Manager (Zoom)  
Glenn, Heather – Administrative Assistant (In-person)  
Heiss, Randy – Executive Director (In-person)  
Merideth, John – GIS Analyst (Zoom)  
Peterson, Stephen – Economic Development Program Manager (Zoom)  
Schumacher, Brenda- Office Specialist II (Zoom)  
Vertrees, Chris – Transportation Program Administrator (In-person)

GUESTS: Adam, Kevin – RTAC (In-person)  
Usevitch, Jim- Partner at Colby & Powell, PLC (Zoom)

**I. CALL TO ORDER/PLEDGE OF ALLEGIANCE/INTRODUCTIONS**

Chair Garino called the meeting to order at 10:02 a.m.

**II. MEMBER ENTITIES' DISCUSSION**

**Chair Arturo Garino** announced that the City of Nogales has a new City Manager, Ed Dickie. **Eddy Carlton**, Councilmember, Town of Thatcher was welcomed to the group. Eddy Carlton stated that they have been working with local organizations to come together to build a community recreation center. **Supervisor Ann English** thanked the members of SEAGO for their help with the Commercial Port of Entry in Douglas. It has been funded but that is just the first step and continued support is needed. **Supervisor Paul David** of Graham County recognized Keith Dennis for his help in Continuum of Care planning for Graham County. He also welcomed Marisa De La Cruz and thanked Heather Glenn for her work with the Executive Board. Chair Garino asked Marisa De La Cruz to share her background. Marisa De La Cruz stated she grew up in Elfrida, Arizona, graduated from Arizona State University with an Agribusiness Degree. She has returned to the area to be closer to her family.

### III. CALL TO THE PUBLIC

No one from the public was present.

### IV. PRESENTATION : Independent Auditor's Report and Audited Financial Statements for the year ending June 30, 2021

Jim Usevitch gave an overview of the audit of Fiscal Year 2021. He audited two major programs which were SEAGO Cares and the Area Agency on Aging. Both audits went very well. He acknowledged that Dina Curtiss had inherited a mess and had done a great job trying to clean up the financials. But there was a problem with the beginning trial balance and more work is needed to make them more accurate. It will now get posted to the Federal Audit Clearing house. He appreciates SEAGO's willingness to work with the auditors.

Paul David said he reviewed the finding, comments, and suggestions and emphasized his comments are meant as a request for how the Executive Board can help Dina, and not as criticism. Paul David asked if Jim Usevitch has high confidence that SEAGO has a handle on the issues that caused the audit finding. Jim suggested SEAGO could hire a CPA to assist Dina. Randy Heiss shared that SEAGO was taking a two-pronged approach to resolving the finding: we budgeted \$12,000 in the FY 2023 budget for an outside CPA's services; and we hired a new, dedicated person who could concentrate on assisting with the accounting tasks. He believes they have a good solid plan moving forward.

### V. ACTION ITEMS

1. Consent Agenda
  - a. Approval of the February 25, 2022 Minutes
  - b. Nomination to the Advisory Council on Aging

Chair Garino asked for a motion to approve the February 25, 2022 Minutes; Richard Ortega made the motion; second by Bill Barlow.

**MOTION:** Richard Ortega  
**SECOND:** Bill Barlow  
**ACTION:** Unanimous

Chair Garino asked for a motion to approve Mr. Valadee Crotts' nomination to fill the vacant position representing the Town of Duncan on the Advisory Council on Aging; Richard Ortega made the motion; second by Eddy Carlton.

**MOTION:** Richard Ortega  
**SECOND:** Eddy Carlton  
**ACTION:** Unanimous

2. Fiscal Year 2023 Budget Items
  - a. Sustainability of Fund Balance

Randy Heiss gave an overview of gains and losses in Fund Balance over the past thirteen fiscal years. The fund balance policy established by the Executive Board in 2015 sets the minimum unrestricted fund balance in the general fund at 50% of the prior fiscal year's total operating expenditures. In Fiscal Year 2021, operating expenditures were \$1,685,610. Fifty percent of the Fiscal year 2021 operating expenditures is \$842,805. The amount of fund balance available at the end of FY 2021 (\$1,914,743) amounts to 114% of

that year's actual operating expenditures and is the highest in SEAGO's history. Paul David commented that fund balance is admirable in spite of the new building expenses on campus. Health care and salary benefits were done very professionally.

b. Discussion and possible action to recommend approval of the FY 2023 Assessment Schedule

Randy Heiss explained that SEAGO did not have to increase any of the per capita amounts for the SEAGO dues. The only changes to the member dues are the result of using the 2020 census. If your community grew then your dues increased; if it got smaller then you would experience a decrease in the member dues. However, the RTAC board approved an increase in their assessment and this increased from 9.8 cents per capita to 11.3 cents per capital for fiscal year 2023.

Richard Ortega made a motion to approve the Fiscal Year 2023 Assessment Schedule. Seconded by Bill Barlow.

**MOTION:** Richard Ortega  
**SECOND:** Bill Barlow  
**ACTION:** Unanimous

c. Discussion and possible action to recommend approval of Resolution 2022-01 EDA Grant Authorization

Stephen Peterson explained that this resolution is for an Economic Development Administration (EDA) partnership planning assistance grant for funds in the amount of \$75,000 to continue the ability of SEAGO to administer the Economic Development District (EDD) program. The SEAGO EDD utilizes these funds not only for existing planning work but also possible expanded activities which will further the cause of economic development. The Resolution commits up to \$35,357 to allow SEAGO EDD to meet the subject grant's matching requirements and perform related economic development activities. The match is funded through an annual Economic Development Assessment paid by SEAGO member entities.

Eddy Carlton made a motion to approve Resolution 2022-01 for an EDA Partnership Planning Assistance Grant in the amount of \$75,000 and matching funds of up to \$35,357 funded through annual assessments paid by SEAGO member entities. Seconded by Richard Ortega.

**MOTION:** Eddy Carlton  
**SECOND:** Richard Ortega  
**ACTION:** Unanimous

d. Discussion and possible action for recommend approval of the proposed FY 2023 SEAGO Budget.

Dina Curtiss outlined the assumptions used in developing the FY 2023 budget, gave an overview of the proposed budget worksheet and offered to answer any questions.

Bill Barlow made a motion to approve Fiscal Year 2023 Budget. Second by Richard Ortega.

**MOTION:** Bill Barlow  
**SECOND:** Richard Ortega  
**ACTION:** Unanimous

3. Discussion and possible action to recommend approval of the proposed FY 2023 AAA Subaward Recommendations

Brenda Schumacher was filling in for Laura Villa and explained that the proposed Subaward recommendations were for home and community based services provided by service providers throughout the region. Subaward agreements were issued to providers in Fiscal Year 2020, with options to renew Subawards for up to additional 4 years. Subaward renewals were issued in Fiscal Years 2021, and 2022 and renewals will be issued in Fiscal Years 2023 and 2024 based on the recommendations developed by staff and approved by the Administrative Council and Executive Board. The Executive Board must consider tentative Subaward recommendations at this meeting so that Subaward agreements can be in place and services commenced by July 1<sup>st</sup>. Based on the anticipated funding levels available from the Arizona Department of Economic Security, AAA developed the funding levels by county area and potential Subaward recommendations for Fiscal Year 2023. It's important to remember that these are only the initial funding levels and they may be increased (or decreased) based on Subaward negotiations, utilization levels and future alerts from ADES.

Ann English made a motion to approve the proposed FY 2023 AAA Subaward Recommendations. Second by Richard Ortega.

**MOTION:** Ann English  
**SECOND:** Richard Ortega  
**ACTION:** Unanimous

## VI. INFORMATION ITEMS

### A. Future Meeting Dates

Randy Heiss stated that August 19<sup>th</sup> is the next Executive Board meeting. Randy Heiss explained SEAGO may hold a grand opening of the AAA building after this meeting. All meeting dates for the next 12 months are listed on the memo. He reminded officers of the Executive Board and Administrative Council to mark their calendars in case there is business that needs to be conducted before the next Executive Board Meeting. Ann English offered the county facility for SEAGO to use for the Executive Board meeting in August.

### B. Strategic Plan Progress Report

Randy Heiss reported there will be an all staff retreat at the Amerind Foundation on June 17, 2022. Melanie Greene will serve as the facilitator. The SEAGO team hopes to come up with some recommendations for effective objectives and tactics that will prime the discussion at our February 2023 Strategic Planning Retreat.

Randy also reported that House Bill 2729 sponsored by Representative Dalessandro was still awaiting a 3<sup>rd</sup> reading and final vote on the Senate floor. The bill would enable reimbursement at the federal travel reimbursement rates for employees of COGs and MPOs working under contracts with ADOT.

The new AAA office building passed its final inspection by the City of Bisbee. AAA employees have been moved into their new offices and the last computer was set up on the network yesterday. Randy is hoping that we can ride out the increase in asphalt prices before we proceed with paving. Paul David pointed out that this project was funded with state and federal funds and very little came out of SEAGO's fund balance. Paul David suggested a double layer of chip seal instead of the usual paving requirements and thought it would be good to check if there are any major paving projects happening nearby and can tack on the SEAGO job. Randy Heiss stated he is considering an IGA with the City of Bisbee or Cochise County to get the paving completed at a reasonable cost.

### C. Quarterly Finance Report

Dina Curtis provided an update on SEAGO finances and responded to questions.

D. Community Development Report

Keith Dennis provided an update on Community Development Programs and responded to questions.

E. SEAGO Economic Development District Report

Stephen Peterson provided an update on Economic Development and responded to questions.

F. AAA Updates

Brenda Schumacher provided an update on AAA Programs and responded to questions.

G. Transportation Program Updates

Chris Vertrees provided an update on Transportation Programs and responded to questions.

**VII. RTAC REPORT**

Kevin Adam provided an update and responded to questions.

**VIII. STAFF ANNOUNCEMENTS / CURRENT EVENTS**

Randy Heiss reported that the Administrative Council elected four officers for the first time. They have established a rotation structure similar to the Executive Board. Dan Coxworth of Cochise County is the Chair, Ronald Robinson of the Town of Patagonia is Vice-Chair, Derek Rapier of Greenlee County is Secretary, and Heath Brown of the Town of Thatcher is Treasurer. Next year, the Santa Cruz officer will rotate to the Chair position and the Cochise County office will drop to the Treasurer position. He also mentioned that the May meeting is usually when the Executive Director's performance review is done but it has been delayed until the August agenda because of the need to complete the AAA office and move staff into the new facility.

**IX. FUTURE AGENDA ITEMS**

Randy Heiss reminded everyone to contact him if they have an item they would like added to the agenda. Upcoming items include annual review for Executive Director, approval of SEAGO's Title VI plan, update to SEAGO's travel policy and succession planning for when he departs in January 2024.

**X. ADJOURNMENT**

Mayor Garino called for a motion to adjourn the meeting. Motion was made by Richard Ortega second by Bill Barlow. The meeting was adjourned at 11:57 a.m.

**MOTION:** Richard Ortega  
**SECOND:** Bill Barlow  
**ACTION:** Unanimous