

LOWCOUNTRY COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS MEETING
October 24, 2013
6:30 p.m.

MINUTES

	<u>PRESENT:</u>	<u>ABSENT:</u>
BEAUFORT COUNTY:	Brian Flewelling Mary Beth Heyward Bill McBride Joseph McDomick Jim Outlaw George Williams	Gerald Dawson (Proxy to B. McBride) Marc Grant Billy Keyserling (Proxy to B. Flewelling) Jerry Stewart Lisa Sulka (Proxy to Chair) Tabor Vaux (Proxy to Chair)
COLLETON COUNTY:	Esther S. Black Joseph Flowers Larry (Babe) Hutto Evon Robinson	Bobby Bonds Thomas (Tommy) Mann Gene Whetsell
HAMPTON COUNTY:	Frankie Bennett Charles Boyles, Jr. Lloyd Griffith James (Pete) Hagood Charles (Buddy) Phillips	J. L. Goodwin Nat Shaffer
JASPER COUNTY:	Sherry Carroll Joey Malphrus Gwen Johnson Smith	Henry Etheridge (Proxy to Chair) Henry Lawton, Sr.
GUESTS:	Bob Nanni, Hardeeville City Manager; Celia Price, Guest of Esther Black; Brad Samuel, SCANA C&ED & Local Government Representative; Lisa Weschler, CPA, Crowley, Wechsler & Assoc.	
STAFF:	Chris Bickley, Michelle Knight, Ginnie Kozak, Sherry Smith, Carol Stonebraker	

Chairman Gwen Johnson Smith called the October 24, 2013 Lowcountry Council of Governments regular board meeting to order at 6:30 p.m. and led the Pledge of Allegiance. Lloyd Griffith gave the invocation. Introduction of guests and staff followed. Minutes of the September 26, 2013 meeting were unanimously approved on motion by Pete Hagood with a second from Mary Beth Heyward. Proxies presented by the Executive Director included Gerald Dawson to Bill McBride, Billy Keyserling to Brian Flewelling and Henry Etheridge, Lisa Sulka and Tabor Vaux to the Chair. All were general proxies. The meeting proceeded after determining a quorum was present.

Chairman Smith called for Old Business and there was none. She addressed New Business and recognized Lisa Wechsler, CPA with Crowley, Wechsler & Associates, the COG's independent auditor, to present the Agency Audit for Fiscal Year Ending June 30, 2013. Advance copies of the audit report and accountant's statement were sent to board members, and hard copies were distributed at the meeting. Ms. Wechsler briefly commented on Wechsler & Associates and its qualifications. She then reviewed significant areas of the audit report including the financial statements, supplementary and compliance information and notes to the audit. The audit was conducted in accordance with auditing standards generally accepted in the USA, in Government Auditing Standards issued by the US Comptroller General, and requirements of OMB Circular A-33 *Audits of States, Local Governments and Non-Profit Organizations*. It was noted that for the year ended June 30, 2013, LCOG implemented GASB Statement No. 63, which re-titled "net assets" as "net position" and created two

non-asset/liabilities categories called “deferred outflows” and “deferred inflows”. The COG did not have deferred outflows or deferred inflows to report. Accounting methods did not change. As part of the audit, two of the COG’s programs—Home Investments Partnership Program (HOME) and the WIA Cluster—were selected for in-depth review. Ms. Wechsler stated that the COG qualified as a low-risk auditee with no material weaknesses or findings in its financial statements or federal awards. She said it was a clean, unmodified audit—unmodified replaces the term “unqualified” in prior years’ audit reports.

Ms. Wechsler reported on a finding last year in the WIA program where one non-income eligible client received services. She reviewed how the finding was corrected including reclassifying the affected funds, implementing additional controls, modifying intake software, and termination of a non-performing employee. The finding cleared and will not appear in next year’s audit.

Jim Outlaw moved to accept the audit report as information. He commended the executive director and staff for an outstanding job. Brian Flewelling seconded the motion, after which it unanimously carried. Chris Bickley asked Ms. Wechsler if there were changes between the advance copy sent to board members and the copy distributed at the meeting. She responded no. Chris asked if she found anything that management or the Board needed to know. Ms. Wechsler said there was nothing to add to information contained in the report. Chairman Smith thanked Ms. Wechsler for the information.

Chris Bickley reminded everyone that CPA firms are selected to perform the COG’s independent audits under a three-year contract, and next year will be the final year of the current agreement.

Sherry Smith was recognized for the September Finance Report. Copies were in meeting packets and submitted as written. Sherry said the additional \$50K for Aging Program match from the State is a great help to the program and the COG. Since the end of September, cash flow has improved following reimbursements from the State for Aging and Workforce program expenses. The reimbursement issue appears to be resolved.

Michelle Knight was recognized for the Community and Economic Development Report. Copies were in meeting packets and submitted as written. Michelle said the clarification process is underway for six applications submitted during the fall funding round and that unannounced site visits are occurring. Award decisions are expected late November or early December. It is not too soon to contact Michelle about infrastructure projects for the spring funding round. She reported some communities have projects that are running under budget, and they should be considering ways to best utilize remaining funds.

Chris Bickley was recognized for the Director’s Report. Copies were in meeting packets and submitted as written. He reported Aging Program payments are now up-to-date and reminded everyone about the SCARC annual conference in November.

During Council Time, board members were given LCOG logo beverage tumblers as a Christmas gift.

With no additional business to address, and on motion duly made, seconded and approved, the Chairman adjourned the meeting at 7:10 p.m. Copies of the agenda were distributed prior to the meeting. A notice of the meeting was posted on the LCOG bulletin board at least twenty-four hours prior to the meeting.

Respectfully submitted,

L. Chriswell Bickley, Jr.
Executive Director

Attachments