

**SOUTHERN GEORGIA REGIONAL COMMISSION
MINUTES OF THE EXECUTIVE/AUDIT COMMITTEE MEETING
SPORTS COMPLEX & CIVIC CENTER, PEARSON, GEORGIA
December 14, 2017
10:00 A.M.**

Members in Attendance

Joyce Evans
Buddy Duke
Carlos Nelson
Matt Seale
Gary Strickland
Grady Thompson

Staff Present

Lisa Cribb
Kelly Schultz
Chris Strom

Guest Present

Nick Valenti

REVIEW AND APPROVAL OF MINUTES FOR September 28, 2017 MEETING:

Executive Committee member Grady Thompson called the meeting to order and then reminded those present that the minutes of the September 28, 2017 Executive Committee meeting were previously mailed and emailed to members (copy attached and made a part of these minutes). Gary Strickland made a motion to approve the minutes. Carlos Nelson seconded the motion. Motion carried unanimously.

**REVIEW OF THE SOUTHERN GEORGIA REGIONAL COMMISSION ANNUAL
AUDIT, YEAR ENDED JUNE 30, 2017:**

Chair Evans called upon Nick Valenti of Valenti, Rackley and Associates to give the review of the RC's annual audit for the year ending June 30, 2017. Mr. Valenti referred those present to a copy of the completed audit (copy attached and made a part of these minutes). Mr. Valenti gave a thorough report on the audit. The main highlights of the report were that his firm issued an unqualified opinion and there were no findings or questioned costs. In addition, Mr. Valenti noted that the RC is a mature agency with a knowledgeable and experienced financial staff which allows for a much smoother audit process. Mr. Valenti also distributed a letter addressed to the audit committee (copy attached and made a part of these minutes) which recapped such items as accounting estimates used by management; no difficulties or issues dealing with management or staff; and no adjustments or findings encountered during the audit. RC staff answered some questions from the executive committee on the FY17 loss from the IT department and explained that the loss was in part due to services provided to local governments. Gary Strickland made a motion to recommend approval of the audit to the council. Grady Thompson seconded the motion. Motion carried unanimously.

REVIEW AND RECOMMENDATION OF LAND PURCHASE:

RC Assistant Executive Director Chris Strom gave the Executive Committee members an update on the relocation of the SGRC Valdosta office. He reminded those in attendance of the activities reported at the last committee meeting and of the Committee's vote to approve execution of a purchasing contract (to begin a 90-day due diligence period) with Meacham Farms. This contract was for the purchase of two acres in the Norman Drive area of Valdosta.

Mr. Strom reminded committee members of details of the due diligence/purchase contract which, at the committee's instruction, was executed on October 3, 2017. The contract is non-binding without an SGRC council vote of approval at its December 14, 2017 meeting (which was scheduled to follow the committee meeting). The contract included the requirement of a survey and appraisal of at least \$350,000 per acre in order to satisfy the seller's tax deduction requirements. SGRC is

responsible for the expense of the appraisal, as well as the survey. The contract also stipulated that the gift value of the seller would be \$270,000 and that the SGRC's fixed purchase price would be \$430,000 (regardless of an appraisal that might exceed \$350,000 per acre). The contract required the seller to complete the subdivision process to separate the two-acre tract from its parent six-acre parcel.

The SGRC has, per Mr. Strom, completed its tasks of acquiring an independent appraisal and survey of the property. The appraisal did, indeed, indicate a value of \$350,000 per acre, and an excerpt of the survey was included in the committee packets. (Copy attached and made a part of these minutes.)

Mr. Strom indicated that review of the survey and appraisal, as well as discussion with the City of Valdosta and additional exploration of the property, have not identified any obstacles related to development of the property to suit SGRC's needs. He stated that SGRC was seeking the committee's approval to bring the matter before the full council in order to request a vote regarding the purchase of the two-acre tract.

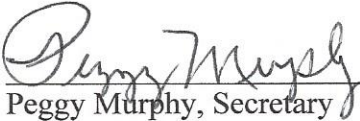
Committee member Grady Thompson mentioned that he was familiar with the parcel's location and felt confident that staff had "done their homework" to ensure this site would meet SGRC's needs. Chair Evans called for a motion, and Gary Strickland made a motion to approve the staff request to seek a council vote regarding the purchase of the two-acres from Meacham Farms. Carlos Nelson seconded the motion. Chair Evans asked for discussion, and Mr. Thompson and Mr. Duke had a brief discussion regarding the site location. A vote called for, and the motion carried unanimously.

REVIEW AND APPROVAL OF REMOVAL OF OPTIONAL DEPENDENT LIFE COVERAGE: RC Executive Director Lisa Cribb informed the committee members that the RC was providing a very small benefit for dependent life coverage to its employees. In the past it was paired with dependent health coverage. Due to a recent change it has since been separated from dependent health coverage and caused an administrative headache. Grady Thompson made a motion to remove the optional dependent life coverage. Matt Seale seconded the motion. Motion carried unanimously.

ADJOURN:

Gary Strickland informed the executive committee that this was his last RC meeting as he would retire December 31st. He thanked the RC for the continued support of the area and that it had been an honor to serve on the RC council. There being no further business, the meeting was adjourned.


Joyce Evans, Chair


Peggy Murphy, Secretary