

Minutes
Siouxland Interstate Metropolitan Planning Council (SIMPCO)
Executive / Finance Committee
Thursday, March 17, 2016
7:30 a.m.
Kahill's Restaurant
Marina Inn Conference Center, 4th and B Streets, South Sioux City, Nebraska

PRESENT:

Mark Monson, Supervisor, Woodbury County, Iowa – Chair
Dan Moore, City Council, City of Sioux City, Iowa
Oscar Gomez, Council Member, City of South Sioux City, Nebraska
Lance Hedquist, City Administrator, City of South Sioux City, Nebraska

GUESTS:

Donald L. Klynsma, Henjes, Conner & Williams, P.C.

STAFF:

Michelle Bostinelos, Executive Director
Bill Cole, Finance Director
Curt Miller, Facilities/Transit Director
Sharon Burton, Executive Assistant

The Executive/Finance Committee met at 7:30 a.m. on Thursday, March 17, 2016 at Kahill's Restaurant located in the Marina Inn Conference Center, 4th and B Streets, South Sioux City, Nebraska.

Chair Mark Monson called the meeting to order at 7:30 a.m.

- 1. APPROVAL OF THE AGENDA:** Chair Monson asked if there were any corrections to the March 17, 2016 agenda.

Lance Hedquist moved to approve the March 17, 2016 agenda as presented, seconded by Dan Moore. Motion carried.

- 2. APPROVAL OF THE MINUTES:**

Chair Monson asked if there were any corrections to the minutes of the January 21, 2016 regular meeting.

Oscar Gomez moved to approve the minutes of the January 21, 2016 meeting as presented, seconded by Dan Moore. Motion carried.

- 3. FINANCIAL UPDATE, DECEMBER 31, 2015:** Bill Cole provided a comparison of FY 2014 and FY 2015 fund balances as of December 31. He noted the cash position will continue to improve as financial reporting, quarterly reports and associated drawdowns get back on schedule. Discussion followed. He also presented detailed monthly revenue and expenditure reports for each fund entity from July 2015 to December 31, 2015.

Mr. Cole furnished a breakdown of accounting and audit costs incurred to date for professional services provided by King, Reinsch, Prosser (KRP), Timm Funk Associates, and Henjes, Conner & Williams over the last six months. He noted costs incurred for the FY 2015 financial audit performed by KRP were higher than expected due to an unforeseen increase in their initial estimated hours. The contract with KRP is for two years and they have indicated the cost for the FY 2016 audit should be more in line with the original projected total.

Timm Funk and Associates has been providing assistance with the monthly close and financial reporting. He reported staff has now reached the point to where they can take over these functions so their service will be concluding.

Henjes, Conner & Williams (HCW) assisted with preparation of the FY 2015 audit and provided oversight of financial transactions and reporting.

Mr. Cole noted additional professional services may be needed to finalize this fiscal year.

Discussion followed.

Dan Moore moved to accept the financial reports as presented, seconded by Lance Hedquist. No further discussion. Motion carried.

a. Replacement of Existing Accounting Software: Mr. Cole reported the current accounting software, FundWare, was purchased in 2003 and has become obsolete no longer meeting organizational needs. Also since this software is dated, Blackbaud will no longer provide service after this year. Blackbaud has offered to FundWare customers a substantial discount to migrate to their current accounting software, Financial Edge, by the end of December 31, 2015. Due to transitions in staff, Blackbaud extended the proposal to March 31, 2016.

Mr. Cole reported staff has researched Financial Edge and several other systems. Staff recommendation is to stay with Blackbaud and Financial Edge because the product is superior or equal to the other systems. Also, Blackbaud would have historical data which would lead to an easier conversion. He noted a reference check was also conducted of Blackbaud clients with positive responses received.

Mr. Cole provided a summary of current software costs and replacement costs. He reported the estimated five-year rate for licenses and fees total \$18,000 per year. This would also include implementation of PaperSave, an automated imaging and electronic storage system. Discussion followed.

Lance Hedquist moved to recommend to the Board of Directors approval to purchase the Blackbaud Financial Edge accounting software and the PaperSave imaging and electronic storage system as recommended by staff, seconded by Dan Moore. No further discussion. Motion carried.

4. ICMA RETIREMENT ADOPTION AGREEMENT:

a. Plan Number 109082: Bill Cole reported the Internal Revenue Service requires approval of retirement packages every six years. This plan was set up in 1990 and reapproved in 1995, 2001 and 2008. Since the plan is now over eight years old, ICMA-RC is requesting the plan be reviewed and reaffirmed prior to April 30, 2016. He noted if the IRS would conduct an audit the current plan would not meet their criteria since it has not been approved since 2008. No changes to this plan are proposed. Contributions will remain the same - if the employee contributes five percent; the employer match is six percent.

b. Plan Number 107346: Mr. Cole reported this plan was established as part of the employment package for former Executive Director James Hurm. Since the plan has been inactive since 2003, it is being terminated.

Dan Moore moved to reaffirm ICMA retirement plan 109082 and terminate plan 107346, seconded by Lance Hedquist. Motion carried.

- 5. RECOMMENDATION FOR FILLING THE EXECUTIVE DIRECTOR POSITION:** Chair Monson reported upon recommendation of the Executive/Finance Committee and approval by the Board of Directors to appoint Michelle Bostinelos as Interim Executive Director with the intention of revisiting the position in six months. He asked members to consider if they would like to recommend to the Board of Directors the appointment of Ms. Bostinelos as Executive Director or if they would like to solicit applications. Discussion followed.

Dan Moore moved to recommend to the Board of Directors the appointment of Michelle Bostinelos as Executive Director, seconded by Oscar Gomez. No further discussion. Motion carried.

Chair Monson reported a contract will be presented at the next meeting for recommendation of approval.

6. CONTRACTS:

- a.* City of Le Mars to complete a Comprehensive Plan Update for a total of \$13,500, March 2016 to March 2017

Dan Moore moved to recommend to the Board of Directors approval of the contract as presented, seconded by Oscar Gomez. Motion carried.

- b.* Woodbury County Office of Rural Economic Development to provide grant writing services for a USDA Rural Business Development Grant (RBDG) application, total cost \$1,500

Ms. Bostinelos noted the former Rural Business Opportunity Grant (RBOG) has been combined with another grant program and is now known as Rural Business Development Grant (RBDG).

Dan Moore moved to recommend to the Board of Directors approval of the contract as presented, seconded by Lance Hedquist. Mark Monson abstained due to a conflict of interest. Motion carried.

- 7. ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) PLANNING PARTNERSHIP GRANT:** Michelle Bostinelos reported FY 2015 is the last year of the three-year funding cycle for the EDA Planning Partnership grant. She explained this funding is used to support continued implementation of the economic development planning program - Comprehensive Economic Development Strategy (CEDs). An invitation was received from the U.S. Department of Commerce to submit a full application in FY 2016 for the July 1, 2016 to June 30, 2019 grant period. Staff moved forward with the application and submitted prior to the March 18, 2016 deadline. She noted EDA has increased the award amount for each Economic Development District from \$62,000 to \$66,000 with a fifty percent local match required.

Lance Hedquist moved to acknowledge and approve submittal of the FY 2016 EDA Planning Partnership grant, seconded by Dan Moore. Motion carried.

8. RESOLUTION 2016-1 FY 2020 SURFACE TRANSPORTATION PROGRAM:

Michelle Bostinelos reported the resolution confirms a twenty percent match will be committed for the Surface Transportation Program (STP) funding application submitted for the Siouxland Regional Transportation Planning Association (SRTPA). The STP funds will be used for planning required by the Iowa DOT and to assist SRTPA members with requested planning related activities.

Dan Moore moved to recommend approval of the resolution to the Board of Directors as presented, seconded by Oscar Gomez. Motion carried.

9. **SIMPCO STRATEGIC PLAN:** Michelle Bostinelos reported the plan was presented at the January meetings for review and comments with final approval in March. Since no comments have been received, she is requesting the Executive/Finance Committee recommend approval to the Board of Directors. She noted goals were developed by the Board of Directors in 2013 but have not been brought forward since that time. The plan outlines our vision, mission, whom we serve, our programs/services and in addition to goals previously established, new ideas developed by staff. She recommended revisiting the plan at least every three years. Discussion followed. Members suggested an update on progress of goals be provided to Board members quarterly; and to include an acknowledgement page of Executive/Finance Committee members, Board of Directors members and staff.

Lance Hedquist moved to recommend to the Board of Directors approval of the plan as presented with the addition of an acknowledgement page, seconded by Dan Moore. No further discussion. Motion carried.

10. **DIRECTOR REPORT:**

- a. *SIMPCO Services and Related Fees:* Michelle Bostinelos provided an overview of the report included in the meeting packet. She noted staff has made numerous community visits and the response has been very positive.

Ms. Bostinelos referred to the listing of services and related fees included in the meeting packet. She noted the fees shown for members and non-members will be used by staff as a guide when talking with communities. Don Klynsmas with Henjes, Conner & Williams reported based on the cost of labor, benefits and indirect costs, the fees presented are within reason. Discussion followed.

Dan Moore moved to approve the services and related fees as presented, allowing flexibility and change as needed, seconded by Lance Hedquist. No further discussion. Motion carried.

- b. *Facilities Update:* Curt Miller provided an overview of needed facility repairs. He reported he is pricing a new roof, parking lot asphalt overlay, interior and exterior painting and replacing carpet and ceiling tiles. He also noted we need to create a funding mechanism since the LLC was not set-up to have reserve funds. Discussion followed. Members asked Mr. Miller to continue with estimates for the needed repairs and to bring back possible funding options.

11. **OTHER COMMENTS:**

- a. *Set Next Meeting Date:* Michelle Bostinelos reported due to a conflict with the Siouxland/Washington Conference, the next meeting will be held Thursday, April 21, 2016.
- b. *Thursday, May 12, 2016, 5:30 p.m., Joint Council of Officials and Board of Directors meeting, The Cardinal Conference Center, 4401 Dakota Avenue, South Sioux City:*

Ms. Bostinelos reported staff is working on organization of this meeting and will be sending invites to members in April.

12. **ADJOURNMENT:** Chair Monson adjourned the meeting at 8:51 a.m.