

**Minutes
Siouxland Interstate Metropolitan Planning Council (SIMPCO)
Executive/Finance Committee**

**Thursday, March 29, 2018
7:30 a.m.**

**Kahill's Restaurant
Delta Hotels by Marriott, 385 East 4th Street, South Sioux City, Nebraska**

Present:

Jon Winkel, <i>Chair</i>	Mayor	Sergeant Bluff, IA
Dan Moore, <i>Secretary</i>	Council Member	Sioux City, IA
Lance Hedquist, <i>Treasurer</i>	City Administrator	South Sioux City, NE
Aaron Lincoln	City Administrator	Sergeant Bluff, IA
Mark Monson	Planning/Zoning Commissioner	Sergeant Bluff, IA

Others Present:

Rebecca George, CPA/Partner	King, Reinsch, Prosser & Co. LLP	Sioux City, IA
Jill Baker, CPA/Manager	King, Reinsch, Prosser & Co LLP	Sioux City, IA

Staff Present:

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

Chair Jon Winkel called the meeting to order at 7:30 a.m. A quorum was present.

- 1. APPROVAL OF THE AGENDA:** Chair Winkel asked if there were any additions or corrections to the March 29, 2018 agenda.

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

- 2. APPROVAL OF MINUTES:** Chair Winkel asked if there were any additions or corrections to the February 22, 2018 regular meeting minutes.

Lance Hedquist moved to approve the regular meeting minutes as presented, seconded by Mark Monson. Motion carried.

- 3. FINANCE:**

a. FY 2017 Independent Audit Report: Jill Baker with King, Reinsch, Prosser & Co, L.L.P. presented the Independent Audit Report for fiscal year 2017 (July 1, 2016 - June 30, 2017).

Ms. Baker reported a clean or unmodified opinion was issued on whether the financial statements were prepared in accordance with *Generally Accepted Accounting Principles* (GAAP).

Material weaknesses in internal control over financial reporting were disclosed regarding revenue recognition and reconciliation of various accounts. Recommended corrective

action for revenue recognition is to review revenue recognition standards and year-end procedures. She noted due to problems encountered during the financial software conversion and staff time constraints, accounts were not reviewed or reconciled monthly. The recommended corrective action is to implement procedures for reconciliation of accounts on a timely basis.

Major programs selected for review were *Formula Grants for Rural Areas*. There were no material weaknesses in internal control over major programs; and an unmodified opinion was issued on compliance with requirements applicable to each of these programs

Members discussed the building improvement loan that was for a new roof and parking lot. They suggested staff consider paying the note balance early for an approximate savings of \$3,000 on interest.

Aaron Lincoln moved to accept the FY 2017 Independent Auditors' Reports as presented, seconded by Dan Moore. No further discussion. Motion carried.

b. Financial Reports: Finance Director Bill Cole reviewed fund balances as of January 31, 2018 and discussed variances between FY 2017 and FY 2018. He reported total revenues of \$4,223,140 with expenditures of \$3,863,144 for a balance of \$359,996.

Transit Director Curt Miller discussed changes to Iowa Medicaid programs, cuts in transportation reimbursement rates and shifts in ridership to paratransit services.

Mr. Cole reported the Le Mars Airport Zoning Ordinance project is now complete. The project began approximately five years ago and needed approval by the City of Le Mars and Plymouth County. Final approvals were received late last fall and the City of Le Mars remitted payment in December. SIMPCO retained \$5,000 for project coordination and in January remitted \$11,600 to Bolton & Menk for engineering services

Members discussed expanding the format of the financial reports by adding an Accounts Receivable line and a column showing percent of budget expended. Chair Winkel also suggested presenting a detailed cash flow statement every month for financial forecasts.

Aaron Lincoln moved to recommend to the Board of Directors approval of the January 31, 2018 financials reports as presented, seconded by Dan Moore. No further discussion. Motion carried.

Mr. Cole continued the discussion from the February 22nd meeting regarding outstanding Blackbaud invoices. He reported Blackbaud did issue a notice last week expecting full payment by today. A total of \$20,000 is owed for subscription services, \$10,000 for the period of March 25, 2017 to March 24, 2018 and \$10,000 for the period of March 25, 2018 to March 25, 2019. Since the audit was completed by the March 31 deadline and the outcome was acceptable, the question is whether to pay and move forward. Discussion followed on conversion issues and additional audit costs to King, Reinsch, Prosser & Co. LLP that were 100% attributed to the conversion. Blackbaud deleted the invoice for the 2nd year of Learn FE and has offered to add three additional months to the end of our contract for no additional charge. Members directed staff to continue negotiations and once satisfied issue payment for continuation of services.

4. **CONTRACTS:** No contracts were presented.
5. **RESOLUTION 2018-1 SURFACE TRANSPORTATION BLOCK GRANT:** This resolution approves the submittal of a Surface Transportation Block Grant application to the Siouxland Regional Transportation Planning Association (SRTPA) in the amount of \$58,500 for fiscal year 2022. Funding will be used to develop and complete planning activities required by the Iowa DOT for the Rural Planning Affiliation (RPA) area and provide planning assistance to SRTPA members.

Lance Hedquist moved to approve Resolution 2018-1 as presented, seconded by Mark Monson. Motion carried.

6. **MENU OF SERVICES:** Ms. Bostinelos asked members to review the updated menu of services provided in the meeting packet. She noted the menu was initially developed in 2016 as a guide for staff when talking with communities. Menu revisions are based on current contracts, actual project hours and consideration of community budgets.
7. **DIRECTOR REPORT:** Ms. Bostinelos provided an overview of the director report included in the meeting packet.

Mr. Bostinelos reported with the approval of the amended bylaws in January, all communities that have paid membership dues now have a seat on the Board of Directors. She noted for clarification the Board of Directors is comprised of elected officials with the exception of non-elected Planning and Zoning Commissioners that serve the cities of Dakota City, Sergeant Bluff, Sioux City, and South Sioux City. Discussion followed.

The membership workshop held on March 2 at WITCC in Sioux City was well attended.

The U.S. Department of Commerce Economic Development Administration (EDA) has approved the technical assistance grant application to complete a U.S. Highway 20 Economic Development study.

Staff is working on finalizing plans for the annual Board of Directors meeting that will be held on Thursday, May 10 in Sergeant Bluff. Mark Lowe, Director of the Iowa Department of Transportation (IDOT), will be the guest speaker. Chair Winkel noted he may be out-of-town for this meeting and suggested contacting Bill Gaukel, Mayor Pro Tem, if needed.

8. **OTHER COMMENTS:** Ms. Bostinelos questioned if members wanted to meet again on April 12 or wait until May 10. Members elected to meet on Thursday, April 12 for the Executive Director Performance Evaluation and additional discussion of other items from today's agenda.
9. **CLOSED SESSION – EXECUTIVE DIRECTOR PERFORMANCE EVALUATION:** Due to time constraints this agenda item was rescheduled for the April 12, 2018 meeting.
10. **ADJOURNMENT: Aaron Lincoln moved to adjourn the meeting seconded by Mark Monson. Motion carried.** Chair Winkel adjourned the meeting at 8:59 a.m.