

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

**Wednesday, January 2, 2019**  
**7:30 a.m.**

**Kahill's Restaurant, 385 East 4<sup>th</sup> Street, South Sioux City, Nebraska**

**Members Present:**

Jon Winkel, <i>Chair</i>	Mayor	Sergeant Bluff, IA
Lesa Cropley, <i>Secretary</i>	Council Member	North Sioux City, SD
Lance Hedquist, <i>Treasurer</i>	City Administrator	South Sioux City, NE
Aaron Lincoln	City Administrator	Sergeant Bluff, IA

**Guests Present:**

Rebecca George, Partner	King, Reinsch, Prosser & Co., L.L.P.	Sioux City, IA
Jill Baker, Manager	King, Reinsch, Prosser & Co., L.L.P.	Sioux City, IA

**Staff Present:**

Michelle Bostinelos	Executive Director	SIMPCO
Bill Cole	Finance Director	SIMPCO
Curt Miller	Facilities/Transit Manager	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 January 2, 2019 agenda.

***Lance Hedquist moved to approve the agenda as presented, seconded by Lesa Cropley. Motion carried.***

2. **APPROVAL OF MINUTES:**
  - a. **December 5, 2018:** Chair Winkel asked if there were any additions or corrections to the regular meeting minutes.

***Lance Hedquist moved to approve the regular meeting minutes as presented, seconded by Aaron Lincoln. Motion carried.***

3. **FY 2018 INDEPENDENT FINANCIAL AUDIT:** Jill Baker and Rebecca George with King, Reinsch, Prosser & Co., L. L. P. presented a draft of the FY 2018 auditors' reports. The final reports will be presented to the Board of Directors at their January 10, 2019 meeting.

Ms. Baker provided a full review of all financial statements, supplementary information and audit results. She reported an unmodified or "clean" opinion was issued on whether statements were prepared in accordance with Generally Accepted Accounting Principles (GAAP). A material weakness in internal control over the financial statements was disclosed regarding collection of accounts receivable within 60 days of fiscal

year-end. Management will take corrective action by reviewing revenue recognition standards and year-end procedures related to revenues and deferred inflow of resources. The major federal award program selected for compliance was the *Formula Grants for Rural Areas*. There were no material weaknesses in internal control and no audit findings disclosed and an unmodified opinion was expressed on the major federal program.

Committee members questioned if funds should be transferred from the General to reconcile the year-end deficit shown in Community and Economic Development. Discussion included showing the deficit balance so problems areas could be identified and continue carrying over the deficit as long as improvements are seen. The Committee requested as part of the budgeting process, staff present deficit balances in two different ways, as settled and as carried over.

Members questioned accounting transactions that will go through SIMPCO and Siouland Regional Transit System (SRTS) for the BUILD grant. Transit Manager Curt Miller reported a conference call was recently held with the Department of Transportation (DOT) and the grant is still in the process of being written; therefore, accounting procedures are uncertain at this time. He noted the DOT also stated the deadline for approval of the grant is September of 2020 and once started the time limit for project completion is five years (2025).

***Lance Hedquist moved to recommend to the Board of Directors approval of the FY 2018 Independent Financial Auditors' Reports as presented, seconded by Aaron Lincoln. No further discussion. Motion carried.***

**4. FINANCE:**

**a. November 30, 2018 Financial Reports:** Finance Director Bill Cole provided an overview of the financial reports included in the meeting packet. Revenues for all SIMPCO Divisions total \$764,953 and expenditures \$615,176 for a balance of \$149,777 as of November 30, 2018.

The administration contract with Northeast Nebraska Joint Housing Agency (NNJHA) concluded on December 10, 2018 and the final day of employment for the Family Self-Sufficiency (FSS) Coordinator was December 21, 2018. Goldenrod Regional Housing Agency in Wisner, Nebraska, is now officially recognized by the Department of Housing and Urban Development (HUD) as the Agency of Record. The FSS escrow fund balance has been transferred to Goldenrod and the remaining Housing Assistance Payments (HAP) funds will be released once the final reconciliation has been completed and closing expenses have been determined. Discussion followed.

Committee members discussed having more oversight of monthly expenditures and approval of the financial institutions on an annual basis. It was suggested to have open bank bidding to determine best rates and review by the Committee of accounts payable checks.

***Lance Hedquist moved to recommend to the Board of Directors approval of the November 30, 2018, financial reports as presented, seconded by Aaron Lincoln. No further discussion. Motion carried.***

5. **CONTRACTS:** Ms. Bostinelos reported there are no contracts to present at this time. She noted Regional Planning Staff has presented to the City of Hinton Council a proposal for a Comprehensive Plan.

6. **U.S. DEPARTMENT OF TRANSPORTATION GRANT AWARD / BETTER UTILIZING INVESTMENTS TO LEVERAGE DEVELOPMENT (BUILD):**

Mr. Miller reported a conference call was held with the Federal Transit Administration (FTA) in Kansas City to discuss additional detail required to finalize writing the BUILD grant. An updated budget will be submitted along with an expanded architectural drawing that allows for future expansion. Discussion followed on supplementing the BUILD grant through an Iowa DOT Public Transit Infrastructure grant and sources of gap financing such as USDA.

Chair Winkel discussed succession planning to prepare for potential employee turnover during the BUILD project. He also proposed establishing the Executive/Finance Committee as the group to oversee construction of the BUILD project along with asking members of the SIMPCO and SRTS Board of Directors if they would like to serve.

7. **OTHER COMMENTS:** Ms. Bostinelos reported the Siouxland Chamber of Commerce annual Washington D.C. conference is scheduled for early May. She is planning to attend and asked Committee members to let her know of any issues they would like brought forward. A notification will be sent to members informing them of the trip and also asking for their input on topics they would like to have presented.
8. **ADJOURNMENT:** *Lesla Cropley moved to adjourn the meeting seconded by Lance Hedquist. Motion carried.* Chair Winkel adjourned the meeting at 9:04 a.m.