

Blue Rivers Area Agency on Aging Governing Board Executive Committee

Minutes

February 14, 2022

The special meeting of the Governing Board of Blue Rivers Area Agency on Aging Executive Committee, 103 Eastside Blvd., Beatrice, NE and also available via Zoom was called to order at 9:00 a.m.

Board members present: Schoenrock, Gakle and Haxby

Absent: None

Blue Rivers Area Agency on Aging staff present: Carla Frase, Executive Director; Beth Williams, Fiscal Officer; Kathy Erickson, Home and Community Options Manager; Carmen McKeever, Nutrition Manager; Clifton Lindell, Transit Manager; Tracie Fossler, Administrative Assistant.

Guests: Tony Jerina and Pat Meyer, HBE LLP

Schoenrock chair, presided over the meeting and Fossler recorded the minutes.

HBE AUDIT PRESENTATION

Meyer began with the draft letter. The representation letter will need to be signed and some subsequent events still need to be documented. HBE wasn't able to get that all together for the presentation today. The letter will remain the same, and has gone through their review standards. Their firm requires a quality control review by another partner prior to releasing any audit. That quality control review was done last week. HBE makes a plan and gains an understanding of the internal controls, risk assessments, confirmations, financial statement preparations. The role of the Board of Directors and Management is the preparation and fair presentation of the financial statements.

Last year's revenue was \$3.1 million. This year was about \$3 million. The Federal and State funding went down a little this year. Looking at the revenue by source is about the same as last year.

EXPENSES

Last year's expenses were \$3 million and this year was \$2.85 million. The expenditures went down slightly all across the board with no great variances.

SUMMARY STATEMENTS OF ACTIVITIES

The changes in net position increased this year by about \$92,000 for the year.

STATEMENT OF FINANCIAL POSITION

Our assets went up this year to \$905,975. Our liabilities also increased this year to \$249,894 for the year. There are no huge variances in the revenue stream the last years.

CASH FLOWS

The net cash provided by Operating Activities have no huge change from last year. The biggest changes were the Purchase of Capital Assets for the year.

OTHER REPORTS AND LETTERS

Reporting on Internal Control over Financial Reporting and Compliance in accordance with Government Auditing Standards.

- 2021-001 – Material Weakness – Internal Controls over preparation of financial statements.
- 2021-002 – Material Weakness – Material Audit Adjustments. (This finding was a in-kind figure adjustment where there was a mistake in a decimal point.

Reporting on Compliance and Internal Control over Compliance for Major Federal Programs Required by Uniform Guidance (Single Audit).

- 2021-001 – Material Weakness – Internal Controls over preparation of financial statements.
- 2021-002 – Material Weakness – Material audit adjustment.

Board Communication Letter

- Noteworthy Item: Upcoming standards changes related to accounting for leases.

Management Letter

- General Recommendations; Grants Receivable; Formal Procedures for Transit Inventory; Accounting Software.

Changes for next year include upcoming standard changes related to Accounting for Leases.

Schoenrock asked Meyer to expand on the software subject and explain what our current software is not currently able to do. Meyer said it was for more functionality. Meyer stated that our current software is difficult to get through. Williams added that we don't have all of the modules in the package. The biggest problem is that our payroll processor ADP and Accounting System Abila don't talk to each other very well at all. There are also a lot of data updates that have to be done to make it a smooth transition.

Gakle asked about the Transit Report. The Audit document sometimes talks about the Department of Roads and other times it says Department of Transportation. She understands that the Department of Roads is now the Department of Transportation. Gakle asked if that should be clarified. Meyer said they would clean that up before they print the final letters. Schoenrock asked Meyer if he had an approximate date of when they will have it final. Meyer stated that they would have it done today as long as the draft is approved. The representation letter will need to be signed by Frase. Jerina added that one thing they still need is the Subsequent Financial Statements. He asked if we would email him the December financials.

Frase stated that with the upcoming changes in Abila, we are looking at using some ARPA funds for the new software. Williams stated that regarding the upcoming changes, it may be as easy as adding more modules to Abila. Williams stated that she personally doesn't have a high opinion of ADP. We have some people that calculate every time like everybody should. There is something about the coding that didn't get done right from the start on ADP's end. Schoenrock asked if we know what software the other AAA's are using. Frase said she could reach out and ask. Williams said Abila is a powerful program. The one thing she is impressed with is the number of codes you can put in. It handles all of that really well and prints a really good report.

MOTION to approve the Audit Draft by Gakle; second by Haxby; voice vote; motion carried.

LINE OF CREDIT RENEWAL – BETH WILLIAMS

MOTION for the chairman to sign the line of credit renewal with FNB of Omaha by Gakle; second by Haxby; voice vote; motion carried.

VAC5/PUBLIC HEALTH SOLUTIONS VACCINATION FUNDS APPROVAL – CARLA FRASE

The board didn't get the information that Frase send out. This will be saved and added to the March board meeting agenda.

MEETING ADJOURNED at 9:50 a.m. by Schoenrock.

RECORDING SECRETARY

Tracie Foster