

**STATELINE MASS TRANSIT DISTRICT
MEETING MINUTES
9:30am
May 1, 2024
11722 Main Street, Roscoe, IL 61073**

I. WELCOME AND ROLL CALL

Chairman Gus Larson called the meeting to order at 9:31am noting that all trustees were present except for Trustee Mari Mattocks, who had provided prior notice she would not be in attendance. Trustees present in addition to the board chair were Trustees Dick Adams, Pam Clifton, Jack Cook, and Amanda McMahon. Also present was Roscoe Mayor Carol Gustafson, RMTD Executive Director Michael Stubbe, and SMTD Executive Director Sharon Hecox.

- II. APPROVAL OF AGENDA** Chairman Larson noted the agenda had been received electronically prior to the meeting. Executive Director Hecox requested an agenda item be added prior to approval under VII. Other Business as “(e) *Discussion on transfer of bus (R122-Turtle Top) to Boone County.*” Chairman Larson entertained a motion for approval of the May 1, 2024 agenda with the edition of letter (e) under VII. Other Business. Trustee Adams motioned for approval, with edit; Trustee Clifton seconded. All ayes. No discussion. Motion carried 5 – 0, with none opposing or abstaining, and the agenda was approved.

- III. PUBLIC COMMENT** Chairman Larson welcomed Mayor Gustafson and RMTD Executive Director Michael Stubbe to the meeting and invited public comment. Mayor Gustafson shared Roscoe’s new SMTD Trustee appointee, Nick Sommer, was out of town and unable to attend the meeting, but would be joining the May 22, 2024 SMTD board meeting. Gustafson shared staging for Roscoe’s Winter event (Roscoe Hometown Holidays/December 14, 2024) would be moving more south of downtown in 2024. Gustafson said the committee was meeting earlier this year for better planning and the next committee meeting would be May 15, 2024. Gustafson shared planning for a multi-use square including shopping area underway at the intersection of Main Street & Hodges Run (Roscoe). Gustafson said the square-- anticipated opening in 2025--would better define the downtown area. Gustafson provided update to Porter Park improvements due to OSLAD grant, including bike path extension to Perryville Road and public access to disc golf program beginning in June 2024. Gustafson said the Village Board would reach out with SMTD to coordinate date to attend Village Board meeting to provide SMTD’s annual update.

Trustee Cook questioned Gustafson regarding the ongoing activity at the Roscoe Township Community Center on Hononegah Road. Gustafson shared new construction included work on outdoor pavilion, greenhouse, and completion of the walking path around the prairie area.

There being no further public comment offered, Chairman Larson closed the Public Comment portion of the meeting and returned to regular meeting.

- IV. **ACCEPTANCE AND APPROVAL of Meeting Minutes March 27, 2024** Chairman Larson entertained a motion for approval of the draft Minutes noting they had been provided electronically for review prior to the meeting, but had not had time to review them, so would be abstaining from approval. Trustee Cook motioned for approval; Trustee Adams seconded; Chairman Larson abstained. Four Ayes; one abstention. No discussion. Motion carried 4 – 0, with none opposing and one abstaining; and the March 27, 2024 Meeting Minutes were approved, as presented.

Chairman Larson Executive Director Hecox provide update to financial reporting.

V. **FINANCIAL REPORTS:**

- a. **Update and discussion as necessary on local, state, and federal grant programs.**
- i. **Update and discussion on FY24 DOAP monthly reporting.** Executive Director Hecox reported February 2024 request in the amount of \$112,846.12 had been submitted and approved in *BlackCat* System and is pending receipt of funds.
 - ii. **Update and discussion on federal grant applications & ECHO requests.** Hecox reported \$159,102.70 for the 2nd QTR FY24 had been requested in ECHO with receipt of funds expected on or near May 2, 2024.
 - iii. **Discussion and action on Resolution authorizing the filing of applications with the Federal Transit Administration: Resolution 2024-R-06; Program of Projects (POP)** Hecox reported \$645,323 in federal 5307 funds were included in the 2024 Program of Projects for operating assistance. Hecox said funds requested were from the FFY21 federal apportionments (FAST ACT) and board approval of Resolution 2024-R-06 would authorize the filing of application for the funds. Barring no significant comments or changes are received during the review period, application for the funds could proceed after June 10, 2024. Chairman Larson entertained a motion for approval of authorizing Resolution 2024-R-06. Trustee Clifton motioned; Trustee McMahon seconded. All ayes. No discussion. Motion carried 5 – 0, with none opposing or abstaining, and filing of the application for federal operating assistance funds in the amount of \$645,323 was approved after June 10, 2024 barring no significant comment or changes received.
 - iv. **Discussion, update, and any action needed on Rebuild IL Capital Grants for Transit Hub; funds for (3) three medium duty buses; and 2022 CVP grant for six replacement buses.** Hecox reported there was no update to report regarding the grants; however, she had received information from South Beloit that preparation of the site was in progress and closer to knowing what date would be needed to request extension of the grant. Hecox said she had forwarded information to South Beloit on a custom bike shelter system that may want to be considered by South Beloit as part of the transit hub improvement for the area. Hecox reminded the board that the proposed transit hub was part of the redevelopment plan near Blackhawk & Gardner and would be located near the

trail head of bike path and included installation of bike rack, waste receptacle, bike maintenance station and bus shelter. Hecox said the shelter would include solar lights and solar charging stations.

- v. **Discussion and action as needed Resolution 2024-R-02 establishing policy as per recent Illinois Paid Leave for All Workers Act.** Hecox said requested Resolution 2024-R-02 establishing policy effective January 1, 2024 be approved. Hecox said a copy of the resolution and Paid Leave Policy had been forwarded to the board for review prior to the meeting. Hecox said new Illinois law required establishing a policy for paid leave for SMTD’s part-time employee; SMTD policy includes paid time off at the rate of one hour for every 40 hours worked. Open discussion. Chairman Larson entertained a motion for approval of Resolution 2024-R-02 establishing stated policy as per Recent Illinois Paid Leave for All Workers Act. Hecox said her employee agreement included paid time off but would be amended and better clarified at a future date once information from auditors was received on the insurance matter. Trustee McMahon motioned; Trustee Adams seconded. No discussion. Motion carried 5 – 0, with none opposing or abstaining.
- vi. **Discussion and acceptance of audited financial statements of SMTD for the fiscal year ended June 30, 2023 and AFR.** Hecox shared the audited financial statements, together with related management and audit letters had been forwarded electronically to the board for review prior to the meeting. Hecox said the auditors could be available at a future board meeting, if requested, to answer any questions. Hecox said the audit findings indicated same inherent risk found due to limited numbers of individuals in the organization. Hecox said risk is handled through close board review of operations and limiting controls such as Executive Director not having check writing privileges, ECHO requests not being prepared and drawn by one person, reports, and support documents for DOAP requests, bank reconciliations, etc. Hecox said included in the audit is recommendation that the Board of Trustees perform a fraud risk assessment every two years. Hecox said she would be working with Roxanne (SMTD legal counsel) to update the current Fraud & Abuse Policy to include assessment and bring update back to the board for approval at a future meeting. Open discussion included Trustee Cook questioning--if the board is already thoroughly reviewing everything monthly—whether a fraud risk assessment every two years is necessary. Hecox stated that she provides the board with multiple layers of support documentation leading up to a transaction; however, another person in the same position (Executive Director) may not provide the same backup. Hecox said it has always been SMTD’s position to develop policy to fit the ‘position’ and not to the ‘person’ Open discussion. Chairman Larson requested a motion to approved the FY23 financial statements. Trustee Cook motioned; Trustee Clifton seconded. All ayes. No discussion. Motion carried 5 – 0, with none opposing or abstaining, and the FY23 financial statements were approved.
- vii. **Update, discussion, and action on Downstate Operating Assistance Program (DOAP) application and agreement for FY25 operating assistance;**

\$1,234,610; Resolution 2024-R-05. Hecox reported she had submitted the FY25 Downstate Operating Assistance (DOAP) application. Hecox said prior to submittal it was necessary to make a minor change to the projected fare income, as she found during development of the DOAP application than an error had been made on the Projected Activity Funding report with anticipated fare rate projection being too high. Hecox reported no changes were made to the operating expense line items previously approved in the tentative FY25 budget. Hecox requested approval of Resolution 2024-R-05 in advance of receipt of the contract to allow the Chairman to pin/sign in *BlackCat* system once the FY25 contract is available. Hecox said passing the resolution will authorize the Chairman to *DocuSign* in a timely manner with copy of the signed DOAP agreement to be forwarded to the board when available. Chairman Larson entertained a motion for approval of Resolution 2024-R-05, as presented. Trustee Clifton motioned; Trustee Adams seconded. No discussion. Motion carried 5 – 0, with none opposing or abstaining, and the Chairman was authorized to pin the FY25 contract when available.

VI. MARKETING

- a. Update and discussion on February 2024 ridership.** Executive Director Hecox reported 2,563 rides were provided in February 2024, which included zero No Shows and 26 Center of Hope (COH).
- b. Update and discussion on *Ticket to Ride* and *Token Transit* programs.** Hecox reported 336 - Full Fare and 393 - Half Fare *Token Transit* tickets were redeemed in February 2024. Hecox reported 6 - Full Fare and 589 - Half Fare *Ticket to Ride* coupons were presented in February 2024. Hecox said advance sale tickets represented 52.7% of the total rides for February 2024.
- c. Update and discussion on participation in OSD Festival parade/shuttle.** Hecox reported she was working on ad development with Bob Cousin (Cousin Communications) to include free shuttle service to OSD. Hecox reported correspondence with Tami Verstraete (OSD Committee) regarding OSD logo, hours of operation, and any changes for 2024. Hecox said SMTD would be participating in the parade again this year with theme yet to be determined. Hecox said she had notified RMTD of intent to participate.

VII. OTHER BUSINESS

- a. Review and acceptance of Oversight Management Log entries.** Set over. No action taken.
- b. REMINDER: Economic Interest Statements Executive** Director Hecox reminded the board that the Economic Interest Statements were due today and advised anyone who had not filed to do so to avoid fine. Hecox requested verification of filing be forwarded for SMTD files.
- c. REMINDER: Next board meeting May 22, 2024.** Hecox reminded the board that the FY25 Budget and Appropriations Hearing Public Hearing would be held at 9:30am on May 22, 2024 with the regular board meeting to follow immediately after.

- d. **Other business as may come before the board.** Hecox reported the annual inspection by the fire department had been conducted and the fire extinguisher had just recently been retagged, so “no issue there.” Hecox said she was requested to move a few things around in the furnace room, but otherwise all was good. No other business.
- e. **Discussion on transfer of bus (R122-Turtle Top) to Boone County (added—See II. Approval of Agenda above)** Hecox shared that SMTD bus known as R122 – Turtle Top was part of the original fleet of four buses that were received through Manzullo (Illinois US Congressman). The buses were applied for through RMTD because at the time they were applied for SMTD was not yet formed. Hecox said under the TAM (Transit Asset Management) plan RMTD has reported the asset for several years; however, the bus is branded and for the use of SMTD under IGA with RMTD. Hecox said the bus is considered beyond Useful Life for SMTD/RMTD purposes and new buses are programmed to replace the asset. Open discussion. Michael Stubbe said the bus age and mileage allows for replacement under the federal and state rules (beyond Useful Life), but mechanically the bus is in fair condition and Boone County could benefit by the donation. Stubbe said a motion by the board at a future meeting relinquishing SMTD’s interest would allow required paperwork be submitted to FTA (by RMTD) for transfer of the asset. Hecox said buses bought with federal and state funds—although titled in the Districts’ names—remain the property of the government and require permission for disposal or, in this case, titling in another entities name. Hecox said SMTD has not counted this bus among its fleet for several years under its TAM plan and recommends the board approve the donation. Hecox said no action can be taken at this meeting, but would be included on the May 22nd agenda for board approval; after which, the operating agreement with RMTD would need to be amended related to mention of the bus.

VIII. APPROVAL OF BILLS Executive Director Hecox reported receipt of a \$40.00 invoice from *BlueFire Media* had been received after preparation of the monthly register and requested \$40.00 be added for approval. Hecox reviewed the bills, including the *BlueFire Media* invoice, and requested board approval in the total amount of **\$180,136.33**. The bills reviewed and presented for approval were, as follows:

CHARTER COMMUNICATIONS	\$	124.98
SHARON K HECOX		5,154.83
STEPHANY M CORNELLIER		247.82
INTUIT		12.00
ILLINOIS DEPARTMENT OF REVENUE		361.59
INTERNAL REVENUE SERVICE		2,186.30
ILLINOIS DEPARTMENT OF REVENUE		125.14
ROCKTON-ROSCOE NEWS		75.00
NICOR GAS		68.84
STEPHANY M CORNELLIER		156.05
SCHNUCKS		5.43
COMED		65.84
CHARTER COMMUNICATIONS		124.98

INTUIT	12.00
AMERICAN MARKETING PROMOTIONS	337.50
ALPINE INVESTMENT GROUP	1,100.00
APG OF SOUTHERN WISCONSIN	426.40
COUSIN COMMUNICATIONS	1,131.00
GUS LARSON	50.00
JACK R COOK JR	50.00
PAMELA J CLIFTON	50.00
ROCK VALLEY PUBLISHING	50.00
ROCKFORD MASS TRANSIT DISTRICT	157,112.17
SIEPERT & CO, LLP	4,500.00
SOSNOWSKI & SZETO	236.50
SPECTRUM REACH	622.80
SHARON K HECOX	5,154.82
STEPHANY M CORNELLIER	113.44
TOTAL:	\$ 180,096.33
BLUEFIRE MEDIA	40.00
TOTAL SUBMITTED FOR APPROVAL:	<u>\$ 180,136.33</u>

After review, Chairman Larson entertained a motion for approval including *BlueFire Media* invoice. Trustee McMahon motioned; Trustee Clifton seconded. All ayes. No discussion. Motion carried 5 – 0, with none opposing or abstaining, and the bills totaling \$180,136.33 were approved.

- IX. ADJOURNMENT** There being no further business to come before the board, Chairman Larson entertained a motion for adjournment. Trustee Clifton motioned; Trustee Adams seconded. All ayes. No discussion. Motion carried 5 – 0, with none opposing or abstaining and the Chairman closed the meeting.

Respectfully submitted,

Sharon K. Hecox
Executive Director