

**STATELINE MASS TRANSIT DISTRICT
ANNUAL BOARD MEETING
Wednesday, August 7, 2024 -- 9:30am
11722 Main Street, Roscoe, IL 61073**

- I. **WELCOME** Chairman Gus Larson opened the meeting at 9:30am. Present in addition to the board chair were Trustees Mari Mattocks, Dick Adams, and Jack Cook. Trustees absent were Pam Clifton, Amanda McMahon, and Nick Sommer. Also present were RMTD Grant Specialist Paula Hughes, Roscoe Administrator Joe Kurlinkus, and SMTD Executive Director Sharon Hecox. Arriving late to the meeting was Attorney David Kurlinkus.
- II. **APPROVAL OF AGENDA** Chairman Larson entertained a motion for approval of the August 7, 2024 agenda. Trustee Mattocks motioned; Trustee Adams seconded. All ayes. No discussion. Motion carried 4 – 0, with none opposing or abstaining, and the agenda was approved.
- III. **PUBLIC COMMENT** Chairman Larson welcomed RMTD Grant Specialist Paula Hughes and Roscoe Administrator Joe Kurlinkus opening the meeting to public comment. No public comment offered.
- IV. **REPORT of 2023-2024 OFFICERS**
- a. **Chairman – Gus Larson** Chairman Larson stated he had nothing unusual to report.
 - b. **Vice Chairman – Mari Mattocks** Vice Chair Mattocks concurred with Larson; nothing unusual to report.
 - c. **Secretary/Treasurer – Dick Adams** Secretary/Treasurer Adams also agreed with Larson and Mattock’s assessment, stating “*all cool.*”
- V. **NOMINATION and ELECTION of 2024-2025 OFFICERS** Chairman Larson opened the meeting to the nomination and election of the 2024-2025 SMTD Officers noting his willingness to serve another year; Mattocks and Adams likewise voiced willingness to serve another term, if so elected. Trustee Adams motioned for all officers presently serving to be appointed for another term (2024-2025); Trustee Cook seconded. All ayes. No discussion. Motion carried 4 – 0, with none opposing or abstaining, and the 2024-2025 SMTD Officers elected are, as follows:
- a. **Chairman**—Gus Larson
 - b. **Vice-Chairman**—Mari Mattocks
 - c. **Secretary/Treasurer**—Dick Adams
- VI. **ACCEPTANCE AND APPROVAL of Meeting Minutes June 26, 2024** Chairman Larson entertained a motion for approval of the June 26, 2024 meeting minutes. Trustee Cook motioned; Trustee Adams seconded. All ayes. No discussion. Motion carried 4 – 0, with none opposing or abstaining, and the June 26, 2024 minutes were approved.
- VII. **FINANCIAL REPORTS:**
- a. **Update and discussion as necessary on local, state, and federal grant programs.**
 - i. **Update and discussion on FY24 DOAP application and monthly reporting.** Executive Director Hecox reported receipt of March 2024 and April 2024 DOAP operating assistance in the amounts of \$83,858.19 and \$72,904.66, respectively, had been received. Hecox reported May 2024 and June 2024 DOAP had been submitted with \$117,035.34

pending approval and receipt. Hecox said the \$117,035.34 was the final amount available from the FY24 DOAP grant and did not include IDOT funding for June 2024 expenses. Hecox said once final numbers for FY24 were determined, she would draw ECHO funds from CARES and ARP grants at 100% to help with the deficit from lack of state funding.

Hecox reported the FY25 DOAP agreement (OP-25-56-IL) had been received; Chairman Larson and Attorney Sosnowski had both DocuSigned and the contract was pending IDOT final signatures. Paula Hughes (RMTD Grant Specialist) noted the contract had included another authorizing resolution and Opinion of Counsel, which had previously been submitted with the application. Hecox said the FY25 contract was for operating assistance in the amount of \$1,234,610, which was an increase of slightly under 10 percent from what SMTD had received in FY24. Open discussion included Hecox stating SMTD is only one of three in the State receiving its whole appropriation and Hughes adding that other transit properties across the state were not awarded their whole appropriation. Hecox said SMTD had received additional funding in FY24 of just over \$189,000 through a continuing resolution and was working with SMTD's IDOT Program Manager (Patricia Nogueira) and IPTA to seek an increase in funding in future years to help with the deficit.

ii. Update, discussion and action on federal grant applications & ECHO requests

Executive Director Hecox reported SMTD's 5307 application for FY25 federal operating assistance (IL-2024-022-00) in the amount of \$685,897 had been submitted and was pending federal approval and execution. Hecox reported copies of the submittal had been included in the board packet for review.

Hecox reported \$178,914 had been received from ECHO for 3rd QTR and April FY24 operating assistance. Hecox said verification of request and receipt of funds was included in board packets. Hecox said May 2024 and June 2024 were yet to be drawn pending determination of final FY24 expenses. Hecox reported June 2024 operating assistance would be drawn at 100% using CARES and ARPA funds after available fares and local match were determined.

iii. Discussion, update, and any action needed on Rebuild IL Capital Grants (I and III) for Transit Hub; funds for (3) three medium duty expansion buses; and 2022 CVP grant for six replacement buses. Executive Director Hecox reported there was no action needed and nothing new to update at this time.

iv. Discussion and action regarding Banking Service Agreement with First National Bank for the period August 1, 2024 through August 1, 2025. Executive Director Hecox stated a copy of the proposed banking service agreement with First National Bank had been forwarded to the board electronically for review prior to the meeting. Chairman Larson stated he had reviewed the agreement and had no issues with terms. Hecox noted the sweep account would continue with an increase to \$75,000 (from current \$50,000) account balance required to maintain proposed no fee structure. Trustee Cook motioned for approval of the agreement; Trustee Adams seconded. All ayes. No discussion. Motion carried 4 – 0, with none opposing or abstaining, and Chairman Larson was authorized to sign the banking service agreement with First National Bank for the period August 1, 2024 through August 1, 2025.

v. Discussion and action as necessary to update Fraud & Abuse Policy Executive Director stated a copy of proposed SMTD updated Fraud & Abuse Policy had been

provided electronically for trustee review prior to the meeting. Hecox stated the policy had most recently been reviewed and re-affirmed in January (2024); however, in response to most recent audit findings, additional updates were indicated in response to findings received from the audit of SMTD's financial statements ending June 30, 2023. Hecox said SMTD had recently been contacted by IDOT regarding its FY20 and FY21 audited financial statements, which had been submitted in the GATA portal. Hecox reported IDOT's financial compliance bureau was requesting written corrective actions be submitted in the portal for FY20 and most likely FY21, as well, but no notice for FY21 corrective actions had been received from IDOT. Hecox said SMTD has not been required to report in GATA for a couple of years, so she was not aware of any issues, but in going into the portal there were issues with both FY20 and FY21 submittals and CYFER, so she was working with IDOT to submit what is needed for compliance. Hecox said the updated Fraud & Abuse Policy had been prepared by Roxanne Sosnowski (Sosnowski & Szeto) and included requirement that the SMTD CEO shall perform a formal fraud assessment every two years to identify areas where SMTD is susceptible to fraud and submit a written report to the board within 180 days of the fiscal year end. Hecox said the risk assessment shall also be performed in the first year following any new appointment to the Executive Director position, including the next regularly scheduled calendar year assessment thereafter. Open discussion. Chairman Larson entertained a motion for approval of the updated Fraud & Abuse Policy, as presented. Trustee Mattocks motioned; Trustee Adams seconded. All ayes. No discussion. Motion carried 4 – 0, with none opposing or abstaining and the updated policy was approved.

- vi. **Discussion and action on line-item adjustments fiscal year 2024.** Executive Director Hecox reviewed and provided the justification for each of the line-item adjustments requested, totaling \$98,072.00. Hecox stated the report of requested line-item adjustments had been provided electronically to the board for review prior to the meeting and the stated adjustments did not increase or decrease the budget, but formally adjusted FY24 line-items to accurately represent what had been already board approved during monthly bill payment. Hecox said adjusting the line items would allow for more accurate representation of activities of the district and a “cleaner” audit. Chairman Larson entertained a motion for approval of the FY24 Line-item adjustments. Trustee Adams motioned; Trustee Cook seconded. All ayes. No discussion. Motion carried 4 – 0, with none opposing or abstaining, and the \$98,072.00 in line-item adjustments to the FY24 budget were approved.

VIII. MARKETING

- a. **Update and discussion on May & June 2024 ridership.** Executive Director Hecox reported 2,871 rides were reported for May 2024, including (24) Center of Hope and (8) No Shows. June rides were reported at 1903, including (22) Center of Hope and (15) No Shows. Hecox reported advance sale tickets redeemed in May at (1,434) representing approximately 50% of total fares redeemed in May. Hecox reported (769) advance sale tickets redeemed in June representing approximately 41% of total fares redeemed. Hecox said the drop in rides and advance ticket redemptions (down from 54% reported in April 2024) were thought to be from school being out and students who were no longer using the service to after school programs.
- b. **Update and discussion on *Ticket to Ride* and *Token Transit* programs.** Executive Director Hecox reported (2) Full Fare and (632) Half Fare *Ticket to Ride* coupons and (409) Full Fare and (367) Half Fare *Token Transit* tickets were redeemed in May 2024. Hecox reported (5) Full Fare and (169) Half Fare *Ticket to Ride* and (319) Full Fare and (254) Half Fare *Token Transit* tickets were redeemed in June 2024.

IX. OTHER BUSINESS

- a. Update, discussion and action on appeal request *Permanent Suspension from Service SMTD & RMTD issued June 17, 2024.*** Chairman Larson turned discussion and update on status of Permanent Suspension over to Attorney Dave Kurlinkus (Sosnowski & Szeto). Executive Director Hecox shared that Attorney Kurlinkus was attending the meeting on behalf of Attorney Sosnowski, who had prior commitments and was unable to attend the meeting. Attorney Kurlinkus stated that after a formal letter of Permanent Suspension had been issued to customer a phone request had been received stating the individual wished to appeal the decision. Kurlinkus stated Sosnowski had advised the client the matter would be reviewed and discussed at the next board meeting. Open discussion followed, including review of history of prior occurrences and multiple actions taken by SMTD and RMTD staff to assist the rider, so the individual could continue to receive the benefits of SMTD services. Kurlinkus reported a letter had been issued prior to Permanent Suspension warning that continued abuses would result in permanent suspension from the service; after which, multiple incidents of disruptive and threatening behavior had continued to occur. It was confirmed by Attorney Kurlinkus, and SMTD Executive Director speaking on behalf of both SMTD and her conversation with RMTD Safety and Security Manager, Drex McCalmon, prior to the meeting, that no further communication had been received and the suspended rider had failed to appear at the board meeting. After much discussion and review, Trustee Cook motioned to deny the appeal; Trustee Adams seconded. All ayes. No further discussion. Motion carried 4 – 0, with none opposing or abstaining, and Attorney Kurlinkus stated his office would issue letter of board decision to deny appeal.
- b. Update and discussion regarding participation in *OSD June 2024/2025; Roscoe Fall Festival Parade Sept 8, 2024 & Senior Expo, Sept 21, 2024 at RVC; Blood Drive October 2024; FREE rides to VOTE November 2024; Rockton Christmas Walk Lighted Parade & Roscoe HomeTown Holidays 2024.*** Chairman Larson updated the board on his discussions with Rockton Chief of Police, Matt Hollinger, and working together next year to better coordinate what is needed at OSD (hours, routing, stops), including evacuation preparedness. Larson stated Hollinger and his Deputy Chief of Police, Justin Jobst, would be the contact for OSD and he had provided contact information to Hecox. Hecox reported SMTD was signed up for participation in the Roscoe Fall Festival parade September 8th and had registered for a booth at Senior Expo to be held at RVC on September 21st. Hecox said SMTD would be participating in offering rides to Senior Expo at regular fare; FREE rides to the Blood Drive at the American Legion in October—date yet to be determined; and FREE rides to voter precincts in the area on November 5th. Hecox stated notice had been sent to RMTD of the upcoming special events.
- c. Update and discussion on *SMTD attendance at IPTA Fall Conference, September 4-6, 2024 Moline, IL and IDOT Fall Planning Conference 2024 October 2 – 4, 2024, Fairview Heights, IL.*** Executive Director Hecox reported she would be attending IPTA Fall conference in September and IDOT Fall Planning Conference in October. Hecox stated she attends the conferences annually and it is a good opportunity for continuing education and networking. Hecox said she will take advantage of this year's conferences to reach out to those individuals at IPTA and IDOT that can assist SMTD in getting an increased appropriation for FY26.
- d. Other business as may come before the board.** Executive Director Hecox shared she was participating on the committee for Next Move Illinois and had forwarded an online survey to each of the board members from Next Move which is designed to help determine the FY26 and forward transportation needs in Illinois. Hecox said she had indicated increased appropriation was needed and encouraged the board members to take the opportunity to voice this concern in their responses.

X. APPROVAL OF BILLS

The following bills were reviewed and presented for approval:

ELEV815	\$	60.00
AMERICAN MARKETING		168.75
CHARTER COMMUNICATIONS		124.98
ILLINOIS DEPART OF REVENUE		351.76
ILLINOIS DEPART OF EMPLOYMENT		7.68
INTERNAL REVENUE SERVICE		2,155.92
SHARON K HECOX		5,154.82
STEPHANY M CORNELLIER		100.33
INTUIT		18.00
ROCKTON-ROSCOE NEWS		75.00
IPTA		375.00
QUILL CORPORATION		62.89
QUILL CORPORATION		185.12
HOSTWAY.COM		24.95
NICOR GAS		46.73
HOSTWAY.COM		179.40
COMED		89.65
CHARTER COMMUNICATIONS		124.98
AMERICAN MARKETING		168.75
INTUIT		12.00
ALPINE INVESTMENT GROUP		1,100.00
BALSLEY PRINTING, INC.		531.00
BLUEFIRE MEDIA		73.00
CHRIS DOERING		160.00
COUSIN COMMUNICATIONS		1,087.50
GUS LARSON		50.00
JACK R COOK, JR.		50.00
MARIETTA L MATTOCKS		50.00
NICK SOMMER		50.00
PAMELA J CLIFTON		50.00
RICHARD ADAMS		50.00
ROCK VALLEY PUBLISHING		868.79
ROCKFORD MASS TRANSIT DISTRICT		278,659.80
SOSNOWSKI & SZETO		1,040.69
SPECTRUM REACH		620.90
ROCKFORD MASS TRANSIT DISTRICT		278,659.80
BLUEFIRE MEDIA		40.00
SHARON K HECOX		5,154.82
STEPHANY M CORNELLIER		116.73
ILLINOIS DEPARTMENT OF REVENUE		351.66
INTERNAL REVENUE SERVICE		2,139.24
RING CENTRAL		547.71
COUSIN COMMUNICATIONS		232.00
GENERATION 3		235.00
ROCK VALLEY PUBLISHING		<u>848.84</u>

TOTALS:

\$ 303,594.39

After Executive Director Hecox reviewed the bills totaling \$303,594.39, Chairman Larson entertained a motion for approval, as presented. Trustee Cook motioned; Trustee Mattocks seconded. All ayes. No discussion. Motion carried 4 – 0, with none opposing or abstaining, and the bills totaling \$303,594.39 were approved.

- XI.** **ADJOURNMENT** There being no further business to come before the board, Chairman Larson entertained a motion for adjournment. Trustee Mattocks motioned; Trustee Adams seconded. All ayes. No discussion. Motion carried with none opposing or abstaining and the Chairman officially closed the meeting at 10:24am.

Respectfully submitted,

Sharon K Hecox

EXECUTIVE DIRECTOR