

ESS Finance Subcommittee
March 14, 2023

Members Present: Geralyn Greer, Lisa Kent, Amy Assink, Sheri Jones, Nancy Booten, Laura McKeever and Stacie Herridge

Other Participants: Phil Dunshee, Corrie Strasser, Nancy Booten, Kristen Delany-Cole and Lisa Long

Meeting Summary

The Subcommittee reviewed the February 14, 2023, meeting summary. Geralyn Greer made a motion to approve the meeting summary as amended. Stacey Herridge seconded, and the motion was approved.

Accounts Receivable Update

The Project Manager provided an update on the outstanding accounts receivable. The Administrative team is working to clear all outstanding accounts.

March Summary of ESS Payments

The Project Manager presented the Subcommittee with the March monthly payment reports. The payment reports show transactions for Lean Techniques software development work on the next generation search application. It also shows payments for administrative services including BerganKDV accounting service, Brick Gentry legal fees, the PRIA winter conference, payroll and other regular services. Credit card charges include Avid communications, the Indeed advertisement for accounting services, Denise's flowers, and licenses for software service providers (Comodo, JetBrains, Zoom, Adobe, Microsoft 365, Intuit, JIRA and AWS). Sheri Jones made a motion to approve the monthly payments reports. Laura McKeever seconded, and the motion was approved.

As a part of the payment reports, the Subcommittee also received an update on an invoice related to the MOU between ESS the Iowa County Recorders Association.

March Fund 255 Reimbursement Invoice

The Subcommittee reviewed the monthly Fund 255 reimbursement invoice for March. Bills included were for Paychex; \$28,211.40 and \$28,136.36. Sheri Jones made a motion to approve the March Fund 255 reimbursement invoice. Geralyn Greer seconded, and the motion was approved.

January 2023 Monthly Financial Reports

The Subcommittee reviewed the January, 2023 financial reports. The Bank of America (BOA) account for January was reconciled with an ending balance of \$ 296,358.91. The decrease in the BOA balance and increase in BT balance is in line with our plans to transfer all funds from BOA to BT. The Banker's Trust (BT) account for January was reconciled with an ending balance of \$ 1,249,652.80. The BT account is now being used for all daily transactions. The BOA account will be closed in March, 2023. The Profit and Loss and Balance Sheet reports were also reviewed. Geralyn Greer made a motion to approve the financial reports. Stacie Herridge seconded, and the motion was approved.

Reserve Fund Allocation

As part of the bank transition, reserve fund accounts were set up in Bankers Trust as funds were moved from BOA to BT. Following the transition, further adjustments were recommended. As of February 28, 2023, the Bankers Trust account held a balance of \$ 1,649,399.40. It was recommended that the reserve fund balances be adjusted as follows.

Unrestricted Reserve balance of \$38,399.40 (not adjusted)

Software Development and Equipment Maintenance Reserve balance of \$600,000.00 (increased)
Redaction Reserve balance of \$60,000.00 (increased)
Restricted Operating Reserve balance of \$100,000.00 (not adjusted) (not adjusted)

The Bankers Trust settlement account would be adjusted to equal \$850,000.00.

Authorization was requested to adjust the reserve balances to reflect the recommended targets to the extent feasible, as of February 28, 2023. Sheri Jones made a motion to approve adjusting the reserve balance as of February 28, 2023. Geralyn Greer seconded, and the motion was approved.

E-Submission Ratios and Maintenance Credit Update

It was reported that the cost-sharing formula was approved by the ESS Coordinating Committee at their February meeting. Subsequent to the ESS Committee action, it was determined that there was a modest error in the formula. This has been corrected, to the benefit of several counties. The adjustment resulted in an additional \$2000 cost sharing credits to the affected counties. The final credit amounts are within the amount approved for the 2023 budget.

Treasury Management Set-Up

The Project Manager provided an update about the bank transition from Bank of America to Bankers Trust. Once all the funds are transferred, Bank of America will be directed to close the account.

Accounting Services RFQ and Position Posting Update

The RFQ for accounting services was posted with a deadline of March 10, 2023. No responses were received from accounting firms. The accounting coordinator position was concurrently posted on Indeed. Numerous applications were received for the accountant position and video and in-person interviews were conducted. It was reported that qualified candidates with good experience had been identified.

The engagement with Bergan KDV will continue through April. It was also reported that progress is being made on preparations for the annual audit. The audit will be conducted during the last week of April.

Development Services Update

The Subcommittee received an update on development activity. Progress is being made with Lean Techniques on the new search application. It will include an improved display, higher speed, and a different search algorithm. Stakeholder and user meetings are planned in March to demonstrate the new application.

February Metrics

The February E-Submission trend has dropped below 2020 levels. This is mostly due to the current economic climate and a decrease in overall recording activity.

The meeting was adjourned at 9:26 AM

The next meeting of the Finance Subcommittee is a web conference scheduled for **April 6, 2023**.