

**ESS Finance
Subcommittee
Teleconference Meeting
May 4, 2023**

Members Present: Geralyn Greer, Sheri Jones, Kelly Spees and Stacie Herridge

Other Participants: Phil Dunshee, Census Lo-Liyong, Kay Kelleher and Lisa Long

The meeting was called to order at 8:30am.

Meeting Summary

The Finance Subcommittee reviewed the April 6, 2023, meeting summary. A motion was made by Sheri Jones and seconded by Geralyn Greer to approve the summary. The motion was adopted unanimously.

Accounts Receivable Update

The Account Manager updated the Subcommittee on the outstanding accounts receivable. The accounts receivable will increase this month due to the upcoming county maintenance invoices. ESS is following up with the Treasurer's office on payments owed from CLRIS FUND 255.

May Summary of ESS Payments

The Project Manager presented the Subcommittee with the May 2023 monthly payment reports. The report highlighted transactions related to the Lean Technique software development services. Further payments were related to mileage for members of the ESS communication Subcommittee. Payments on the BT credit card include expenditures for Konica Minolta services and a PC for the new accounting coordinator position. This is in addition to monthly payments to service providers and software companies such as Mailchimp, Zoom, Adobe, Microsoft 365, Intuit, JIRA, and AWS. A motion was made by Geralyn Greer and seconded by Stacie Herridge to approve the May payment reports as of April 30, 2023. The Subcommittee voted to approve the motion and it was adopted.

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

May Fund 255 Reimbursement Invoice

The Subcommittee reviewed the monthly Fund 255 reimbursement invoice for May 2023. Bills included were for payroll in the amounts of \$29,290.90 and \$31,839.07. The payroll shows an increase due to the addition of an internal accountant. A motion was made by Stacie Herridge, seconded by Sheri Jones to approve the April 255 reimbursement invoice. The motion was approved.

March and 1st Quarter 2023 Monthly Financial Reports

The Subcommittee reviewed the March 2023 financial reports. The Bank of America (BOA) account was closed

on March 31, 2023, with a cleared balance of zero dollars. The account will be reconciled once we receive the final statement from Bank of America. The Banker's Trust (BT) account for March was reconciled. It had a beginning balance of \$1,423,293.73 and an ending balance of \$1, 442,525.94. The reconciliation report was completed by Bergan KDV. The Profit and Loss and Balance Sheet reports were also reviewed. The total income for the first quarter was \$7,147,728.45 and the total expense was \$7,238,754.54. The budgeted net income for ESS for the first quarter was \$45,757.66. However, it was noted that the overall net income for the period was -\$91,026.09 due to planned reserve expenditures for software development and back file redaction. Financial reports for the BT credit card were also reviewed. A motion was made by Sheri Jones and seconded by Stacie Herridge to approve the February 2023 financial reports. The motion was approved.

ILR Budget Review and Action

The Subcommittee members received a report regarding a proposed budget amendment. In February, a budget amendment was approved to reduce revenue projections for E-Submission and to recognize an expected increase in accounting expenses. ESS hired an internal accountant in April 2023 who will be taking over from Bergan KDV. ESS has been using Fund 255 for payroll expenses and if declining E-submission trends continue, ESS will need to look at supplemental sources of funding. The proposed budget amendment would adjust for actual expenditures through April and recognize increased costs in various categories. A motion was made by Geralyn Greer and seconded by Sheri Jones to approve the proposed budget amendment as presented. The motion was approved.

Audit/ 990 Update

The ESS audit for 2022 was conducted in late April by Denman & Co. The final audit report is expected to be presented in August. Additionally, the Project Manager presented a report on the calculation of the 2022 software assets. The new search application and search user management system are being treated as a new software asset per the recommendations of the auditor team.

Development Services Update

The Subcommittee received an update on the software development activity. Progress is being made with Lean Techniques on the new search application and search user management system. The implementation of the new search application is expected to begin after Memorial Day, and it will be conducted in phases. The new search application will also make use of explicit wildcards to give people the opportunity to control the search parameters.

April Metrics

E-Submission activity dropped below 2020 levels due to the current economic climate, inflation, increased interest rates and the housing market..

The meeting was adjourned at 9:30 AM. The next meeting of the Finance Subcommittee is a web conference scheduled for **June 8, 2023**.