

The Yuma County Intergovernmental Public Transportation Authority (YCIPTA) met in Regular Board Meeting session on Monday, September 27, 2021 via Zoom. The Chair, Dr. Michael Sabath called the meeting to order at 1:33 P.M.

Members Present:

Dr. Michael Sabath/Northern Arizona University/Chair
Jerry Cabrera/City of Somerton/Vice Chair
Ralph Velez/City of San Luis /Secretary/Treasurer
Susan Thorpe/Yuma County
Brian Golding, Sr./Quechan Tribe
Susanna M. Zambrano/Arizona Western College
Philip Rodriguez/City of Yuma

Members Absent:

Fernando Mezquita/Cocopah Tribe
Larry Killman/Town of Wellton

Others Present:

Shelly Kreger/YCIPTA/Transit Director
Chona Medel/YCIPTA/Financial Services Operations Manager
Jennifer L. Shields/Heinfeld, Meech & Co., P.C./ Audit Partner
Cynthia Rojo/Heinfeld, Meech & Co., P.C./Audit Manager
Oliver Cromwell/RATP Dev/General Manager

The Pledge of Allegiance was led by Mr. Velez.

The agenda for the meeting is as follows:

CALL TO PUBLIC:

Karla Vera/AWC/Student Government Association President

Ms. Vera brought forth some concerns from Arizona Western College (AWC) students regarding schedule adherence. Ms. Vera read out an email from a student regarding her experience with YCAT and also provided the contents of the email via chat box.

"I have use the YCAT for a while. But unfortunately, I ran into some problems. On August 26 2021, I was going home on the Silver Route, taking the 3:15 pm time at AWC. My stop is usually at the AWC San Luis Learning Center, but the bus driver didn't drive there. He skip my stop and told me I should've said something when he didn't even say anything and drop me off at the desert. And the worst part, on September 1 2021, I was heading to the club meeting when I saw the bus there. I was so mad. And on August 30 2021, when I was waiting for the Silver bus in the San Luis Learning Center which usually arrives at 8:30 am but after an hour, it didn't show up. And when I head to Walmart, I saw it driving by. The Silver bus skip the San Luis Learning Center. I don't know if there is a change or the bus driver is a bad driver. If it is the latter, then fire him for ruining my day and my schedule. But if there is a change, you could've said something since that also ruined my day and schedule."

Dr. Sabath thanked Ms. Vera for the feedback and stated that this item would be investigated and addressed at the next meeting.

CONSENT CALENDAR:

No. 1: Adopt the August 23, 2021 regular session minutes. Action required.

Dr. Sabath mentioned a scrivener's error on page 6 regarding the loan from YMPO; it should have stated that the loan was **NO** longer available anymore.

Motion (Zambrano/Thorpe): To approve with amendment.

Voice Vote: Motion Carries, (7-0) with Mr. Mezquita and Mr. Killman being excused.

DISCUSSION & ACTION ITEMS:

No. 1: Discussion and or action regarding the FY2019 Single Audit and Comprehensive Annual Financial Report (CAFR). Presented by Heinfeld & Meech. Action required.

Ms. Kreger introduced Ms. Shields and Ms. Rojo to the Board.

Ms. Shields presented and stated that there were a few issues but that the audit was concluded with a clean opinion.

Ms. Shields stated that there was a finding with the material weakness of internal control over financial reporting. Ms. Shields further stated that this finding is mostly due to the delay in concluding the financial statements in the fourth quarter of 2021. Ms. Shields noted difficulties that have risen but would like management to encourage to be timelier and get reports caught up.

Ms. Shields also noted that in regards to the Federal Audits, staff is encouraged to get caught up since more scrutiny is expected with Covid related funding.

Ms. Shields also noted that an email sent out to Dr. Sabath regarding the audit; the email also contained a document with information on how to prevent fraud.

Ms. Thorpe inquired if the delay in reporting has an impact on any of grantors or other entities.

Ms. Shields stated that the delay precludes the agency from being classified as a low-risk auditee in subsequent years; it would be up to the federal agency whether YCIPTA will face any sanctions such as funding being reduced or withheld.

Ms. Kreger stated that the agency has not been sanctioned and funding has not been affected.

Dr. Sabath stated that the finding had been listed as a repeat finding.

Ms. Shields stated that this has been a repeat finding in the last couple of years. Ms. Shields noted that for fiscal year 2018 there was significant delay due to the legal issues and other significant challenges. Ms. Shields stated that she remains hopeful that fiscal year 2020 can be wrapped up in a few months to get back on track.

Ms. Shields stated that due to Covid and other challenges, six (6) month extensions were granted, so 2021 will be considered timely if issued by September 2022. Ms. Shields strongly encourages not to use the extension but

get caught up to prevent the data from getting stale.

Dr. Sabath inquired when the audit for 2020 would be due.

Ms. Shields stated that it was due in three (3) days.

Dr. Sabath inquired if we would expect to see the same finding for the next audit.

Ms. Shields stated that yes, it is expected to have the same finding for the next audit.

Mr. Rodriguez inquired as to what the corrective action plan is and what the estimated completion date is.

Ms. Kreger stated that Ms. Medel and the auditors are working very diligently to have both audits done. Ms. Kreger further stated that fiscal year 2020 is anticipated to be completed before the end of the calendar year.

Mr. Rodriguez inquired as to what issues caused the delay.

Ms. Medel stated that the legal issues with National Express significantly delayed 2018 audit and the Covid pandemic also affected the timeliness.

Dr. Sabath stated that he understood the delays but wondered if there were any other issues that contributed to the delay.

Ms. Medel stated that she was the solely responsible for the all things finance at the agency which includes the National Transit Database (NTD) reporting, day to day tasks, and other financial challenges. Ms. Medel further stated that it has been difficult to get out of the "hole". Ms. Medel stated that it in her opinion that at the end of fiscal year 2022 the agency should be caught up.

Dr. Sabath inquired if the agency needed additional resources.

Ms. Medel stated that she received assistance for some of the daily tasks. Ms. Medel further stated that there have been some health issues with staff and staff's family that has caused absences.

Dr. Sabath stated the he would like to keep undated regarding the timeliness of the report. Dr. Sabath expressed his desire for the finding to be resolved.

Ms. Kreger stated that employing additional staff has been a challenge. Ms. Kreger further stated that many applicants do not even show up for the interviews and an individual that was hired did not work out. Ms. Kreger stated that the staff is still continuing to search for more office support.

Motion (Golding/Cabrera): To approve item as presented.

Voice Vote: Motion Carries, (7-0) with Mr. Mezquita and Mr. Killman being excused.

No. 2: Discussion and or action regarding the YCIPTA FY2020 Annual Performance Report. Action required.

Ms. Kreger stated that it was a typo and should be fiscal year 2021. Ms. Kreger stated that the report will look a little different from previous years as it will not include the history portion.

Ms. Kreger stated that due to an issue with the reporting software the OnCall portion of the data was not available and further stated that she was working with Solutions for Transit to retrieve that data to complete the report.

Dr. Sabath stated that he enjoyed reading the history portion but that it was a lot of information.

Mr. Rodriguez stated that a presentation of the report would be helpful.

No action taken.

No. 3: Discussion and or action regarding Financial Sustainability Committee meeting. No action required.

Ms. Kreger stated that legal counsel is reviewing the board member's feedback regarding amendments needed for the intergovernmental agreement (IGA). The amended IGA will be with Yuma County and no longer with the Yuma County Treasurer.

Ms. Kreger stated that it is expected to receive a draft agreement by the next Board meeting for review.

Ms. Thorpe stated that this is only a piece of what is needed. Ms. Thorpe further stated that this provides documentation of the 5% interest and sets up the allowance of the indirect cost distribution to allow this to be used as a match.

Ms. Thorpe stated that the amendment of the IGA still does not address the \$1.5 million in arrears with the County Treasurers. Ms. Thorpe stated that the issue regarding a revenue source needs to be resolved and not just placed on the agenda. Ms. Thorpe stated that the agency needs a fund balance.

Ms. Kreger stated that Mr. Paul Ward (YMPO/Executive Director) mentioned that the loan of \$600,000 might still be available since the prior commitment would not need them the funds for a few more years. Ms. Kreger stated that staff needed more information before bringing this as an action item for the Board.

Ms. Thorpe inquired if staff had information regarding the possible increase of dues for the member entities.

Discussion ensued regarding providing the Board more defined action to vote on for the increase in dues, members also noted that they would like to see more movement regarding this item.

Ms. Thorpe stated that staff should provide various actionable options to the Board so progress can be made. Ms. Thorpe also expressed some skepticism regarding why YCIPTA is on a reimbursement basis for the Coronavirus Aid, Relief, and Economic Security (CARES) funding while other agencies have received the funding upfront.

Ms. Kreger stated that she can provide the registers with Federal Transit Administration (FTA) which are the legal documents that dictates how the funding is received and approved expenditures.

Ms. Thorpe stated that it seemed that this agency was the only one having the issue due to not having a fund balance.

Ms. Kreger noted that other agencies are usually a department of a county or city and/or have a dedicated transit tax.

Ms. Thorpe inquired if being an IPTA precluded the agency from having a tax.

Ms. Kreger stated that Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) has a tax.

Mr. Rodriguez stated that the conversation being had is almost identical to what was discussed at the last meeting. Mr. Rodriguez requested an actionable item.

Dr. Sabath mentioned that the situation with the possible loan from YMPO has changed and now may once again be available. Dr. Sabath further stated that he was unsure if this was the best solution.

Ms. Kreger reviewed the four items that will be brought back for the next meeting which include:

- Data for possible increase in entity dues
- Additional revenue sources
- Completed IGA
- Information on why CARES funding can't be provided directly (not on a reimbursement basis)

Ms. Thorpe stated that she would also like the information regarding the possible loan terms from YMPO.

Mr. Rodriguez stated that funding information should include American Rescue Plan Act (ARPA) and other funding from FTA.

Dr. Sabath stated that staff should look at to possible political changes that can be made to change funding from being on a reimbursement basis.

No action taken.

No. 4: Discussion and or action regarding the YCIPTA Shelter and Bus Stop Permit status report. No action required. NO UPDATES

Mr. Rodriguez inquired regarding the installation of the shelter by the hospital.

Ms. Kreger stated that the permits had expired and also had to be revised to include the new contractor.

Mr. Rodriguez stated that would like staff to present to his Board. Mr. Rodriguez mentioned that it will be difficult to ask for additional moneys without seeing movement in items such as this.

Ms. Thorpe stated that challenges preventing from moving forward with this item should be noted on the updates.

Mr. Golding stated it would be beneficial to look at the next 3-5 shelters to be installed and ensure that permits are renewed.

No action required; no action taken.

PROGRESS REPORTS:

No. 1: Operations Manager Report/Maintenance Update– Oliver Cromwell, General Manager – RATP Dev. *No action required.*

Mr. Cromwell presented the report as contained in the member packet. Mr. Cromwell further stated that the report for late to the first stop in the future will not include the instances under five (5) minutes.

No. 2: Transit Director Report – Shelly Kreger, YCIPTA Transit Director. *No action is required.*

Ms. Kreger stated that a report for this meeting was not available.

No action required; no action taken.

No. 3: Transit Ridership – Carol Perez, Transit Operations Manager. *No action is required.*

Ms. Perez was not available; Ms. Kreger presented the report on her behalf.

No action required; no action taken.

No. 4: Financial Report – Chona Medel, YCIPTA Financial Services Operations Manager. *No action is required.*

Mrs. Medel presented the report as contained in the member packet. Ms. Medel also mentioned that a form for the in-kind hours will be sent out to each of the members. No action required; no action taken.

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS:

October 25, 2021

Ms. Thorpe requested an item for the status regarding the facility.

Dr. Sabath requested an item for Ms. Vera's concerns.

Motion (Zambrano/Cabrera): To adjourn.

Voice Vote: Motion Carries, (7-0) with Mr. Mezquita and Mr. Killman being excused.

ADJOURNMENT

There being no further business to come before the Authority, the meeting was adjourned at 2:41 p.m.

YUMA COUNTY INTERGOVERNMENTAL TRANSPORTATION AUTHORITY

Adopted this _____, 2021, Agenda Item _____.

Carol Perez, Board Secretary

