**RED RIVER REGIONAL DISPATCH CENTER
Budget and Finance Meeting
Wednesday, October 10th, 2024**

**Cass County Courthouse, 211 9 St S, Fargo, ND**

**Commission Room 105W**

**MEETING CALLED TO ORDER by Denise Kolpack at 1:00 pm. (Brandy Madrigga had schedule conflict and would be late so requested alternate member in person chair)**

**Present:**

Fargo Commissioner Kolpack

Cass Commissioner Scherling

Clay Commissioner Campbell

West Fargo Mayor Dardis

Cass Finance Director Madrigga

RRRDC Director Glasoe

**Virtual:**

Fargo Finance Director Thompson

Moorhead Council Member Nelson

Moorhead Finance Director Flanagan

**Also, in Attendance:**

Cass County Administrator Robert Wilson

Widmer Roel – Paige Fabre

Widmer Roel – Craig Hashbarger

RRRDC – Kristi Kanski

1. **Approval of Agenda**

Approval of October 10th Agenda. Dardis made a **motion to approve the agenda**; Campbell seconded the motion. No discussion. All approved; **motion carried.**

1. **Approval of Budget and Finance Minutes from August 7th, 2024 Meeting Minutes**

Approval of August 7th meeting minutes. Scherling made a **motion to approve the minutes**; Dardis seconded the motion. All approved; **motion carried**.

1. **Widmer Roel Audit Draft Review**

Craig Hashbarger and Paige Fabre represented Widmer Roel. Fabre gave overview of report of Financial Statements and respective letters that come along with it. Opinions is an unmodified opinion or clean opinion. Financial statements presented fairly for assets, liabilities and net assets for December 2023 and 2022. Widmer Roel is independent of RRRDC and met their ethical responsibilities. Current year increase in cash and total assets primarily due to expenses coming in under budget. Short staffing caused salaries to not be as high as anticipated. Certificates of deposit line were deposited into another savings account. That attributed to increase. Property and equipment had a slight decrease due to appreciation to fixed assets. Net assets changed with an increase listed in report. Line item Interest Revenue in the Revenues and Support category is new this year and that was from the CD. Expenses increased, mainly due to salaries, repair and maintenance and professional services. New World maintenance and computer services increased from prior year. There were changes in certificates of deposits, which is under the cash flows from investing activities. That matured in April 2023 and was deposited into a savings account. No major changes here from the prior year. Notes to the financial statements goes through the nature of the organization and also notes the member assessments from Moorhead, Cass County and Clay County. The percentages of support are the same as the prior year. Note 1 goes through cash and cash equivalent and states that RRRDC maintains cash balances primarily in that pool which was held by the city of Fargo this fiscal year. At December 31st 2023 and 2022 those account balances did not exceed the federally insured limits. It also disposes property, equipment and revenue recognition. It’s noted RRRDC changed fiscal agents from city of Fargo to Cass County effective January 1st, 2024. That will bring changes in next year’s audit. Note 2 discusses property and equipment which is consistent with the prior years. There are a few disposals in the computer equipment and software’s. A few additions to furniture fixtures but overall are rather consistent. Note 3 touches on the board designated net assets, so that equipment replacement reserve did increase. This is set aside to be allocated from cash reserves for IT expenses and hardware expenses. This is set to be $309K and his is year four of five for that $93K that went out. Also, a slight increase in the long-term contingency fund. Note 4 notes on the 401K plan and total employer contribution were $283K and $280K respectively. Note 5 touches on operating leases which is rather consistent with prior years. No increase in leases or no new leases. Note 6 is Related Party Transactions and goes through the organization and its members. This includes the city of Fargo, Moorhead, West Fargo, Cass County and Clay County. The maintenance assessment selected from RRRDC are shown here. There were about a $517K received in revenues and that’s about 6% total increase from prior year for assistance received. Also noted in Note 6 is that the city of Fargo provides IT services to RRRDC and fees paid to the city in 2023 were roughly $400K. The city of Fargo also provides accounting services to RRRDC which is free of charge and in addition the leases storage space from the city of West Fargo for which no fees are charged. Note 7 goes into Commitments. The long-term service contract with the third party for dispatching software maintenance and licenses. This is used by RRRDC in its operations. Note 8 is Liquidity and Availability. This note states that RRRDC has financial assets available to meet cash needs for expenditures within one-year which is about 2.6 million. Next in the overview is going over letters. The first letter is an internal control letter regarding implanting and performing the audit of the financial statements. It goes through findings found in audit during current year. It goes through what a deficiency is and a material weakness. In the current year they consider the following deficiency in dispatch center’s internal control to be a significant deficiency, which was the preparation of financial statements, which has been there in prior years and will be there as they assist in preparing the financial statements. They added it is management’s ultimate responsibility for the fair presentation of the financial statements. They are finding there were no material weaknesses and no other matters noted. Overall this was a very clean audit. This summarizes the letter. Next is the Communication to Governance letter. This does go into significant risk identified. There were no significant unusual transactions identified and no significant difficulties with management. They stated it was great to work with Glasoe as this was her first year taking the reins on the audit. All went well and it was clean and not very many significant changes from prior year. Fabre did think there would be more changes to come next year. Scherling asked what kind of changes. Fabre said with the fiscal agent changing and changes in management and how processes are going with the change in transition. Campbell asked if this was considered a 100% audit or they do random sampling. Fabre stated they do apply sampling where it’s appropriate to do so. **Motion to accept review** made by Campbell; seconded by Dardis. Campbell complimented Glasoe on the clean audit, especially for her first year. **Vote taken – all approved;** **motion carried**.

Widmer Roel available tomorrow at Authority Board meeting for any questions.

1. **2024 Year to Date Budget Review**

Glasoe said it’s been largely unchanged over the past month. Are at just over $92K for interests for year to date. The New World assessment for $538 is still waiting on New World for corrected invoice on one of the portions of that. Was reassured this week it would be here shortly. That is NW maintenance consortium and that goes on different assessment to agencies based on licenses of the contract signing. Will send out what each agency needs to pay in for that. Highlighted training and salaries. Overtime continued to be high. First week of November had 12 hours and end of October only 8 hours which is great for staff. Doesn’t include unexpected call outs. Training is high as a lot of trainees have come through. Nothing unexpected for benefits. For accounting, didn’t budget for QuickBooks. Didn’t think it was in 2025 budget but will have it budgeted for 2026. Legal is expected to increase quite a bit. Invoice was just paid so will be increase seen next month. Hiring Services at 79% related to background process. Did make more offers and they are expected to have a start date for early January. General liability was done at start of year and usually see reimbursement for that. For Printing and Publishing did have $500 budgeted and is at $918. Employee photos were updated and new ID badges were issued which accounted for that cost. Uniforms will be ordered this month so may be expended by end of next month. Banking fees were not budgeted for 2024 but were budgeted for 2025 but had unknown cost at time of searching things over. Capital outlay is over budget due to 5-year refresh cost. Several payments to COF for hardware and software updates. Review concluded. Campbell asked in audit that RRRDC pays to COF and wondered where that was found. Line 3415 computer\Technical Services. Glasoe said we pay the three Public Safety Teams employees and COF for services. RRRDC is billed monthly for services. No other questions.

1. **Other Business**

None.

**ADJOURNMENT**

Meeting adjourned by Kolpack at 1:26pm.