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FINAL MINUTES  
STRAFFORD REGIONAL PLANNING COMMISSION  
EXECUTIVE COMMITTEE MEETING  
October 20, 2017  
Community Center Conference Room #1  
Strafford Regional Planning Commission  
150 Wakefield Street, Suite 12  
Rochester, NH

**Members Present:** Chair Victoria Parmele, Northwood; Secretary/Treasurer Tom Crosby, Madbury; Sandy Keans, Rochester; Judy Nelson, Rollinsford; Tony McManus, Dover; Peter Nelson, Newmarket; Brian Tapscott, Somersworth

**Guests present:** Sheryl Burke & Alyssa Simard, Melanson, Heath, & Co, PC

**Staff Present:** Shayna Sylvia, communications & outreach specialist; Kathy Foster; financial consultant; Colin Lentz, regional transportation planner

**Members Absent:** Cynthia Copeland, executive director

## 1. Welcome/Introductions

Chairperson Victoria Parmele welcomed the group. Introductions were made around the room. The meeting began at 8:05 a.m.

### a. Appointment of alternates, if necessary

There were no necessary appointments.

## 2. Presentation: FY 2017 DRAFT Audit: Melanson, Heath, & Co, PC

Sheryl Burke and Alyssa Simard from Melanson, Heath, and Co, PC shared the results of the FY2017 Audit Report. A. Simard explained that she would be reviewing the financial statements, single audit report, and the governance letter. The Commission was required to have a single audit this year due to the expenditure of more than \$750,000.

The opinion included in the independent auditors report was explained. This opinion was stated as follows:

“In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Strafford Regional Planning Commission, as of June 30, 2017, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United State of America.”

A. Simard explained the *Management's Discussion and Analysis* section including an overview of the financial statements. She reviewed the statement of net position which includes capital assets, net of depreciation, expense, long-term liabilities such as compensated absences, and other components.

S. Keans asked what an unmodified audit means. S. Burke described the type of audit themes such as a disclaimer or a modified report or exception. This did not occur for SRPC.

A. Simard explained that the organization's receivables and payables were higher due to factors such as paying other MPO's through the SHRP2 grant, and through late receipt of payments from some of SRPC's funding sources.

A. Simard reviewed the *Statement of Activities* which matched revenues against expenses for grant funding, followed by a review of the financial statements and the fund balance. Peter Nelson asked what non-spendable means. A. Simard responded that this term accounts for prepaid expenses. S. Burke explained that there are footnotes in the back of the report explaining the categories of fund balance.

A. Simard explained the required reconciliations and other fund balance statements. She reviewed the last section of the financial statements, the *Notes to the Financials*. She added they were consistent with the prior year. She described the footnotes regarding the note payable and the Commission seeking recoupment on their indirect cost rate. P. Nelson asked about the note payable. V. Parmele, T. Crosby and J. Nelson explained the scenario where the note payable had been required and how the organization set up a line of credit for any similar situations moving forward, should they arise. A discussion ensued concerning the line of credit.

A. Simard thanked Cynthia Copeland and Kathy Foster for all their hard work during the audit process. V. Parmele thanked Melanson, Heath, & Co, PC for their work.

S. Burke explained that the organization was subject to a single audit. This includes two reports, internal controls over financial reporting and compliance with the federal requirements related to federal awards. There were no issues in internal controls and there were no findings related to compliance with SRPC's Highway Planning and Construction grant, which was reviewed.

V. Parmele asked what high risk refers to for an auditee. S. Burke explained that it refers to the amount of federal dollars that the auditor needs to audit, and it results in the difference between having to audit 20% of funds versus 40% of funds. A discussion ensued concerning the difference between auditing programs at different rates, i.e. 20% versus 40% of funds.

P. Nelson asked about indirect cost rate. K. Foster explained that the organization recouped the FY2016 rate.

S. Burke explained that the final deliverable was the governance letter. Issues and difficulties, if any would be cited in this letter.

The Commission thanked the presenters.

### **3. Actions Items**

**a. Approval of the Minutes of September 15, 2017**

P. Nelson **MOVED** to approve the minutes of September 15, 2017. J. Nelson **SECONDED** the motion. T. Crosby and Brian Tapscott **ABSTAINED**. The motion **CARRIED**.

**b. Acceptance of FY2017 Draft Audit**

T. Crosby **MOVED** to accept the Draft Audit for FY2017. J. Nelson **SECONDED** the motion, of which all were **IN FAVOR**.

**c. Acceptance of the September & Quarterly Financials**

K. Foster explained that the organization recouped their FY2016 indirect cost rate. K. Foster reviewed the financial statements, explaining changes that have already occurred and upcoming changes. She asked if any committee members had questions.

K. Foster described the quarterly financials. She added that total income had increased looking at the quarter in total due to the addition of the EDA grant, increase in UPWP staffing, and the closeout of the SHRP2 grant. K. Foster explained that payments for hazard mitigation planning aren't processed until the end of the contract. She explained that expenses increased, but were relative to increased staffing. The total net income only decreased slightly. She asked if any committee members had questions. There were none.

T. Crosby **MOVED** to accept the Draft September and Quarterly Financials. B. Tapscott **SECONDED** the motion, of which all were **IN FAVOR** of the motion.

**d. Concurrence with October Monthly Minors**

Colin Lentz reviewed the October Monthly Minors which included changes in funding for COAST, the bridge over Bunker Creek in Durham on Route 4, the statewide bridge program, statewide culvert replacements, and the State Transportation Innovation Council (STIC) in addition to other parent projects. He added that he highlighted where funding changes occurred.

S. Keans asked for clarification on a minor regarding indirect cost. C. Lentz explained why the change occurred.

The group thanked C. Lentz for his review.

B. Tapscott **MOVED** to concur with the October Monthly Minors. T. Crosby **SECONDED** the motion, of which all were **IN FAVOR**.

**e. Approval of SIMPLE IRA Employer Contribution for CY2018**

K. Foster reviewed the SIMPLE IRA form. She asked the committee to approve a contribution match rate of up to 3% for the 2018 calendar year. S. Keans asked how many employees are taking advantage of the

SIMPLE IRA match system. K. Foster responded all but one. S. Keans asked about how the SIMPLE IRA transfers in context of turnover. A discussion ensued concerning how this works and if it is much work for K. Foster, which it is not. The group discussed the options for the SIMPLE IRA match rate.

B. Tapscott **MOVED** to approve the 3% matching rate for employee contributions to a SIMPLE IRA. T. Crosby **SECONDED** the motion, of which all were **IN FAVOR**.

**f. Concurrence with the SRPC Procurement Policy**

Shayna Sylvia explained that there were changes to the Procurement Policy, which is part of the 2018 SRPC Operational Policies. There were changes via NHDOT to the thresholds. K. Foster reviewed the requirements when purchasing equipment and services among different pricing thresholds.

T. Crosby **MOVED** to concur with the SRPC Procurement Policy. B. Tapscott **SECONDED** the motion, of which all were **IN FAVOR**.

**g. Concurrence with Amended 2018 SRPC Operational Procedures**

K. Foster explained that they change made to the 2018 SRPC Operational Procedures was reflected in the Procurement Policy. B. Tapscott **MOVED** to concur with the 2018 SRPC Operational Procedures. T. Crosby **SECONDED** the motion, of which all were **IN FAVOR**.

**g. Approval of RIC Appointments**

V. Parmele **MOVED** to appoint Fred Kaen as member of the RIC committee, and Marcia Gasses as an alternate on the RIC Committee. T. Crosby **SECONDED** the motion, of which all were **IN FAVOR**.

**4. Discussion**

**a. Executive Director Subcommittee (EDS)**

**i. Progress report**

There was nothing to report at this time.

**5. Updates**

**a. Contract Updates**

K. Foster explained that the SHRP2 contract closed. The EDA grant is still ongoing. Northwood is reviewing an update to their circuit writing contract with SRPC and regional economic development planner James Burdin. K. Foster added that she will be closing out the hazard mitigation FEMA contract soon, and that two grant proposals are being submitted to NHDES for potential funding. K. Foster reiterated that the indirect cost rate has been approved for FY2018. K. Foster explained that the new line of credit is in place and that SRPC has switched banks. K. Foster went into detail about the banking change.

K. Foster shared that the FY2019 dues notification letters had been send out on October 11.

K. Foster updated the committee sharing that one of the summer field staffers was given a full time position, and that the other two were let go. The editor and transportation writer were kept on in part time capacity.

K. Foster explained why SRPC must go out to bid for her job.

**6. Other Business**

There was no other business.

**7. Adjournment**

J. Nelson **MOVED** to adjourn the meeting. T. Crosby **SECONDED** the motion, of which all were **IN FAVOR**.

The meeting adjourned at 9:00 a.m.

Minutes Respectfully Submitted by,

Shayna Sylvia  
Communications and Outreach Specialist

Minutes approved on 12/15/17  
By: Victoria A. Parmele  
Victoria Parmele, Chair  
SRPC Executive Committee