MINUTES

Board of Directors Meeting
April 12, 2016
9:00 AM
MWEA Headquarters, Bath, MI

8:45 Arrival Time

Members Present

Brian Hannon  Tim Sikma  Brian Ross  Cheryl Vosburg
George Davis  Jennifer Zelski  Harry Price
Michelle LaRose  Todd Wibright

Staff Present

Jerry Harte  Amy Brooke (for AC update)

Guests

Tom Smith (AWWA) (telephone)  Greg Kacvinsky  Keith Moss  Jordan Smith (A&G – Audit)

9:00 Call Meeting to Order

Introduction of Visitors

Members, staff, and guests introduced themselves.

Approval of Agenda

MOTION: Zelski  SECOND: Wibright  MOTION CARRIED 9-0
(Motion carried to approve Agenda as presented.)

Approval of January 13, 2016 Minutes

MOTION: Sikma  SECOND: LaRose  MOTION CARRIED 9-0
(Motion carried to approve January 13, 2016 minutes as written.)

Treasurer's Report

LaRose reviewed report that had been provided in advance of the meeting. She indicated that the 
association was doing good and on track financially. Harte had the final numbers for WWadCom in his 
Director's report. Harte indicated that he had received preliminary results for Joint Expo from AWWA. 
Harte indicated that he expected the association to net $70,000 on the two programs.

Harte and the Board thanked LaRose and congratulated her on the great job she had done as Treasurer.

Treasurer's Report was accepted and placed on file.
Liaison Reports

Hannon noted that the Decentralized Wastewater Committee had not been very active recently and questioned whether something should be done to get the committee reenergized. Harte noted that the most active committees were the ones with hot topics. There was discussion regarding possible legislative activity regarding the State Sanitary Code.

Zelski suggested including a separate listing on future agendas for the WEF Delegate report, rather than just including that report under the liaison reports.

Tom Smith indicated that based on information he had received from Bonnifer Ballard, Joint Expo had been successful – they were still reconciling the numbers. Smith noted that AWWA had received fewer papers for their conference this year. AWWA was ramping up their lead resources, including training for members, webinars, and workshops. In response to inquiry from Harte, Smith indicated that AWWA had not taken an official position regarding the Flint lead situation, but had provided members with talking points and they were planning an article for their quarterly.

Sikma noted that GLWA and the State had a lot of information regarding the lead issues and Flint.

MOTION: Davis  SECOND: Vosburg  MOTION CARRIED 9-0
(Motion carried to place liaison reports on file.)

Annual Conference Update

Brooke indicated that registrations were up compared to the same time last year. So far, there were about 50 expected attendees, including member, nonmembers, speakers, and retirees. There were 33 exhibitors and 16 sponsors. Golf numbers were about the same. She felt that everything was on schedule. The technical program was set. Room reservations were increasing.

The Board thanked Brooke for stepping in to take over for Wickham regarding AC and other matters.

Internal Audit Report

Vosburg and Hannon had gone through all physical assets at the MWEA office and documented that everything was accounted for. They had found no problems – everything looked good. They also went through several months of the accounts, and those looked good too. They modified the audit form to reflect the updated staff positions. There would be a report ready for the June BOD meeting.

(Break)

Audit Results (Abraham & Gaffney)

(Harte introduced Tiffany Arteaga, a new staff person that would be taking on some financial management duties and assisting with some programming and administration of all programs.)

Harte noted the recent audit conducted by Abraham & Gaffney, PC. The audit is done every 3 years to coincide with the end of the Treasurer’s term. Harte introduced Jordan Smith from Abraham & Gaffney. Smith summarized the result of the audit and the audit report that was provided to the BOD. Smith indicated that they had been able to provide a “clean” opinion – basically the best they could provide using GAAP (generally accepted accounting principles). The association could pay off current liabilities using current assets. If all assets were liquidated, the association could operate for 8 months. With regard to Local Sections, the auditor recommended that the bank statements should be sent to the MWEA central office on a monthly basis for review and sign off by the central office. Other recommendations were set forth in the auditor’s report on file.

There was discussion regarding the importance of doing periodic time studies (e.g., quarterly) and to develop a reasonable basis for allocating functional costs (as noted in the auditor's report). The director and staff should begin periodically documenting how their time is spent in accordance with Form 990 – this would also be important for purposes of helping the association to get funding in the future.
The BOD discussed considering doing a multiyear budget, for example one that overlaps the Treasurer’s terms, to project out where the association would like to be in x years. There was also discussion regarding using a fiscal year rather than a calendar year. Vosburg and Ross noted that it would be better not to have a new budget being worked on right at AC. There was also discussion regarding proceeding on an accrual basis versus a cash basis.

Executive Director’s Report

Harte’s ED report was provided to the BOD in advance of the meeting.

Harte noted that GLWA had again been in contact about possible training courses – but also noted that there had been difficulty in moving forward on anything definite in that regard.

Harte discussed a proposed $15,000 grant for MSU for the Watershed Management Professional Certificate program. They wanted MWEA to put its name on it. Would require a DUNS number and a year end financial statement. MWEA would receive $3,000 to produce certificates and promote certification. Vosburg indicated it was hoped the program would be up and running by Fall – and there would be discussion about the program at AC.

With regard to the new website, LaRose asked about how much lead time would be required for developer to proceed. Harte indicated that they seemed ready to go and did not think it would take long. LaRose noted that with regard to payment to people other than the developers for work on the website, it would be helpful if there could be a purchase order or some other documentation ahead of time, so that the Treasurer would know what to expect on pay rates, etc.

With regard to Michigan Water Awareness Month, Harte noted on hold just for 2016 and would go forward in 2017. It was suggested that the Watershed Management Committee might be able to assist with that.

MDEQ Grant – Water Resource Recovery Summit

Harte summarized the recent summit, noting that the presenters were all very impressive and that the summit had been a great success. Hannon agreed that the event had been very good. A number of national organizations were represented, including NACWA and WERF. Harte summarized MWEA’s involvement in the summit under the grant. The next step would be to compile information and data for the Michigan resource recovery roadmap. There may be additional follow-up as part of MWEA’s outreach task, including further seminars. Also, some presentations could be used for next year’s AC and/or the Process seminar.

New Business

None noted.

Board Meeting Self Evaluation

Hannon and the rest of the Board thanked Sherrie Elliot, Michelle LaRose, and Tim Sikma for all of their hard work on behalf of the association. The Board thanked Brian Hannon for his service as President.

Adjourn

MOTION: Sikma SECOND: Ross MOTION CARRIED 9-0
(Motion carried to adjourn BOD meeting.)

11:40 Break/Lunch

2:45 Reconvene in Workshop Session for Strategic Planning – Discuss Business Plan Development

List/Summary of Action Items from 04/12/16 BOD Meeting

Harte/Staff – Perform periodic time studies and develop reasonable basis for allocating functional costs based on actual use/benefit per Form 990 and to assist in future grant applications (as noted in auditor’s report).