

**MINUTES  
EXECUTIVE COMMITTEE – NFRWQPA  
JANUARY 12, 2007**

**1. Determination of a Quorum**

The meeting was called to order by Chair Ed Schemm at 9:00 a.m. Executive Committee members present were: Ed Schemm, Jeff Hodge, Randy Siddens, Terry Farrill, Earl Smith, Steve Adams, and Cindy Titus. Also present Mike Alexander, Auditor for the Association; Myron Lindgren, Accountant for the Association; and Connie O'Neill, Manager for the Association.

**2. Approval of Minutes**

Mr. Siddens and Mr. Farrill pointed out a few corrections to the August 2, 2006 minutes. Mr. Siddens then made a motion to approve the minutes as corrected. Mr. Farrill seconded the motion and it passed.

**3. 2005 Audit & Financial Report Format**

Mr. Alexander presented the audit of the 2005 financial records. Mr. Alexander stated that he found nothing out of order in the audit; however he did identify some internal control weaknesses that had been outlined in a separate letter. Those included the filing system, numbering system for accounts, inadequate safeguards of assets and inventory, and approval of acquisitions. Ms. O'Neill stated that she had already begun to rectify these weaknesses. Mr. Schemm suggested incorporating the suggestions into a financial policy. Ms. O'Neill will update the existing policy to include the recommendations. The revised policy will then be reviewed at the next Executive Committee meeting. Mr. Adams questioned the process for handling cash. Mr. Alexander stated that there is little or no cash received however there is now an improvement in the segregation of duties with Mr. Lindgren preparing the monthly financial reports. Mr. Adams also questioned the need to secure checks and our storage process. He suggested including the handling of checks in the updated policy. He will also send a copy of the City's policy to use as a reference. Mr. Farrill then made a motion to approve the audit. Mr. Smith seconded the motion and it passed.

**4. Budget Review**

Ms. O'Neill handed out a copy of the year end financial statement in the new format. She reviewed the highlights of the new format. Mr. Lindgren summarized the report. Mr. Adams requested clarification on the Associations accounts. Ms. Titus questioned the budget process for salary. Mr. Schemm indicated that since the salary for the upcoming year has not been set, an amount is included in the contingency to cover any potential increases. Mr. Adams made a motion to approve the revised format for the financial reports. Mr. Hodge seconded the motion and it passed.

The Committee then moved on to a discussion of the 2007 budget. Ms. O'Neill handed out and summarized the proposed dues for 2007 and the proposed budget for 2007. Mr. Adams questioned the need for increased office supplies to comply with the audit suggestions. Ms. O'Neill indicated that if additional cabinets are needed, the line item would need to be increased. Mr. Adams then questioned the storage and safety of the Associations records and whether the safe storage area is fire proof. Ms. O'Neill indicated that she would follow up with the City to determine a safe area for record preservation. This will then be brought back to the Executive Committee for further discussion.

Ms. O'Neill then reviewed the budget projections. The Committee discussed the projected cash level and associated membership dues. Mr. Schemm indicated that in the past, dues had been reduced which resulted in a problem financially for the Association. He suggested that the Committee thoroughly review the required reserves prior to reducing the dues levels in the future. Mr. Adams suggested a discussion of what is really needed in reserves at the next Committee meeting. Mr. Schemm suggested considering this by at least June for the 2008 budget. Mr.

Adams suggested including a minimum of five years for the projections in the upcoming budget. Mr. Adams then made a motion to approve the proposed budget and dues schedule for 2007. Mr. Smith seconded the motion and it passed.

**5. GIS Agreements**

Ms. O'Neill summarized the GIS request received from Barr Milton Watershed Association. She also summarized the clipped information that the City of Loveland had prepared for the request. In addition, she prepared a draft letter for the Watershed Association GIS approval. Mr. Farrill questioned how the Watershed Association would publish the data. Mr. Adams indicated that we would only provide a shape file of the 208 boundaries and therefore protect the agreement with Weld County. Mr. Farrill asked if we would charge for providing this data. Ms. O'Neill indicated that a cost had not been established. The Committee determined that if the Watershed Association were to request additional data in the future, the Committee would need to reconsider the request. Mr. Smith then made a motion to approve the GIS agreement and letter prepared for the Barr Milton Watershed Association. Mr. Adams seconded the motion and it passed.

**6. Revised Site Application Policy**

Ms. O'Neill reviewed the changes proposed for the policy. In addition, the Utility Plan Review Committee has also suggested adding additional guidance on lift stations to this policy. She suggested that the Committee review the latest version by e-mail over the next couple of weeks. Mr. Siddens questioned whether a private entity could own and operate a facility. Mr. Schemm indicated that we would prefer a public entity however; there are instances where a private entity is the owner. When that happens, it has to be a legal entity which is responsible for the facility. Mr. Siddens offered to provide some revised language via e-mail for consideration. Ms. Titus questioned whether the policy will need to be updated once utility plans are required. She also questioned whether plans are needed for small facilities. Mr. Schemm indicated that very small facilities such as camps will not be required to submit utility plans. Mr. Siddens questioned whether the Utility Plan Review Committee will be able to handle the number of plans submitted. Mr. Farrill indicated that if the check list is followed, the review is very smooth. Ms. O'Neill stated that she intended to hold a training addressing the needs of utility plans.

**7. Project Status Reports**

- 1. 604(b) Projects:** Ms. O'Neill indicated that the Association had submitted the project for 2007 which is the Areawide Water Quality Management Plan 2007 Update. Part of that project will be a GIS project update in which the Association will work with the City of Loveland again. Ms. O'Neill asked that anyone having suggestions for the GIS update submit those as soon as possible for inclusion into the update. Suggestions could include such things as adding aerial photography to the project and linking the data sheets to the wastewater plants. Ms. Titus suggested showing both the existing and proposed boundaries on a map when requesting a boundary change. The Committee suggested putting this on the agenda for the January meeting and requesting input from the membership.
- 2. USGS Monitoring Agreement and Big Thompson Watershed Forum Memorandum of Agreement:** Ms. O'Neill handed out the USGS Agreement as well as the 2006 MOA with Big Thompson Watershed Forum (BTWF). She suggested that the term "interest" in item number 7 on the MOA be replaced with "net earnings". She also stated that BTWF has suggested combining items number 1 and 2 of the MOA. Mr. Adams then provided an update on the financial status of the BTWF and said it would be appropriate to leave a date certain in the agreement. The Committee decided to make the following changes to the MOA:
  - o The date listed in item number two will be changed to February 15, 2007.
  - o Item number three will read "Upon receipt of 50% of the JFA amount, NFRWQPA will forward the signed original JFA to the USGS and will forward a signed copy to the Forum."

○ The term “interest” in item number seven will be changed to “net earnings”.  
Mr. Adams then made a motion, providing the suggested changes are made to the MOA, to authorize Ms. O’Neill to sign the MOA with BTWF and the JFA upon receipt of the payment from BTWF. Mr. Farrill seconded the motion and it passed.

## **8. Status of Operations**

- 1. Meeting Time Survey:** Ms. O’Neill reviewed the results of the survey conducted of the members regarding the meeting time. 3:00 p.m. was listed as the preferred time. The Committee decided to continue with that time.
- 2. Transcript Policy:** Ms. O’Neill indicated that this discussion was a follow up from the last Executive Committee meeting. At that time the Committee had asked to solicit information from the City of Loveland’s Attorney. Mr. Adams indicated that the City would agree not to tape meeting or if they are, tapes should be destroyed after minutes are approved. The committee also discussed how to handle records retention requests. It was suggested that the Association get an independent legal opinion of how to handle those types of requests. Ms. O’Neill will obtain a legal opinion and bring a draft policy to the next Executive Committee meeting for discussion.
- 3. 2006 Activities, Manager Evaluation and Contract:** Ms. O’Neill distributed copies of 2006 Review and the 2007 Training & Professional Development Plan. She indicated that her contract allows for extension if there are no changes needed. Mr. Adams then made a motion to move into Executive Session to discuss personnel matters. Mr. Farrill seconded the motion and it was approved.

Following the Executive Session Mr. Hodge made a motion to increase line item 381 to \$5,000 and to provide the Chair the latitude to appropriate those funds for salary based on results of an evaluation. Mr. Smith seconded the motion and it passed. Mr. Schemm requested that all evaluation comments be e-mailed to him.

- 4. 2007 Officers:** Mr. Farrill offered to conduct a phone survey of the membership to solicit nominations for the 2007 Officers and present a slate of Officers at the January meeting. Mr. Schemm indicated that he would be willing to Chair the Association one more year however, he would be happy to step down if there was someone else willing to serve. Mr. Schemm also added that he would like to step down from the Utility Planning Committee. He then asked if the other Committee members were willing to serve another year. All indicated that they were. Mr. Siddens then made a motion to appoint Mr. Farrill to the nominating committee to contact the membership and solicit potential nominees for the January meeting. Ms. Titus seconded the motion and it passed.

## **9. Other Business**

Ms. O’Neill indicated that one of the members questioned whether we could conduct voting by paper as opposed to a show of hands. Mr. Siddens stated that he felt that any member could request a paper vote. Mr. Adams questioned whether that was allowed as a quasi-governmental entity. The Committee then decided that the Association should obtain a legal opinion on this subject. The Committee then discussed the Association’s Plan Amendment process and the number of amendment requests that had been submitted recently. The Committee also discussed whether the Association is subject to the rules of the disability act. It was determined that a legal opinion on this subject would also be appropriate. Mr. Adams announced that the next Utility Plan Review Committee meeting is scheduled for January 18<sup>th</sup> at 1:00 p.m. Mr. Farrill requested suggestions for potential Utility Plan Committee members.

## **10. Adjourn**

There being no further business, the meeting was adjourned.