

MINUTES
NFRWQPA – EXECUTIVE COMMITTEE
JULY 6, 2007

1. Determination of a Quorum

The meeting was called to order by Chair Ed Schemm at 8:42 a.m. Executive Committee members present were: Ed Schemm, Jeff Hodge, Randy Siddens, and Terry Farrill. Also present were Connie O’Neill, Manager for the Association, Pat Mathena and Dave Stewart.

2. Approval of Minutes

Minutes of the May 22, 2007 meeting were considered. Ms. O’Neill pointed out a few typographical corrections received from Ms. Titus. Mr. Schemm stated that the request from the Saddler Arena representatives regarding the submittal of a utility plan and district formation should be added to the reasons for the meeting with Boxelder Sanitation District. Mr. Schemm also pointed out two additional corrections. Ms. Mathena pointed out a couple of additional errors. She also submitted revisions to the minutes. The Executive Committee requested that the revisions received from Ms. Mathena be e-mailed out for review. No further action was taken on the minutes at this time.

3. Status of Operations

Ratification of Manager Evaluation

Ms. O’Neill indicated that a copy of the Manager’s evaluation was sent via e-mail. A salary increase of 4.5% was made effective February 1, 2007. As a result the appropriate amounts have been moved from the contingency salary line item into the various other line items and will be presented during the 2007 Budget discussion. Mr. Schemm indicated that the evaluation and salary increase were a culmination of the comments received from the other Executive Committee members. Mr. Siddens made a motion to approve the evaluation and salary increase pending approval of the other Committee members. Mr. Farrill seconded the motion and it was approved.

Note: Received approval of this motion following the meeting from both Mr. Smith and Ms. Titus therefore the motion is approved.

Poudre Monitoring Committee Update

Ms. O’Neill indicated that the Poudre Monitoring Committee continues to make progress and is working to finalize an MOA among the participants which outlines the monitoring to be done. She also indicated that they have determined that working with the Colorado Data Sharing Network (CDSN) will be an effective way for the group to manage their data (project of the Colorado Monitoring Council). The cost to use this tool has not been determined by CDSN yet but they are thinking it may be approximately \$1,200 - \$1,500 per user per year. Ms. O’Neill stated that the Committee feels it would be helpful to have NFRWQPA obtain the user ID from the CDSN, split up the cost and bill each of the participating entities. Ms. O’Neill stated that the Committee is looking for consideration of this concept by the Executive Committee. The details will need to be worked out as more information is provided from CDSN. She also question whether the Executive Committee felt this would require an MOA similar to the BTWF MOA.

Mr. Siddens stated that the CDSN would prefer to bill NFRWQPA rather than several separate entities. Mr. Farrill asked why the participants can’t just email the information. Ms. O’Neill stated that by using this database, data entry would only have to be done once and it would be available to all participants and the state. Mr. Siddens stated that it will then be up to each entity to request monitoring reduction from the state. Mr. Farrill stated that if the participants are willing to fund the agreement, he would suggest they pay up front. Ms. O’Neill stated that the benefit from working together is that we could get one user ID and

share the cost. Mr. Schemm stated that it would make sense to have some type of agreement with the entities regarding this process. Mr. Siddens questioned the need based on the limited cost. Mr. Farrill stated that it would open up a liability without an agreement. Mr. Siddens suggested a commitment letter from the group. Mr. Farrill suggested that a budget item could be included for the CDSN with the money being collected up front. It would then be up to the group to determine how to handle the agreements. He also indicated that the budget should include guidelines for how to handle that line item. Ms. O'Neill indicated that the budget doesn't reflect anything for the Poudre group yet. Mr. Schemm stated that he felt this was a good role for the organization.

4. Records Policy

Ms. O'Neill stated that this item was first discussed at the January meeting. The Executive Committee suggested that the Association obtain an independent legal opinion on these items. Ms. O'Neill stated that she had worked with Lee Morrison and that he had provided several references and guidance which she used to draft the policy.

Ms. O'Neill stated that she had received some correction on the draft from Ms. Titus as well as a couple of comments. Those included comments on what constitutes archived business documents, where documents are kept, the cost for photo copies and CDs, and recordings being retained. Ms. O'Neill indicated that this policy was developed to address the issues and concerns that have been discussed which included how requests for transcripts are handled, taping the meetings, storage of records, and record retention requests. She indicated that at the last meeting everyone agreed that it did serve a purpose to record the meetings however, the recordings should probably be destroyed once the minutes are approved. She indicated that the Articles of Association require that the meetings be recorded but gives no suggestions on how long to retain those recordings. She suggested that if we do make that change to our procedures that we give adequate notice of the change to all those we do business with.

Mr. Farrill asked what process DRCOG uses and suggested that we obtain their policy. He also suggested defining archives as either paper or electronic. Mr. Siddens suggested archiving as much electronic as possible. Ms. O'Neill stated that she will continue to work on the draft policy and will look into whether DRCOG has a policy as well as defining archive documents and how those are stored (option for either paper or electronic). Ms. O'Neill also stated that she would look into options for converting paper documents to electronic files. Mr. Farrill suggested that the conversion should be both in PDF and OCR format.

5. Financial Policy

Ms. O'Neill stated that the existing policy and a draft revised version of the financial policy had been e-mailed out for consideration. She indicated that the draft revised policy includes notes for the current process that is being followed. She added that the draft should address the issues that were discussed at the January meeting including; where blank checks and cash are stored and how they are handled, what is the appropriate amount that will be required to be in reserve, the need for the Executive Committee to approve purchases over \$500 as per audit, and who can sign a check and when is the signature stamp used. Ms. O'Neill also indicated that Ms. Titus had submitted corrections to the draft policy.

Mr. Siddens clarified what the auditor suggested for purchases over \$500. Mr. Siddens questioned whether there was a way to simplify this process. Ms. O'Neill suggested specifying items to be purchased at the time the budget is approved. Mr. Farrill stated that a

ceiling amount should be included. Mr. Schemm suggested that the limit be set and then check with the auditor for approval. He suggested a limit of \$1,000. Mr. Farrill agreed with that amount. Mr. Siddens suggested verifying the amount with auditor. Mr. Hodge also agreed with the amount given our internal controls. He also suggested that we include the ability to receive approval electronically. Mr. Farrill made a motion to set the purchasing limit at \$1,000 pending auditor comments. Mr. Siddens seconded the motion and it was approved pending approval of the other Committee members.

Note: Received approval of this motion following the meeting from both Mr. Smith and Ms. Titus therefore the motion is approved.

The Committee then discussed the need for a second signature on checks greater than \$1,000. Ms. O'Neill reviewed the differences between the current process and the existing policy. Mr. Farrill stated that he felt there was no reason to change the current process. He also added that justification for that process could be included in the policy.

The Committee then moved to a discussion of the reserve needs. Ms. O'Neill reviewed what the current policy states and the amount that is currently in reserve. Mr. Schemm suggested that the policy state that the reserve should include a minimum of ½ of the annual budget and that will allow for some leeway and adjustment when the budget is considered.

6. 2007 Budget

Ms. O'Neill reviewed the changes to the 2007 budget related to contingency salary. She indicated that a portion of that line item has been moved into the line items for salary, retirement, FICA and health insurance. Mr. Siddens made a motion to approve the budget changes. Mr. Farrill seconded the motion and it was approved pending approval of the other Committee members.

Note: Received approval of this motion following the meeting from both Mr. Smith and Ms. Titus therefore the motion is approved.

7. Preliminary 2008 Dues & Budget

Ms. O'Neill stated that the preliminary budget was sent out via e-mail and it included tabs with notes for upcoming years. This budget included projections for the next five years. It also included a steady rate for dues which will allow for an evaluation of the status of reserves without a dues increase. Ms. O'Neill also stated that liability insurance is required by the City of Loveland in the office rental agreement. Bids have been received for this insurance and the low bid was \$300 per year.

Mr. Farrill stated that in the past when we have seen reserves gaining, we have frozen the dues and made sure it maintains for the next few years. Mr. Siddens asked if we were gradually working to no increase in net assets and whether that question should be posed to the membership. Mr. Schemm said that decision has been made by the Executive Committee and ratified by the membership. Mr. Farrill said that we have seen this amount fluctuate in the past so this did not bother him. He indicated that in the past we have also used reserves to do big projects. He suggested freezing dues at the current rate and re-evaluating next year. Mr. Siddens wanted to know if we should be looking at possible projects. Mr. Schemm indicated that this is partly driven by the state. Mr. Schemm stated that he would prefer to not see reserves over \$200,000 however he would not suggest reducing dues for next year. He indicated that it may be needed in the future. Mr. Siddens said that maybe we should keep dues the same and do something with the money. Mr. Farrill said he would like to see members come forward with grants and ask for matching funds. He indicated that the Association is healthier now and dues should be kept at the

same level. Mr. Farrill made a motion to adopt the tentative 2008 budget and maintain dues structure with 2006 population at same rate. Mr. Hodge seconded the motion and it was approved pending approval of the other Committee members.

Note: Received approval of this motion following the meeting from both Mr. Smith and Ms. Titus therefore the motion is approved.

Mr. Hodge made a motion to authorize Ms. O'Neill to purchase the liability insurance from American Family. Mr. Farrill seconded the motion and it passed pending approval of the other Committee members.

Note: Received approval of this motion following the meeting from both Mr. Smith and Ms. Titus therefore the motion is approved.

Mr. Farrill then made a motion to amend the 2007 to include a line item for \$300 for Insurance and \$250 for advertisement. Mr. Siddens seconded the motion and it was approved pending approval of the other Committee members.

Note: Received approval of this motion following the meeting from both Mr. Smith and Ms. Titus therefore the motion is approved.

8. Other Business

The Executive Committee had no other business to discuss.

9. Adjournment

There being no further business, the meeting was adjourned at 10:18a.m