



Board of Trustees Meeting Minutes

September 12-13, 2016

Boyne Highlands Resort

Present: Bruce Bartley, Mark Coleman, Clyde Dugan, Bill Fritz, Bill Maier, Barbara Marczak, Randy Roost, Christine Spitzley, Brian Thurston, Amy Vail, John Willemin

Guests: Greg Alimenti, Chris Christoph, Steve Dennis, Jaime Fleming, Jerry Harte, Barbara Lezotte, Jayne Venlet, Mike Williams

Staff: Bonnifer Ballard, Ariel Veneziano (partial attendance)

The meeting was called to order at 2:08 pm.

Marczak welcomed guests and had everyone introduce themselves.

Approval of Agenda

MOTION: Thurston moved with support to approve the agenda. Motion passed unanimously.

Approval of Minutes

MOTION: Willemin moved with support to approve the July 14-15, 2016 minutes. Motion passed unanimously.

Approval of Consent Agenda

MOTION: Coleman moved with support to approve the Consent Agenda. Motion passed unanimously.

Treasurer's Report

Thurston provided an introduction to the process undertaken to complete the audit and introduced Jayne Venlet of Meyaard Tolman & Venlet PC as the Section's auditor.

Ms. Venlet provided an overview of the purpose and process of the audit. She then walked the Board through the results of the audit, highlighting significant points including: prior year adjustment to restate financial statements from cash to accrual, and restatement of categories of assets. Ms. Venlet walked the group through each of the financial statements and reported that MTV offered an unmodified, or clean, opinion.

Ms. Venlet also reviewed the management letter from MTV to the Board, pointing out the recommendation that the Finance Committee continue its work to develop a formal investment policy.

During the course of the audit, MTV sampled disbursements and found no issues but recommends that reimbursements always include names of participants and the purpose of the meeting. Ballard reported that this is now in practice.

In answer to a question, Ms. Venlet explained that the prior period adjustment is because the Section used the cash-basis of accounting through December 2014 and moved to accrual-basis on January 1, 2015. The adjustment represents the cash received in 2014 but earned in 2015. She restated that the organization is in very sound financial position.

Another question was posed about the decision to go from cash to accrual. It was explained that accrual gives you a more reliable comparison of year over year activity and also allows management to account for payables promised but not yet paid as well as prepaid expenses for services not yet received. Accrual-basis of accounting follows generally accepted accounting principles.

A final question had to do with an opinion on controls. Ms. Venlet explained that a CPA doing an audit identifies gaps but doesn't necessarily comment on the safety of the controls in place. Thurston assured the Board that checks and balances are in place.

Staff was asked to clarify the frequency requirement for an audit.

Ms. Venlet then walked the Board through the 2015 990. She also reported that Thurston had reviewed the annual report that is to be submitted to the state of Michigan.

MOTION: Roost moved with support to accept the auditor report and the form 990 and allow the 990 to be filed. Approved unanimously.

Communications Plan

Ms. Lezotte reviewed the strategic communications plan and then facilitated a discussion about human resources and financial resources, and the long term nature of this effort. It was acknowledged that the Section may need to identify key spokespeople for the Section. There will also need to be consideration for tracking activities and outcomes.

Ms. Lezotte then took the Board through a discussion specifically about prioritizing target audiences, goals, and messages. The outcomes were as follows:

Priority target audience – members with 2nd being media

Priority long term goal – primary long-term goal is to give members resources with 2nd as becoming known as a resource

Key messages in order of importance

1. Local water infrastructure impacts public health and safety
2. Local water infrastructure impacts the Michigan economy and quality of life.
3. Michigan's water aging infrastructure requires urgent reinvestment

Lezotte Miller will fill out the plan a bit more and return to the Communications Council for next steps.

Director's Report

Coleman reported that AWWA membership over 50,000 and has been for last 12 months. He also reported that Nancy Sullivan from the Association staff was promoted to Manager of Section Services. Nancy has served as the Michigan Section's liaison to the Association for a number of years.

Chair's Report

Marczak reported that she, Willemin, and Ballard had a transition meeting. She also had those who attended the Summer Workshop give a brief report. Spitzley reported that it was very valuable. She particularly liked the presentation about the Community Engineering Corp. Willemin talked about the Flint presentation that staff did. He also highlighted some of the sessions, including the Water Xchange, a web page with shared training programs. Ballard reported that she will be leveraging that resource in the startup of Michigan Water Academy. All three participants shared elements from Melanie Goetz's emergency communication session.

Marczak also reported that Director Mark Coleman is interested in a Vice President position on the Association Board.

MOTION Thurston moved with support to support Coleman's effort to seek a Vice President position on the Association Board. Motion passed unanimously.

Marczak assigned renewal notecards to current board members and asked that they send them out as soon as possible.

Marczak reviewed the slate of awards recommended by the Association Award Committee, which include Landmark Award – Ann Arbor Water Treatment Plant, Abel Wolman Award – Gene Glysson, and Honorary Member Award – David Koch.

MOTION: Thurston moved with support to approve the slate of awards as presented. Motion passed unanimously.

Marczak reminded the Board of the thunderclap event for Imagine a Day without Water scheduled for Wednesday, September 15.

MI-ACE 2016 Status Report

Spitzley gave a brief overview of the program. Marczak asked about succession of committee chair. Fleming reminded the Board that the committee vice chair would succeed into the chair position. Council chair/vice chair, council member, and 6 at-large members that represent

different target audiences make up the annual conference program committee, based on the evaluation work of the Conference & Recognition Council. The group decided to keep the past committee chair on the committee as an advisor and to help transition from year to year. Ballard provided an update on attendance, exhibits, and sponsorships for the upcoming conference.

Guest Report

Mr. Harte reported on a job fair he participated in to push the MWEA industry recruitment committee's materials. He also reported that GLWA has asked that MWEA do some basic classes for their staff. MWEA plans to use the funds to reinvest in member programs. He invited MI-AWWA to coordinate joint communications efforts where it makes sense. Perhaps do a joint day-long seminar where we share costs. Also, he reported that MWEA is ready to develop the next phase of their H2Opportunity website. They are using the Value of Water Coalition materials for outreach messages and welcomes the Section's participation in this effort.

Executive Director Report

Ballard reported that attendance at trainings are up so far this year. Based on the summer Board meeting, Ballard has transitioned an independent contractor to a ¼ time employee to fill the role of member assistant. This staff position will be focused on database management and helping with overflow registrations during crunch time. Ballard also reported that the staff is evaluating a cloud storage service to address the issue of business continuity and file security for the Section. She reported on her efforts to continue a strong working relationship with DEQ staff, and ended with a walk through of the Board's expected activities for the week.

Marczak presented a plaque to outgoing Trustee Bruce Bartley for his service on the Board since he wasn't able to stay for the conference.

Recessed at 6:00 pm on Monday, September 12.

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Reconvened at 8:03 am on Tuesday, September 13.

Flint Water Crisis

Maier reported that the committee on which he served is complete and their recommendations were submitted to the Governor's office, with a focus on public health. Ballard reported that Flint staff have been offered 50% off all Section trainings but no one has registered. Thurston plans to reinforce the offer during his regular interactions with them. John Young, a speaker during the upcoming conference, was part of a committee that assessed the Flint water plant to make recommendations for improvements. Flint is currently planning to move to KWA water, however, there is still an infrastructure gap that needs to be addressed. Discussion continued about Flint water professionals engaging with the Section. Thurston to extend a personal invitation to key staff in Flint to attend the conference as the Section's guests.

Business Plan

Ballard provided an overview of the Business Plan. Training remains the foundation of the Section business plan and non-dues revenue other than training will remain limited for the foreseeable

future. There needs to be better communication to help vendors understand that there is value in supporting Section activities. At the same time, vendors need to experience better value for their support. There was some concern expressed around accepting ads and sponsorships and it was requested that the Board continue to monitor this. An acceptance policy may be needed in the future. There was also discussion about the roll volunteerism plays in the business plan. Board members shared their own experiences as well as ideas for improving engagement, the desire to create an approachable, plugged in, informed culture among members. Ballard will refine the plan to incorporate the importance of member engagement in the Section's identity and future success.

Policy Task Force

Ballard review the policies for Board approval. There was some concern about the speaker policy being cost effective and sustainable. Ballard reported that this policy simply formalizes what has been the practice. Clarification was offered for the Awards policy, that just the award winner is given complimentary attendance, not guests or others coming to support the awardee.

MOTION: Coleman moved with support to approve all policies as presented. Motion passed unanimously.

Roles and Responsibilities Task Force

Fleming review the descriptions and reported that the remaining tasks are to create a volunteer handbook and volunteer onboarding, as well as a path to volunteering. It was pointed out that officers still need job descriptions. Ballard will post the descriptions to the website upon approval. Trustees were encouraged to remind council chair of deadlines approaching throughout the year.

MOTION Bartley moved with support to approve the Roles and Responsibilities Descriptions as amended. Motion passed unanimously.

Councils/Task Forces

Update deferred.

Board Activities/Calendar

Marczak asked the Board to verify that upcoming Section activities are on their respective calendars.

Executive Director Performance Review

Bartley moved with support to go into closed session to discuss Executive Director performance.

Closed session began 9:30 am

Closed session ended at 10:11 am.

Meeting adjourned at 10:12 am.