

**New England Water Works Association  
Board of Directors Meeting Minutes  
December 17, 2008**

The New England Water Works Association Board of Directors held a meeting at the NEWWA Headquarters in Holliston, Massachusetts on December 17, 2008. Patrick Connelly, President, called the meeting to order at 2:20 p.m. Those present were Patrick Connelly, Christopher Woodcock, Jim Marvel, David Paris, Katherine Pedersen, Robert Beurivage, David Polcari, Barbara Cook, Pamela Irwin, Craig Douglas, Louis Schoolcraft, Ken Booth, Louis Schoolcraft, Dave Harris, and Ray Raposa, ex-officio and non-voting. Also in attendance were staff Ted Kenney and Kirsten King.

**Item #1 – Minutes of November 12, 2008.** There were comments made that the financial review were amounts were incomplete. Chris Woodcock will provide Ray with amounts. Jim Marvel shared that the some numbers listed needed to be compared and completed. Craig Douglas commented that it was noted there needs to be financial training by the Treasurer on the Budget so everyone would have a better understanding of the process.

Barbara Cook motioned and Chris Woodcock seconded to accept the minutes as amended. Motion passed.

**Item #2 – Treasurer's Report.** Kathy reviewed the October 31, 2008 monthly financial report. The total assets are \$3,918,221, and liabilities are \$1,385,249. The fund balance is showed as \$2,532,971.

There were questions raised on the year-to-date profit and loss. The monthly report had a -\$146,386 while the yearly monthly income statement showed -\$149,776.

Note: Staff confirmed the correct number after the meeting is \$-\$149,776.

There was a request that the summary report and the detailed report both reflect a number at the end of each statement after the loss/gains in investment accounts have been deducted.

Dave Polcari motioned and Dave Kane seconded to accept the October financial report. Motion passed.

It was asked to review the process to prepare and send the financial statements sooner. Ray will work with Kathy, Pam Amalfi, and Dave Kane on what may be possible. There was a discussion of draft statements. The Treasurer will look at the issue, but these would not be acceptable for a final record.

**Item #2B – Draft Budget Policy.** Kathy gave a brief update on this item. The questions that Dave prepared are part of the November minutes. Dave will continue to work on the items, and members can send Dave comments.

**Item #2C – Volunteer Travel Ad-Hoc Committee.** Kathy reported the committee met with staff and reviewed projections on a possible implementation of changing the policy. It is the opinion that with the challenging financial conditions no policy changes are recommended.

**Item #2D – Ad-Hoc FY2009 Financial Study.** Kathy reported that the committee met with staff and a memo was provided. The memo included the following items:

### **Recommended Budget Reductions**

\$11,400	Reduce printing costs. Changed copy equipment providers; equipment prices decreased and companies are competing for business. Staff moves this up six months and contract has been signed and new copier installed.
3,000	Reduce public relations consulting; Kirsten would complete some of the news releases.
5,000	Reduce the Only Tap Water Delivers Campaign. PR Committee has already begun asking utilities to participate in the Transit Ad Campaign. Projected budget is primarily printing costs for Transit Ads. Suggested reduction for not buying koozies and other novelties for members. Focus on public campaign rather than internal campaign.
1,500	Reduce the library allocation which would exclude purchasing additional materials, books and small furniture.
2,000	Reduce funds for Young Professionals Committee.
<u>1,000</u>	Reduce funds for Committee projects.
<b>\$23,900</b>	<b>Total</b>

### **Triggers for Future Reductions**

- Comparisons of attendance in gross numbers should be made from one certification year to the next certification year (every other year for MA) – if attendance is down, identify and implement budget reductions.
- Compare the current training revenue and expense percentages to the historical monthly average percentages for training revenues and expenses and compare to the budget projections.
- If training, monthly meetings, grant and/or conference revenues decrease by 25%, identify and implement budget reductions.

### **Potential Triggered Budget Reductions**

\$12,000	Reduce the sponsorship sharing for the April conference. Advise the partner associations that sponsorship will not be available, depending on association finances.
<u>3,000</u>	Send only 1 or 2 staff members to AWWA Annual Conference in June 2009. Possibly attend for fewer days. (NEWWA receives 1 free registration.) Also, consider changes in duration of conference stay and registration types.
<b>\$15,000</b>	<b>Total</b>

### **Ongoing Changes/Monitoring**

- Reassign staff time to grant programs. EPA has agreed to fund 6 classes at \$3,000 per class for the first 6 months of 2009.
- Provide monthly financial statements on a timely basis so the committee is able to more closely monitor revenues/expenses.

- Reduce salaries by the amount projected for the part-time interns as part of it is for May/June 2009. The amount is \$5,200 because the positions noted filled into May.
- Defer any further expenses on the library project.
- Attempt to reduce the number of courses offered to reduce expenses, including catering which has increased by 15%. Attempt to increase the average class attendance by offering fewer courses. Order less food for training courses and the Spring Council Meeting to compensate for the 15% increase in catering costs.
- Complete more printing in-house, i.e. monthly meeting flyers, *Currents*, meeting badges, Nominating Committee Report document (exclude pictures on document; instead have pictures on website and/or Source). Staff forwarded this idea.
- Watch/plan for slow down in next fiscal year of utility cut backs in regular training attendance and contract training.
- Maintain ad-hoc committee as active through this fiscal year.

A question was asked about the YP Committee reduction. Ray commented that there have not been any requests, and that the funds were added last year for future potential requests.

There was a discussion if these items should be cut or placed on hold.

Chris Woodcock motioned and Bob Beurivage seconded to cut these reductions out of the budget.

There were other questions if these are cuts or freezes. There were various comments on budget line items. After a lengthy discussion going both ways a vote was called.

The motion failed to cut \$23,900 from the budget. Vote as 5 to 9.

Kathy then reviewed the triggers for potential cuts. The first was the \$12,000 of sharing funds to states from the Spring Conference and to reduced staff attending the AWWA conference for \$3,000. the second cut will depend on volunteer assistance with the luncheon and covering meetings at the conference.

It was commented that the committee is going to review the income for training over the past four years. This will provide a better understanding of how the two year certification renewal cycle impacts income.

It was asked if current numbers and budgeted numbers should be looked at

Staff and the committee will continue to monitor the numbers.

Jim Marvel shared a concern that income is down 12%, and we should prepare to make additional cuts to get to \$100,000 in cuts.

Jim Marvel motioned and Pam Irwin seconded to accept the Ad-Hoc FY09 Financial Study Committee Report. Motion passed.

It was commented that other organizations are doing similar studies and preparing for larger possible cuts.

It was felt that it is good to have the committee to continue to work and propose additional cuts.

The Investment Committee has been asked to review the investments and have a plan. Kathy reported the Investment Committee has met and has another meeting scheduled for February 3<sup>rd</sup>.

It was noted the committee feels they need to continuously monitor. We are doing about the same as other organizations that have similar policies for investments.

The one change done was to reduce foreign investments.

Pat said we need to have continuous monitoring, have a steady hand, and be confident.

### **Item #3 – Old Business.**

**Item #3B – Nominating Committee Change.** Pat Connelly explained the appointment was made with enthusiasm to get young professionals involved; however, a provision of the by-laws was missed. The director needs to be in the second year of a term. Louis is in the first year. Pat has discussed it with those involved. Louis has agreed to step down. Pat is now nominating Dave Harris.

Barbara Cook motioned and Bob Beurivage seconded to confirm that the director on the Nominating Committee be Dave Harris, replacing Louis Schoolcraft, effective immediately. Motion passed.

There was no other Old Business.

### **Item #4 - New Business.**

**Item #4A – Site Selection Committee Recommendation for Annual Conference Site 2011 and Other meetings.** Dave Paris reported that the committee has met numerous times, and considered different properties.

They are recommending the following:

2011 Annual Conference should be held at the Marriott Hotel in Newport, Rhode Island;

The November, 2010 monthly meeting should be held at the Doubletree Hotel in Milford, Massachusetts with the Council Meeting.

The Summer Planning Session should be held August 2 and 3 at the North Conway Grand Hotel in North Conway, New Hampshire.

The committee is still considering the Balsams or Ocean Edge for the 2012 Annual Conference.

There was a question on how these sites will affect day trippers to the conference.

Bob Beurivage motioned and Jim Marvel seconded to approve the Site Selection Committee recommendations including: the 2011 Annual Conference at the Marriott Hotel in Newport, RI; the November, 2010 monthly meeting in Milford, MA with the Council Meeting; and the Summer Planning Session on August 2 and 3 at the North Conway, grand Hotel in NH.

Motion passed.

Pam Irwin offered and asked the committee to consider the Radisson in Nashua, New Hampshire as a conference site. She recently attended an event and felt it was very nice and would be convenient for members.

There was a comment that we need to keep locations and prices in mind as we choose locations as it related to utilities being able to attend.

**Item #4B – Sponsor Services Committee – May 2008 Golf Proceeds.** Dave Polcari provided background as the committee recently considered options and felt the following are needed programs and are consistent with the letter to the vendors when the event was advertised.

The committee is recommending that funds be distributed in the following way: \$2,500 for General Scholarship Funds; \$2,500 for satellite training centers; and \$1,000 for Water for People.

Chris Woodcock motioned and Craig Douglas seconded to approve the committee's recommendation to disburse the funds as \$2,500 for the General Scholarship Fund; \$2,500 for satellite training centers; and \$1,000 for Water for People.

There was a discussion over the concerns of the financial circumstances.

A motion was offered by Louis Schoolcraft to table the motion at this time.

Craig Douglas spoke against tabling and said we should use the funds as we said when they were raised.

The motion to table failed 5 to 8.

A vote on the original motion was called.

The motion to approve the committee's recommendation as stated above passed.

Pam Irwin commented that she is concerned that the Board gives projects to committees and recently the Board questions the committee's recommendations. She feels it is important that we have confidence and support the committees. She knows it is important that we consider and review decisions in the big picture. We must also be concerned with the impact on our committees and what the original project assignment was and whether they are doing the task assigned.

**Item #5 – AWWA Director's Report.** Jim Marvel reported on the AWWA Strategic Planning Committee. He just returned from their meeting.

Craig Woolard, the president-elect, was the officer in charge. The committee moved away from previous work and has drafted a direction and document that tries hard to tie section activities and build a plan that sections can tie into.

Some key points are: organizational alignment, a consistent message, a document that has no distinction between the association and sections.

Strategic alignment is the number one message for all.

It will go to the AWWA Board in January. Jim will send something to our Board after the winter AWWA board meeting.

Jim reported AWWA is looking at their finances as well and the FY10 AWWA budget will be voted at the winter board meeting. A few major concerns are: the pension fund and what the impact of the market drop will be on budget impacts and their projected improvement plan is under reconsideration.

Jim then reviewed the candidates for AWWA president-elect. He said background on all candidates are listed at the AWWA Web site.

Jim Marvel said he is considering candidacy for AWWA president-elect next year.

He said AWWA has had problems with the concept of planning. There is a new direction now.

There was a motion by Chris Woodcock and a second from Barbara Cook to accept the AWWA Director's Report. Motion passed.

**Item 6 – Executive Director and Staff Reports.** Ted Kenney reviewed the highlights of the training report followed by Kirsten King who reviewed the communications areas.

It was noted the Web site items discussed in November have been sent to the FY10 budget Sub-Committee. Ray then reviewed the other staff reports.

The written reports with details were provided in the packets. There were no questions.

Barbara Cook motioned and Craig Douglas seconded to accept the Executive Director and Staff reports. Motion passed.

**Item #7 – Council Director Updates.** Pat Connelly started by reviewing major goals which are listed on the agenda.

**Item #7A Policy Manual for the Board.** Craig Douglas reported that he, Jim Marvel, and Ray Raposa will work on this. Past policies will be gathered and a tool will be created to assist board members with an orientation and work.

**Item #7B Council Director Updates.**

Standards Council. Craig Douglas reported he has a few vacancies and will work with staff to advertise them.

Communications Council. Pam Irwin reported the Customer Service Committee is adding final touches to their March training program.

The Public Relations Committee is outreaching to the states to have more participation.

Administration Council. Barbara Cook reported the Program Committee is near completion of the Spring Conference program; the Facilities Committee is meeting tomorrow to work on the facilities maintenance plan.

Treatment Council. Bob Beurivage reported the Filtration Committee will meet tomorrow and discuss the May Water Quality Symposium.

Dave Harris reported the following committees are all active: Membership, which will give prizes tomorrow and host the new member breakfast; Scholarship Committee is considering rule changes; and Water for People will do their annual fund raising raffle tomorrow.

Recognition Council. Louis Schoolcraft reported the committees are active. Most of their work is in the spring and summer. The YP Committee is considering options for the future.

That was all for Item #7.

**Item #8 – Committee Reports.**

**Item #8A Budget Sub-Committee.** Chris Woodcock asked all directors to remind committees that any budget request needs to be sent to him and/or Ray by early January.

Chris reviewed the feedback and asked confirmation that no one wanted to plan additional funding for reserve resources in next year's budget.

The only fee increase planned is for the NEWWA, Inc. dues. AWWA members received a dues increase this year and we try to keep support fairly equal.

**Item #8B Water Sustainable Committee.** Chris reported the committee has met in person and is presently working via e-mail on a mission statement. An AWWA Journal article on sustainability was acquired and distributed to the committee.

They have a follow-up meeting planned in January.

The plan still includes a goal of a Water Congress, which will be a large group to reach organizations on the mission and objectives.

Craig commented it is important to have people agree to what the program will contain to reach all levels.

**Item #8C – Joint Leadership/Management Conference.** Dave Polcari and Ray reviewed the concept and committee activity. Chris Woodcock asked about registration and the split of income and any potential loss.

There is a face-to-face meeting planned in January. The one unsure area is overhead as only two of the three organizations have full time staff. NEWEA and NEWWA will try to keep these equal. It is agreed additional expenses including overhead will need to be paid before any income split.

**Item #9 Other.** The Executive Committee will be looking at future issues between board meetings.

**Item #10 Announcements.** Ray noted the schedule of upcoming committee meetings is listed on the agenda. There are ten committee meetings tomorrow.

Barbara Cook motioned and Dave Paris seconded to adjourn at 6:10 p.m.

Respectfully submitted,



Raymond J. Raposa,  
New England Water Works Association  
Executive Director and Corporate Clerk