

# Muskegon River Watershed Assembly

## Board Minutes

July 18, 2016 – Conference Call

Present: Chair Greg Mund, Vice-Chair Ken Johnson, Treasurer Don Henning, Wayne Groesbeck, Ron Kadelsik, Cindy Fitzwilliams-Heck, Tom Anderson, Kurt Ray, George Heartwell, Executive Director Julie Chamberlain, Project Manager Dixie Ward and Administrative Assistant Patricia Jarrett.

Absent: Secretary Nancy Burmeister, Jean LaLonde and Melora Theunick

- I. Call to Order: Chair Mund called the meeting to order at 5:32 p.m.
  
- II. Consent Agenda, Minutes and Financial Reports: There were no additions made to the consent agenda or minutes. Motion was made by Groesbeck and seconded by Heartwell to accept the consent agenda, minutes, and financial reports. Motion carried. Mund referred to the financial committee concerning board comment on the financial reports.
  
- III. Old Business
  - A. New Memberships: Chamberlain reported that 76 new memberships resulted from the recent mailing and that Heartwell had solicited another new member.
  
  - B. Voyage of Discovery Wrap-Up: Johnson spoke about improvement for next year but overall he believed it was a good first time and it would be better next year. Henning added the importance of using Facebook and social media. Johnson hopes to do a better job trying to promote the MRWA.
  
  - C. E-Newsletter: Henning stated he thought the newsletter had good articles from Johnson, LaLonde and Kadelsik and he thanked them for their hard work. Up for the next newsletter is Theunick, Ray and Mund and Henning commented those articles are needed by September 23, 2016. He instructed that the article should be sent by email as a word document attached and pictures as jpegs. He added this is the easiest format. Henning stated he appreciates everyone's support. Mund will do an article concerning shorelines and his contributions. Henning suggested some reminiscing since Mund will be retiring in September.

#### IV. Staff Report

- A. Ice Mountain Proposal: Chamberlain reported that she submitted a proposal to Ice Mountain to do a conference for large water users. Fox told Chamberlain Ice Mountain has funds to release to MRWA to pay for staff wages. Heartwell congratulated Chamberlain for obtaining funds from Ice Mountain. Heartwell added they will be giving about \$20,000 to MRWA for the development of the conference.

Mund questioned the request from the organizers of the Muskegon Water Fair for \$10,000 to cover the expenses for the water fair. Chamberlain stated that CFMC funds are possibly available in advance to cover the expenses. Chamberlain stated she would contact CFMC to discuss the water fair. Mund commented that the water fair was originally supported by Detroit Edison and they discontinued support. Chamberlain said she just found out July 11<sup>th</sup> but she feels we should do everything we can to make it happen. Chamberlain further stated there was no water fair last year and she told CFMC that we would have a water fair this year. Mund questioned the large dollar amount requested for a two day water fair. Ward reported that the organizers for the water fair were supposed to raise funds but have not raised any. She went on to state that the MRWA is the fiduciary for the program, there is a contract with the organization and the MRWA and we pay their staff time to obtain funds. Ward further explained that the MRWA only holds the water fair's money and they function independently. Heartwell asked if we funded their staff time but no work was completed. Ward replied that no contractual time has been charged yet. Heartwell was reassured that no funds had been paid to date and he further commented that it is a good community event and he just wanted to make sure that we haven't paid yet. Chamberlain added that she knows the community foundation wants the water fair to take place this year. Mund said that in the past we worked through the school district and we have our staff time engaged in it. Mund stated because of the current financial situation we should offer them half. Chamberlain asked the board what direction she should proceed. Chamberlain will ask for a budget from the organizers and MRWA will cover our cost. Ward reported in the past we paid them to find the funds and the \$10,000 is the cost of the water fair. Johnson suggested maybe the foundation could fund the project. Mund said he will review the fund and forward his findings to the executive committee for their consideration.

- B. Building Relationships: Chamberlain asked for help from the directors in building relationships with the community and recruiting new members. Once Jarrett has the database up-to-date, lists will be available for help in calling prospective members or donors. She added that Henning and Burmeister offered to make calls.

Ward will be working on a grant for a new Houghton Lake E.coli grant. Ward and Chamberlain will be watching a webinar on August 2 pertaining to this grant.

Chamberlain reported that August 13<sup>th</sup> the Newaygo Healthy River work group will have a Saturday program with Doug Workman from FSU as the main speaker and Heartwell will be the

moderator. She further stated that she is expecting a good turnout to help attendees learn the functions of a river and what they can do to keep the river clean and functioning properly.

Chamberlain reported on August 1<sup>st</sup>, Fitzwilliams-Heck, LaLonde and Ward will hold a natural shoreline workshop at the Welcome Center in Newaygo. The event will be advertised in a local newspaper and will also be covered on the MRWA Facebook page and the website.

Chamberlain reported Doug Workman and Heartwell will be working together on the Muskegon River Research Partnership. Mund asked that they remind people of how much of the Muskegon River is ground water fed and it is important to highlight.

Anderson stated he lives on a Little Whitefish Lake and has interested parties in a lake version of the Voyage of Discovery. Anderson also thought Canadian Lakes would be a possible location for this type of event. Mund thought it was a good idea. Johnson said he would be happy to assist in any way possible.

## V. New Business

- A. Finance Committee: Ray reported that a meeting was held a week ago where discussion was held on the audit. Ray reported that he and Jarrett are putting in time going over the audit figures. He stated there are errors in the auditor's numbers and he added that they are basically trying to finish that up. He felt the process was almost complete. Ray added the other discussion which was planned was to look at the numbers through June. The financials were not at the meeting so that portion was postponed and another meeting will be held to address that issue. Ray reported what came from that meeting is that the financial statement coming out of QuickBooks is cumbersome, widespread and not functional. He went on to say he did some quick work using the structure summarizing month and year-to-date and also brought back the former financial standing report. He said that it is a discussion only report because the beginning numbers are suspect. Ray asked for board input on these report examples. He reported that summarized reports should be used and that operational funds should be brought into play immediately.

Mund asked Ray where the operational funds are located on the financial reports now. Ray responded that he is not sure where they are maybe in unrestricted net assets. Henning added that he likes the format of Ray's new QuickBooks generated reports. Ray added that most of the numbers come right from QuickBooks. Chamberlain expressed concerns regarding the financial standing report stating she believes the board needs to see a separation between operations and projects. Chamberlain added she will probably have more questions at a later date. She requested more info. Heartwell added that to meet his fiduciary responsibility he didn't need all of the in depth information available on the reports that Ray submitted. He added, that as a board member he would like to see availability of funds or cash flow and

expenses versus the budget. Beyond that, he added he wants to know that the finance committee is digging in deeper and wants to have confidence that the committee is doing that necessary digging. He stated there are two layers of detail-one is for the finance committee, who digs in deep and assures the rest of the board that everything is in line and the reports for the entire board should show at a minimum cash flow and expenses and budget. Ray replied at this time the MRWA is in a transition stage and we are reinventing the wheel. Ray asked again for board input because if the reports are not providing information that is needed then they are worthless. Jarret added the budgetary info for projects is in QuickBooks and simple reports can be generated to show those budget versus actual amounts. Heartwell agreed that four pages is definitely more helpful but there is no comparison to the budget. Heartwell further stated he needs to know on a month to month basis that staff is not exceeding the budget guidelines. Mund referred the issues back to the finance committee and asked that a new meeting date be set.

- B. Executive Committee: Johnson reported that a meeting was held to discuss and shape policy changes. Those changes were sent out by Chamberlain prior to the board meeting. The executive committee proposed a revision of the policy for written notice from three months decreasing it to one month, if funding is not available for an employee's position. Johnson also reported a proposed change in the travel policy clarifying the way employees are reimbursed for travel. He stated that employees are to be reimbursed for travel from the office and return reimbursement would also be calculated on the distance back to the office from any work site. Motion was made by Heartwell and seconded by Henning to accept the proposed policy changes as outlined by the executive committee. Kadelsik pointed out to Chamberlain that another three month designation was also in the first paragraph. Chamberlain stated that she had missed that and she would take care of changing it. Motion carried.
  
- C. Governance Committee: Heartwell reported they had a good meeting with 100% participation. He reported they began by looking at objectives. He stated that one area the MRWA is lacking in is racial and ethnic diversity. He reported that members agreed to make contact with Steve Gellan of Muskegon looking for racial diversity. Don is going to contact Rachel Wisner and George will contact David Eisler, president of GVSU, with the possibility of recruiting faculty from the marketing department or business administration program. Heartwell stated that the board could use 3 or 4 new members. Kadelsik asked the governance committee to seek a little more age diversity. Heartwell agreed and thought it was a good idea. Fitzwilliams-Heck thought she might be able to help and would possibly talk to students. Fitzwilliams-Heck stated every semester the students do a project and every student is made aware of the MRWA. She added she will think about ways to get younger people involved. Mund suggested that maybe Theunick would be able to help in this area.

Heartwell suggested ongoing board training which could be content related where speakers can be brought in or current board members could be used. Heartwell suggested finance training, Boardmanship and a continuing process to revisit the MRWA's strategic objectives. Heartwell hopes to build on this idea and make it a regular 15 to 20 minute part of future board meetings. He asked for suggestions from the board regarding an educational section of the agenda.

Chamberlain added that this would only take place at face to face meetings. She further added that Rich O'Neal might be a suggested first educator. Heartwell replied that would be a great idea for the August meeting.

Mund stated his last date as a board member and chair is September 8, 2016, and these positions need to be filled. Johnson thought this would be addressed at the August meeting. Henning expressed a desire that he would like to be replaced as treasurer. Heartwell asked about Johnson rotating into the chair position if this was acceptable to Johnson. Discussion was tabled until the next meeting. Mund also asked that the Watershed Collaborative be addressed in August and that Heartwell would be stepping in to help with that.

- D. Permit Request: A permit was submitted a year ago by Senator Darwin Booher to dredge a channel running off the Muskegon River in the Evert area. Mund stated he was intending on commenting in opposition of the permit on the My Waters website in which has an account. He said the comment period is from July 6 through Jul 26. Mund stated he had looked at the aerial photographs and thought the channel looked like a natural stream that had been dredged before. He further added that the inlet has been closed off probably due to sediment and that area of the Muskegon has an outside curve which has natural sediment accumulation. Kadelsik said it appeared to be a bad situation and granting the permit will continue the bad situation. Mund stated that Booher is the property owner and he owns the lots. Heartwell questioned the ethics of a sitting state senator making the application to MDEQ and it will be difficult for the MDEQ to turn down the requested permit. Kadelsik agreed and he thought maybe Booher was the original developer and property owners probably purchased with the intent to have a lot on the water. Heartwell said that Mund raised some legitimate concerns but we may have to leave it like that. Henning stated Booher's term is up this year and he has been no friend of the environment proposing fish farming in the Great Lakes and the draining of wetlands. Mund asked for additional comments from the board and Heartwell will draft a statement concerning the conflict of interest in requesting a permit while a sitting state senator.

VI. Other

Next Meeting: The next board meeting is August 15<sup>th</sup> at Heartwell's home. Chamberlain will supply an address and driving directions after she receives them from Heartwell.

Motion to adjourn at 6:52 p.m. was made by Johnson and seconded by Kadelsik. Motion carried.

Respectfully submitted,

Patricia Jarrett  
Administrative Assistant