

Upper Delaware Council
OPERATIONS COMMITTEE MEETING MINUTES
November 27, 2018

Committee Members Present: Aaron Robinson, Larry Richardson, Fred Peckham, Jim Greier,
Harold Roeder Jr., David Dean, Al Henry, Steve Adams

Committee Members Absent: None

Staff : Laurie Ramie, Pete Golod, Ashley Hall-Bagdonas

NPS Partner: Carla Hahn

Guests: Roger Saumure (Shohola alternate), Cheryl Korotky

The UDC's Operations Committee held its monthly meeting on Tuesday, November 27, 2018 at the Council office in Narrowsburg, NY. Chairperson Robinson called the meeting to order at 7:30 p.m. A motion by Roeder, seconded by Greier, to approve the Oct. 23rd meeting minutes. There was no public comment on the agenda.

FY 2018 Financial Review Presentation by Richard Eckersley, CPA: Richard Eckersley referred members to the draft copies of the Independent Accountants' Review Report and IRS Form 990 for FY 2018 (Oct. 1st 2017- Sept. 30th, 2018) provided in their packets. He asked that the draft IRS Form 990 be reviewed and approved by the full Council in order for it to be issued in final form. The Statement of Financial Position, the Statement of Activity and Change in Net Assets, and the Functional Allocation of Expenses/Expenditures in the draft Independent Accountants' Review Report were reviewed. Eckersley spoke about the difference between an audit and a review, and explained that a review uses statistical analysis and the history of the organization. Eckersley's team performed a review. To an accountant the most important document is the balance sheet, what UDC owns and owes. UDC has cash, equipment and a building. NPS has reversionary interest in the building and property; cash is basically the UDC's. At the end of the year UDC had \$159,224 in cash and owed \$32,896 in the form of payroll and other accounts payable, TAGs specifically of net assets, the unrestricted portion is \$126,328. The temporarily restricted portion is \$73,799. Looking at Statement of Activity and Change in New Assets, UDC had \$307,829 grant proceeds from NPS of which \$282,627 was used for operations and \$25,202 was used for renovations for the building. UDC is a service organization so personnel costs are the greatest costs the organization has at \$162,443. Special projects and assignments totaled \$50,853. UDC's overhead (operating expenses) was \$64,747 with depreciation of \$12,060 in the Temporarily Restricted column. NPS Temporarily Restricted funds went up this year because UDC invested \$25,202 in the building and the depreciation against that was only \$12,060. That increase in Temporarily Restricted funds is \$73,799. Regarding the Unrestricted funds, Eckersley uses the monies as directed by NPS and UDC's budget, \$282,627 for operations, \$6,012 for income, with depreciation factored in the change in Unrestricted assets came out to \$10,820, Net assets at the end are \$126,328. Looking at the Functional Allocation of Expenses/Expenditures, this attempts to allocate expenditures by what UDC did rather than what it was. This is based on payroll timesheets primarily. Looking at the Statement of Cash Flow, cash increased by \$20,388. Eckersley referred to Notes to Financial Statements. This helps people reading these statements know who UDC is, what the organization does and how UDC does their business. This year one of the TAG grants didn't conclude by Sept. 30th but UDC approved an extension for it. Subsequently it has been accrued, both a receivable and a payable. There are details of the Cooperative Agreements. The seventh one was entered into in 2015 and ends in 2020. One thing that will change next year in accounting standards is how they present Unrestricted and Restricted Funds. The language will read "Funds with donor restrictions" and "Funds without donor restrictions", it is all primarily nomenclature. Eckersley explained UDC does have "Donor Restricted Funds": the NPS as grantmaker. Richardson asked how much money does UDC have, as of this date. Eckersley said that Unrestricted Funds are at \$126,328 (Exhibit 1). Ramie asked what it was last year, as of Sept. 30th. Eckersley replied \$115,508. The increase is a combination of events, effective depreciation on UDC's operational budget, past collection of interest and other revenues. Eckersley asked committee members to refer to Form 990. UDC must formally approve it and then it can be signed. All the numbers on the Form 990 are what Eckersley reviewed with the Committee. He asked the committee to make sure the 'yes'/'no' questions were accurate so he could get the final copy ready for signatures. The filing deadline is Feb. 15th. Eckersley presented a copy of their engagement letter for the next year as well as one for the last year in case there is any new language. This is done with all their clients. Eckersley handed out a Management Representation

letter which states UDC told Eckersley and Ostrowski, L.L.P. everything they learned about the information they gathered. He also provided an invoice for the year based upon the approved agreement last year. Eckersley noted that his firm pledged \$2,000 last year as a donation back to the Council. The invoice is \$8,725. Eckersley and Ostrowski, L.L.P. wanted the Unrestricted fund to grow and that is a way to make it happen. Regarding the engagement letter for next year, Eckersley explained: as you recall, when they had to do the extra work they cut their bill in half for the Unrestricted Fund probe, then they committed to the \$2,000 per year contribution. Eckersley is requesting a change, that over the next seven years, instead of Eckersley and Ostrowski, L.L.P. giving UDC \$2,000 back a year, they will give \$1,000 a year and they will recapture the \$7,000 that they wrote off last year. Hahn asked what happens after the seven years; will it go back to \$2,000? Eckersley said they cut the bill because they didn't think UDC had enough money to pay for the work that needed to be done. Henry said when the UDC sent everything in, NPS came back and said the interest is fine. They never specifically said the Unrestricted Funds belong to UDC. Ramie said the only commitment NPS made was on the interest, stating that aspect of finances was handled properly. Eckersley said, "If the interest is correct than the other must be because the interest is based on UDC's control of those funds. If UDC's interest is UDC's money, then the funds that the interest is earned on has to be UDC's money."

Executive Director's Report and Monthly Calendar:

Financial Status:

FY 2018 Federal Funding: Following a Nov. 5th meeting with Superintendent Heister and Bookekeeper Mike Poska to review the requirements of the 18.63% budget under the Oct. 1st – Dec. 7th Continuing Resolution, Ramie prepared a revised Fiscal Year 2019 Application for Federal Funding Assistance package with a new budget and SF-424 attachments, which was submitted on Nov. 9th. Ramie did not receive any response from NPS Contracting Officer Patrick Reidy until Nov. 26th, who raised numerous questions, requested justifications for certain tasks, and requires a further revised budget, narrative, work plan and SF-424 forms to be provided. The UDC is currently owed \$14,577.21 in October and \$17,102.92 for November expenditures, totaling \$31,680.13. The UDC's Quarterly (July-Aug.-Sept.) and Fiscal Year 2018 annual progress/SF-425 financial reports were submitted to NPS on Oct. 30th.

Bank Balance: As of 11/27, the UDC had \$114,310.55 in its Jeff Bank accounts.

State Funding: Ramie and Robinson are compiling two fact sheets for New York and Pennsylvania regarding the cost-sharing scenario envisioned in the River Management Plan for operational funding of the Council which will be the basis for requesting meeting with elected officials (PA senators/representatives and NY senators/assembly members), then with the respective governor offices. The fact sheets will include references from the RMP, NY Executive Order/PA Code, a history of UDC requests, and justification statements. Letter writing has not taken UDC that far and they believe a personal approach to the legislators will be more effective as they would like to get it instituted as a line-item in the budget, not just a one-time grant. Robinson asked the committee if they have any special contacts with any legislators, particularly with the governor's office to please let them know. Adams said he has contact with Senator Lisa Baker and Rep. Mike Peifer. Adams said Cassandra Coleman is the regional representative for the Governor's office. She's been out to Damascus and Adams has had good results with her. Ramie said Senator Bonacic is retiring at the end of this year so it's debatable if UDC should just wait until Jen Metzger takes office. Ramie will secure Bonacic's contact information however, as she would like to recognize him for the contributions he's made to the river valley over the years at the UDC's awards ceremony in April.

Administration:

Office Maintenance: **Furnace:** Don Bellotti of Riverside Mechanicals, Callicoon, was in on Nov. 26th and Nov. 27th to re-set the furnace and reprogram the thermostats for various building zones after the heating system wasn't working properly, and to provide annual servicing of the oil burner. **Floors:** Two cost estimates have been received to resurface the tile floors in the meeting room and hallways. Steve Radzicki, as recommended by our cleaning firm, was in on Oct. 18th and provided an \$800-\$1,000 non-itemized estimate. Artie Horsham, president of Cellex Building Services in Port Jervis, was in on Nov. 14th and provided a \$591.30 itemized proposal, including a non-profit discount. A motion to hire Cellex made by Henry and seconded by Peckham, though the work will be deferred funding for FY 2019, was carried.

Attic Stairs: The Town of Tusten's newly-hired CEO/Building Inspector Jim Crowley came in to inspect the attic stairs. He recommended two improvements, to reinforce the hand rail with two additional brackets and to add

another non-skid strip at the door's exterior at the top of the stairs. These items were brought to the attention of contractor Dave Leavenworth on Nov. 21 and will be handled by the end of this week under his contract. Receipt of the Certificate of Completion is pending.

Website Training: Hall-Bagdonas completed training with Dorene Warner of W Design, Barryville, to update and maintain content on the UDC website using the Wordpress Content Management System and utilize Photoshop Elements in two sessions on Nov. 2nd and Nov. 7th.

Phone System: Mike Egan from Net-Tel Solution LLC came in on Oct. 25th. Egan advised Ramie that the UDC's TransTel legacy telephone system is obsolete, and that he will be moving to Florida in the spring and will be unable to provide any further on-site tech support. Egan proposed upgrading to a cloud-based system that can be fully maintained remotely from anywhere. The phones would be Internet-based for use in any location. The system has a network fail-over function that will receive and route calls regardless of any electricity or Internet outages. They have all the latest technological features. If the UDC upgrades, Net-Tel Solutions would become the phone service provider (rather than Frontier Communications) at \$93.76 per month plus USF fees, with a onetime port fee of \$25. Monthly payment can be automated on a credit card. He recommends using Spectrum as Internet Service Provider (also currently Frontier) in stating that DSL from Frontier does not have the bandwidth and reliability to support good call quality. He recommends keeping the fax line on analog service. Spectrum offers Internet and one phone line at \$95/month for business customers. Note: The UDC paid Frontier \$217.82/month for its phone/Internet service as of Nov. 15th. There would be a one-time equipment fee of \$125 per phone, with free installation, programming and training (\$750 for our six phones). The non-sale price per phone is \$189. Egan would also attempt to sell the old phones on-line and provide that credit to the UDC to offset the equipment cost. Ramie consulted with Jeff Chorba and Dorene Warner, who felt favorably about the UDC switching from Frontier to Spectrum as ISP and keeping one land-line. No changes would be required for our @upperdelawarecouncil.org email address. Robinson asked if Egan would be able to advise what the bandwidth needs are to support the phone system and we could contact Frontier to see if they are able to provide that bandwidth. Henry asked to do some more research on cloud-based phones.

Public Relations:

Election Results: Outreach will be made to the incoming federal and state representatives, as well as the outgoing incumbents, for the river valley region. Next, find contacts, send appreciation letters as warranted to departing, sending introductory letters to new, and update our in-house Political Representatives list.

Annual Report: A narrative report of UDC accomplishments for Fiscal Year 2018 will be prepared for on-line posting and distribution.

Publicity: Issued two news releases: "Upper Delaware Council Fills Secretary Position", with photo, Oct. 26th; and "Upper Delaware River T-shirts Make Great Gifts, Benefit UDC", with photo, Nov. 23rd. A link to the WJFF Radio 'Chatskill' Barbara Demarest program, "A Day on the Delaware", was circulated on Nov. 6th.

"The Upper Delaware": Ramie will prepare a Request for Proposals for FY 2019 newsletter mailing and printing services, with three issues planned, as follows: Spring 2019- Vol. 32, No. 1- Due to printer March 13th, publication date April 1st; Summer 2019- Vol. 32, No. 2, Due to printer July 17th, publication date Aug. 5th; and Fall/Winter 2019- Vol. 32, No. 3, Due to Printer Nov. 20th, publication date Dec. 2nd 2019.

Calendar: Ramie noted that the rest of the Executive Director's Report and Monthly Calendar could be read at one's leisure.

Old Business:

Revised FY 2019 Budget for Continuing Resolution: On Nov. 9th UDC submitted a revised budget to NPS for the 18.63% portion as directed by Patrick Reidy, the Contracting Officer. Ramie heard back from Reidy on Nov. 26th with comments on every document. Some were small changes; some were big questions. Ramie has to re-do it all to make the corrections. For example, in the budget submitted, UDC included both staff member and UDC representative mileage reimbursement under "Travel". Reidy said member mileage doesn't count as travel unless they are employees of this organization. Ramie's options were to either move the participant fees from "Other" and bring mileage with or move it to Personnel. Ramie said UDC has to do a whole separate Budget Narrative Report just for the \$55,890 and update the Annual Work Plan. Reidy said the SF-424 attachment B Form is obsolete. Ramie

will be updating that. Reidy asked what the educational value was of the Raft trip and why is it on UDC's budget. This is an activity that the UDC has had for 30 years and had always been acceptable.

Other: Hahn announced that the Delaware River has been nominated for 2019 Pennsylvania River of the Year. Voting will take place until Jan. 4th at pariveroftheyear.org.

New Business

Dec. 4th River-Related Law Enforcement Meeting Update: Ramie said we are requesting sign-ups for this meeting by Nov. 30th. Currently 15 people have registered for the 3pm meeting on Dec. 4th. Heister and Ramie briefly spoke about the format of the meeting. It will mainly be Heister and NPS addressing questions and issues on this topic, with discussion about the UDC survey and an open dialogue to talk about law enforcement in general. Robinson encouraged UDC members to attend.

Summary of Pending Bills 11-27-18: A motion by Henry, seconded by Peckham to approve the bills was carried.

Financial Statement 11-30-18: Robinson said the financial statement is offered for individual review.

Other: None

Public Comment: None

Adjournment: A motion by Roeder seconded by Henry to adjourn the meeting at 9:03 p.m. was carried.

Minutes prepared by Ashley Hall-Bagdonas, 12/6/18