

Upper Delaware Council
OPERATIONS COMMITTEE MEETING MINUTES
November 25, 2014

Committee Present: Harold Roeder, Jr., Larry Richardson, David Dean, George Fluhr, Fred Peckham, Debra Conway (6:43p.m.)
Committee Absent: Andy Boyar, Jeffrey Dexter, Nadia Rajsz
NPS Partner: Carla Hahn (6:43 p.m.)
Staff: Laurie Ramie, Travis O'Dell, Cindy Odell
Guests: None

The UDC's Operations Committee held its monthly meeting on Tuesday, November 25, 2014 at the Council office in Narrowsburg, NY. Vice-Chairperson Roeder called the meeting to order at 6:32 p.m. The order of the committee meetings was switched for the evening in order to accommodate the presentation by Richard Eckersley, the Council's auditor.

Approval of October 28 Minutes: A motion by Fluhr, seconded by Peckham to approve the October 28 meeting minutes was carried. There was no public comment on the agenda.

Presentation by Richard Eckersley – Eckersley and Ostrowski, LLP: Richard Eckersley provided members with draft copies of the Accountants' Review Report and IRS Form 990 for FY 2014. He reported that effective July 1, 2014, New York State raised the gross revenue thresholds triggering the requirement to obtain an independent CPA's audit from \$250,000 to \$500,000 therefore allowing the Council to be eligible to have reviews conducted as opposed to full blown audits. A review is a similar service to an audit, but less in scope and less expensive to have done, Eckersley noted. A review was conducted for this year, but an audit could be conducted should members choose, he added. Eckersley recommends that it is more economical and would provide adequate protection to have the accountant's review done for two consecutive years and an audit done every third year. He feels this makes sense given the board's involvement in the Council's management and operations. He referred members to the last paragraph of the letter accompanying the draft review report where it states, "Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information." Richardson questioned if there are any areas internally that could be strengthened in light of the review as opposed to an audit. Eckersley said he does not see any need for that, reiterating the board's involvement in the day-to-day operations. Three engagement letters for services were submitted for review and signature. One of the letters was to reflect the change from an audit to a review and lower fee for FY 2014. The second letter was to set up the review for FY 2015 and the third letter for an audit in FY 2016. He said the letters did not need to be executed this evening. Peckham questioned what would happen with the \$2,000 savings realized by having the review done instead of an audit this year. Ramie said it would be reallocated to a different use. Eckersley pointed out that the letters of engagement now include a clause which states that we would be subject to mediation before we could sue the firm. The Statement of Financial Position, the Statement of Activity and Change in Net Assets, and the Functional Allocation of Expenses/Expenditures were reviewed. Eckersley also reviewed the Statement of Cash Flow, Notes to Financial Statements, Schedule of Personnel Benefits, and the Schedule of Operating Expenses. Eckersley said that the Draft Form 990 is to be reviewed by the Council and returned to Eckersley and Ostrowski, LLP for final filing. Eckersley said the Form 990T, to request a credit for small employer health insurance premiums paid, was not included in the packet, but will be filed on behalf of the Council. Ramie noted the Council did receive a nice refund as a result of this last year. Richardson referred to page 2, #4a of the Form 990 requesting that the wording be changed from "Upper Delaware River Basin" to "Upper Delaware River Corridor". Eckersley said that would be taken care of. He asked members to review the Form 990 and send a letter with requested revisions so that a final copy can be drafted for filing. The Management Representation letter was provided for signature. He asked that the engagement letters be returned so that a revised bill could be done as long as the Council opts for the review process this year. A motion to recommend to the full Council Eckersley's recommendation of two years of accountant's reviews followed by an audit the third year was made by Peckham, seconded by Richardson and carried. A motion to vacate Resolution 2014-02: Authorizing

Agreement with Eckersley and Ostrowski, LLP for Audit/Accounting Services, FY 2014 was made by Richardson, seconded by Dean and carried. A resolution to amend this contract will be presented at the December full Council meeting.

Executive Director's Report: Ramie referred members to her written report provided in their packets. She reported that just under 20% of the UDC's FY 2015 allocation was added to our federal account on November 5th. Two drawdown requests have been made for October and November expenses. Ramie provided the balance in the federal account and noted that the President's Continuing Resolution for FY 2015 will expire at midnight on December 11th.

Ramie reported on the UDC's bank balance noting that she was able to withdraw the balance at the former Bank of America (now NBDC) after arranging to re-issue one final outstanding check and retrieving required original account signatory paperwork, in order to officially close all UDC accounts there and consolidate the UDC's funds.

Ramie noted that the only change in political representatives for the Upper Delaware region was the election of a new Pennsylvania Governor. Tom Wolf (D) will officially take over from Tom Corbett on January 20, 2015. A welcome letter will be sent to Wolf explaining Pennsylvania's role with the Council and requesting the state contribute to the Council's operations as was agreed upon in the beginning.

Ramie said she is actively working on the FY 2014 Annual Report. Once completed, it will be distributed to UDC members, the NPS, and posted on-line for the public.

Ramie noted that a new source of revenue for the UDC is the sale of t-shirts. The shirts were originally produced for the Council's 25th Anniversary but are not dated. Available for a \$15 donation, they are advertised in each of *The Upper Delaware* newsletters, which usually generates interest, and taken with staff to any events where we are permitted to sell them. Odell reported that a total of 16 dozen t-shirts have been ordered since March of 2013. 124 shirts have been sold to date generating a profit of \$380 with all current inventory paid for. There are 68 t-shirts in stock ranging in size from Adult Small to Adult 2X-large.

A lengthy discussion about grants and funding took place. Ramie said the Council has had funding plans that have been submitted for the state's contributions explaining how the funding would be spent. The main thing would be to enhance the Project Review program and also give out additional TAG funding as the demand very often exceeds our availability of funds.

Ramie referred to the December calendar of UDC Meetings, Activities, and Deadlines. She noted that on December 16th, all three committees will meet with Project Review beginning at 6:30, Operations at 7:00, and Water Use/Resource Management at 7:30. Ramie said the November 13th meeting with PennDOT for an update on the Pond Eddy Bridge was rescheduled to December 18th. She reported that the Upper Delaware Scenic Byway committee has opted not to meet in December. Ramie said that last year staff followed the Park Service's policy of closing the office at noon on Christmas Eve. She wanted to confirm that the same was allowed this year. A motion to allow staff to close the office at noon this Christmas Eve was made by Dean, seconded by Conway and carried with Richardson voting no.

New Business

Draft Resolution 2014-14: Award the Printing of "The Upper Delaware" Newsletter to Courier Printing for FY 2015: Ramie referred members to the copies of Courier's response letters in their packets. She noted the \$2,314 price per issue is a \$40 increase over the FY 2014 rate for printing and mailing services. A motion to move the Resolution awarding Courier Printing Corp. the FY 2015 contract to the full Council for approval was made by Richardson. Dean questioned if the issue of the newsletter being late was addressed. Ramie said the vendor has accepted the amendment to the FY 2015 contract that provides an incentive to meet the delivery date. The UDC will deduct 5% for every business day past the specified deadline that the newsletter may be late. The motion was seconded by Peckham and carried.

Summary of Pending Bills 11-25-14/Financial Statements: The committee was provided with an abstract of bills dated November 25 to review. A motion by Richardson, seconded by Peckham to pay the bills listed on the abstract was carried unanimously. Financial Statements as of October 31, 2014 were provided for individual review.

Other: None

Old Business: Fluhr questioned if we have received a response from the railroad. Ramie said a letter was sent on November 10th to Central New York Railroad expressing the UDC's concerns over the condition of an access roadway between Mill Rift and Pond Eddy, PA. No response has been received yet, she added.

Public Comment: None

Adjournment: A motion by Peckham, seconded by Conway to adjourn the meeting at 7:39 p.m. was carried unanimously.

Minutes submitted by Cindy Odell, 12/2/14