



Eastsound Water Users Association – Board Meeting

6/20/2023

4:00 pm start time

Meeting being recorded

Participants:

Cory Harrington
Dan Burke
Scott Lancaster
Ron Claus
Clyde Duke
Joseph Cohen
Rochelle Doyea
Rick Christmas
Steve Smith
Michael Cleveland
James Nelson

Meeting Purpose:

Monthly Board Meeting

AGENDA

- 4:00 PM Calling to Order
- Approval of the Minutes
- Review of Acuity Forensic Audit Report
- Report of OCIF Board class by Ron Claus
- Membership Requests
- Review Board Packet
- 6:00 Call to Close Regular Meeting

4:03 pm Dan and Cory Leave meeting for board to engage executive meeting

601pm Cory and Dan back in session

Motion

Ron



Accept and implement all 12 recommendations
Joseph seconded

RECORDING IN PROGRESS

1. Recommendation: EWUA should consider abandoning the “Bill.com” system and process all vendor invoices and checks through its normal accounts payable cycle.
2. Recommendation: Ask WaFD to return cancelled check images with the monthly bank statements (this may require an additional bank fee).
3. Recommendation: Bank statements should be issued in paper form to EWUA and provided to the Board Treasurer or a Board designee, unopened. The Board should review all bank statements to ensure total deposits align with budgeted income for the month and to ensure all electronic and check payments are for the benefit of EWUA.
4. Recommendation: It is highly recommended that EWUA consider significantly limiting the activity allowed on the Divvy credit card accounts. This would include ensuring that all individual cardholders have daily and monthly charge limitations and limitations on where charges can be made (e.g., no charges at certain types of establishments).
5. Recommendation: All credit card charges should be supported by an itemized receipt and retained in a format which can ensure the easy review of those receipts by the EWUA Board (e.g., an electronic filing system, a paper filing system, etc.)
6. Recommendation: Proposed credit card charges should be preapproved by an appropriate Board Member prior to the charge being made.
7. Recommendation: Credit card statements should be issued in paper format to EWUA and provided to the Board Treasurer or a Board designee, unopened. The Board should review all credit card statements to ensure that charges were pre-approved and were for the benefit of EWUA.
8. Recommendation: All regularly recurring expenditures (e.g., utilities, dues, equipment lease payments, etc.) should be budgeted for properly, but such payments would not necessitate a review by the EWUA board members prior to the issuance of payment. All non-recurring expenditures should also be budgeted for. However, non-recurring expenses (e.g., repair bills, accountant fees, attorney fees, etc.), no matter the amount, should be pre-approved prior to payment. Ideally, the process would be as follows:
 - a. Annual Budget is approved.
 - b. Vendor invoices received.
 - i. Non-recurring invoices should be coded with a proper budget line item and routed to Board Designee for approval.
 - ii. Recurring invoices routed to accounting to pay.



- c. Approved invoices are entered into the accounting system and properly coded to expense line items.
- d. Checks are processed weekly (or on a regularly scheduled basis).
- e. Checks are attached to invoices.
- f. Checks, with supporting invoices, are directed to Board Member for review and signature.
- g. Checks are mailed & invoices are filed.
- 9. Recommendation: Consider hiring a part time bookkeeper or accounts payable clerk who can manage all incoming vendor invoices, timely record approved expenditures in the accounting system, manage credit card receipts, issue checks, and maintain a proper filing system.
- 10. Recommendation: An audit of the General Manager's time off in 2021 and 2022 should be conducted and deductions from his personal time bank should be considered. If the General Manager was overpaid on the payroll payout, those amounts should be reimbursed. In the future, the General Manager should be required to provide the Board with a bi-weekly or monthly summary of hours or days taken off in advance of payroll being processed.
- 11. Recommendation: A detailed payroll report showing gross wages, hours paid, personal time used, paycheck deductions, and net pay should be part of the Board Treasurer's (or a Board Designee) review each month.
- 12. Recommendation: Employee housing payments should be set up as after-tax deductions from employee payroll checks. This will ensure that all amounts are paid on a regular basis and are accounted for in a proper rental income ledger account.

Ron motion to Implement recommendations immediately
Second by Joe

Vote for aye
Unanimous

Motion to adopt the regular session 5/16 minutes as written
Second by Joe

Vote
Unanimous

Joe Move to approve John Crane request
Mike second



All in favor

Joe move to approve

Mike second

All in favor

Clyde Motion to Close

Mike second

All in favor