

PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY
ADMINISTRATIVE COMMITTEE

Pursuant to Section 19.84 Wis. Stats, a regular meeting of the **Central Brown County Water Authority –Administrative Committee** was held on Wednesday, September 10, 2008 at the De Pere City Hall, 2nd Floor – 35 South Broadway, De Pere, Wisconsin

Present: Allouez-Berndt, Bellevue-Oppenheimer, DePere-DeLo; Lawrence-Trembl

Also

Present: Dave Vaclavik/Barbara Grant – Public Management Partners

The meeting was called to order by Chairman Aaron Oppenheimer at 2:40 p.m.

ROLL CALL:

Call the roll for attendance.

Roll Call as noted above.

APPROVAL OF AGENDA:

Approve Agenda

Motion made by Lawrence and seconded by Allouez to approve the agenda.

MOTION APPROVED UNANIMOUSLY

APPROVAL OF MINUTES:

Approve Minutes – August 20, 2008

Motion made by DePere and seconded by Lawrence to approve the minutes.

MOTION APPROVED UNANIMOUSLY

COMMUNICATIONS: None

AGENDA ITEMS:

1. **Recommended Umbrella Coverage (WSA):**

Ms. Grant reported that she was informed by MPU that they carry \$10 million of umbrella coverage. If the Water Authority were to move forward with this same amount of umbrella coverage, it would not include crime and public official liability, which they have under their present policy. At this time, the CBCWA carries \$3 million in auto coverage, which was questioned as they have no autos.

Mr. DeLo stated it would be his recommendation to carry \$10 million in umbrella coverage because of possible contamination issues with a water system.

Ms. Grant was directed to discuss the issue further with Attorney Kobza, in addition to checking with the GB Met and Green Bay Water Utility as to what coverage they have. At this time the consensus was to move forward with the

\$10 million umbrella coverage, making an adjustment in the future if found necessary.

Motion made DePere and seconded by Allouez to recommend authorization of \$10 Million Umbrella Coverage. MOTION APPROVED UNANIMOUSLY

2. Internal Control Report – Draft:

Ms. Grant presented a communication related to the audit report given by Virchow Krause on 8/20/08 relative to internal controls. Virchow Krause addressed the Authority's internal control over financial reporting and made several suggestions relative to segregation of duties. They included:

- Personnel who enter data into the general ledger should not be involved in keeping detailed records such as receivables and payables and account reconciliations.
- Bank reconciliations should be performed by personnel who do not have access to the general ledger, payables, and cash transfers.
- Bank reconciliations should be reviewed by a responsible official from the Authority.
- Journal entries posted in the general ledger should be approved by a responsible official from the Authority.
- There should be a purchase policy that outlines who can authorize purchase and approve vendors as well as when the Authority needs to approve purchases. In addition, this policy should outline when competitive bidding will be utilized for Authority Purchases.
- Accounting policies and procedures should be in writing and be updated regularly.
- Each person having access to the general ledger should have passwords that are not shared among staff.

Many of the suggestions are in process of completion. Treasurer Randy Trembl will review bank reconciliations and journal entries. A Purchasing Policy will be on the October agenda for consideration.

Also addressed by Virchow Krause in their report was documentation of internal control and several areas were recommended including cash receipts and disbursements; investment transactions; capital asset additions and retirements; debt transactions; information technology; and financial reporting.

Motion made Lawrence and seconded by Allouez to recommend adoption of the Internal Control Report Draft. MOTION APPROVED UNANIMOUSLY

3. Report: YTD Hours Worked by Task:

This report was reviewed and it was suggested by Mr. Delo that it be incorporated into the analysis for future management services.

It was also suggested by Mr. Delo that there be two separate meetings in the near future, one to discuss budget, with the other to discuss future operations management of the Water Authority.

4. **Financial Reports:**

Ms. Grant addressed security fund and debt escrow amounts, stating that both are at healthy levels.

Of the \$400,000 budgeted for litigation (\$200,000 per year), it was reported that approximately \$65,000 has been spent. Any funds not spent, will go to the undesignated fund account once all litigation has been concluded.

Motion made DePere and seconded by Allouez to recommend acceptance of financial reports. MOTION APPROVED UNANIMOUSLY

5. **Pay Authorizations: Vouchers:**

Questions asked related to invoices from Virchow Krause, River Valley Testing, etc. were answered satisfactorily.

Motion made by Lawrence and seconded by Allouez to approve and recommend payment of pay authorizations/vouchers to the CBCWA. MOTION APPROVED UNANIMOUSLY

FUTURE AGENDA ITEMS:

**Purchasing Policy
E-Mail/Records Retention**

ADJOURN:

Motion made by Lawrence and seconded by Allouez to adjourn at 3:05 p.m. MOTION APPROVED UNANIMOUSLY

Respectfully submitted,

Rae G. Knippel
Recording Secretary