

Audit and Finance Committee  
August 22, 2024 Meeting Minutes

Present:

Jill Crafton, Treasurer  
Tom Duevel, Secretary  
Terry Jeffery, District Administrator  
Louis Smith, Attorney, Smith Partners  
Michael Welch, Attorney, Smith Partners  
Dylan Monahan, Office Administrator

Minutes:

The meeting was called to order by Manager Crafton at 10:10 AM.

Manager Duevel moved to approve the meeting's agenda. The motion was seconded by Manager Crafton and was unanimously accepted.

Attorney Smith highlighted his recommended approach to the meeting agenda. He stated that the proposed changes to the District Investment Policy are pursuant to state law and the District's Governance Manual. He also mentioned how this aligns with the current delegated authority of the 4M Fund to the Administrator. The proposed changes to the investment policies include further defining the separation of duties.

Manager Crafton stated that purchasing the property has raised questions about cash flow and allowed for time to prudently think through our process. Manager Duevel proposed that there should be a documentation system for ensuring that the District Administrator follows the process of checking in with the Treasurer before making investment decisions. Administrator Jeffery agreed that the District should get a cash flow analysis to make sure everything is in place.

Manager Crafton made a motion to direct the Administrator and counsel to update the cash flow and investment processes. The motion was seconded by Manager Duevel and approved unanimously.

Administrator Jeffery stated that the Administrator spending limit currently doesn't help cover necessary day-to-day expenses. After discussing with District staff, he mentioned that they landed on \$12,500 or \$15,000 as new spending limits. This increase would include a credit card limit increase as well. Attorney Welch added that this will include a resolution to raise the spending authority, specifically regarding day-to-day spending and ACH payments. He stated that other watershed districts have models for breaking payments into categories for spending.

Manager Crafton stated that she thinks this is an excellent proposal to make payments easier but had questions about Board approval for payment of the bills. Attorney Welch

clarified that Board approval of bill payment is still essential to public spending. He noted that this proposal will just take away the delay in spending. Manager Duevel asked how ACH payments are approved by the Board if they are made before Board meetings. Attorney Welch noted that the approval for ACH payments needs to come from a Board-approved list of ACH vendors.

Manager Duevel made a motion for Attorney Welch and Administrator Jeffery to work on a resolution to update the Administrator spending limit and ACH policy. He included an Manager Crafton seconded and the motion was unanimously approved.

Administrator Jeffery asked Managers to reach out to him with any agenda items that they may have for the next meeting.

Manager Duevel made a motion to adjourn, which was seconded and approved by Manager Crafton.

The meeting was adjourned at 10:45 AM.