

Bear Creek Watershed Association

Approved: July 9, 2014

Policy 30 Financial Plan



Statement of Basis and Purpose

The Bear Creek Reservoir Control Regulation at 5 C.C.R. 1002-74 identifies the Bear Creek Watershed Association (BCWA) as responsible for implementing the control regulation. In order to meet the requirements of the control regulation, the BCWA membership provides annual dues to cover program expenses. This policy specifies the procedures associated with the management and documentation of BCWA financial assets and is consistent with the adopted BCWA Association By-Laws (BCWA January 8, 2014). As defined in the BCWA By-Laws:

- Membership entities are responsible for financially supporting the Bear Creek Watershed management program and water quality monitoring program.
- Participants provide financial contributions and/or in-kind services as deemed appropriate by the Association. Active Membership Entities must pay annual dues and attend a minimum of 25% of annual Board meetings. Membership Entities with paid dues, but don't meet the attendance requirement will be listed as *Dues Paid, Not Active*.
- In order for a Membership Entity to have a designation of *good standing* to meet the requirements of *BCWA Policy 19 Nutrient Trade Program Eligibility* or *BCWA Policy 6 Weighted Votes* they must attend at least 2 meeting per year over a 3-year period.
- The BCWA has the authority to adopt or revise annual dues, budget, policies, administrative management and environmental monitoring programs.
- Maintain an Association bank account. Place all funds under the care of a designated representative or to create separate accounts at financial institutions selected by the Association. All funds shall be subject to annual audit by either the Association or dually designated representative.
- Raise revenues and incur indebtedness. Expend funds in accordance with the annual budget as adopted by the Association or amended by the Association. The Association prior to payment shall approve such expenditures.
- The Association Board shall adopt an annual dues structure for membership Entities and Participants.
- Enter and execute contracts, accept and utilize financial assistance, raise revenues and incur indebtedness.

Policy Positions

Dues and Budget Structure

1. The BCWA Membership Entities provide annual dues as set by the BCWA Board and denoted in the BCWA By-Laws.
2. The dues structure is based originally on a 20-year projection of expected wastewater generation or nonpoint source contributions that generate phosphorus, which are the bases for the Control Regulation. All Membership Entities were assigned a dues amount that was subject BCWA Board approval with an annual review and adjustment as deemed necessary.

***Bear Creek Watershed Association
32-years of Watershed Management***

Small dischargers are given a *hardship* price discount not linked to wastewater generation or phosphorus at the desecration of the BCWA Board.

3. The annual dues are set to cover base administrative, monitoring and other expenditures necessary to meet the intent of the Control Regulation.
4. The BCWA reviews and approves an annual budget as developed by the Manager. The budget includes at a minimum base program elements: management and administration, miscellaneous operational expenses, field monitoring, laboratory analyses, monitoring equipment and contingency, special projects, studies and programs and other line items as requested by the BCWA Membership Entities.
5. New projects are subject to *BCWA Policy 22 Project Evaluation Process*.
6. An adopted budget can be reviewed and revised at the desecration of the BCWA Board by majority vote.
7. Periodic dues increases are generally limited to no more than 8%.
8. The BCWA will strive to keep dues fixed in 2-year blocks before making a dues increase. At a minimum, the BCWA Board will review base program financial needs and make a determination on dues amounts and structure. However changes to the Control Regulated approved by the WQCC can require additional dues to meet new monitoring or reporting requirements.

Banking Positions

9. The BCWA bank account will be held with a banking institution approved by the BCWA Membership Entities.
10. The BCWA will designate *BCWA Financial Officers* for signature authority. The BCWA will maintain a minimum of four *BCWA Financial Officers*.
11. BCWA Checks for issuance are approved at a regular BCWA Board meeting by majority vote.
12. BCWA checks require two signatures from any designated *BCWA Financial Officer*, signatures not required by banking authority to be on file at the bank.
13. The BCWA can designate a new *BCWA Financial Officer* at any BCWA Board meeting with a quorum (see *BCWA Policy 6 BCWA Weighted Vote* and *BCWA By-Laws*). *BCWA Financial Officers* are confirmed at the first meeting of each year by the BCWA Board.

Treasurer

14. The BCWA Manager serves as the treasurer for the BCWA.
15. The Manager maintains the checking account, including making deposits.
16. On a monthly basis, the Manager reconciles the bank statements. Bank statements are electronically stored by the Manager in the BCWA electronic file cabinet.
17. The Manager prepares checks for BCWA Board approval and mails such checks as appropriate.
18. The Manager conducts the accounting activities for the BCWA and monthly reports such activities to the BCWA Board at a regular meeting.
19. The Manager documents all financial activities.