

MRE Road District meeting 3-30-11 (Work Session).  
Meeting Minutes **Final**

Meeting Called to order 5:00 PM

Attendees: Laura Berman, Robyn Lillehei, Linda Waymire, Brian Bach, David Harry, Rick Veronen (serving as scribe)

Agenda distributed:

- 1) March 9<sup>th</sup> minutes: Reviewed minutes as presented by RL. Several omissions discussed regarding the review of activity regarding Citizens Bank. The group wanted to summarize the discussion regarding the types of rock required for overlay on top of gravel roads and the use of larger rock on the edge of the paved roads that have recently installed. With these changes, RL moved the minutes can be approved. LB seconded.
- 2) David Harry has volunteered to act as commissioner replacing John Borowski. RL moved to appoint David Harry to fill the remainder of John Borowski's term ending in Dec. 31, 2012. LB seconded the appointment.
- 3) RD Procedures: Requests for Proposals (RFP)
  - a) RL passed out a document from Special Districts Association of Oregon (SDAO), with forms of action for a Road District (Appendix).
  - b) The document contains guidelines for developing standardized templates for Requests for Proposals (RFP).
  - c) A formal RFP is required for any single task in excess of \$5000. It is not legal to artificially break a task down to avoid the RFP process.
  - d) DH had several questions regarding when commissioners can meet with contractors.
    - i) A meeting with a contractor with more than one commissioner requires an announced open meeting. If a good faith estimate for a task is less than \$5000 it can be accomplished without a formal RFP.
    - ii) It is possible for overruns to exceed \$5000 without a RFC provided the original task was formally assigned and believed to be less than \$5000.
    - iii) RL has agreed to review the SDAO documentation to confirm this.
    - iv) A single commissioner can meet with a contractor to answer questions regarding a proposal or to get information to allow long term budgeting, but no decisions can be made as a result of this meeting.
    - v) Recent work has used an individual other than a commissioner to gather facts from contractors to develop RFP's or budgetary information. Brian Bach has filled this role on several projects.
- 4) Meeting Structure
  - a) Road District Meetings are now including an open forum section for items the public may want to bring forward.
  - b) The item or issue may or may not be acted on at the meeting but it is a mechanism for bringing items forward.
- 5) Planning and scheduling of routine RD tasks

- a) RL presented an historical schedule that had been developed by Linda Waymire for annually repetitive tasks, such as dust control and mowing.
- b) The group reviewed tasks such as ditch maintenance that may require permits such as endangered species permits. (Appendix)
- 6) RD Meeting Process
  - a) Definitions of action were reviewed.
  - b) The differences were discussed between a motion and a resolution. (The definitions of these are attached as an appendix).
- 7) Special Districts Association of Oregon (SDOA) Guidelines
  - a) LB provided copies of the SDAO Elected Officials Guide for attendees for review.
  - b) Extra copies available upon request
- 8) Board Structure, Roles and Responsibilities
  - a) The board reviewed the Board makeup and the sample board officer duty policy provided by the SDAO.
    - i) The makeup of the MRE road district board is in accordance with statutes that address special road districts.
    - ii) This board makeup consists of a President, a Secretary and a Treasurer.
    - iii) Since the SDAO document is applicable to much larger governing bodies, the following broad changes were reviewed. Revisions were made to the SDAO document to better reflect our all volunteer public body (no staff).
      - (1) There is no Vice President for the Road District. Another commissioner shall preside over the meeting in the absence of the president.
      - (2) This road district has separated the positions of secretary and that of treasurer. The secretary is responsible for causing minutes to be developed and distributed for each board meeting.
      - (3) The road district does not employ a clerk (or ANY staff) but uses volunteers to assist in tasks such as bookkeeping, correspondence with constituents and other tasks. We have been fortunate to have volunteers for these tasks.
  - b) Current (April 2011) assignments
    - i) The group agreed that RL will continue as president for the remainder of the calendar year.
    - ii) David Harry will assume the position of Secretary
    - iii) Laura Berman will continue as Treasurer.
  - c) RL moved that these positions be adopted.
  - d) They were seconded by LB and agreed to by DH.
  - e) Actions and notifications
    - i) RL will notify Benton County about DH appointment to replace John Borowski for the remainder of his term (ending December 31, 2012).
    - ii) RL will contact Citizens Bank and have signature cards for all board members prepared for April 13<sup>th</sup> meeting (or soon thereafter).
    - iii) These actions were moved for acceptance by RL and seconded by LB.
- 9) Miscellaneous items
  - a) The board reviewed the unused checks from the old B of A account and agreed to have them destroyed.

- b) A variety of “Best practices” for Board procedures were discussed. The task assignments were reviewed and are as listed on the attachment. (See appendix )
  - c) Record retention was reviewed.
    - i) A file system is used with each file stating the retention requirements for each type of document.
    - ii) Also discussed were draft documents provided by Neal Winters of SDAO in June 2009 to create better policies and procedures (Attached).
    - iii) These will be amended to better reflect MRERD and adopted in future meetings.
  - d) The meeting agenda template will be modified to include a review of items previously carried over.
  - e) RV provided a summary of his study of walking paths on MRE road and Columbine.
- 10) RL moved to adjourn. LB seconded. 7:35 PM.

Draft version edited and submitted by Dave Harry  
Draft Minutes approved at May 11, 2011 RD meeting  
Final Minutes submitted May 24, 2011 by Dave Harry

### **New Board Members and Volunteers**

The board shall assist each new member-elect and appointee to understand the board's functions, policies, and procedures before he/she takes office. The following methods shall be employed:

- New members shall be invited to attend and participate in public board meetings prior to being sworn in.
- Acting board members and volunteers acting in regular support roles shall provide material pertinent to district meetings and respond to questions regarding such material.

## **BOARD OFFICER DUTIES**

### **Duties of the President**

- The president of the board shall preside at meetings of the board of directors. The president shall perform all of the duties prescribed by the Oregon Revised Statutes.
- The President is responsible for providing notice of board meetings in accordance with the Public Meeting Law.
- The president shall prepare and circulate a proposed agenda 72 hours prior to a meeting for consideration or corrections by other board members. The president shall publish the agenda at least 48 hours prior to a meeting. The president shall have the same right as other members of the board to discuss and to vote on questions before the board.
- The president or any other commissioner may call special meetings of the board as described by the Oregon Public Meetings Law.
- The president of the board shall sign official district documents on behalf of the board when authorized to do so by a majority of the board.
- In the president's absence, or during any disability of the president, two remaining board members shall share the responsibilities of the president in a mutually acceptable manner.
- The President is responsible for maintaining the districts policies and procedures data.

### **Duties of the Secretary**

- The secretary of the board shall cause accurate minutes of each board meeting to be taken, transcribed, and distributed to each board member in a timely manner for review prior to approval. The secretary shall maintain properly authenticated official minutes in chronological order.
- The Secretary is responsible for circulation of draft minutes to other Board members

## Meeting Duties and Responsibilities of the Mary's River Estates Board and Special Volunteers

and volunteers (such as bookkeeper, Budget Officer, acting Budget Committee), sending them for posting to our website and notice on Google Groups of availability on the website.

- The Secretary will maintain a calendar for the board's unfinished business.
- The Secretary is responsible for making physical arrangements for the board meetings, such as meeting room reservations

### **Duties of the Treasurer**

- The -treasurer of the board shall assure that accurate accounting and financial records are maintained by the district.
- Obtains financial statements such as bank statements and invoices for handling.
- Coordinates with the bookkeeper the ledger and balance sheets for the board.
- The Treasurer and bookkeeper are responsible for the financial summary and reports when required for meetings.

### **Shared Duties of all Board Members.**

These duties are shared by the board members and designated volunteers under the supervision of the board members. As these items come before the board, specific volunteer assignments will be made.

- Respond directly to routine correspondence.
- Handle correspondence of special interest to the board.
- Draft replies for board consideration.
- Prepare draft Requests for Proposals for selected work to be contracted by the board.
- Any board member may draft policy motions as required for board consideration.
- All board members shall annually review the district's financial audit with budget officer at an open meeting, prior to submitting the audit to the state. The budget officer or a delegate shall send copies of the audit to state or local agencies requiring its submission.

### **Board Meeting Duties**

- The President is responsible for preparing the agenda
- The President is responsible for providing notice of board meetings in accordance with the Public Meeting Law.
- The Secretary is responsible for making physical arrangements for the board meetings, such as meeting room reservations.

## Meeting Duties and Responsibilities of the Mary's River Estates Board and Special Volunteers

- The Secretary is responsible for circulation of draft minutes to other Board members and volunteers (such as bookkeeper, Budget Officer, acting Budget Committee), sending them for posting to our website and notice on Google Groups of availability on the website.
- The Treasurer and bookkeeper are responsible for the financial summary presented at the meetings

Revised: March 30, 2011

To: Robyn Lillehie  
From: Neal Winters  
Date: June 2, 2009  
Subject: Various

Below please find information regarding several of the subjects we discussed.

**Records Retention**

Districts are required to follow the state of Oregon's Records Retention Policy. These schedules can be obtained from the Secretary of State's Archives Division (<http://arcweb.sos.state.or.us/recmgmt/general/countymenu.html>). Unless otherwise provided in the schedules, the Division recommends that records be maintained for a period of not less than two years. Minutes should be maintained forever.

**Audits**

A district with combined revenues and expenditures of less than \$150,000, and whose chief fiscal officer is bonded for the total amount of money received during the year may file unaudited financial statements with the Secretary of State's Office within 90 days after its fiscal or calendar year end. (Secretary of State's office at Division of Audits, Public Service Bldg., 255 Capital street, NE, Suite 500 Salem, Or 97310 or on web site at <http://www.sos.state.or.us/audits/audit.htm>).

**Financial Management Policy, Purchase Approval Policy, security policy**  
(see attached)

**Appointment and Duties of Auditor**

**Notice and Location of Meetings**

I hope this information is of help to all board members. I can be reached at home 503-635-2023, cell 503-307-5316 e-mail [nealws@msn.com](mailto:nealws@msn.com)

**To: Robyn Lillehie**

**From: Neal Winters**

## **MINUTES**

---

**Written minutes are required for all meetings, except tape recordings are allowed for executive sessions.**

**The meeting law says minutes must be made available within a "reasonable time" after each meeting, but does not specify the time. Generally, this time frame should not exceed three weeks. Minutes must be preserved for a "reasonable time". This is generally interpreted to be at least one year. Minutes of many governing bodies are subject to records retention schedules established by the State Archivist.**

**Minutes must indicate:**

**Members present.**

**All motions, proposals, resolutions, orders, ordinances and measures proposed and their disposition.**

**The result of all votes by name of each member (except for public bodies consisting of more than 25 members). No secret ballots are allowed.**

**The substance of discussion on any matter.**

**A reference to any document discussed at the meeting.**

**Minutes are not required to be verbatim transcript and the meeting does not have to be tape recorded unless so specified by law. Minutes are public record and may not be withheld from the public merely because they will not be approved until the next meeting. Minutes of executive sessions are exempt from disclosure under the Oregon Public Records Law.**

**Governing bodies are allowed to charge fees to recover their actual cost for duplicating minutes, tapes and records. A person with a disability may not be charged additional costs for providing record in larger print.**

---

**Resolution Adopting a Financial Management Policy**

**Mary's River Estates Road District**

---

Resolution No. \_\_\_\_\_

**A Resolution Adopting a Financial Management Policy**

WHEREAS financial management is necessary for the control of district affairs.

WHEREAS sound accounting practices and policies are necessary for ensuring the integrity of financial records and district funds.

WHEREAS the district is subject to Municipal Audit Law, ORS 297.405 to 297.555.

THEREFORE, be it resolved that the Board of Directors of the Mary's River Estates Road District hereby adopts its Financial Management Policy dated this \_\_\_\_\_ Day of \_\_\_\_\_, \_\_\_\_\_.

Chairman \_\_\_\_\_

ATTEST:

Secretary \_\_\_\_\_

**Financial Management Policy**  
**Mary's River Estates Road District**

**Objectives**

- To ensure that all financial systems, functions, and controls meet generally accepted auditing standards.
- Preserve capital through prudent banking and cash management activities.
- To achieve the most productive use of cash, minimize operating costs, and to control receipts and disbursements.
- To maintain competitive and good working relations with financial institutions.
- To provide safety to employees.

**Banking Services**

- Banking services shall be solicited at least every five years on a competitive basis, and banks submitting proposals must meet the following minimum criteria:
  - Be able to provide Collateral Pool Certificates
  - Be insured by the Federal Deposit Insurance Corporation
  - Be able to facilitate transfers to and from the Local Government Investment Pool Managed by the Oregon State Treasurer.
  - Provide annual audited financial statements.
- All district bank accounts must be authorized and approved by the districts Board of Directors.

**Billings and Receipts**

- The district will invoice for amounts due on a current basis. An accounts receivable age schedule will be prepared and monitored to ensure amounts due the district.

**Accounts Payable**

- The district will maintain a system to age accounts payable. Invoices will be analyzed to take advantage of any discount available.

**Cash Forecasting**

- Each fiscal year, the district personnel will prepare an annual general fund cash flow budget for the approval by the Board of Directors.
- Each month the cash flow statement will be adjusted to reflect the current month's actual cash flow and revised the remaining estimated cash flow schedule.

**Debt**

- If feasible, the district may enter into long-term obligations or issue bonds to finance capital acquisitions upon approval of the board of directors.
- Before issuing any debt, the district will consult with appropriate internal and /external financial advisors.

- Annual leases will be limited to the economic life of the equipment or facilities to be purchased, and in no case, shall be extended beyond 20 years or as otherwise authorized by Oregon Revised Statutes.
- Lease purchases of equipment and facilities will be limited to fit within the district's stated mission, goal or government role.
- All lease-purchase payments must be included in the originating department's approved budget.
- The districts elected officials shall respond in writing to all external audit reports stating what actions have been taken to address the findings contained in the audit.

#### **Internal Controls**

- Duties will be assigned to individuals in such a manner that no one individual can control all phases of collecting cash, recording cash, and processing transactions in a way that permits errors or omissions to go undetected.
- Deposits should be received by a person other than the depositor of the funds to ensure that funds are placed in the proper district accounts.
- All accounting computer records must be kept secure. Persons authorized to edit or review the records must be given passwords which only enable them to access the system. More than one person should be trained on the system. Accounting records should be backed-up on a regular basis.
- Receipts should always be verified prior to paying an invoice. Procedures should be developed for checking receipts or packing slips to determine that merchandise or services have been received before payments.
- Cash transactions should always involve more than one individual to ensure that cash is properly recorded and deposited.
- A procedure should be developed for writing off bad debts. The policy should specify the person responsible for writing off the bad debt and their level of authority.

Example: Authorization for writing off bad debt shall be given to the accounts receivable manager, and board of directors at the following levels:

\$0 to \$10	Accounts receivable manager
\$11 to \$100	Board of Directors

- Petty cash funds should require full documentation, including the purpose of the expenditure and who received the petty cash funds.
- Require individuals in high-fidelity risk areas to take mandatory annual vacations of at least 10 consecutive days.

#### **Authorized Personnel/Security**

- The Board of Directors is authorized to open demand deposit accounts as may be required by the district.
- Checking accounts require two manual signatures.
- Checkbooks are to be in a secure place at all times during business hours and locked in a filing cabinet during non-business hours.
- The Board of Directors is responsible for maintaining a current signature card with the appropriate

financial institutions.

**Investments**

- The district will have a written investment policy adopted annually by the board of directors.

**Audits/Auditors**

- The district will conduct an annual audit on \_\_\_\_\_
- District employees are to cooperate with all auditors, external and internal, regarding any records maintained for or by the district.
- All external and internal audit reports are to be sent to the Board of Directors.

APPROVAL \_\_\_\_\_

Date \_\_\_\_\_

Security Policy

Mary's River Estates Road District

**Purpose:** The purpose of this policy is to safeguard the District's checks, facsimile stamps, financial records, payroll records, petty cash, change funds and other District assets.

**Treasury Checks:** During working hours, treasury checks will assigned to the accounting staff and kept in a secure location. During non-working hours, the checks will be locked in the District safe.

**Check Stock:** All general, payroll and other checks will be locked in a filing cabinet. This includes both signed and unsigned checks. Checks and cash will be locked in a drawer or safe a all times. The keys are to be kept in the possession of the assigned personnel and not left on the premises.

Outgoing payroll and accounts payable checks are not to be left in the mailroom unattended, but will be held until entrusted to the mail carrier. Payees, not personally known to District employees, who pick up checks, must show identification.

**Facsimile Signature Plates and Stamps:** All facsimile signature plates and stamps are to be locked in filing cabinet during non-business hours. During business hours they are to be kept in a secure location.

**Petty Cash/ Change Funds:** During business hours, petty cash/change funds entrusted with the accounting staff will be monitored at all times, and will not be left unattended. During non-business hours, the petty cash /change funds will be locked in a filing cabinet.

**Bank Deposits:** Collections received by the accounting staff will be reviewed by the District Board of Directors. Personnel making deposits and deposit times will varied so as not to create a routine pattern..

**General Security:** The District office will be locked at \_\_\_\_\_ p.m. by the accounting staff, or appointed designee.

Changes to this policy will be approved by \_\_\_\_\_ .

APPROVAL: \_\_\_\_\_

Date: \_\_\_\_\_

## **Appointment and Duties of the Auditor**

Each Year the Board shall appoint an auditor for the District. The duties of the independent auditor shall be as follows:

1. To conduct an examination of the accounts of the District at the close of the fiscal year.
2. To conduct such examination in accordance with generally accepted auditing standards and to include such tests of the accounting records and such other auditing procedures as are necessary according to the circumstances.
3. To render an opinion on the financial statements prepared at the close of the fiscal year.
4. To prepare such financial statements for publication as may be required by law.
5. To make such recommendations to the Board concerning its accounting records, procedures and related activities as may appear necessary or desirable.
6. To perform such other related services as may be requested by the Board.

**Purchase Approval Policy**

**Mary's River Estates Road District**

**Purpose**

To provide a process for documenting approval guidelines and authorization levels for staff in making purchases. This procedure will provide an accurate method of tracking individual purchases, provide purchase approval documentation, assign accountability to individual employees, and improve staff's awareness of the district's financial position in relation to budgeted line items.

**Procedure**

- Analyze product availability, competitive pricing, product quality, delivery, and installation and/or service factors when considering available vendor sources.
- 
- Review district's operating budgets to determine if item is budgeted and to determine remaining budget availability for the related expense account(s).
- If item under consideration is not specifically budgeted, or if insufficient account budget fund remain unavailable; employee will obtain prior approval from \_\_\_\_\_ in concurrence with \_\_\_\_\_ before implementing the purchase process. Capital equipment purchases over \$ \_\_\_\_\_ will require prior approval. In addition, some unbudgeted items may require board approval prior to purchase. In such cases, employee should make a request using the purchase approval document. This document requires the signature of \_\_\_\_\_ and \_\_\_\_\_.

**Documentation**

- When a purchase decision is initiated, employee will retain ordering and/or shipping information. This documentation will be provided to the \_\_\_\_\_ for reconciliation to the item's invoice.
- Employee responsible for the purchase will approve the invoice prior to issuance of a vendor's payment. Approving employee will date and initial the invoice and confirm the correct expenditure account number(s) for the charge.
- The \_\_\_\_\_ or an appropriate staff member will review and approve normal on-going budgeted operating invoices such as utility, postage, or storage bills.
- If an employee is considering the purchase of an item or service that is not budgeted or, if remaining unencumbered budget funds are insufficient, employee will obtain purchase approval prior to initiating the purchase process. This approval will be obtained through the use of the district's purchase approval document.

APPROVAL \_\_\_\_\_

Date \_\_\_\_\_

**Mary's River Estate Road District**

**NOTICE AND LOCATION OF MEETINGS**

**A. APPLICATION**

This policy applies to all meetings of the Board of Directors of the District, and to any meetings of subcommittees or advisory groups appointed by the Board if such subcommittee or advisory groups normally have a quorum requirements, take votes, and form recommendations as a body for presentation to the Board of Directors.

**B. COMPLIANCE WITH LAW**

All meetings shall be conducted in accordance with the Oregon Public Meetings Law, ORS 192.610-192.990, a copy of which appears as an Appendix to this manual.

**C. LOCATION OF MEETINGS**

All meetings shall be held within the geographic boundaries of the District, except for training sessions held without any deliberative action. No meeting shall be held in any place where discrimination on the basis of race, creed, color, sex, age, national origin or disability is practiced.

All meetings shall be held in places accessible to the handicapped.

**D. MEETINGS HELD BY TELEPHONE**

Meetings held by telephone or other electronic communication are subject to the Public Meetings Law if they otherwise qualify by virtue of their deliberative purpose and the presence of a quorum. ORS 192.670(1). Notice and opportunity for public access shall be provided when meetings are conducted by ns may be listened to by members of the public. ORS 192.670(2). The media shall be provided access to a listening location whenever executive sessions are conducted electronically, unless such executive sessions are exempt from media attendance pursuant to ORS 192.660(3).

**E. REGULAR MEETINGS**

The board shall hold regular monthly meetings on the [day, e.g. the first and third Wednesday] of each month. Such meetings shall be held at [location], at [hour, a.m./p.m.], or at such other