Executive Committee Meeting
February 16, 2021

I. Call to Order
Meeting called to order at 10:01 a.m. by Bud Gladstone via Zoom Call.

Members Present, via Zoom:
- Dave Cammer
- Richard Giles
- Karl Gockel
- Bud Gladstone
- Tom Hutson
- Fred Huneke
- Jeff Graff

Others Present, via Zoom:
- Ryan Naatz
- Dwight Bruno
- Amy Faulkner
- Steve Reed
- James Darling
- Jennifer Grossman

Bud welcomed Karl Gockel to the Executive Committee meeting and Fred Huneke for being approved as a voting member. Bud also thanked Ryan Naatz and Amy Faulkner again for all that they are doing to help WAC through this difficult situation.

II. Approval of Minutes
Motion to approve the minutes of the January 19, 2021 meeting as presented.
Motion: Fred Huneke
Second: Tom Hutson
Approved

III. Interim Executive Director’s Report – Ryan Naatz
A. Operations/Programmatic Update
Ryan provided the following updates to the group:
- CAT 403 – the one-year extension final draft proposed budget was submitted to DEP last Wednesday. This was an austerity budget and everything was reduced as much as practical, with input from DEP. The intent is to have a final budget approved to be forwarded to the ACCO for formal approval/acceptance this week. The CAT 403 budget will help to inform and finalize the CAT 487 FY22 budget. Amy and Ryan will continue to work on that with Thomas. Today is Thomas’ last day in the office and Friday is his final day at WAC.
- Staff are working with DEP to expedite the emergency procurement for the services of YPTC which will be funded fully by the CAT 403; the funds necessary for the remainder of FY 21 and FY 22 were built into the one-year extension. Jeff added that
subcontracts can be amended if necessary, via a request to amend and assign additional dollars. Dave asked if YPTC would be on-site and Ryan explained that the intent currently is for the work to be done remotely due to the pandemic. That can be revisited in the future if necessary, however at this time YPTC’s policy is that they cannot ask their employees to be on site of any clients. With the majority of WAC staff still working remotely it may not be necessary for the YPTC project manager to be on site. There was a question as to the timing of the hiring of the Finance Director and all felt that it was prudent to hold off on filling that position until the audit and the YPTC work that both focus on the financial management of the organization are complete.

- Amy provided an update on the status of the audit with Padilla & Company. Staff continue to work diligently under her lead to satisfy the numerous requests that an audit entails. Richard asked about digitizing files moving forward and Amy responded that yes, a concerted effort will be made to make things more easily retrievable moving forward.

- Ryan gave the group an update on the lease for the 44 West Street Office. He is working with SWCD to get the parent lease updated to allow for legal subletting to WAC; Jennifer Grossman and Serena Orleski are assisting in that. Larry Underwood will be providing a copy of the parent lease to WAC to move that along. The current lease between WAC and SWCD expires March 31, 2021, while the lease between SWCD and Bob Vitti, the owner, expires at the end of February. Jeff asked if WAC would be negotiating a sublease relative to the amount that SWCD pays Bob Vitti for the leased space. Ryan stated that was not the first priority; the first priority is to ensure that SWCD can legally sublet to WAC. Jeff stated that when WAC submits receipts for rental payments OEA will expect that WAC verified a competitive rate and the only way to do that is to compare what SWCD is paying to Bob Vitti with what SWCD is charging WAC. Ryan stated that he feels if SWCD is charging an administrative fee they are certainly allowed to do so. Until now Ryan stated he has gotten the impression from DEP that there was not a need for SWCD to provide the parent lease; if Jeff/DEP expects to know that information and to compare the rates he asks that Jeff further detail that in an email so that he can follow up with Larry Underwood accordingly. Jeff further explained that if the rate is much higher than the competitive rate OEA could enact a line H deduction and WAC could be liable for the expense. Jeff Graff will provide the details of the information DEP will be looking for to Ryan via email. Ryan again explained that yes, that is important to determine a competitive rate, but first and foremost we need to ensure that SWCD is legally allowed to sublease. Jennifer added that the current lease lacks many major components of a responsible lease and a comparative analysis would be helpful to determine if the rate is competitive. The administrative fee can be substantiated by the costs that SWCD absorbs for subleasing to WAC but that needs to be clearly substantiated. Ryan will provide an update at Council meeting next week.

- Ryan provided an update on payment requests: OEA has issued a stop the clock on payment request #23, payment #6E is expected to hit the WAC bank account in the coming days. There was a line h deduction to that payment request in the amount of approximately $50,000. In theory those monies will be approved and received at the time of a subsequent payment. Jeff mentioned that the nuances with payment requests #7e and #7c are also compounded by the due to due froms. Ryan stated that finance staff continue to try to work through the due to due froms but that is a daunting task.

- Last week payroll was paid utilizing the PPP monies which allowed for some money
to be available to pay other than personal services payments across the organization. The line of credit has been paid in full.

- The FY budgets that are being developed address any expected modifications to positions and salaries. Jeff asked for clarification that what is being submitted for CAT 433 would be the bulk or the extent for staffing modifications for FY22 and that a different staffing model cannot be approved under CAT 487 FY22 budget and if there were any concerns about additional Finance Department staffing for FY22. Ryan does have concerns but he has never felt that more staff means a better run program. The creation of another accountant position is better off if that is substantiated by YPTC or audit findings and does not feel he is in a position to support the need for additional staff at this time. The FY22 budget will lock the organization in for the next fiscal year with regards to staffing models.

- Ryan explained that WAC remains in a dire financial situation and it is important the Council and Staff understand that we are still working month to month with regards to cash on hand. Bud stated that BMP implementation should not start until we know we have money to pay for them. Ryan agreed but explained it is difficult to try to schedule out knowing how many steps are necessary to get any implementation started.

- Jeff further explained that DEP needs to be able to understand the due to due from; WAC submitted a payment request for #7c which was a negative number and needs to balance that to show that that amount was utilized to fund other contracts. Until all of that is clear the funding situation remains uncertain. Karl explained that payment request #6e is for the period of July through September, so until we are requesting for funding on a timely basis there is no way for WAC to get out of this hole.

IV. Chair’s Report – Bud Gladstone

A. Communication by Staff

- Bud explained that he was approached by a few WAC staff regarding the suspension of the ‘No Work Day’. Bud explained this is an all hands on deck time at WAC. Ryan gave an explanation of the history of the Compressed Work Week Schedule ‘No Work Day’. The Committee agreed this was the right thing to do and to re-group and reconsider at a later time. Jennifer added that WAC is currently taking steps to restore confidence in our process and systems with our funder and to show that we won’t take these extra benefits until we have earned them with the trust of DEP. Karl added that in the summer when the HR Committee approved staff carrying forward more than the allowed 160 hours at the request of Craig, he was aware that there would be issues with staff accruing more vacation time than the organization could handle. The Committee all felt that every decision that is being made now needs to have the best interest of the organization at the core and decisions need to be made accordingly. The Committee reiterated its support for the decisions of the Executive Director.

B. Committee Assignments

Bud reported that while the visioning committee is working on the potential for committee restructuring, the committees will be left as they are. Jennifer added that Directors Only meetings will start next month to look at our structure to address the current situation and future needs of WAC. She is looking forward to taking the next steps.
V. DEP Report – Jeff Graff
   • Jeff stated that the Stakeholder meeting was this past Thursday and asked for
general thoughts so far on the discussion. Dave Cammer stated that he felt Larry and
Tom gave good presentations. Jeff felt there wasn’t as much feedback as he thought
there would be.

VI. Executive Session
Motion to go into executive session to discuss personnel matters.
Motion: Tom Hutson
Second: Fred Huneke
Approved

Motion to come out of Executive Session.
Motion: Tom Hutson
Second: Richard Giles
Approved

VII. Adjournment
Meeting adjourned at 12:43 pm.