The Final Reports and Recommendations for the 2015 Planning Session topics are summarized below.

**Topic – Financial Health of NEWEA**

The following documents are attached.

- Planning Session Topic Description – Maintaining the Financial Health of NEWEA
- Planning Session Final Schedule of Activities
- Planning Session Notes – Tom Groves
- Planning Session Recap Memorandum
- Analysis of a Tax-Exempt Nonprofit Organization, Pannone, Lopes, Devereaux & West

There were five (5) recommendations that came out of the Planning Session. The status and recommended course of action of these tasks are as follows

**Spring Meeting Task Force**

President Elect held conference call prior to Spring Meeting 2015. At that time, it was generally agreed upon by the Task Force members that major changes to the Spring Meeting structure/format should not undertaken, however there is value in reviewing ways to improve on the existing meeting structure to improve attendance and sponsorship participation.

Recommendation

Because the Spring Meeting in 2016 is a joint meeting with NYWEA, the task force will reconvene after the Spring Meeting 2016 to discuss possible improvements to the event. The task force will be initiated by Ray Willis and include the task force members as listed in the Planning Session Recap Memorandum.

**Specialty Conferences/Seminars**

The Council Directors coordinated with the NEWEA Program Coordinator to generate a yearly Specialty Conference schedule. Going forward, this schedule will be used as a tool to ensure that sufficient quantities of specialty conferences are scheduled each year, to avoid planning too many conferences in one year and/or within too short a time period, and providing a time table to assist Committees with planning of their conferences. In addition, through this scheduling process, the NEWEA Program Coordinator can assist with determining fees for the event based on expenses and revenue requirements.

Recommendation

The NEWEA Program Coordinator will be responsible for coordinating annually with Council Directors, which the Counsel Director will in turn will coordinate with their committees, to prepare a Specialty Conference schedule.

**Membership/Dues**
The NEWEA Membership Committee has been working since March 2015 on proposing and establishing a “Regulator” membership category and continues to review the viability of a “NEWEA Only” membership category.

Recommendation

NEWEA Membership Committee will continue to work towards implementation of a “Regulator” membership category and continue efforts to assess viability of establishing a “NEWEA Only” membership category, along with other membership categories to improve cost effective opportunities for the public sector to join NEWEA. Membership shall report to the Executive Committee as to the status of these items on a semi-annually basis.

Fundraising

President Elect, Executive Director and NEWEA Sponsorship Committee have been working together to determine ways to improve sponsorship and fundraising for the Association. Progress to date includes the possibility of establishing a new sponsorship program focused on businesses that are not NEWEA members, however have a vested interest in the protection of water quality and the environment.

Recommendation

The Executive Director will be the champion of this effort going forward with the intent improving sponsorship and fundraising for the Association.

Financial Investments

Via the NEWEA Finance Committee, NEWEA has established a portfolio with Merrill Lynch to improve the rate of return on the Association’s investments. The details of the investments and steps taken are detailed in the Finance Committee and Treasurer’s reports in calendar year 2015.

Recommendation

NEWEA Finance Committee will be responsible for evaluating the Association’s investments in accordance with the NEWEA Accounting and Financial Policies Manual.

Respectfully Submitted,

Ray Willis

NEWEA President-Elect 2015
Mission - What does NEWEA need to do to maintain and continually improve financial health, both now and in the future in an effort to continue with our existing and new initiatives, while also maintaining the level of service and benefits that our membership has come to expect?

Monday, March 9, 2015

12:00 Noon Lunch and Featured Speaker – Gary Pannone of Pannone Lopes Devereaux & West LLC
Welcome – Matt Formica, President
Overview and Presentation of Topic – Ray Wills, President Elect
Overview of Financial Performance – Frank Occhipinti, Treasure

1:30 PM Individual Workgroups – Discussion and Concept Development

- **Group VL** – Virgil Lloyd, Facilitator – Salon 1
- **Group JT** – John Trofatter, Facilitator – Salon 2

3:45 PM Break – Salon 1

4:00 PM Combined Work Groups – Present Reports on initial discussions – Salon 1

5:30 PM Adjourn – Day 1

6:00 PM Reception – Hotel Restaurant/Lounge

7:30 PM Dinner will be at the Local 121, At The Dreyfus, 121 Washington Street, Providence, RI 02903 and walking distance of the hotel.

Tuesday, March 10, 2015

8:00 AM Breakfast – Salon 1

8:45 AM Individual Workgroups (same rooms as Monday) – Refine and Prioritize initiatives
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<tr>
<th>Time</th>
<th>Activity</th>
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<tr>
<td>10:45 AM</td>
<td>Break – <strong>Salon 1</strong></td>
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<tr>
<td>11:00 AM</td>
<td>Combined Work Groups – Present prioritized initiatives and general questions with feedback</td>
</tr>
<tr>
<td>12:00 Noon</td>
<td>Lunch – <strong>Salon 1</strong></td>
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<tr>
<td>1:30 PM</td>
<td>Individual Workgroups – Define work plan and schedule to pursue each initiative</td>
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<tr>
<td>3:00 PM</td>
<td>Break – <strong>Salon 1</strong></td>
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<tr>
<td>3:15 PM</td>
<td>Combined Work Groups – Present Plan for each initiative – <strong>Salon 1</strong></td>
</tr>
<tr>
<td>4:15 PM</td>
<td>Adjourn</td>
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NEWEA PLANNING SESSION  
MARCH 9 - 10, 2015 – PROVIDENCE, RHODE ISLAND

NEWEA exists to serve the water quality industry and our members. **NEWEA’s mission is to promote education and collaboration while advancing knowledge, innovation, and sound public policy for the protection of the water environment and our quality of life.**

As our logo indicates, our goal is “working for water quality”, which follows many paths including being an advocate for sound and viable water quality policies and regulations; providing educational opportunities for, and to assist with the professional development of, our members; and performing public outreach and education regarding the importance of water in our lives and the need to protect it. Given these objectives, we as an organization must continually strive to remain relevant in society, while also providing recognizable value to our current members, as well as attract future members. Our strong history and successes have demonstrated our organization’s ability to adapt and continually improve. In this tradition, it is important to look at what is working and what can be improved to further advance NEWEA and its stature.

**Maintaining Financial Health of NEWEA**

As the Association undertakes more activities/initiatives to advance our mission, the operating expenses of the Association have also increased. Some of these initiatives include:

- Providing financial support for Affiliated State Associations (ASA) Operation Challenge Teams;
- Promoting and providing financial support for the Operator Exchange Program among the six ASAs;
- Sponsoring the Washington D.C. Legislative Event;
- Promoting and providing financial support of ASA Legislative Events;
- Sponsoring the Awards Program to recognize the outstanding accomplishments of our members;
- Supporting the New England Stockholm Junior Water Prize participants;
- Supporting our Committees’ individual initiatives;
- Providing scholarships for our members;
- Promoting and providing financial support for public education and outreach initiatives;
- Providing Humanitarian Assistance Grant to selected schools and associations;
- Maintaining a professional staff, office, and support systems.

A new trend observed during the preparation of the annual budget the last few years is that our expenses have been more than our revenue. This has not been the case for prior years. Acknowledging that NEWEA is a not-for-profit organization, the need does exist to raise additional revenue and/or limit expenditures to maintain a sustainable organization.
Throughout the Planning Session discussions, please remain focused on the following driver to keep us on track:

**How do we maintain the financial health of NEWEA in an effort to continue with our existing and new initiatives, while also maintaining the level of service and benefits that our membership has come to expect?**

With this in mind, please work together to answer the following:

a. Can we improve the financial health of the Association without reducing member benefits?

b. What avenues are available to raise additional revenue for the Association? Sponsorship? Training? Specialty Conferences?

c. Do our activities/events result in a sufficient return on investment? What should the return on investment be (value to members, the public, etc)?

d. How do NEWEA membership dues, conference costs compare to other Associations?

e. Are there expenditures that could be reduced?

f. Are there ways to improve our existing events to maximize revenue?

g. How do other non-profit, professional associations maintain their financial health?

h. Can our initiatives be phased overall several years to lessen the upfront impact to the operating budget?

**Our assignment:**

Identify the priority initiatives during the Monday session. On Tuesday, develop recommended implementation (action) steps including the potential assignment of responsibility (committee, task force, Executive Committee, staff, etc.), proposed completion date, and measures to evaluate success (value) of the initiative.
NEWEA Strategic Planning Session

Providence, RI

March 9 & 10, 2015

Notes taken by T. Groves, NEIWPCC

Maintaining Financial Health of NEWEA (items in red were added by J. Troffater’s group)

As the Association undertakes more activities/initiatives to advance our mission, the operating expenses of the Association have also increased. Some of these initiatives include:

- Financial support for Affiliated State Associations (ASA) Operation Challenge Teams;
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- Supporting our Committees’ individual initiatives;
- Providing scholarships for our members;
- Providing Humanitarian Assistance Grant to selected schools and associations;
- Promoting and providing financial support for public education, outreach and media initiatives;
- Maintaining a professional staff, office, and support systems (website, AMS, etc.)
- Committee appreciation event
- Planning reception
- Presidents reception, hospitality (annual and spring)
- Presidents gift to officers and chairs
- WEF related activities requiring NEWEA support and direct cost
How do we maintain the financial health of NEWEA in an effort to continue with our existing and new initiatives, while also maintaining the level of service and benefits that our membership has come to expect?

a. Of the initiatives NEWEA has pursued, including the list above, define what are the most important initiatives for us to focus on, and how does this list relate to financial resources?

b. Are there ways to improve our revenue generation?

c. Are there ways to reduce our costs?

d. Based on the group’s knowledge of other professional Associations, are there things that other Associations are doing that may improve the financial health of NEWEA?

Other Ideas to raise money – (items discussed from J. Troffater’s group)

- Bump up fee on registrations for scholarships, etc. (Adam suggested – other org)
- Clarification of budget responsibilities – i.e., who resp for Ops challenge costs? Which committee?
- Specialty seminars – some don’t make money

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b. Are there ways to improve our revenue generation? – (items discussed from J. Troffater’s group)

Ideas for Revenue Generation

- Workshops at annual or spring conference for training (i.e., Lab). Such as WEFTEC preconference workshops.
- Asking for donation at membership renewal for scholarship or other
- Voluntary contributions - Estate gifting
- 50/50 for specific functions (i.e., scholarships, Ops Challenge, at annual conference, etc.)
- Shoot out – special competitions (i.e., TX pipe cutting contest)
- Fund raising (committee? To lead vs. leaving up to each individual committee)
- Build extra $20 or $50 into registration costs (bump up fee)
- Optional Sponsorship add-on for scholarships, grants, etc.
- Evaluation of membership dues
- Evaluation of exhibitor space fees
- Investment strategies and policies – set annual goal
- Sponsorships for specific events – i.e., humanitarian grants, Stockholm junior
- Look for grants or foundation funds
- Better leverage of NEWEA staff and/or other committees to better run, plan, schedule, coordinate specialty seminars
- Webinars – inside and outside membership higher fees
- NEWEA staff – sell logistical (i.e., meeting/event planning) or admin services to help other MAs or orgs (i.e., YOWA, MWPCA, etc.)
- Joint conferences with other orgs
- Silent auctions for special cause (i.e., like Richard fund, for certain need (scholarship, ops challenge, etc.))
- Spring meeting possibilities – increase the focus, etc.
- Ops Challenge golf tournament – better ways to raise money, extra funds besides just greens fee, raffles, putting contest, etc.

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c. Are there ways to reduce our costs? – (items discussed from J. Troffater’s group)

- Should we consider other locations for annual conference? It’s been looked at for years.
- Spring meeting – doesn’t do what it should do. NEWWA does April and Sept. April for operators, Sept for leadership. Cost, locations, same location per year?
- Specialty seminars – better schedule, tried to combine – didn’t work, better assistance needed for chairs
- Operating costs - NEWEA own vs. rent? Or combine with another organization to save costs? (i.e., NEWWA)
- AV costs savings, services in-kind
- Delete or pay for member appreciation event
- Cut programs?
- Planning session every year or wrap into something else?
- Ops Challenge golf tournament?
- Awards – too many?

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d. Based on the group’s knowledge of other professional Associations, are there things that other Associations are doing that may improve the financial health of NEWEA? – (items discussed from J. Troffater’s group)

- Look at NYWEA scholarship committee and how they raise funds and sustain
- Ski day fundraiser
- Training
- Certification
- Team with ASAs for revenue generation events (NEWWA and states)
- Membership – increase overall membership
- Membership – ability to join NEWEA separately (regulators, operators)
- Corporate or Group memberships
- For fee lifetime membership
- Better promotion of UPP
- Field trips, cookouts at treatment plants w/ families
Day 2

(Office space and financial investments, etc. to be addressed by SMT, staff, and finance committee – we are not going to include this item for discussion purposes)

Four priorities (John T’s breakout group):

1. Spring Meeting
2. Fundraising
   - How to go about?
   - Who deals with? ED, Sponsor committee, meeting management, outside special fundraising firms
3. Specialty seminars
4. Membership fees and structure of membership

Consolidated issues: (whole group)

1. Spring meeting
2. Fundraising
3. Specialty Seminars
4. Membership/Dues
5. Financial /investments

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Spring Meeting (whole group)

- What is the mission/purpose of it? Never meant to be technical – ops challenge, 5S, and golf, weren’t looking to make money
- Historically relaxed, more of a mini-vaca, tougher for junior staff to attend
- Try to have NEWEA event in each NE state (rotating)
- Hotel costs – too expensive?
- Had themes in the past
- Has Ops challenge
- Look to have one set location vs. moving it around, multi-year contract
- Look at more central location
- Conflicts with other events – NeAPWA, AWWA, family events (graduations) in early June
- Timing? Earlier, Move to before Memorial Day?
- Are exhibitors getting enough out of it?
- Who is target audience? Ops challenge or engineers? Operators not going
- YPs – what are obstacles to them attending spring meeting?
- Move Golf to Sunday or Weds instead of during sessions?
- Tie Committee appreciation in to spring meeting – Mon, Tues?
- Survey YPs or all members – what do you want spring meeting to be
- Change golf at spring meeting to be Ops Challenge benefit
- In order to keep people at meeting, need some agenda on Weds
- Can change rate structure to make more money for SM

Plan of action – need for a task force to look at. Cross programs. To be led by Meeting management, Comm Appreciation committee, Ops Challenge, (Ray Willis willing to lead).

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Specialty Seminars: (whole group)

- Increase fees, make consistent
- Do webinars instead if not enough speakers/expected attendance
- Build up traditions – i.e., collections systems every Sept of even years
- Get more involvement of Council directors, working with SMT and Janice for better planning
- Set X number of specialty seminars per year? Look at 3-year calendar.
- Look at increasing from one seminar per three years to one per two years.
- Need to look at Biosolids conference to make it work better. Splitting proceeds with NEBRA, NEWEA staff charge time to program. Need better arrangement, should be making more.
- Try Co-located seminars – same venue, share hotel and facility, share vendors
- Look to work with national partners – ASCE, WEF, etc.
- Possible partnering with state associations for seminars or conferences – more likely associations with no staff – VT and ME may not be willing, pretty well established.

Plan of action – need for a task force to look at. Council directors to lead, coordinate with NEWEA office/Janice. (Virgil willing to lead).

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Membership and Dues: (whole group)

- Look at some categories for NEWEA only – regulators, operators
- Students – about 75 members presently, NEWEA loses $10 pp now, up dues by $10?
- Possible ethics violation for regulators if give things, like free registrations
- Possibly coordinate memberships with state associations?
- Jerry P. to check with EPA Region 1 on ethics
- Letter from president/ED annually to EPA and state regulatory agencies asking them to support/join
- Regulator spot on the NEWEA EC (non-voting) – possible rotating position every 2 years. Could they attend meetings?
- 470 operators are NEWEA/WEF members – risk losing if NEWEA only
- Do we want to unhitch from WEF?
- What happens if we go under the 2,000? Will it really affect the organization? Lose one delegate, lose one ops challenge team. Does this really hurt us?
- Do we start with just trying the operators category? Contact state directors to see how many could be attracted by NEWEA only membership?
- ASAs view NEWEA as a non-operator org
- Academic membership category? Complimentary if bring students, or discount rate (like PWO)
- For Membership committee – act on Academic rate, just look at regulator and operator rates.

Plan of action – need for a task force to look at. State directors and Membership committee to lead. (Jerry – Regulators; Academic – Dave Archard, Membership Committee; Operators – Mike Spring and state directors)

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Fundraising: (whole group)
- Silent auction and fundraising event (walk, fun-run) at spring meeting for Humanitarian
- Humanitarian and Scholarship – reluctance to help raise money, endanger of losing committee members
- Fundraising committee?? – do we establish?
- Look at Outside firm for fundraising – paid on percentage of funds raised
- Add $$ to registration earmarks costs as optional add-on devoted to these. Need to note, “a portion of your registration cost is subsidizing, XXXX......” And track/note for historical purposes for future boards/officers.
- Advertising? Possible ads on newsletters, more in Journal, possible web site ads, etc.
- Misc. annual conference items – signs, marquise board, lanyards, conference bags, badge readers, etc. – have sponsorship committee look at, build into annual sponsor program
- Are members going to get annoyed with all this additional marketing?
- Annual sponsor rates – should they be looked at? Were reduced and are now creeping back up.
- Industry partnerships – Poland springs, Green Mt coffee, Ben & Jerry’s, etc.
- Are we pimping ourselves out????
- Start with earmark for Scholarships and Humanitarian after SMT approval. Announce at April ECM.

Plan of action – (Humanitarian Committee and Meeting management – Spring meeting/fundraising event; Jim Barsanti – Advertising Task Force; Sponsorship Committee – annual conference sponsor improvements ; Outside Firm fundraising/partnerships – Mary Barry)

Do we continue these planning sessions? Yes, if topics/issues exist. Good results from past events.
NEWEA 9th Annual Planning Session  
March 9 & 10, 2015  
Meeting Summary

The New England Water Environment Association (NEWEA) held its ninth annual Planning Session at the Biltmore Hotel in Providence, Rhode Island on March 9th and 10th, 2015. The following members participated in the Planning Session.

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<th>Member Name</th>
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<tr>
<td>Ray Willis</td>
<td>Tom Groves</td>
<td>Rick Rodgers</td>
<td>Dave Archard</td>
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<tr>
<td>Frank Occhipinti</td>
<td>Virgil Lloyd</td>
<td>Mary Lee Santoro</td>
<td>Dan Bisson</td>
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<td>Matt Formica</td>
<td>Dennis Palumbo</td>
<td>Meg Tabasko</td>
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<td>Jim Barsanti</td>
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<td>John Trofatter</td>
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<td>Mary Barry</td>
<td>Ray Raposa</td>
<td>Adam Yanulis</td>
<td>Ken Carlson</td>
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<tr>
<td>Jessica Cajigas</td>
<td>Howard Carter</td>
<td>Ron Tiberi</td>
<td>Clary Coutu</td>
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On behalf of the Association, we wish to thank you for your participation with special thanks to the Session Group Facilitators Virgil Lloyd and John Troffater, as well as Tom Groves for taking notes.

The focus of this year’s Planning Session was to review the present financial health of NEWEA as well as maintaining the financial health of NEWEA going forward in the future. While the Association is fiscally sound with adequate reserves, the Association has been investing, and undertaking activities/initiatives to improve the value of the Association for our members while also advancing our mission, which has resulted in unbalanced budgets without shifting funds from our reserves. The following sections summarize the activities and group discussions.

**Individual Group Sessions**

On Monday afternoon and Tuesday morning, each group worked independently to identify our initiatives that provide value to our membership. The initiatives that were identified include the following:

- Financial support for Affiliated State Associations (ASA) Operation Challenge Teams;
- Financial support for the Operator Exchange Program among the six ASAs;
- Sponsoring the Washington D.C. Legislative Event;
- Promoting and providing financial support of ASA Legislative Events;
- Sponsoring the Awards Program to recognize the outstanding accomplishments of our members;
- Financing the New England Stockholm Junior Water Prize participants;
- Supporting our Committees’ individual initiatives;
• Providing scholarships for our members;
• Providing Humanitarian Assistance Grant to selected schools and associations;
• Promoting and providing financial support for public education, outreach and media initiatives;
• Maintaining a professional staff, office, and support systems (website, AMS, etc.)
• Sponsoring the Committee Appreciation Event;
• Holding an annual Planning Session;
• Promoting/sponsoring WEF related activities requiring NEWEA support and direct cost.

After identifying the initiatives listed above, each group worked to answer the following questions. The individual group’s responses to these questions are compiled below:

Question #1 - Of the initiatives NEWEA has pursued, including the list above, define what are the most important initiatives for us to focus on, and how does this list relate to financial resources?

Both groups agreed that all of the above initiatives are important to the Association.

Question #2 - Are there ways to improve our revenue generation?

The items/ideas that could improve revenue generation include:

• Provide and promote workshops at Annual Conference or Spring Meeting for training (i.e., Lab), similar to WEFTEC preconference workshops;
• Solicit donations at membership renewal for scholarships, Stockholm Junior Water Prize, etc.;
• Promote that voluntary contributions/estate gifting to NEWEA;
• Hold 50/50 raffles/silent auctions for specific functions to support scholarships, Operations Challenge, and/or other programs;
• Hold competitions at conferences/programs (i.e., pipe cutting contest);
• Implement fund raising program and/or form a fund raising committee;
• Incorporate additional fees into conference/specialty registration costs for specific programs;
• Evaluate membership dues;
• Evaluate exhibitor fees at conferences/specialty conferences;
• Review investments and investing strategies to improve return on investment;
• Investigate sponsorship opportunities for specific events to support grant/scholarship/operation challenge programs;
• Research whether grant/foundation funds are available;
• Utilize the expertise of the NEWEA staff and/or other committees to better plan, schedule, and coordinate specialty seminars;
• Encourage development of webinars;
• Promote the Utility Partnership Program (UPP);
• Promote available administration service and event planning capabilities by NEWEA staff;
• Evaluate the advantages of having joint conferences with other Associations;
• Evaluate ways to enhance the revenue generation of the Spring Meeting and evaluate the Operations Challenge golf tournament for better ways to raise money, extra funds besides just greens fee, raffles, putting contest, etc.

Question #3 - Are there ways to reduce our costs?

The items/ideas that could reduce NEWEA’s cost include:

• Investigate/review venues to hold our conferences/specialty conferences that would reduce expenditures while improving attendance;
• Evaluate the planning/scheduling/implementation of our specialty conferences;
• Evaluate NEWEA’s operating costs;
• Evaluate whether a fee should be charged for the Committee Member appreciation event and/or change format;
• Evaluate whether the Planning Session should occur on an annual basis, or be bi-annual, or wrapped into another event;
• Evaluate the success of the Operations Challenge Golf Tournament;
• Review the awards program and costs associated with the number of awards distributed each year.

Question #4 - Based on the group’s knowledge of other professional Associations, are there things that other Associations are doing that may improve the financial health of NEWEA?

Ideas that may improve NEWEA’s revenue generation based on other Associations’ activities include:

• Review NYWEA scholarship committee and how they raise funds to sustain scholarship program;
• Host a ski day fundraiser and other family friendly events;
• Investigate the feasibility of providing more training opportunities for Operators;
• Review certification programs;
• Team with ASAs for revenue generation events (NEWWA and states);
• Membership – Is there the ability to join NEWEA separately (regulators, operators) and not WEF?
• Evaluate a corporate or group membership program;
• Evaluate a fee for lifetime membership and/or limit benefits of lifetime membership.
Combined Group Session

Following the Tuesday morning individual group meetings, the groups were consolidated into one group, which worked together to determine four focus items to develop action and implementation plans. These focus items were the Spring Meeting, Fundraising, Specialty Seminars, and Membership fees and structure. A fifth item, office space and financial investments, would be addressed by the Senior Management Team (SMT), staff and the NEWEA Finance Committee.

Spring Meeting

Background/Comments:

- Originally the Spring Meeting was conceived to be a meeting focused primarily on the Operations Challenge, 5S, and golf. Historically the Spring Meeting has been a relaxed, less schedule driven conference.
- The Spring Meeting more recently has emphasized technical sessions to encourage attendance. However, because traditionally the event focused on other activities, it is difficult for younger professionals and operators to overcome this perception and receive approval from their employer to attend.
- Hotel rooms tend to be expensive because of “resort location”.

Questions Raised:

1. Should the Spring Meeting be rotated to each New England state or should NEWEA keep the meeting at the same location each year similar to the Annual Conference?
2. Is there a centralized location where the Spring Meeting could be held to improve attendance?
3. Is there a better time to hold the meeting? Should the meeting be moved prior to Memorial Day? The Spring Meeting conflicts/coincides closely with NeAPWA and AWWA events, as well as graduations.
4. Are exhibitors getting sufficient benefit from exhibiting to justify the expense?
5. Who is target audience for the Spring Meeting? It appears that the only operators attending the Meeting are associated with the Operations Challenge Event.
6. What are obstacles preventing young professionals from attending Spring Meeting?
7. Should the Spring Meeting Golf Tournament take place during a time when technical sessions are not being held?
8. Should the Committee Member Appreciation be held during the Spring Meeting to improve attendance and absorb costs associated with the Appreciation Event?
**Action Plan**

A task force will be developed, under the direction of Ray Willis, to review the above-mentioned questions, survey Spring Meeting stakeholder committees to discuss changes/improvements to the Spring Meeting, to solicit specific groups within the membership for feedback and ideas, and to report back to the Executive Committee with an implementation plan by September 2015 ECM.

**Task Force Members:**

President Elect  
Executive Director  
Program Coordinator  
Conference Arrangements Committee  
Program Committee  
Committee Member Appreciation Committee  
Exhibits Committee  
Membership Committee  
Operations Challenge Committee  
Registration Committee  
Sponsor Committee  
Young Professionals Committee
Specialty Conferences/Seminars

Background/Comments:
- Fee structure development needs to be reviewed.
- Review Biosolids conference arrangement and how to improve proceeds.

Questions Raised:
- Is it more advantageous to focus efforts on webinars if meeting attendance and/or speaker interest is limited?
- Is there a planned schedule on which committees hold specialty conferences and when? For example, Collection System Committee holds a specialty conference in September of even years.
- Should NEWEA set a goal regarding the number of specialty conferences each year?
- Should NEWEA change the applicable Committee charge to schedule specialty conferences every two years versus every three years?
- Should specialty conferences be planned such that two specialty conferences are occurring simultaneously at the same venue for cost savings and improved exhibitor participation?

Action Plan

A task force will be developed, under the direction of Virgil Lloyd and include all Council Directors and the Program Coordinator, to review the above-mentioned questions and to solicit feedback from their Committees to plan, schedule, and coordinate specialty conferences. The Task Force shall report the initial steps taken to the Executive Committee during the June 2015 ECM with an implementation plan by September 2015.

Task Force Members:
Council Directors
Program Coordinator
Membership/Dues

Background/Comments:

- NEWEA membership among regulators and operators are down based on past history.
- Affiliated State Associations (ASAs) generally are made up of more operators than engineers/vendors. Conversely, many ASA members view NEWEA as an Engineer’s Association and the perception is that NEWEA does not provide value to an operator.
- Cost associated with WEF membership fee makes it financially challenging for regulators and operators to join.
- Fees associated with student membership category do not cover cost of WEF membership.

Questions Raised:

- Could NEWEA benefit from Regulator and Operator membership categories that would provide a membership to NEWEA only?
- Would these new membership categories affect our overall membership credited to WEF, thereby reducing the number of NEWEA delegates and Operation Challenge Teams to compete at WEFTEC?
- Would ASA members be interested in a joint NEWEA/ASA membership?
- Could NEWEA benefit from an Educator membership category as a means to promote student interest in NEWEA?

Action Plan

A multi-step approach will be implemented to review the above-mentioned questions and perform the following tasks:

1. State Directors, under the direction of Mike Spring, to coordinate with ASA to determine interest in offering a joint NEWEA/ASA membership. If the ASA is interested, then next steps would be to develop a “pitch” to the ASA members as to the benefits to joining NEWEA and then gauge interest of the ASA members. State Directors to report results to Membership Committee and SMT by September 2015 ECM.
2. Jerry Potamis to contact EPA to discuss options associated with employees joining NEWEA. Jerry Potamis to report results back to Membership Committee and SMT.
3. Membership Committee, under the direction of David Archard, to undertake the student/academic membership categories. Membership Committee to report to Executive Committee findings back to Executive Committee by September 2015 ECM.
Fundraising

**Ideas:**

- Silent auctions and fundraising events (walk, fun-run) at Spring Meeting.
- Establish a Fundraising committee?
- Review outside firm that perform fundraising on behalf of the Association.
- Include fee with conference registration to earmark funds for a particular cause.
- Review advertising opportunities with newsletter, journal and website.

**Action Plan**

A multi-step approach will be implemented to review the above-mentioned questions and perform the following tasks:

1. SMT and Registration Committee to review providing an earmark to the Spring Meeting registration to go towards Scholarships and Humanitarian Assistance programs.
2. Jim Barsanti to undertake review of advertisement opportunities with Journal, Newsletter and website.
3. Mary Barry to undertake review of outside firm fundraising opportunities.
4. Ray Willis to reach out to Sponsorship Committee and Conference Arrangement Committee to review sponsorship capabilities at the Annual Conference.
5. Action Plan items initial steps to be reported at June 2015 ECM with final implementation plan completed by September 2015 ECM.
Overview
Tax-exempt organizations exist for purposes recognized by federal law to fill a need not otherwise provided by government in the areas of charitable, educational, scientific and literary. The restrictions on revenue and profit for tax-exempt organizations are designed to maintain an even playing field with for-profit organizations while providing an opportunity to sustain the existence of nonprofits. Three questions commonly asked about tax-exempt organizations are:

1. Is it permissible for a tax-exempt organization to generate revenue?
2. Is it permissible for a tax-exempt organization to earn a profit?
3. What is unrelated business income and how does it impact a tax-exempt organization?

Tax-exempt Organization Examination
The activities of an organization are critical to assure its status as tax-exempt and should be examined so they meet the organization’s mission. Considerations include:

- Earnings from activities may not enure to the benefit of private individuals;
- The organization may not engage in political activity as a substantial part of its business, and
- Earnings must be from activities consistent with its purpose.

Types of tax-exempt organizations
There are 30 types of tax-exempt organizations. The most common tax-exempt structures are 501(c)(3); 501(c)(4); 501(c)(5), and 501(c)(6). These types of organizations can be religious, charitable, scientific, educational and literary.

General Rule for Tax-exempt Organizations to Generate Profits
Although exempt organizations do not typically generate profits, they are permitted to engage in profit generating activity in addition to fundraising without incurring a tax as long as the activity is related to its mission. For example, collecting dues from its members to attend seminars consistent with its mission and purpose is allowable. However, collecting dues from members in exchange for health insurance is considered a trade or business activity and is taxable to the organization.
Considerations for Generating Profits

Some factors to consider for generating profits for tax-exempt organizations include:

- The activity must benefit the membership as a group rather than their individual capacities;
- Fees charged by the organization must be proportional to the benefits received;
- The service is less likely to be substantially related to an organization's tax-exempt purpose if the service provided is commonly provided by for-profit entities;
- Taxability depends on how the revenue and profit is derived from its operation;
- If the profit is from a related to purpose for which the nonprofit was created to cover its expenses or invest in the enterprise, and
- Are the profits earned a result of activities related to the purpose for which the nonprofit was created?

Unrelated Business Income for a Tax-exempt Organization

Unrelated business income is income derived from a trade or business that is regularly conducted by an exempt organization that is not substantially related to the performance of its exempt purpose, except that the organization uses the profits derived from the activity. An activity must be conducted with the intent to profit in order to constitute a trade or business and can range from the production of income from selling goods or performing services. An activity does not lose its identity as a trade or business merely because it is conducted within a larger group of similar activities that may or may not be related to the exempt purpose of the organization.

An exempt organization will not be taxed on income that is derived from an activity that is substantially related to its exempt purpose; i.e., education. However, if the organization is regularly carrying on a trade or business not substantially related to its exempt purpose, the organization may be subject to tax at the corporate rate on the income derived from the unrelated trade or business. [See internal revenue publication no. 598 (rev. March 2012) at pg. 9.]
Unrelated Business Income: Examples of trade or business

• Sale of pharmaceutical supplies to the general public by a hospital pharmacy that is part of the hospital's trade or business even though the pharmacy also furnishes supplies to the hospital and patients of the hospital in accordance with its exempt purpose.

However...

• Soliciting, selling and publishing commercial advertising has been considered a trade or business even though the advertising is published in an exempt organization’s periodical that contains editorial matter related to the organization’s exempt purpose.

Regularly conducted activity: Regularly conducted trade or business is business activities of an exempt organization that demonstrate a frequency and continuity and are pursued in a manner similar to comparable commercial activities of non-exempt organizations.

Examples of regularly conducted and non-regularly conducted business:

• Operating a commercial parking lot every Saturday on a year round basis would likely be considered “regularly conducted trade or business.”

• A hospital’s auxiliary operation of a sandwich stand for two weeks at a state fair would more than likely not be considered “regularly conducted trade or business.”

Not substantially related: A business activity is not substantially related to the exempt purpose of an organization if it does not contribute importantly to accomplishing that purpose other than through the production of funds. [Note: Determination is performed on a case by case basis. Size and extent of the activities involved must be considered in relation to the nature and extent of the exempt function that they are intended to serve.]

Example of “not substantially related activity”

• Activity conducted on a scale larger than is reasonably necessary to perform exempt purposes would not be considered to contribute importantly to the accomplishment of exempt purposes and would be deemed unrelated.

Exceptions to the unrelated business rule

Certain “passive” income is specifically excluded from unrelated business income and not subject to taxation. This typically includes interest earnings, dividends, royalty payments, rents from real property, and revenues from the sale of property. In addition, income from certain research and volunteer activities, sales of contributed property, trade shows, bingo and charitable games, membership and mailing lists, and low cost items may be excluded from classification as unrelated business income.

Summary of Unrelated Business Income

There is no “magic” number. However, too much unrelated business income could jeopardize an organization’s tax-exemption if it tips the scale of demonstrating substantial activities not-related to an organization’s exempt purpose.

If you would like further information, contact PLDW Managing Partner Gary R. Pannone at 401-824-5100 or email gpannone@pldw.com.