

Report on the

**Choctawhatchee, Pea and Yellow Rivers  
Watershed Management Authority  
State of Alabama  
Troy, Alabama**

**October 1, 2016 through September 30, 2019**

Filed: October 16, 2020



**Department of  
Examiners of Public Accounts**

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*Rachel Laurie Riddle, Chief Examiner*





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Honorable Rachel Laurie Riddle  
Chief Examiner of Public Accounts  
Montgomery, Alabama 36130

Dear Madam:

An examination was conducted on the Choctawhatchee, Pea and Yellow Rivers Watershed Management Authority, Troy, Alabama, for the period October 1, 2016 through September 30, 2019. Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I hereby swear to and submit this report to you on the results and finding of the examination.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Troy A. Eastman', is written over a light blue horizontal line.

Troy A. Eastman  
Examiner of Public Accounts

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Department of  
**Examiners of Public Accounts**

**SUMMARY**

**Choctawhatchee, Pea and Yellow Rivers  
Watershed Management Authority  
October 1, 2016 through September 30, 2019**

The Choctawhatchee, Pea and Yellow Rivers Watershed Management Authority (the “Authority”) operates under the authority of the *Code of Alabama 1975*, Sections 9-10A-1 through 9-10A-22. By law, the Authority develops and executes plans and programs relating to any phase of conservation of water, water usage, flood prevention, flood control, water pollution control, wildlife habitat protection, agricultural and timberland protection, erosion prevention and control of erosion, flood-water and sediment damages.

This report presents the results of an examination of the Authority and a review of compliance by the Authority with applicable laws and regulations of the State of Alabama. This examination was conducted in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12. Our examination was performed for the purpose of determining whether the public officers, agents, and employees of the Authority properly and lawfully accounted for all money and other public assets or resources received, disbursed, or in the custody of the Authority. Our examination included determining compliance by the Authority with state laws and regulations that pertain to financial transactions; personnel; safeguarding of state-owned assets, property, and resources; information dissemination, processing, and retention; and official actions, and meetings. As a part of our examination, we also reviewed internal control policies and procedures relating to the areas listed above. Our examination did not encompass managerial and operational matters, such as whether the Authority accomplished its mission in an efficient, fair, timely, or legal manner.

Findings are numbered and reported by the examination period in which the finding originally occurred.

The following instance of noncompliance with State laws and regulations and other matters was found during the examination as shown on the Schedule of State Legal Compliance and Other Findings and it is summarized below.

**CURRENT FINDING**

- 2019-01 Relates to the Board not administering an Oath of Office to eleven board members.

Board members and the Executive Director were invited to attend an exit conference held on September 21, 2020 via teleconference. Individuals in attendance were Lisa N. Harris, Executive Director; Gloria J. Dean, Executive Assistant; along with Maria L. Catledge, Robin Hutcheson and Troy A. Eastman from the Department of Examiners of Public Accounts.





Department of  
**Examiners of Public Accounts**

**COMMENTS**

**Choctawhatchee, Pea and Yellow Rivers  
Watershed Management Authority  
October 1, 2016 through September 30, 2019**

The Choctawhatchee, Pea and Yellow Rivers Watershed Management Authority (the “Authority”) operates under the authority of the *Code of Alabama 1975*, Sections 9-10A-1 through 9-10A-22. The Authority is a legal subdivision of the State of Alabama. The goal of the Authority is to better manage water resources. This includes two million acres in Barbour, Bullock, Coffee, Covington, Crenshaw, Dale, Geneva, Henry, Houston and Pike counties. The mission and general purpose of the Authority is to help protect and develop the soil and water resources in the Watershed Management Authority district, and to implement, and support programs designed to conserve water quality, enhance water availability without environmental disturbance, and ensure that management programs are maintained in perpetuity.

The Board of Directors is comprised of sixteen members appointed by the Boards of Supervisors of the Soil and Water Conservation Districts of Barbour, Coffee, Covington, Dale, Geneva, and Pike Counties. The members must reside in the county in which the appointing authority is located. The members serve four-year terms and may continue to serve until their successors are appointed and qualified.

The Executive Director, who is appointed by the Board of Directors, supervises the day-to-day operations of the Authority. The Executive Director serves at the pleasure of the Board of Directors.

The Authority operates from the General Fund maintained in the State Treasury. Authority operating funds are derived from appropriations received through the Geological Survey of Alabama. Unexpended and unencumbered balances are subject to reversion to the General Fund. The Authority also receives grants which are deposited into Special Revenue Fund 0962 maintained in the State Treasury. These funds are used to operate and maintain the Authority’s flood warning system.

The Authority owned nonconsumable personal property consisting of automobiles, office furniture, computers, and equipment. A comparison was done of nonconsumable personal property in the custody of the Authority with property records maintained by the Property Inventory Division of the State Auditor’s Office. No discrepancies were noted.

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*Schedule of State Legal  
Compliance and Other Findings*

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***Schedule of State Legal Compliance and Other Findings***  
***For the Examination Period Ended September 30, 2019***

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Ref. No.	Finding/Noncompliance
2019-01	<p><b><u>Finding:</u></b> Eleven members reappointed to the Board did not take the oath of office.</p> <p>The <i>Code of Alabama 1975</i>, Section 9-10A-9 states, “An oath as provided in Section 279 of the Constitution of Alabama of 1901, shall be administered to all board members prior to assuming office.”</p> <p><b><u>Recommendation:</u></b> The Board should administer the oaths of office to each member upon each appointment and file the oaths with the Secretary of State.</p>

***Schedule of Cash Receipts, Disbursements and Balances  
For the Period October 1, 2016 through September 30, 2019***

	<b>2018-2019</b>	<b>2017-2018</b>
<b><u>Receipts</u></b>		
General Fund Allotments	\$ 252,479.00	\$ 217,157.00
Insurance Recoveries		2,725.00
Prior Year Refunds		72.16
Coffee County EMA Grant	9,000.00	
Total	<u>261,479.00</u>	<u>219,954.16</u>
<b><u>Disbursements</u></b>		
Personnel Costs	93,531.70	86,914.28
Employee Benefits	42,817.87	41,203.92
Travel - In-State	5,196.88	4,339.82
Repairs and Maintenance	9,298.86	7,704.39
Rentals and Leases	1,800.00	1,800.00
Utilities and Communications	1,514.45	1,836.03
Professional Services	33,571.95	43,646.43
Supplies, Materials and Operating Expenses	10,198.51	30,068.08
Transportation Equipment Operations	2,280.55	1,666.10
Grants and Benefits	6,500.00	7,000.00
Other Equipment Purchases	149.00	
General Fund Reversions	10,976.50	4,429.45
Total	<u>217,836.27</u>	<u>230,608.50</u>
Excess (Deficiency) of Receipts Over Disbursements	43,642.73	(10,654.34)
Cash Balances at Beginning of Year	<u>35,014.67</u>	<u>45,669.01</u>
Cash Balances at End of Year	<u>\$ 78,657.40</u>	<u>\$ 35,014.67</u>

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***Board Members and Official***  
***October 1, 2016 through September 30, 2019***

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<b>Board Members</b>		<b>Term Expires</b>
Hon. Terry Adams	Chairman	2020
Hon. Dennis W. Crowe	Member	2022
Hon. Jack Pelfrey	Member	2022
Hon. Randolph Hall	Member	2019
Hon. Adam Beasley	Member	2022
Hon. Josh Carnley	Member	2021
Hon. Glen Zorn	Member	2019
Hon. Terry Holley	Member	2021
Hon. Ronnie D. Hudson	Member	2022
Hon. Donald K. Hallford	Member	2020
Hon. Steve Stevens	Member	2021
Hon. Millard Powell	Member	2022
Hon. Donnie Chesteen	Member	2021
Hon. David Hicks	Member	2020 (1)
Hon. Chase Flowers	Member	2021 (2)
Hon. Randy Hale	Member	2019

