



## Meeting of the Financial Oversight Committee

Monday September 25, 2017 –5:30 PM

CVSWMD Offices: 137 Barre Street, VT 05602

### Minutes

1. **Convene meeting:** At 5:29 PM, Chairman Bill Powell convened the meeting with FOC member Steve Micheli. Fred Thumm was unable to attend. Board Member Peter Carbee, GM Bruce Westcott, District Treasurer Kathie Felch, and District staff Cathleen Gent were present.
2. **Agenda Revisions:** There were no revisions proposed
3. **Approval of Minutes:** Steve Micheli made a motion to approve the minutes of August 15, 2017. The motion was seconded and the minutes were approved.
4. **Review Financial Statements: FY17 and FY18-YTD:** The GM had prepared draft financial statements (Income/Expenses, and Balance Sheet) for the fiscal year ending July 31, 2017, as well as an Income/Expense statement for the July-August period. The GM reviewed some of the account totals summarized in the reports, and answered a few questions about amounts shown in certain accounts. (He explained that the apparent overage in Maintenance spending was actually an expenditure from the Capital Fund, there was some discussion of Composting Costs, and a few other items.)

The GM explained that he and Bookkeeper Annette Martin had met with Accountant Robert Pace, who makes a preliminary review and prepares a set of standard year-end adjustments. He expects this work will be done in 2-3 weeks, and that auditors will be on-site soon thereafter. He will make summary reports of FY18-Q1 (July-September 2017) activity at the next meeting.

Members thanked the GM for the report; no Committee action was taken.

5. **Review First Draft FY19 Budget:** The GM reviewed the budget narrative and spreadsheet he had prepared for the Committee, asking for questions and comments to be addressed in revisions for consideration of the Executive Board and Board of Supervisors. There was some discussion of anticipated benefit costs, and of the District's ability to track costs for our vehicles separately. There were questions about 6155-Composting Expense, and tracking of grant revenues/expenses. The GM discussed several categories of revenue and expense that may change by the first of the year (for example, refinement in benefit costs for other than health insurance, and refinement in insurance costs for calendar year 2018), and said that he expects to present the Committee with proposed adjustments when/if these become clear. The GM said he will review these issues/questions, and prepare another draft iteration.

The Committee discussed the updated Capital Plan, reviewing expenditures made and planned for FY18, and considering staff recommendations for possible capital expenditures in FY19. The GM pointed out that \$60,000 is a “placeholder” figure for a new box truck, and that \$20,000 and \$10,000 respectively are estimates for replacement/upgrade of office phone system and computer system. There was some discussion of evolving technology, and the expectation that these may be a combined procurement.

Members thanked the GM for the draft; no Committee action was taken.

6. **GM's Report**

- a. Capital Budgeting for FY18 – 137 Barre Street: The GM reviewed capital projects which may be undertaken during FY18, as outlined in a briefing paper. There was some discussion of the state of windows in the building, and the Committee inquired whether or not an energy audit might be done by a local firm, in order to better understand the most cost-effective investments which should be made. Committee members acknowledged that amounts budgeted are simply current best estimates. The GM stated that he will have such an audit pursued, and move to draft RFP(s) to engage potential vendors and review costs.
- b. Direct Debit Procedures: The GM reviewed current procedures for charging auto fuel costs as a direct bank debit, without prior Committee or Treasurer review. The Committee confirmed that this direct debit procedure is limited to a single vendor, based on staff convenience and vendor discounts. They confirmed that periodic reports can be retrieved from the vendor, that the GM is provided an electronic receipt each time a purchase is made, and that it is not possible for a user to combine a non-fuel item (snacks) with a fuel purchase transaction.

Members thanked the GM for the draft; no Committee action was taken.

7. **Other Business:** No other business was proposed or discussed.
8. **Adjourn:** A motion (Micheli) to adjourn passed unanimously. The meeting adjourned at 6:55 PM.

Respectfully submitted:



Bruce Westcott, General Manager