



Financial Oversight Committee Meeting

Monday, 27-February-2017 –5:30 PM
CVSWMD Office, 137 Barre Street, Montpelier, VT 05602

Minutes

1. **Convene meeting:** At 5:45 PM, Bill Powell convened the meeting with FOC member Steve Micheli; Fred Thumm participated via telephone. GM Bruce Westcott was present and recorded minutes
Agenda Revisions: There were no revisions to the agenda
2. **Approval of Minutes:** Bill Powell made a motion to approve the minutes of January 23, 2016. The motion was seconded (Powell) and the minutes approved.
3. **Disbursement to Grow Compost, for emergency hauling** – The GM reviewed for members the discussion held by the FOC at its January meeting, and the action taken by the Board at its February meeting to approve payment of the balance. There was review/discussion of the circumstance that led to our request for hauling services from Grow Compost, and general agreement that no other alternative was available. The GM reviewed truck repair costs that have been recorded since the December/January events, and all agreed that these were repair costs which would have been absorbed by the District whether or not the truck had been taken out of services. No action was taken.
4. **RFP for Banking Services** – The GM reported that the District had solicited proposals for banking services, and had received six (6) responses prior to the 16-February deadline. Proposers have provided requested documentation and proposals in different paper and digital formats, and the GM provided copies to Treasurer Kathie Felch and to Fred Thumm for review. The GM has retained a copy to share for review with District bookkeeper Annette Martin. Reviewers will review, provided preliminary scoring of responsiveness, and consider whether to interview top candidates. Fred Thumm said that in reviewing he found that just one of the proposers had included an itemized cost for equipment necessary to make bank deposits remotely, and members asked if we had requested an itemized cost. The GM explained that we had provided a form for proposing “per transaction” costs, and he would review all proposals to see if this was included. No action was taken.
5. **Bank Account/Fund Descriptions** – During discussion of quarterly financial statements presented at the last Board meeting, a member had requested further information for the Board members regarding the uses and limitations of funds defined by Charter, and accounts maintained by staff. The GM discussed with members present a 2-page summary he had prepared. Some member comments:
 - a. The Sinking Fund provided for by Charter is exclusively for the purpose of securing long-term debt, so at this time are any funds so designated?

- b. The District should define and “reserve” funds sufficient for a hypothetical District dissolution scenario, providing perhaps 90 days of funding to cover trade debts, accounts payable, contracts, outstanding grants, and other necessary expenses (working capital). (The District has no long-term debt at present, and no plans to incur such debt.)
- c. The District has a Capital Fund, which we may want to review and re-size, based on our needs for Capital acquisitions and replacement.
- d. We may want to better understand the documented and projected infrastructure costs needed to fully implement Act 148 in the District, and consider capital reserves which would be needed for the District to be able to support a financing scheme for such infrastructure. The GM will pass to member historic documents which estimate such infrastructure costs statewide.

No action was taken.

6. **Adjustments to Vacation Leave Balances** – The GM asked to discuss with the members some specific potential impact on individuals of proposed adjustments to leave balances. The Chair determined that as a personnel matter, a motion to move into Executive Session would be appropriate. At 6:35 PM a motion was made (Micheli) and seconded to move into Executive Session for the purposes of discussing individual circumstances presented by the GM.

At 6:53 PM a motion was made (Thumm) and passed unanimously to return to public session. The GM confirmed that he will prepare for consideration of the Board at its March meeting a resolution proposing resolution of discrepancies in a way that he sees as fair to current employees. The GM stated that he will check with Counsel to determine if passage of the resolution will create liabilities for the District with respect to former employees.

7. **Other Business:** No other business was conducted.
8. **Adjourn:** The meeting adjourned at 7:01 PM

Respectfully submitted:



Bruce Westcott, General Manager