



Financial Oversight Committee Meeting

Tuesday, April 27, 2021

Meeting Conducted Remotely

Minutes

Chair Bill Powell called the meeting to order at 5:32 PM. All meeting participants joined by teleconference: with Committee members Fred Thumm, Peter Carbee and Tad Nunez in attendance; Staff member Lisa Liotta, General Manager and Erin McCullough, Treasurer also attended.

- 1. Agenda Revisions** – Lisa Liotta requested that Item 7 Changes to Merchandise Inventory: Financial Tracking and Management be moved to #6 before the FY22 Final Budget Review. FOC members agreed.
- 2. Approval of the minutes of March 23** – *Fred Thumm made a motion to approve the minutes of March 23, 2021, seconded by Peter Carbee. The motion passed unanimously.*
- 3. Review FOC Monthly Reports** – Erin McCullough briefly reviewed the FY21 third quarter financial reports and informed the FOC that we have received the LGER grant from the state of Vermont in the sum of ~\$8,000 for Covid-19 related expenses. USDA grant reimbursement for the third quarter of FY21 is approximately \$48,000 and is not yet reflected in the financials.
- 4. ARCC Pricing Changes, Zero Waste Lab, New Items** – At their April meeting the POC recommended that the Board of Supervisors approve July 1, 2021 fee increases for six items at the ARCC, and that five additional items be approved for acceptance (three are Zero Waste Lab materials). The FOC recognized and thanked the POC for their work on these items. *Motion by Bill Powell, seconded by Peter Carbee, to endorse the POC's approval and recommendation to the Board of Supervisors of staff recommendations for ARCC price changes and new items. Voting in favor of the motion: unanimous.*
- 5. Changes to Merchandise Inventory: Financial Tracking and Management** – Lisa Liotta reviewed information pertaining to how merchandise purchased for resale and to meet grant obligations is accounted for, and how procedural improvements will better represent income and expenses on the P&L. Treasurer Erin McCullough reported that once changes are approved, transactions through QuickBooks will improve inventory management and simplify quarterly sales tax reporting. Staff requested that the FOC approve and recommend four actions to the Board of Supervisors:
 - Action 1: Line item #4080 Compost Equipment Income be renamed, “Merchandise Sales Income” to properly reflect the items being sold.
 - Action 2: The expense of merchandise purchased for grants be accounted for separately from merchandise purchased for resale, and that an expense line-item Grant Equipment, Not Sold be established to do so.
 - Action 3: The value of merchandise purchased for resale be accounted for in new line item #1350 Merchandise Inventory, a current asset on the balance sheet, and that the general manager will insure that the total value of the account does not exceed \$30,000.
 - Action 4: That staff manage inventory of items purchased for resale using QuickBooks accounting software to properly account for the value of inventory, and its expense, income, and sales tax reporting when items are sold.

Motion by Fred Thumm, seconded by Tad Nunez, to accept staff's recommendation for the management of merchandise and to recommend that the Board of Supervisors approve the four actions brought forward by staff. Voting in favor of the motion: unanimous.

6. FY22 Final Budget Review – The FOC reviewed the draft FY22 final budget, discussed and adjusted the following line items:

1. #4040 Composting Income – Adjusted from \$6,000 to \$9,200
2. #6000 Payroll – Adjusted from \$526,000 to \$547,000
3. #6003 Retirement Contribution – Adjusted from \$16,500 to \$15,000
4. #6020 Insurances/#6030 Insurance General Liability – Adjusted from \$15,000 to \$20,000
5. #6040 Insurances/#6040 Insurance Workers Comp – Adjusted from \$30,000 to \$16,000
6. #6150 Hazardous Waste Expense – Adjusted from \$70,000 to \$80,000
7. #9000 Depreciation Expense – Adjusted from \$15,000 to \$25,000

By unanimous consent, the FOC agreed to the adjusted FY22 budget with the changes above and requested staff bring the final FY22 budget forward to the Board of Supervisors at their May meeting.

- 7. HHW Facility Update – ANR Grant, NBRC Grant, RFP Box Truck** – Lisa Liotta updated the FOC on the recent \$156,100 ANR grant awarded for HHW facility construction (\$100k) and for the purchase of a new box truck (\$56.1k). Staff will prepare an RFP for the box truck purchase once the Board of Supervisors approves the grant award, but manufacturing delays mean that the purchase will likely occur in FY22. Staff are preparing a Northern Borders Regional Commission grant application to partially fund the ~\$800,000 gap for the HHW facility, applications are due May 14. Staff have submitted a letter of interest to Congressman Welch's call for infrastructure projects to be considered for appropriation and will do so to Senator Sanders' and Senator Leahy's calls, also.
- 8. Other Old or New Business** – Lisa Liotta shared with the FOC that staff will be bringing a request to the Board of Supervisors in May to consider authorizing the General Manager to extend an offer of employment to a highly qualified candidate at a rate above the midpoint of the pay range.
- 9. Adjourn** – *At 6:21 PM, Peter Carbee made a motion to adjourn, seconded by Tad Nunez. The motion passed unanimously.*

Respectfully submitted,



Lisa Liotta