

ecomaine
Memorandum

DATE: June 1, 2021
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Finance & Audit Committee Minutes – May 20, 2021

There was a **Finance & Audit Committee Meeting** held on the date noted above. The meeting was called to order by Bill Shane, Chair.

Committee Present: Dennis Abbott, Linda Boudreau, Christopher Branch, Matthew Frank, Jessica Maloy, Bill Shane & Mike Shaw

Other Board Members Present: Bob Burns, John Cloutier, Caleb Hemphill & Dena Libner

Guest: Amy Chasse & Jennifer Connors – RKO and Greg L'Heureux

Item 1 - Approval of the Minutes:

Mike Shaw motion to approve the minutes from March 25, 2021. The motion was second by Christopher Branch . All in favor.

Item 2 – Cash Disbursements:

Bill Shane reported that on May 18, 2021 he reviewed cash disbursements with staff for the period of February 27, 2021 through May 5, 2021 and found them to be in accordance with the purchasing procedures.

Item 3 – Presentation RKO

Amy Chasse introduced Jennifer Connors who will be managing the FY 21 Audit from RKO. Jennifer Connors provided a review of the planning for this year's audit and the responsibilities of Staff, the Committee, and the Auditors.

RKO will review Financial Statements, Inventory Observation, Confirm Cash, and Investment records. The objective is to confirm financial statements are correct. RKO will obtain a legal letter from ecomaine's attorney, review testing of internal controls and materials balances to confirm management has established and maintained policies and procedures on internal controls to prevent fraud. Management will provide access to information needed to perform the audit as well as individuals who can provide us with requested information.

Jennifer also reviewed the responsibilities of the Finance & Audit Committee in providing a

higher level of oversight in the audit process. The committee will review and accept the draft Audit Report.

The preliminary schedule is June 24th – Pre-Audit Testing, July 19th – Audit (in-person), Draft Reports to the committee September 16th, 2021.

There was a brief discussion on the audit process, with follow-up responses from Amy Chasse.

Item 4 – Update on Leasing

Don Hebert reported that the leasing documents have been signed and went into effect in April of 2021. The leasing was broken up into two categories, \$1 million over 5 years and \$1.5 million over a 10-year period. We requested reimbursements for expense incurred on projects such as engineering services and deposits on equipment during the leasing process.

Don Hebert also provided information on FY 22 leasing plans. After lengthy discussions with Greg L'Heureux, it was determined that it was too early to begin the process of leasing for FY 22 with the banks, rates are only good for a 60 or 90-day period.

Bill Shane requested information on the Wash Bay and the Electric Truck. There was a brief discussion regarding the differences in needs. Kevin Roche provided information regarding the manufacturer's recommendations on maintenance needs of the Truck. Kevin also provided an update on the procurement of the drivetrain we needed for the electric truck, however, there will be a delay in production, delivery has been delayed until 2022. There were additional questions regarding the service and maintenance of the Trucks.

Item 5 – Financial Statements

Don Hebert reviewed the financial statements for a 10-year period. The review included revenue & expense, statistical data, balance sheet and other financial documents. There was questions and discussion on accounts receivable and accounts 90 days and over. Also, Kevin Roche provided information on BP Energy as being one of the 90 days pending payment and how REC payments were tied to Legislation.

Bill Shane asked if there were in plans in place with RKO regarding the Audit and the transition from Don Hebert to Greg L'Heureux. There was a brief discussion. There were questions on bonding and staff. Staff will review current policies with broker to confirm appropriate coverage.

Adjourn:

Christopher Branch made a motion to adjourn. The motion was second by Dennis Abbott. All in favor.

Staff Present: Matt Grondin, Don Hebert, Wei Huang, Denise Mungen, Kevin Roche & Jenna Sweeney