



**Memorandum**

**DATE:** September 26, 2019  
**TO:** Chairman and Members of the Board  
**FROM:** Kevin H. Roche, CEO/General Manager  
**SUBJECT:** Finance & Audit Committee Minutes – September 19, 2019

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

**Item #1:** Approval of the Minutes

Bill Shane motioned to accept the minutes as written. The motion was seconded by Mike Shaw. All in favor.

**Item # 2:** Presentation – FY 19 Audit – Amy Chasse, RKO

Amy Chasse reviewed this year's Audit process with the committee. This year's areas of focus included:

- Internal Control Testing Procedures on inventory in the warehouse.
- Municipal revenue procedures on receipts.
- Cash Disbursements.
- Payroll Controls.
- Recycling Revenue.

Amy advised the committee that the review resulted in a clean audit and a management letter was not warranted although provided.

Kevin Roche provided the committee with a brief on the past practices of the Audit Committee and the committee's request that the Auditor provide a management letter yearly. There was a brief discussion.

The Committee received and reviewed the Audit. Greg L'Heureux motioned that there is no need to issue a management letter this year (comments were significant). Amy Chasse from RKO agreed. The motion was second by Matthew Frank. All in favor.

**Item #2:** Cash Disbursements – Erik Street, Chair

Erik Street informed the committee that he had reviewed a wide variety of cash disbursements for the period from April 24, 2019 through August 7, 2019 and found no issues or concerns to report.

**Item # 4: RFP – Timeline for FY 20 Audit**

Don Hebert reviewed the updated timeline for solicitation of Auditors for FY 20. The formal RFP process is scheduled to begin on October 31, 2019 with the interview process targeted for January 31, 2020.

There was a brief discussion on the process and who will be involved. Kevin provided history on staff's role and the committee in the auditor selection process. There was a brief discussion on the upcoming solicitation process. Mike Shaw requested that the RFP be posted on **ecomaine's** website for a more inclusive process.

**Item # 5: Review FY 19 Financial Statements**

Kevin Roche reviewed the FY 19 Financial Statements with the Finance & Audit Committee.

**Item # 6: Five Year Financial Plan**

Kevin Roche reviewed the analysis of the five-year financial plan.

There was a lengthy discussion on capital projects, expenditures, projections & future bonding. Christopher Branch & Bill Shane recommended that staff extend our current five-year financial model to a 10-year plan with an analysis of our capital projects budget. It was also suggested that staff consider an outside consultant for this project. Neither of these suggestions were acted upon.

The meeting continued with the committee reviewing staff's recommendation on an increase in tipping fees for FY 21. The recommendation was a rate increase from \$73.00 to \$75.00 to begin July 1, 2020 and that recycling charges to owner communities continue at the current \$35.00 per ton in FY 21.

The committee discussed the recommendations for tipping fees for FY 21 and amended the tipping fee from \$75.00 to \$75.50 to begin July 1, 2020 and recycling charges for FY 21 will remain at the current \$35.00 per ton.

Bill Shane motioned to increase the tipping fee as discussed from \$75.00 to \$75.50. The motion was second by Linda Boudreau. All in favor.

Bill Shane requested that the bonding discussion be revisited next year.

The committee continued discussions on the 5-year plan and the current model. They recommended staff research bonding vs. leasing and staff should consult

with legal on the differences.

**Item # 7:      Review & Recommendations for continued Investment Services from HM Payson**

There was a brief discussion on the continued services of HM Payson and the committee recommended approval to continue their services to the Executive Committee.

**Item # 8:      Review Cash Reserve & Investment Policy**

The committee reviewed the recommendation to amend the Cash Reserve and Investment Policy. Rod Regier motioned to recommend to the Executive Committee amendment of the Cash Reserve & Investment Policy as reflected in Attachment E and recommend continued Investments Services with HM Payson. Motion was second by Bill Shane. All in favor.

Bill Shane motioned to adjourn. The motion was seconded by Erik Street. All in favor.

**Present:**

Dennis Abbott, Anne Bilodeau, Linda Boudreau, Christopher Branch, Dave Durrell, Matthew Frank, Don Hamill, Greg L'Heureux, Troy Moon, Dave Morton, Rod Regier, Bill Shane, Mike Shaw & Erik Street

**Guest:**

Amy Chasse – RKO

**Staff:**

Don Hebert, Denise Mungen, Kevin Roche & Kevin Trytek