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Memorandum

DATE: May 30, 2019
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Finance & Audit Committee Minutes – May 16, 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

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

Item #2: Cash Disbursements – Erik Street, Chair

Erik Street reported that he had reviewed a range of cash disbursement and found no issues or concerns to report.

Item # 3: Roger Lebreux, RKO – Review of the duties and responsibilities of RKO, Staff and the Finance Committee & Audit Schedule

Roger Lebreux briefed the committee on duties and responsibilities of all who will be involved in the upcoming audit process for FY 19. He discussed the objectives of this year's Audit and provided past audit history and the reason for the specific areas planned for FY 19 Audit.

The cost of this year's Audit services will be \$22,000. The Audit is planned to begin on July 22nd and the draft audit report will be submitted to the committee in September of 2019.

Item # 4: RFP – Timeline for FY 20 Audit

Don Hebert reviewed the proposed timeline for solicitation and selection of Auditors for FY 20. There was a discussion on the role of the Finance & Audit Committee and the level of engagement in the selection process. The committee recommend that at a minimum that board members Greg L'Heureux and Anne Bilodeau be closely involved in the review process.

Item # 5: Review Cash Reserve & Investment Policy

The committee reviewed the proposal by HM Payson for continued investment service. There was lengthy discussion on the benefits of continued services with HM Payson.

Rod Regier motioned that the committee recommend to the Executive Committee that the Full Board approve continuing with HM Payson for investment services. The motion was second by Greg L'Heureux. All in favor.

There was a lengthy discussion on the amending the language of the current Cash Reserve & Investment Policy.

Linda Boudreau motioned that the Finance Committee recommend the following language be Amended in the Cash Reserve and Investment Policy. The amended language would read "The Board, or designated committee at least every five years, will consider an RFP seeking Investment services". The motion was second by Bill Shane. All in favor.

Staff will provide a letter to the committee with an assessment of the services of HM Payson.

Item # 6: Discussion on Future Bonding as an Alternative to paying cash for long term projects

Kevin Roche noted that the committee requested the Bonding discussion be added to the agenda. After a lengthy discussion, it was recommended that staff continue discussions and that Bonding be discussed in conjunction with the annual discussions of the 5-year plan.

Item # 7: Review of Disaster Insurance Coverage

Don Hebert provided a handout on our current Disaster Insurance Policy. There was a brief discussion.

The committee requested continued research on Disaster Insurance Policies, specifically focusing on an evaluation of cost with higher deductibles.

Mike Shaw motioned to adjourn. The motion was seconded by Bill Shane. All in favor.

Present:

Jeff Amatrudo, Anne Bilodeau, Linda Boudreau, Christopher Branch, Matthew Frank, Don Hamill, Greg L'Heureux, Dave Morton, Rod Regier, Bill Shane, Mike Shaw & Erik Street

Guest:

Roger Lebreux, RKO

Staff:

Don Hebert, Denise Mungen, Kevin Roche & Kevin Trytek