The meeting was called to order at 5:50 p.m. by the Committee Chair, Brian Bigelow.

1. **Approve January 25, 2017 Finance Committee Meeting Minutes.** MIKE O’BRIEN MADE A MOTION TO APPROVE THE MINUTES OF JANUARY 25, 2017. BRIAN BIGELOW SECONDED AND NOTED A SPELLING ERROR. MOTION CARRIED.

2. **Review of Financial Reports – FY17 through February**
   a. **Balance Sheet; Income Statement.** Forest noted that as of February 28th, we had $124,840 in checking; $241,035 in savings (dues); $233,903 in Money Market and CDs (reserve). The current assets over liabilities is $645,120. Deferred revenue Communities (dues) - $204,495 available for match. **INCOME:** Through February we are 67% through the budget year. ACCD funds are being spent ahead of budget at 85%. When ACCD funds are fully expended, we will match expenses with revenue from local dues. Transportation staff billing is close to budget. We are close to billing out the Water Quality grant; and, we’ve exceeded our budget for the Regional Prevention Partnership grant. Staff is working with Dept. of Health to see if we can increase the budget. When asked about the Jericho Stormwater Master Plan being at 405%, Forest noted that he’s trying to determine how best to report this, as we’ll be seeing more of these grants as time goes on. **EXPENSES:** The salaries expense (row 79) is tracking close to budget, while benefits are a little behind. It appears likely that the Conference Travel expense will exceed the budget, while that Conference expense will be quite a bit under budget. The telephone/internet expense costs seem high, but our equipment/maintenance line is underspent – he will review how things are charged. Mike O’Brien questioned whether the EVs continue to be a good deal and when the lease is up. Forest said they continue to be a good deal as we are able to charge the approved mileage rate for the trips. Our lease was extended for one year and will expire Oct/Nov. We are waiting for new models that will have a longer charge range before we update our vehicles. The software purchase line shows a -$1,000 because a couple of organizations have purchased a license for $500 each. Our net income through February is about $57,000.
   b. **Cash Flow.** Cash is good. We’re ahead of projections and have a decent amount of money in the bank. We may end up with a little more that we started with and, if so, we can put that into reserve account.

3. **Review Draft FY18 Budget.** Charlie noted that the top of the FY18 budget doesn’t look much different, except we have fewer municipal contracts. Line 14 shows MPO staff recovery $89,000 below FY17. He believes it has to do with the lower approved indirect rate of 67.42% for FY18. He reviewed the chart at the end of the expense side that shows the history of our indirect rate. The
idea is that over time you just recover your costs, with some years having higher indirect rate and others lower. So, the projected loss for FY18 is $139,525. However, between FY13-FY16 we have had audited year end income of $240,325. Discussion ensued about Reserves. Charlie noted we are a reimbursable organization and only the dues are a little flexible, so those can be put into reserve. Mike suggested we explain that we’re not really losing $140,000 because we already have the money. Charlie noted that this is the first cut and we’ll still be reviewing the numbers so by the public hearing we’ll have better numbers. Mike suggested we add some language about what we want the spreadsheet to say about this deficit. We need to make it clear that the municipalities will not be billed to cover this. Forest and Charlie will come up with a way to show how we can cover the deficit for FY18. Members continued to review the income and expense line items; and the capital budget items.

4. **Discuss Auditor Selection for FY17 Audit.** Charlie noted that Jeff brought up the issue that we’ve had the same audit firm and same person for more than five years. Do we feel strongly about having a new auditor to conduct the field work because of familiarity issues? Mike feels that Sullivan Powers has a good reputation and they wouldn’t do anything to jeopardize that. Fred Duplessis’ sense is that we are doing a pretty good job. Charlie has talked to Fred about industry standards of changing audit firms vs. assigning a different audit chief. Mike feels the only reason to go out for bid would be for cost savings. Members suggested we defer this to the Executive Committee.

5. **Other Business.** There was no other business.

MIKE O’BRIEN MADE A MOTION, SECONDED BY BRIAN BIGELOW TO ADJOURN THE MEETING AT 7:00 P.M. MOTION CARRIED UNANIMOUSLY.

Respectfully submitted,

Bernadette Ferenc