

Treasurer's Report 02/13/2022

Public materials in support of the Treasurer's report can be found on the NVC website nvcmaine.org.

- **Action Items (for now or during the Finance Committee Update)**
 - Review and adoption of the NVC Warrant Policy (see attached).
 - Proposal to upgrade NVC's Quickbooks subscription from Quickbooks Online Plus to Quickbooks Online Advanced at an additional cost of \$130 per month (individual subscription and not purchased through an accounting firm).
 - Current subscription (through NR Bookkeeping) costs \$50 per month (or \$80 per month through Intuit) and has a limit of 250 in the Chart of Account which was reached with the Playground Fund accounts were added.
 - Quickbooks Online Advanced would cost \$90 per month for the first three months and \$180 per month thereafter, for the increased cost of \$130 per month.
- **Warrants**
 - February warrants were process, signed and bills by March 18, 2022.
 - February payments were done by hand in order to expedite the process. Shiloh wrote the checks with Janae signing consistent with NVC's financial procedures.
 - Changes are being made to the invoice tracking and uploading process in order to make the warrant and bill paying process easier while NVC has an interim bookkeeper.
 - Maine Municipal Bank Bond payment of \$19,137.07 interest payment due April 1st for the seawall bond was also paid in March. Warrant payment policy allows payment in advance but given the amount it is included here for informational purposes.
- **2022 Budget**
 - Based on input from the February budget workshop and committees 2022 projected budget was developed. See attached document.
 - Assume all line items not adjusted will stay in budget for 2022.
 - Adjustments made to specific line items are commented in the budget document, including: increase in electricity costs; revision of office and safety personnel budgets; reduction in tree removal costs.
- **NVC Business Office Functions**
 - NVC staff, contracted services and volunteers are working at capacity to do the bookkeeping and finance manager duties until the office manager position is filled and the new bookkeeping firm comes on board. Activities are prioritized based as list below, with bill paying often taking up all the time available in any given week.

- Monthly bill paying, including the receipt, coding and processing of invoices; development of the warrants including supporting document; collecting warrant signatures; and paying the bills.
 - Completing the 2020 Audit
 - Preparation for the 2021 Audit, including 2021 close
 - Monthly Financial Reports for the Overseers
 - A reminder that monthly bank account statements are available in the office. For March they have been printed out and are available during the meeting for review.
 - Online access is pending the creation of a Google directory with the appropriate protections making financial information available to the Overseers in a secure format.
- **Bookkeeping Transition**
 - Philbrook & Associates has indicated a start date of May 1, 2022 for taking NVC on as a client.
 - Onboarding will begin in early May with Philbrook & Associates expected to take on the full NVC Bookkeeping responsibilities, expected by June 1, 2022
 - The office staff, volunteers and Wilke & Associates will develop the warrants and pay the bills for the March and April warrants.
 - The Finance Committee is reviewing the NVC Financial procedures and processes with the goal of having them revised prior to onboarding Philbrook & Associates.
 - The interim Office Manager continue to perform the finance manager duties until the approved Office Manager position is filled.
 - Budgeted and projected 2022 Office budget information has been integrated into the estimated 2022 budget as indicated below.
- **2020 and 2021 Audit**
 - 2020 Audit
 - Wilke & Associates continue to work on the 2020 Audit. Needed journal entries were made and the trial balance tested. It did not balance, so is being reviewed again, with the expectation it will be resolved shortly.
 - Once the balance sheet balances, Purdy Powers will complete the audit.
 - As a reminder, the delay in the 2020 Audit stem from inconsistencies found in NVC's general ledger resulting in a Balance Sheet that while balances for NVC as a whole does not balance across the three departments. Specific aspects that have contributed to the audit delay include:
 - The starting balance for 2020 did not match the ending balance from 2019. Purdy Powers fixing the errors since they had access to the 2019 financial information.
 - Multiple versions of NVC's QuickBooks files including both desktop and online versions.

- Multiple firms (Brown and Kelly, NR Bookkeeping, Purdy Powers, Wilke & Associates) and finance managers making entries and changes to the general ledger.
- Specific documentation requested by the Auditors could not be found, including but not limited to selected invoices on the March 2020 warrants.
- Financial controls for 2020 have been included in the materials for review by the Finance Committee and should be reviewed by the overseers.
- 2021 Audit
 - While tentatively scheduled for late May, the 2021 audit cannot begin until the 2020 audit is completed.
 - 2021 books need to be closed out. NR Bookkeeping had agreed to do the work but is currently not available to do so. 2021 close will need to be done by Wilke & Associates or by Philbrook & Associates once they have been onboarded.
 - Office staff will begin assembling the 2021 audit documents as time permits. However, as indicated above the office staff and volunteers are already at capacity with day-to-day support for NVC office activities.