

Treasurer's Report
09/13/2023

- **Recommendations and Current NVC Financial Priorities**
 - Recommend engaging Wilke & Associates to replace Philbrook & Associates as the NVC bookkeeper. Specific tasks are described in Attachment A.
 - Given the Bookkeeping transition, the NVC Business Office current priorities through at least December 2023 are:
 - Day to day financial operations including monthly warrants and bill paying.
 - Understand, document, and maintain business office separation of functions. (See attachment B for background)
 - Accurate and timely recording of financial information in QBO.
 - 2021 Audit.
 - Moving bank accounts must wait until NVC has a dependable way to ensure the General Ledger (QBO) is able to consistently track the multiple bank accounts (estimated Dec 2023).
- **Warrants and Monthly Reports**
 - August warrants are provided under separate cover.
 - Bank Statements will be provided in the office once downloaded.
 - Bank balances are provided separately to the Overseers, Officers and NVC Staff.
 - See information below regarding monthly Budget vs Actual report.
- **Bookkeeping**
 - P&A terminated their relationship with NVC as of 8/31/2023.
 - It is recommended that NVC engage Wilke & Associates as the Bookkeeping firm going forward, who are willing to do the general accounting as well as the audit clean up. NVC already has an engagement letter in place with W&A which can be updated as needed. Confirmation of hourly cost is pending.
 - See Office Manager report for new recommended process for bill paying.
 - Wilke & Associates will retain the ability to pay bills and transfer up to \$10,000 as a backup to the proposed new warrant and bill paying process.
 - Office, Finance Committee and Treasurer will review and define the NVC process for separation of functions. Best practice for separation of functions requires that whoever initiates a transaction, for example a checking account deposits or approving of expenses, is not also the person who records the information.
 - Example includes office staff will receive, prepare, and document deposits and accounting firm will review the deposit information and record it in the General Ledger (QBO).
 - Separation of Function overview is attached.
- **Reports**
 - Budget vs Actuals as of Sept 3, 2023, is attached.
 - Does not include August warrant information. See new Office Manager report regarding warrant process.

- Has not been reviewed for accuracy. May lack specific information and/or include mis-coded information. All corrections should be sent directly to the Office Manager (officermanager@nvcmaine.org).
 - Updates cannot be posted until NVC has engaged a new bookkeeping firm. Priority will be given to adding new, current information with corrections done as possible.
 - New accounting codes are needed as well.
- Statement of Financial position is pending completion of the clean-up work required for the 2021 audit.
- **Audit**
 - NVC Office is providing Wilke & Associates the information needed to address requirements set by Purdy Powers.
 - Still pending is the Treasurer reviewing the 2021 due to/to from to help identify corrections that are needed to the general ledger in support of the 2021 audit.
 - Purdy Powers needs to review the requested reports before they will accept NVC and then schedule the 2021 Audit.
 - Background on the NVC audit can be found online at nvcmaine.org.

Attachment A Overview of Bookkeeping Functions

Below is an overview of the basic bookkeeping functions that will be outsourced to a bookkeeping firm. Note that NVC is responsible for providing all the information to the bookkeeping firm, typically by uploading the information into the bookkeeping portal. Accuracy of the data entered, thus the General Ledger, depends on the accuracy associated with the information provided.

- Recording yearly amount billed for each department (General, Sewer and Water).
- Recording deposits for all departments.
- Reconciling amount billed with amount received.
- Recording expenses for each department using appropriate documentation, including invoices.
- Adding accounting codes based on input from NVC.
- Providing information, clarification, and advice on appropriate classification of deposits, expenses, including bond payments.
- Enter yearly budget information for each department.
- Balance the general ledger by property.
- Generate monthly reports including Statement of Activity, Budget vs Actuals, Statement of Financial Position.
- Close out the fiscal year and prepare for the yearly audit.
- Provide financial reports in support of the yearly audit.
- Update General Ledger based on annual audit information.