EnergyTrust of Oregon, Inc.

Finance Report

September 10, 2007

The finance committee met at 3:30 pm on September 10, 2007, with John Klosterman, treasurer; Debbie Kitchen, board member; Alan Meyer, board member; Sue Sample CFO; and Pati Presnail, controller in attendance. Tom Foley and Margie Harris did not attend.

Review July 2007 month and year-to-date financial statements

The committee discussed the July 2007 financial statement results and accompanying analysis. July is consistent with the trend this year, with revenues somewhat higher than budget, and expenses to date below.

The committee referred to the cash flow forecast. Incentives for the month of December are higher than any three month period through the two years shown in the cash flow. The committee suggested that any barriers to closing projects, or any procedures within the organization's control should be examined to determine if there are artificial causes for the extreme December peak.

Enterprise Architecture results and status

Sue updated the committee on the four major goals resulting from the Moss Adams study of Energy Trust information technology opportunities.

Investigate replacement of the Great Plains accounting system

- Progress: responses received for outsourcing the search and evaluation of competing packages.
- Next step: deeper look at Great Plains to determine if add-ons or other changes in deployment could make the system fully functional for future needs.

Strengthen capabilities of FastTrack system

- Continuing to make regular upgrades and take feedback from users
- Evaluate CRM system components in 2008
- 2008 budget will reflect increased costs for potential revision if warranted

Strengthen the organization structure within IT

- Developed a new organization chart for the group, with a more reasonable span of control for the manager
- Identified additional staff positions. 2 are new, 3 are existing contractors to be converted to staff, 1represents filling currently vacant ½ time position

Develop a strategic plan to align information technology with overall goals

- To follow

Change in financial procedure: re capitalization limits

Pati presented a recommendation to raise the capitalization threshold for fixed assets from $2,500 to $5,000. The change would align Energy Trust with similar sized organizations and prepare the organization for federal contracting in the future. The committee agreed that the change was reasonable in light of what other organizations are doing, the immaterial effect on the financial statements, and the existence of asset inventory procedures that are independent of the capitalization threshold. Next step is to incorporate this policy in the staff manual and adopt it in practice.

Next meeting date
The next meetings will be held on Mondays at 3:30 in the afternoon:
~~October 8, 2007~~ *canceled after report was written*
~~November 5, 2007~~ *canceled after report was written*
October 29, 2007 new meeting scheduled after report was written
December 3, 2007
The budget will be the primary focus of these meetings

Adjournment
The meeting adjourned at 4:15 pm.