

Preserving the environment through integrated recovery and disposal.

Finance Committee Meeting Minutes September 15, 2014

Committee Members Present: Harry Hertline, Treasurer; Neil Angell, Board Chairman; and Ken Long

Absent: Bob Roberts

Staff Present: William Rabbia, Executive Director; Patrick Donovan, Comptroller; and Joseph Artessa, Principal Accounting Supervisor

The September 15, 2014 Finance Committee meeting began at 3:15 PM.

An Accounts Receivable Report, dated September 15, 2014, was distributed and discussed. The Committee reviewed all haulers/companies within the 120, 90, 60 and 30-day categories. Discussion ensued regarding haulers on payment plans, finance charges, and the City of Utica Roosevelt School Demolition.

The Committee reviewed five budget transfers for the 2014 budget. The transfers included monies for overtime, rental of equipment, equipment purchases and temporary help. All transfers were funded by available monies within each departmental budget.

The Committee reviewed the Second Quarter Financial Report and Investment Report. The Second Quarter Financial Report outlined a surplus for the first six months of 2014 of \$1,781,685. This was a decrease of approximately \$433,000 from 2013 second quarter results. The decrease was attributable to a reduction in State aid and additional depreciation expense. The Authority revenues were \$10,562,947 for the first six months, or 52.8% of budget. The Authority expenses were \$8,701,260. This is a 1.1% growth over second quarter 2013 expenses. The material received by the Authority increased 4% over 2013. Total tonnage was 134,817 tons vs. 129,536 tons. The Committee reviewed summary charts that outlined tonnage, revenues and villages financial activity. The Committee reviewed the income statement and balance sheet for June 30, 2014 in comparison to June 30, 2013.

The Investment Report outlined the investment activity for the second quarter. The overall funds with the Bank of New York (Trustee) decreased as a result of the April 1, 2014 debt service payment and the expiration of the 1998 Debt Service Revenue Fund. Approximately \$3.2 million was transferred back to the Bank of Utica. The money invested in local accounts increased by approximately \$4.9 million as the result of the above transfer and additional monies generated by operations.

The Committee reviewed the Sole Source Report for the 2nd Quarter. There were two sole source purchases for the Quarter. A floor-mounted sound proofing curtain frame and residue compactor replacement cylinder were purchased under the "parts must be compatible with existing equipment", provision of the Procurement Policy.

The Committee received a copy of the Authority's Investment Policy for review. There are no recommended changes at this point in time. This policy must be reviewed by the full Board on an annual basis.

The December 31, 2014 GASB 45 report was distributed and discussed. The report outlines the Liability that the Authority must have on its Balance Sheet at year-end. The December 31, 2014 liability is \$1,024,469. The Authority will be required to do a full valuation for the December 31, 2015 calculation.

BOARD OF DIRECTORS

Neil C. Angell
Chairman

Harry A. Hertline
Treasurer

Alicia Dicks
James M. D'Onofrio

Barbara Freeman
Robert J. Roberts, III

William A. Rabbia
Executive Director

Kenneth A. Long
Vice Chairman

Vincent J. Bono

James A. Franco

James M. Williams

Jodi M. Tuttle
Authority Board Secretary

Finance Committee Meeting Minutes

September 15, 2014

Page 2

The Committee reviewed the Arbitrage Refund Request of \$ 73,461.88 on behalf of the Authority. The Authority had negative arbitrage over the last several years. The Authority hired Bank of New York Mellon to prepare the calculation at a cost of \$5,000.00. This request is from a 2004 payment that was made by the Authority for excess earnings.

The Committee discussed the Authority's contract with Integrys Energy Services of New York and the NYSERDA application with Solar City. An agreement with Integrys was entered into for supply of electricity at the Authority's Utica and Rome facilities. Integrys is a NYSAC and MEGA vendor and the Authority piggybacked on the procurement. Related to Solar City, the Authority submitted its Letter of Intent to NYSERDA and is awaiting word on award from NYSERDA.

The Committee reviewed a Draft Resolution for compliance with the Municipalities Continuing Disclosure Initiative. This Resolution would allow the Authority to self-report any errors, omissions, or missed deadlines in prior Official Statements. The Authority will prepare this submission by the December deadline.

A 2015 Draft Budget was released to the Committee along with the key 2015 budget assumptions. The Authority will set up additional Finance Committee meetings for October and will continue to meet all of its deadlines for the release of its budget.

The Finance Committee meeting adjourned at 4:25 PM.

Meeting Minutes Prepared by:

Patrick Donovan
Comptroller