

Preserving the environment through integrated recovery and disposal.

FINANCE COMMITTEE MEETING MINUTES June 20, 2016

Committee Members Present: Harry Hertline, Finance Committee Chairman and Neil Angell, Board Chairman

Absent: Ken Long and Robert Roberts

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

The June 20, 2016 Finance Committee meeting began at 3:30 PM.

An Accounts Receivable (A/R) Report dated June 20, 2016 was distributed and discussed. The Committee reviewed all haulers/companies within the 120, 90, 60 and 30-day categories. Overall the A/R report is in good shape.

The Committee reviewed the analysis regarding defeasing the Authority's 2007 bonds on the first call date, April 1, 2017. Staff recently met with Environmental Capital and reviewed several scenarios including defeasing the 2007 bonds and possibly paying down more debt. Environmental Capital is currently working with Bond Counsel to determine the legal mechanism to pay down additional debt. The Committee will continue to review this possibility.

The updated five-year financial plan was discussed and reviewed with the Committee. The plan looked at tonnages, sale of recyclables and other revenues along with reviewing salaries and benefits, debt service and other contractual expenses. The plan projects a \$2 tip fee reduction on MSW, LSW, and sludge and a \$10 tip fee reduction for asbestos material for 2017 and then flat tipping fees for the next four years. The Committee asked that staff continue to review items such as carbon credits, debt defeasance and tonnages and update this report as part of the 2017 budget.

The Committee reviewed Resolution No. 11 which will provide for an appropriation of \$750,000 for the Village of Boonville/Erwin Library Community Compensation Agreement and Resolution No. 12 which provides \$25,000 for temporary labor at the Recycling Center.

The Authority will file its Annual Disclosure, as mandated by its bond documents, by June 30th, in compliance with SEC rules.

The Committee was presented with an update on the Authority's accounting system. In 2016, the Authority upgraded its general ledger system, payroll software (supplied by ADP) and web-site on-line payment portal system. These three systems will provide enhanced reporting capabilities, automated updating of customer A/R via credit card payments and a comprehensive on-line payment portal that provides customers with historical invoices and payments.

The 2017 draft budget schedule was released and reviewed with the Committee.

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The Committee reviewed the City of Utica Agreed Upon Procedures Report for the period ended March 31, 2016. The auditors tested revenue items including user fee collections and the sale of blue bags. On the expense side the auditors tested payroll, benefits, automotive supplies and other miscellaneous expenses. The report outlined approximately \$3,611,000 in revenues and \$3,652,000 in expenses for the April 2015 – March 2016 fiscal year. The Solid Waste Service Charge revenues increased by about \$27,000 resulting from better collections and the sale of bags increased by about \$25,000. The expenses for tipping fees grew by about \$56,000 from additional tonnage and the collection contract increased by about \$85,000. The excess expenses over revenues totaled \$41,753, as compared to the prior year of \$62,507.

The Finance Committee meeting adjourned at 4:25 PM.

Meeting Minutes Prepared by:

Patrick Donovan
Comptroller