

Preserving the environment through integrated recovery and disposal.

## Finance Committee Meeting Minutes October 13, 2016

**Committee Members Present:** Harry Hertline, Finance Committee Chairman/Treasurer; Neil Angell, Finance Committee Vice Chairman/Board Chairman; Ken Long, Board Vice Chairman; and Bob Roberts

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

The October 13, 2016 Finance Committee meeting began at 12:00 PM.

The Committee reviewed a power point presentation on the Authority's proposed 2017 budget. The presentation included:

- A proposed 2017 budget that includes several reduced tipping fees. These decreased tipping fees are for MSW, LSW, Sludge and Asbestos. All other fees for 2017 will be the same as 2016
- A chart outlining neighboring County tip fees was reviewed.
- Historical MSW tipping fee graph from 1990-2017 and a graph from 1990-2016 based upon tip fees at the rate of inflation.
- An analysis of 2015 actual and 2016 and 2017 projected tonnage by waste class.
- An overview of system revenues outlining 2015 actual, 2016 (6-month data), and projected for 2017.
- A historical review of recycling revenues and budget projections for 2017. The Authority is proposing a small increase in projected revenue to \$2,050,000 for 2017.
- Proposed 2017 revenue assumptions for solid waste, recyclables, landfill gas, recyclable processing fees, carbon credits and miscellaneous revenues. The Authority is continuing its practice of no tip fee for recyclables for residents of Oneida and Herkimer Counties for the 26th consecutive year.
- A review of system expenditures by cost center outlining 2015 actual, 2016 (6-month data), and proposed for 2017.
- 2017 proposed expenditure assumptions include an 8-15% increase in health insurance expenses over 2016 projected expenses, fuel costs budgeted at \$2.50 per gallon, \$455,000 of contracted host community payments and public education expenses budgeted at \$70,000.
- The 2017 proposed landfill reserves will be \$2,050,000 broken down as follows:

\$450,000 Equipment Replacement  
\$1,600,000 Liner Extension Fund

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- The 2017 proposed capital plan funded through tipping fees will be \$714,500. This is a decrease of \$375,500 from the 2016 budget.
- Several charts that indicated revenues and expenses by category and cost centers projected for 2017.
- A review of the proposed 2017 budget for the six municipalities in which the Authority administers the respective municipal programs. The City of Utica and the Villages will not require an increase in fees for 2017.

The Committee asked questions and discussed projections for carbon credits, recyclable revenues, out of County recyclable processing, permit fees for haulers, fuel costs, capital expenses and debt service. The debt service discussion centered around the defeasance of the 2011 bonds on April 1, 2021.

The Committee received and discussed a new 5-year financial plan (distributed at meeting). The Committee asked questions regarding future tip fees and capital expenses. The plan shows that with the projected tip fee decrease proposed for 2017 the Authority will be able to hold the line on tipping fees for 2018-2021. Included in this financial plan is the Authority's decision to defease about \$6,000,000 of funds in April 2017 and in April 2021.

A draft resolution was distributed to the Committee for the defeasance of the 2011 and 2007 bonds. Authority staff will continue to work with Bond Counsel and will have a finalized resolution to be presented in December with the adoption of the budget.

The Committee does not have any recommendations to change the Investment Policy so it will recommend to the Board that it be adopted as is.

The Committee excused the Comptroller and Principal Accounting Supervisor and had a discussion with the Executive Director regarding proposed 2017 salaries for Administrative employees.

The meeting adjourned at 1:30 PM.

Meeting Minutes Prepared by:

Patrick J. Donovan  
Comptroller