

Preserving the environment through integrated recovery and disposal.

**JOINT FINANCE COMMITTEE/AUDIT COMMITTEE
MEETING MINUTES
MARCH 19, 2018**

Committee/Board Members Present: Harry Hertline, Treasurer; Ken Long, Board Chairman; and Vincent Bono

Guests: William Rabbia, Executive Director; Joseph Artessa, Comptroller; Pasquale Lisandrelli, Principal Accounting Supervisor; and Paul Goetz (BST)

The March 19, 2018 joint Finance Committee/Audit Committee meeting began at 3:00 PM.

An Accounts Receivable Review Analysis was given to the Committee. This report outlined haulers/companies in the 30, 60, 90 and 120-day categories. The total due is \$163,971 for these four categories with \$117,044 of the total in 30 days. A discussion ensued regarding overall receivable collections.

The 2017 Investment Report was reviewed. This report is prepared in compliance with PARIS (Public Authorities Reporting Information System) requirements. The bank account/investments increased by \$421,132 in 2017. The investments with the Authority's Bond Trustee decreased by \$795,124 for 2017. Overall interest earnings were \$328,822.

Mr. Artessa discussed the 2018 current investments made for the Authority. The Authority has recognized interest rates have risen especially for US Treasury Notes. At the start of 2018, the Authority has taken all matured Bank of Utica CDs and invested in US Treasury Notes with maturities ranging from 12 to 18 months. The US Treasury Notes interest rates yield between 1.74% and 1.83%. The CDs that matured were yielding .65%.

The Committees then reviewed a corporate resolution to update and approve the Executive Director, Comptroller, Chairman of the Board, and Board Treasurer as officers for the RBC Corporate Management account. This account is the clearing house for the US Treasury Note holdings.

The Executive Director then presented notice that the Authority was awarded \$276,407 in grant funding through the NYSDEC Municipal Waste Reduction and Recycling Grant. This funding will bring total grant funding for the source separated organics processing facility to \$1,603,907.

Paul Goetz from the Authority's independent auditor, BST, presented the 2017 audit.

Mr. Goetz reviewed the Independent Auditor's Report and provided a power point presentation. The first pages reflect the following:

- a) Management is responsible for preparation and presentation of the financial statements.
- b) The Authority received an unqualified opinion, which is the industry's best opinion that can be issued and is consistent with prior years' opinions.
- c) There were no disagreements with management in preparing the audit.
- d) No internal control or compliance findings.
- e) Unmodified opinion on compliance with rate covenants.

BOARD OF DIRECTORS

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James A. Franco

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Executive Director

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Authority Board Secretary

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Page 2**

Mr. Goetz highlighted the Authority's net position increased 5.9 million for 2017. The Authority used amounts in excess of budgeted revenues to fund debt and accelerate future capital acquisitions. The Authority management continued diversification of revenues and controlled expenses. Mr. Goetz then reviewed balance sheet comparisons for the Authority and several regional solid waste entities. The conclusion is the Authority's financial performance is exceeding its peers.

Executive Director William Rabbia, Comptroller Joseph Artessa and Principal Accounting Supervisor Pasquale Lisandrelli excused themselves at 4:00 PM so that the Committees could further discuss the audit privately with Mr. Goetz.

The joint meeting ended at 4:30 PM.

Meeting Minutes Prepared by:

Joseph Artessa
Comptroller