

FINANCE COMMITTEE MEETING MINUTES

May 13, 2019

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

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

The May 13, 2019 Finance Committee meeting began at 3:30 PM. The Finance Committee first reviewed the Accounts Receivable Report. The total amount due from 30-120 days was \$269,654. The largest amount (\$168,728) was from the 30-day category. The 120-day was \$46,195 which contained two haulers, one of which is on an approved payment plan. The 90-day was \$191.36 and included two haulers and the 60-day was \$42,921. The Authority continues to work with haulers who fall behind in their payments to the Authority. The Authority assesses a 1% finance charge on all past due accounts and will consider all avenues available to collect outstanding monies.

Executive Director Bill Rabbia reviewed the GASB 75 report for 2019. Mr. Rabbia mentioned that the June 18, 2018 Board Resolution No. 12 designated \$2,537,410 toward fully funding the GASB 75 liability for 2018. Although the 2019 liability is \$2,387,667, Messrs. Rabbia and Artessa recommended leaving the designation of fund balance the same. The Committee agreed. The GASB 75 liability may swing back in 2020.

The Authority's First Quarter Financial and Investment Reports were reviewed and discussed. The Authority's operating surplus was \$341,834 for the quarter ended March 31, 2019; this is a decline of \$260,900 from 2018 first quarter. The decline was largely due to an increase in precipitation this past winter and the amount of contaminated soil received. Authority revenues were \$4,918,454 and expenses were \$4,561,379 for the quarter. The Authority's material tonnage was 60,411 tons vs. 75,005 tons in 2018. The Board reviewed several charts that outlined revenues by source, tonnages and the financial activity of the City of Utica and the five villages.

The Authority's March 31, 2019 balance sheet and income statement were reviewed and discussed. The balance sheet indicated a growth in total assets of \$3.765 million for the first quarter of 2019. The major growth area was in current assets which grew by over \$3.2 million. This was the result of the positive financial operations in 2018. Long-term liabilities decreased by \$746,638 as a result of the Authority's bond payments. The Comparative Income Statement for 2018 and 2019 was discussed and reviewed.

Mr. Rabbia presented a draft agreement with Capital Markets Advisors, LLC for preparation of continuing disclosure reports. Environmental Capital, LLC merged with Capital Markets Advisors, LLC. Since the Authority received excellent service from Environmental Capital for over 25 years, it was recommended that the agreement be approved.

Mr. Rabbia updated the Committee on the possibility of adding a third engine, as per the Power Purchase Agreement with Waste Management Renewable Energy (WMRE). The amount of gas generated from the Regional Landfill warrants a decision from WMRE as to whether WMRE would like to invest in the third engine. WMRE has been put on notice, as per the Agreement.

BOARD OF DIRECTORS

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Harry A. Hertline
Treasurer

James M. D'Onofrio

Nancy A. Novak

William A. Rabbia
Executive Director

Vincent J. Bono
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Neil C. Angell

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Jodi M. Tuttle
Authority Board Secretary

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Mr. Rabbia discussed with the Committee a change in collateral pledged by the Bank of Utica, as per a new NYS law allowing banks to pledge publicly traded companies' debt obligations with ratings in the top four. Previously, the Bank of Utica pledged NYS, local government, and school district debt obligations. With the previous collateral, the jurisdiction pledged had taxing power. The publicly traded companies pledged do not have taxing power. A decision was made to discuss this change further at the next meeting.

Lastly, the Committee excused Messrs. Artessa and Lisandrelli to discuss the Authority's long-term disability insurance group policy with Executive Director Rabbia.

The meeting adjourned at 4:30 PM.

Meeting Minutes Prepared by:



Joseph M. Artessa
Comptroller