

Preserving the environment through integrated recovery and disposal.

Finance Committee Meeting Minutes October 10, 2018

Committee Members Present: Harry Hertline, Finance Committee Chairman/Treasurer; Vincent Bono; and Robert Roberts, Finance Committee Vice Chairman via telephone

Staff/Guests: Ken Long, Board Chairman; William Rabbia, Executive Director; Joseph Artessa, Comptroller; and Pat Lisandrelli, Principal Accounting Supervisor

The October 10, 2018 Finance Committee meeting began at 3:00 PM.

The Committee received and discussed a new 5-year financial plan (distributed at the meeting). The plan included a new tip fee (Source Separated Organics Processing). The plan projects that the Authority will be able to hold tipping fees stable for 2019-2023. Included in this plan is the Authority's decision to defease 2011 bonds in 2021 consistent with Board Resolution No. 21 of 2016. It will cost approximately \$3,400,000 to defease the bonds in 2021.

The Committee reviewed and discussed the Executive Director's Sole Source Report for the third quarter of 2018.

The Committee reviewed and discussed a power point presentation on the Authority's proposed 2019 budget. The presentation included:

- A proposed 2019 budget that includes stable tipping fees.
- A chart outlining neighboring County tip fees.
- Historical MSW tipping fee graph from 1990-2019 and a graph from 1990-2018 based upon tip fees at the rate of inflation.
- An analysis of 2017 actual and 2018 and 2019 projected tonnage by waste class.
- An overview of system revenues outlining 2017 actual, 2018 (6-month data), and projected for 2019.
- A historical review of recycling revenues and budget projections for 2019.
- Proposed 2019 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 28th consecutive year.

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- A review of system expenditures by cost center outlining 2017 actual, 2018 (6-month data), and proposed for 2019.
- 2019 proposed expenditure assumptions include a 9% increase in health insurance expenses over 2018 projected expenses, fuel costs budgeted at \$2.50 per gallon, \$460,000 of contracted host community payments and public education expenses budgeted at \$120,000.
- The 2019 proposed landfill reserves will be \$2,000,000 broken down as follows:
 - \$450,000 Equipment Replacement
 - \$1,550,000 Liner Extension Fund
- The 2019 proposed capital plan funded through tipping fees will be \$483,000. This is a decrease of \$1,487,000 from the 2018 budget. The proposed Capital Plan for 2019 includes, pickup truck, loader, utility vehicle, conveyors, cell closure/capping and landfill gas expansion.
- Several charts that indicated revenues and expenses by category and cost centers projected for 2019.
- A review of the proposed 2019 budget for the six municipalities in which the Authority administers the respective municipal programs. The City of Utica will require an increase in bag fees for 2019.

Next, the Committee discussed the Investment Policy. The Authority has not made any updates to the Investment Policy since 2011. The Committee and staff agreed to discuss any changes to the Investment Policy with the independent audit firm BST & Co. We will use guidance from NYS Authorities Budget Office memo issued June 18, 2018.

The Committee then reviewed and discussed an Accounts Receivable Report, dated October 10, 2018. The Committee reviewed all haulers/companies within the 120, 90, 60 and 30-day category. The total due was \$697,238.36 with the majority (\$566,967) in the 30-day category.

Next, the Committee was given an update on collective bargaining negotiations with the UPSEU (Union). The Executive Director discussed the union memberships requests for the next contract.

The meeting adjourned at 5:00 PM.

Meeting Minutes Prepared by:

Joseph M. Artessa
Comptroller