MINUTES
FINANCE AND BUDGET COMMITTEE MEETING
Thursday, March 23, 2017 – 9:30 AM
Authority Conference Room, 4th Floor
Dulles State Office Building, Watertown, New York

Members Present:
Margaret Murray, Chair
Fredrick Carter
Thomas Hefferon
Gary Turck, Chairman-BOD

Members Absent:
John B. Johnson, Jr.
Mary Doheny

Staff Present:
James W. Wright, Executive Director
Carl Farone, Comptroller
Jo Anne Yaddow, Executive Assistant

1. Chair Murray opened the meeting at 9:40 am.

2. A roll call was completed and all Committee Members were present except for J. Johnson, Jr. and M. Doheny were not present.

3. The Committee was asked to approve the proposed Budget Modifications, changes since the Budget was presented at the February Board Meeting. J. Wright reviewed the Budget Modifications, as identified in the attached summary document, with the Committee.

   Upon a motion by T. Hefferon, and seconded by F. Carter, the tentative Budget was unanimously approved.

4. Resolution No. 2017-03-14 approves Fiscal Year 2017-2018 Administrative Budget which consists of capital projects, Administrative allocations, and the Audit Committee Budget.

   Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2017-03-14, Approving Fiscal Year 2017-2018 Administrative Budget, Capital Projects, Administrative Allocations, and Audit Committee Budget, was unanimously approved.


   Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2017-03-15, Approving Fiscal Year 2017-2018 Engineering Division Operation Budget and Capital Projects, was unanimously approved.

   Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2017-03-16, Approving Fiscal Year 2017-2018 Regional Development Division Budget, was unanimously approved.

7. Resolution No. 2017-03-17 approves the Materials Management Division Budget consisting of the operating budget, capital projects, reserve requirements, and tipping fees.

   Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2017-03-17, Approving Fiscal Year 2017-2018 Materials Management Division Operating Budget, Capital Projects, Reserve Requirements, and Tipping Fees, was unanimously approved.


   Upon a motion by A. Calligaris, and seconded by T. Hefferon, Resolution No. 2017-03-18, Approving Fiscal Year 2017-2018 Technology Division Operating Budget, Capital Projects, Reserve Designations, and Tariff, was unanimously approved.


   Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2017-03-19, Approving Fiscal Year 2017-2018 Water Quality Management Division Operating Budget, Capital Projects and User Charges, was unanimously approved.


   Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2017-03-21, Approving Fiscal Year 2017-2018 North Country Economic Development Fund Budget, was unanimously approved.

11. Resolution No. 2017-03-22 authorizes Professional Services Contracts for legal services; architectural and engineering services; financial services; computer services, consulting services, and security services.

   Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2017-03-22, Authorizing Professional Services Contracts, was unanimously approved.
12. Resolution No. 2017-03-23 authorizes continuation of a $500,000 line of credit for the Technology Division.

Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2017-03-23, Authorizing Continuation of a $500,000 Line of Credit for the Technology Division, was unanimously approved.

13. Resolution No. 2017-03-38 approves a Materials Management partnership with Fort Drum and the commitment of Authority funds not to exceed $400,000 to support the effort relative to facilities and equipment with funds from the Carbon Credit Reserve Fund. The Executive Director will negotiate a Memorandum of Understanding, subject to Authority Board ratification.

Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2017-03-38, Approving a Materials Management Partnership with the U.S. Army Garrison at Fort Drum and Appropriations Relative to the Program, was unanimously approved.

14. Upon a motion by F. Carter, and seconded by T. Hefferon, the meeting adjourned at 10:05 am.

Respectfully submitted,

[Signature]

Margaret Murray
Chairman, Finance and Budget Committee
# Operations Budget FYE 2018

## Materials Management

1. 4001 – Revenue – Customer Billings $502,000
2. 4201 – Revenue – Sale of Asset $15,000

**Total – Revenue Increase** $517,000

3. 5062 – Expense - Third Party Temp O&M $14,220
4. 5708 – Expense – Fuels ($40,000)
5. 5815 – Expense – Chemicals ($7,000)
6. 5802 – Expense – Gas and Electricity ($10,000)
7. 5803 – Expense – Propane ($2,500)
8. 6006 – Expense – Host Benefits $44,520

**Total – Expense Net** ($760)

## Technology

1. 5270 – Expense – Offnet Circuit Lease ($25,000)
2. 5830 – Expense – Collo Expense ($15,000)

**Total – Expense** ($40,000)

## Regional Development

1. 5970 – Expense – Consulting ($20,000)

**Total – Expense** ($20,000)

## Army Water

1. 4001 – Revenue – Customer Billings ($117,727)
2. 6004 – Expense – Water Purchase ($117,727)

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## Summary

1. Capital to Reserves $576,282
2. Capital Modifications ($1,203,250)
3. Operations Revenues $399,273
4. Operations Expense ($178,487)

The proposed budget reflects a change in net position of ($5,096,464). Page 26. The Authority budget is not a cash budget, like municipalities. The proposed budget reflects a $11,509,877 expense for depreciation. The deficit is historically recovered over the course of the fiscal year.
The following is a summary of budget modifications, reviewed by the Finance Committee, and incorporated in the Tentative Budget attached to the Budget Resolutions for adoption.

These modifications reflect changes to the Preliminary Budget presented to the Finance Committee and Board Members on February 23, 2017.

### Capital Projects – Budget FYE 2018

1. Reviewed and closed completed and inactive Capital Projects, totaling 4,408,000, the balance of $576,282 accrues to appropriate reserves balances (updated summary attached.) The remaining projects will retain funding to date.

2. Appendix B – Telecommunications
   - Economic Development Initiative ($25,000)
   - Wireless Tower Service ($110,000)

3. Appendix B – Materials Management
   - LFG Capping – Reimbursement ($948,250)
   - Paving ($120,000)

4. Appendix B – Army Sewer Line
   - Variable Frequency Drives ($60,000)
   - Design/Bar Screen Rehabilitation $60,000

**Total Modifications** ($1,203,250)