MINUTES
FINANCE AND BUDGET COMMITTEE MEETING
Thursday, March 31, 2016 – 9:30 AM
Authority Conference Room, 4th Floor
Dulles State Office Building, Watertown, New York

Members Present:
Margaret Murray, Chair
Fredrick Carter
Thomas Hefferon
Mary Doheny

Members Absent:
John B. Johnson, Jr.

Staff Present:
James W. Wright, Executive Director
Thomas Sauter, Deputy Executive Director
Carl Farone, Comptroller
Jo Anne Yaddow, Executive Assistant
Angela Marra, Administrative Assistant

1. Chair Murray opened the meeting at 9:31 am and turned the meeting over to C. Farone.

2. J. Wright stated the meeting was convened to approve budget resolutions and to review the changes that have occurred since the Budget Work Session review and discussions. The following are budget changes:

   a. Capital Budget - Administration
   Project 10015 – Asset Management System increased - +$10,000 - $75,000
   The capital appropriation is recommended to be increased by $10,000, based upon actual bids received subsequent to preliminary budget preparation.

   b. Capital Budget – Solid Waste
   Project 20096 Flare Relocation – Deleted - ($600,000) - 0
   Remaining project funds returned to Reserves - ($189,000) - 0

   c. Operating Budget – Engineering
   The Operating Budget for Engineering has been modified to reflect the new contract with the City of Ogdensburg for Management Services of its wastewater treatment facilities.

   Additional revenue of $124,868 has been included with offsetting expenditures reflected in the Engineering Division budget. The additional contract requires the addition of one position.
d. Operating Budget – Facilities
Executive Management reviewed the budgets for utility costs and made the following reductions:

20-5802 – Gas and Electric - Reduce ($10,000) - $50,000
41-5802 – Gas and Electric – Reduce ($7,500) - $62,500
42-5802 – Gas and Electric – Reduce ($4,000) - $24,000

e. Operating Budget – Solid Waste
The Executive Management has taken two part-time recycling positions at Solid Waste and increased them to full time to enhance our waste diversion efforts.

20-5001 - SWMF Wages – Add $25,000 - $1,198,177; Fringe benefits were increased to reflect staff moving from part time to full time.

f. Operating Budget – Solid Waste
When originally budgeted, there was a change in expense classification, reduction of the prior account was taken; this is the corresponding increase in the revised expense classification.

20-5932 – Monitoring and Testing – Add $3,500 - $123,500

F. Carter asked if the new employee for Ogdensburg would be an Authority employee. J. Wright responded yes. F. Carter asked if it is a full-time position and what would happen if Ogdensburg wanted to hire that person. J. Wright responded it is a full time position and that the job entails a specific skill set. Engineering support is part of the services included in this agreement.

3. Resolution No. 2016-03-25 approves the 2016-2017 Administrative Budget which includes capital projects and administrative charges to operating companies. The Audit Committee retains Certified Public Accountants to perform audits of the financial statements, internal controls, and requires a budget for these services.

Upon a motion by F. Carter, and seconded by T. Heffron, Resolution No. 2016-03-25, Approving Fiscal Year 2016-2017 Administrative Budget, Capital Projects, Administrative Allocations and Audit Committee Budget, was unanimously approved.

4. Resolution No. 2016-03-26 approves the 2016-2017 Engineering Division Operating Budget and Capital Projects. Capital funds that were previously approved but not fully expended are carried forward for use in FY 2016-2017.

Upon a motion by F. Carter, and seconded by T. Heffron, Resolution No. 2016-03-26, Approving Fiscal Year 2016-2017 Engineering Division Operating Budget and Capital Projects, was unanimously approved.

5. Resolution No. 2016-03-27 approves the annual Regional Development Division Budget.

Upon a motion by T. Heffron, and seconded by F. Carter, Resolution No. 2016-03-27, Approving Fiscal Year 2016-2017 Regional Development Budget, was unanimously approved.

   Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2016-03-28, Approving Fiscal Year 2016-2017 Regional Development Budget, was unanimously approved.


   Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2016-03-29, Approving Fiscal Year 2016-2017 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. 2016-03-30, Approving Fiscal Year 2016-2017 Water Quality Management Division Operating Budget, Capital Projects, and User Charges, was unanimously approved.

9. Resolution No. 2016-03-32 amends the Regional Water Line Budget for 2016 to reflect an increase in water purchases of $22,578.07 from $101,559.00 to $124,137.07. Funding for the increase will be paid from the Regional Water Line Operating Reserve.

   Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2016-03-32, Amending the Regional Water Line Budget for Fiscal Year Ending 2016, was unanimously approved.


   Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2016-03-33, Approving Fiscal Year 2016-2017 North Country Economic Development Fund Budget, was unanimously approved.

11. Resolution No. 2016-03-34 authorizes Professional Services Contracts with firms providing specialized expertise, skills, and knowledge to the Authority. This is an annual resolution requiring Board approval.

   Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2016-03-34, Authorizing Professional Services Contracts, was unanimously approved.

12. Resolution No. 2016-03-35 authorizes a continuation of the $500,000 line of credit from the Telecommunications repair and upgrade reserve. The Executive Director is authorized to execute the drawdown of funds from the Telecommunications line of credit for the purpose of financing Telecommunications projects on an as-needed basis.

   Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2016-03-35, Authorizing Continuation of a $500,000 Line of Credit for the Technology Division, was unanimously approved.
13. J. Wright noted that Resolution No. 2016-03-52 is one of four resolutions that were added after the Board packet was emailed. Resolution No. 2016-03-52 authorizes the transfer of reserve funds to the Community Development Loan Fund for the purpose of providing cash flow construction financing for wastewater infrastructure for a not to exceed amount of $10 million to facilitate infrastructure construction in support of the expansion of Kraft-Heinz in Lewis County.

Mary Doheny entered the meeting.

J. Wright stated the Village has not made a decision about the package. Since there will not be any board meetings until May, the resolution is being brought before the Board in order to authorize utilization of reserves up to $10 million. M. Capone would do the underwriting and is subject to review by PDC. The monies would function as a construction loan (cash advance) and reimbursement made with state money. F. Carter asked if the Governor committed the $50 million cash or are they tax breaks. J. Wright stated the $50 million is for the three plants over the next five years with the commitment to Lowville at $10 million. F. Carter asked what the interest rate is. J. Wright responded 2.5% interest.

Upon a motion by F. Carter, and seconded by T. Hefferon, Resolution No. 2016-03-52, Authorizing the Utilization of Reserve Funds for Construction Financing to Facilitate Infrastructure Construction in Support of the Expansion of Kraft-Heinz in Lewis County, was unanimously approved.

14. Resolution No. 2016-03-53 authorizes a loan from the Community Development Loan Fund to the Village of Lowville to bridge Phase I of a New York State grant for the upgrading of wastewater treatment facilities to support the expansion of the Kraft-Heinz manufacturing facilities.

Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2016-03-53, Authorizing Loan from Community Development Loan Fund to the Village of Lowville to Bridge Phase I of New York State Grant for the Upgrading of Wastewater Treatment Facilities to Support the Expansion of the Kraft-Heinz Manufacturing Facilities, was unanimously approved.

15. The meeting adjourned at 9:59 am.

Respectfully submitted,

[Signature]

Margaret Murray
Chair, Finance and Budget Committee