



**FINANCE COMMITTEE MEETING  
Monday May 18, 2015  
5th Floor, Government Center Floor  
Board of Education Conference Center  
4:45 pm  
Full Meeting Minutes**

**Attendees**

<b>Cristina Andreana</b>	<b>Chairman, SWPCA Board Member</b>
<b>Daniel Capano</b>	<b>Vice-Chair, SWPCA Board Member</b>
<b>James Fountain</b>	<b>WPCA Board Member</b>
<b>Ed Kelley</b>	<b>SWPCA Board Member</b>
<b>William Brink</b>	<b>Executive Director, WPCA</b>
<b>Mark Turndahl</b>	<b>Accountant, WPCA</b>
<b>David Yanik</b>	<b>City Controller</b>

**Call to Order, Pledge and Roll Call**

C. Andreana, Chairman, called the meeting to order at 4:55pm. The Pledge of Allegiance was said. A quorum was present (3 of 3 Finance Committee members).

**Approval of Prior Committee Meeting Minutes**

The January 28, 2015 and February 23, 2015 meeting minutes were approved.

**Update: Accounts Receivable**

M. Turndahl discussed the outstanding receivables: \$7.673 million outstanding on April 30, 2015 as compared to \$11.011 million April 30, 2014. Cash receipts through 5/15/2015 amounted to \$19.915 million for sewer use fees and \$1.762 million for sewer assessments and connections.

**Review of April 2015 Financials**

M. Turndahl reviewed the April 30, 2015 Draft Financial Statements. He reported that the Income statement showed a Change of Net Position of \$6.27 million as compared to \$6.043 million for April 2014. He went on to discuss major budget variances including:

- Operating Revenues - \$2.444 million due to 12 months actual of sewer use billing vs. a 10 month budget
- Non-operating Revenues – (\$.931 million) due to Nitrogen Credit being collected after year-end (August 2015).
- Operating Expenses – (\$1.938 million) due mainly to depreciation of \$4.116 million against a \$0 budget (Bond principal was budgeted for instead of depreciation)

M. Turndahl also reported that the pooled cash balance owed the city stood at \$2.551 million on May 15, 2015 (\$2.148 for capital and \$ .404 million for operating).

**Transfer \$100,000 from the Utility Rate Contingency**

M. Turndahl reviewed a schedule prepared by R. Bull projecting a negative budget variance of \$189,698 for the Utility accounts and requested that the Board approve the transfer of the \$100,000 from the Utility Rate Contingency account to the utility budgeted accounts where there is a projected deficit.

Both J. Fountain and C Andreana questioned why the April Financials showed Utilities at a budget surplus yet the utility projection requires a budget transfer. M. Turndahl explained that the financials are based on actual spending and do not include encumbrances or projections. J. Fountain requested that the financials and budget request for the utility accounts be reconciled. M Turndahl agreed to provide the reconciliation at the next committee meeting.

The \$100,000 transfer from the Utility Contingency account to the Utility accounts was approved by all 3 members of the Finance Committee.

**Review Refunding of 2006 Revenue Bond**

W. Brink discussed the refunding of the 2006 Revenue Bond and provided a memo from Barry Bernabe of Muni Advisors showing an expected range of gross savings of between \$1,281,953 and \$841,642.

The committee agreed unanimously to recommend to the Board to go ahead with the refunding.

**Review New Revenue Bond Issuance**

Discussion of the new revenue Bond issuance was taken out of order. W. Brink distributed the list of projects totaling \$14.7 million as detailed below:

C20052 Wedgemere Road Area Sewers	\$ 3,500,000
C22046 Perna Lane Area Sewers	\$ 3,000,000
C71196 CMOM	\$ 230,000
C71282 Vehicle Replacement	\$ 100,000
CP4242 Sanitary Sewer Rehabilitation	\$ 700,000
CP5025 Aeration Blowers Upgrade	\$ 2,200,000
CP5051 SCADA System Upgrade	\$ 1,070,000
CP6904 WPCA Major Replacement	\$ 2,625,000
CP9270 Pump Station Upgrade	\$ 1,275,000

The Committee agreed to recommend to the Full Board to accept the list of projects and proceed with the new bond issuance.

**Discuss Repurposing 2013 Revenue Bond Proceeds**

W. Brink distributed the list of projects funded by the 2013 Revenue Bond and the amounts repurposed to accommodate current needs:

	Original Amt	Repurposed Amt
C22045 Carriage Drive Sewers	\$1,946,051.52	\$1,946,051.52
C22046 Perna Lane Sewers	\$ 103,485.89	\$ 248,923.89
C50053 Repair Magee Wall	\$ 237,000.00	\$ 237,000.00
C71196 CMOM	\$1,550,000.00	\$ 1,550,000.00
C71201 Upgrade UV	\$1,050,000.00	\$ 50,000.00
C71282 Vehicle Replacement	\$ 600,000.00	\$ 650,000.00
CP2047 GIS	\$ 735,000.00	\$ 435,000.00

CP2048 Lab Equipment	\$ 39,020.00	\$ 6,249.59
CP4242 Sanitary Sewer Rehab	\$2,365,801.59	\$3,265.801.59
CP6584 Interval Area Sewers	\$ 263,628.08	\$ 125,545.86
CP6904 WPCA Major Replacement	\$3,661,308.92	\$4,036,723.55
CP9270 Pumping Station Upgrade	\$ 218,704.00	\$ 218,704.00

He further explained that the major shift of capital funds are from the UV Upgrade (\$1,000,000) to The Sanitary Sewer Rehab (\$900,000).

The Committee voted (3-0-0) to recommend to the Full Board to accept the repurposed Capital amounts.

**Old Business**

None

**New Business**

None

**Adjournment**

D. Capano made a motion to adjourn meeting at 5:36 pm; seconded by C. Andreana. Motion carried 3-0-0.