



FINANCE COMMITTEE MEETING
Wednesday, May 1, 2013
Conference Room, 2th Floor
SWPCA Plant Site, 111 Harbor View Ave.
Full Meeting Minutes

Attendees

Tim Abbazia	WPCA Board Member
Cristina Andreana	WPCA Board Member
Daniel Capano	WPCA Board Member
William Brink	Executive Director, WPCA
Rhudean Bull	Administrative Manager, WPCA
Mark Turndahl	Accountant, WPCA
David Yanik	Controller, City of Stamford

Call to Order, Pledge and Roll Call

C. Andreana, Committee Chairman, called the meeting to order at 5:58PM with the Pledge of Allegiance. A quorum was present (2 of 3 Finance Committee members)

C. Andreana and D. Capano were present at 5:55 pm; T. Abbazia arrived at 6:25 pm.

Discussion: Reporting, Reconciliation, and Collection of SWPCA Accounts Receivable

C. Cristina led the discussion about what efforts SWPCA pursues in collecting its receivables. It was reported and discussed that the initial collection process is handled by Computil. Thirty days after each 6 month bill is mailed, penalty interest (1.5%) and late interest (1.5%) are assessed. At the 45 day and 60 day interval, Computil mails Demand Letters in addition to periodic reminder telephone calls. An *Intent to Lien* letter is mailed when bills reach the 90 day aging and liens are filed with the addition of a \$60.00 Lien Fee. It should be noted: liens and lien fees are issued for each individual 6 month billing.

Unpaid balances in excess of \$500 and over 120 days old are referred to Ackerly and Ward for further collection efforts. They mail a series of "Demand Letters". Foreclosure proceeding begin when outstanding balances reach \$8,500. Intent to Foreclose Letters are mailed to the property owner and the mortgagee. After all other collection efforts fail, Ackerly and Ward produces a list of owners they intend to foreclose on. After the Board reviews and approves this list, the foreclosure process begins. Often, before the foreclosure is finalized, this effort results in payment coming from the mortgagee, the owner or the owner agrees to a payment plan.

T. Abbazia asked who pays Ackerly and Ward for their collection efforts. R. Bull responded that the property owner pays all A&W fees. She further stated that the SWPCA advances the fees associated with the foreclosure actions (marshal fees, court fees etc.) and is refunded these fees once the foreclosure is funded. T. Abbazia requested that M. Turndahl provide a list of funds advanced and funds received.

Another very effective collection process is initiated by the SWPCA at the Government Center. To secure any Building Permit, the owner is required to get a "Sign Off" from the SWPCA verifying all unpaid sewer use balances less than 30 days old are paid in full.

The accounts receivable discussion proceeded to how best present the receivable aging in the most effective manner. The addition of monthly 1.5% interest and lien fees masks the effectiveness of the collection efforts. M. Turndahl was requested to modify the "Accounts Receivable by Year Report" to break out principal, principal balances with Ackerly and Ward, interest and lien fees by year. The collection rate for each year was also requested to be added to this report.

Discussion: User Charges

This topic was not discussed.

Discussion: Special Assessment & Connection Charges

M. Turndahl presented an aging of outstanding Assessment and Connection Charge receivables. After reviewing this aging, the general consensus was that the SWPCA should take a more active role in collecting past due Sewer Assessments and Connections. R. Bull confirmed that the City's Tax Office is required by CT State Statute to control the billing of assessments and connections. She further explained that a City of Stamford Ordinance limits the amount recovered of a sewer project to 40% of the sewer related costs.

C. Andreana would like to investigate the possibility of using Ackerly and Ward to assist in collecting past due assessments and connections. M. Turndahl was requested to identify a sample of outstanding SC and SA balances that are already being collected by A&W. This list would be referred to A&W as a test sample to determine the effectiveness of using A&W to collect outstanding SC and SA fees from owners they are already in contact with.

Old Business

The Audit Management letter was discussed. W. Brink mentioned that O'Connor Davies will be in on May 9 to discuss what progress has been made by the SWPCA in correcting material weaknesses and deficiencies in internal control that were identified in the Management Letter. The MOA between the City and the SWPCA was also discussed. C. Andreana identified some points that she wanted to be clearly identified in the agreement. W. Brink agreed to add them to the agreement and distribute to the Board for review.

New Business

C. Andreana requested an update of the status of the SWPCA accepting credit cards for bill payment. M. Turndahl responded that the SWPCA is following in the City's footsteps and is going to use *Official Payments Corporation* to process the credit card transactions. A separate

agreement was produced between *OPC* and the *SWPCA*. After this agreement is reviewed and mirrors the one signed by the City, W. Brink will sign and the implementation will begin.

Adjournment

D. Capano made a motion to adjourn meeting at 8:05 PM; seconded by C. Andreana.

Discussion: none

Vote: 3-0-0; the motion carried.