STAMFORDWPCA

**FINANCE COMMITTEE MEETING**
**Monday July 18, 2016**
**Board of Education Conference Room, 5th Floor**
**Government Center, 888 Washington Blvd.**
**5:00 pm**
**Full Meeting Minutes**

**Attendees**

| | |
|---|---|
| **Cristina Andreana** | **Chairman, SWPCA Board Member** |
| **Daniel Capano** | **Vice-Chair, SWPCA Board Member** |
| **Michael Handler** | **Chairman, SWPCA** |
| **Shelly Michelson** | **SWPCA Board Member/Board of Finance** |
| **Merritt Nesin** | **SWPCA Board Member** |
| **William Brink** | **Executive Director, WPCA** |
| **Rhudean Bull** | **Administration Manager, WPCA (Not Present)** |
| **Mark Turndahl** | **Accountant, WPCA** |
| **David Yanik** | **City of Stamford Controller** |

**Call to Order, Pledge and Roll Call**
C. Andreanna, Chairman - called the meeting to order at 5:07 pm. The pledge of allegiance was made. A quorum was present (three of three members were present).

**Approval of the June 28, 2016 Committee Meeting Minutes**
The June 28, 2016 Meeting Minutes were approved.

**Update: Accounts Receivable**
M. Turndahl discussed the outstanding receivables: $3.65 million was outstanding as of June 30, 2016 as compared to $3.70 million as of June 30, 2015.
Cash receipts through 6/30/16 amounted to $20.3 million for sewer use fees and $1.8 million for sewer assessments and connections. The collection rate for the April 2011, October 2011, April 2012 and October 2012 billings were all over 99% and the April 2016 billing collection rate was over 91%.

**Review the Preliminary June 2016 Financials**
M. Turndahl distributed the Preliminary June 2016 Financials. He reported that progress has been made to close the books, however a number of items remain open, including year-end accruals and the present value of connection charge calculation. The preliminary June financials showed a net profit of $6.9 million, which was $4.3 million ahead of budget. M. Turndahl stated that he expects to have a complete pre-audit trial balance by the next meeting.

**Discuss the use of the $4.5 million cash reserve to fund operating expenses and the related liquidation of investments held at Morgan Stanley**

M. Handler explained that the WPCA would need to utilize $4.5 million of its cash reserve to fund operations during fiscal 2017. These funds will be used to offset monthly deficits resulting from the semi-annual billing system used at the WPCA.

M. Turndahl stated that he expects a fund transfer will be needed by September 2016 and he will establish a procedure, with D. Yanik, to insure that the pooled cash balance is reviewed at month-end and funds are transferred to/from the City to maintain this balance at or near $0.00.

M. Turndahl also suggested that the $1.0 million budgeted increase to the reserve be funded over 2 months (October and April when funds are available) instead of over 12 months that was done in the past.

**Review bad debt reserve**

M. Turndahl stated that the current reserve is set at $2.0 million for sewer use and $1.0 million for sewer connection and assessments. He proposed that the reserve be reviewed and possibly reallocated reflecting the collection rates of both the sewer use and sewer assessment and connection billings. He also stated that he would prepare an analysis of the reserves for discussion at the August committee meeting.

**Provide an update to annual audit**

M. Turndahl provided an update on the annual audit. He stated that he has forwarded account analyses when completed to the auditor. D. Yanik confirmed that the on-site WPCA audit is scheduled to begin during September and he was presently unaware of any unresolved audit issues.

**Old Business**

None.

**New Business**

None

**Adjournment**

C. Andreana made a motion to adjourn the meeting at 5:28 PM.