



**FINANCE COMMITTEE MEETING
Monday November 16, 2015
5th Floor, Government Center
Board of Education Conference Room
4:30 pm
Full Meeting Minutes**

Attendees

Cristina Andreana	Chairman, SWPCA Board Member
Daniel Capano	Vice-Chair, SWPCA Board Member
James Fountain	WPCA Board Member
William Brink	Executive Director, WPCA
Prakash Chakravarti	Engineer
Mark Turndahl	Accountant, WPCA
David Yanik	City of Stamford Controller

Call to Order, Pledge and Roll Call

C. Andreana, Chairman and Board member, called the meeting to order at 4:35 pm and the pledge of allegiance was made. A quorum was present (3 of 3 Finance Committee members).

Approval of October 19, 2015 Committee Meeting Minutes

The October 19, 2015 Meeting Minutes were approved.

Discuss the Metro Green III proposal to pay a discounted upfront payment of its entire Connection Fee

David McCarthy, a representative of the Metro Green III multifamily development, began this discussion requesting a discount on the development's estimated connection fee, which is expected to be billed in 2 years. He explained the project consists of 131 units; 73 of which are to be held for affordable housing which requires State controlled rent increases.

In an effort to reduce the annual costs of operating the building, the developer proposes to pay the connection fee (estimated to be \$450,500) up front but discounted to reflect their cost of capital.

P. Chakravarti explained that discounts were requested previously by this developer for projects I and II, however the request was denied mainly because it was made after the fee was billed and filed with the City Clerk. In addition, Mr. Chakravarti reported that discounts have never been granted for pre-paying connection charges.

The Committee agreed to discuss this request further at the Financial Policies Sub-Committee.

Update of June 2015 Financials and Audit

C. Andreana took this agenda item out of order. M. Turndahl provided an updated June 2015 Financial Statement. He also stated that the remaining open audit item is the fixed asset reconciliation and roll forward which he said was complete and has only to be forwarded to the auditor (which was done on November 18). C. Andreana inquired if we were behind last year's reporting deadline and when could we expect to see the draft audited financial statements. D. Yanik responded that we were not behind and he will request the auditors to issue a draft statement by the first week of December.

Update: Accounts Receivable

M. Turndahl discussed the outstanding receivables: \$9.18 million was outstanding as of October 31, 2015 as compared to \$11.07 million as of October 31, 2014. Cash receipts through 11/13/15 amounted to \$7.9 million for sewer use fees and \$183 thousand for sewer assessments and connections. Year over year collections through October increased by almost \$700,000. The collection rate for the April 2011 billing is over 99% and the October 2015 billing collection rate is 69%. M. Turndahl reported that as of November 13, 2015 the WPCA Pooled cash balance was a positive \$34 thousand including both operational and capital funds.

Review the October 2015 Financials

M. Turndahl distributed the October 2015 Financials showing a budget deficit of \$990 thousand mainly resulting from a mismatch of reported depreciation expense of \$1.9 million against a \$0 budget. M. Turndahl reported that he changed the reporting of the Sewer Use and Nitrogen Credit budgets to match the months when these revenues are billed.

W. Brink and C. Andreana requested for an explanation of the \$.5 million negative variance in Sewer Use Fees. M. Turndahl explained that due to time constraints (from taking a 1 week vacation) he barely was able to complete the financials for this meeting and plans to provide more details in future reports.

Update: investment of restricted cash balances held at US Bank

M. Turndahl reported that the projected balance in the capital reserve account held in US Bank will reach \$5.0 million in November 2015 and these funds would be available for investment with Morgan Stanley. He further stated that the trust documents allow these funds to be transferred out of US Bank, but the entire balance may be required to be transferred, closing the surplus account (capital reserve) held in US Bank.

Discuss funding of currently unfunded past capital expenditures for various capital projects totaling \$90,298.32 from the Capital Reserve

M. Turndahl distributed a (cleaned-up) list of 5 old capital projects that have unfunded balances totaling just over \$90 thousand that the committee previously agreed to fund using the Capital Reserve. J. Fountain requested that the budget authorization be verified for these projects before the Capital Reserve is charged.

M. Turndahl agreed to check and report on the authorization balances for these projects.

Discuss the Charter Oak Communities' request for exemption from sewer connection charges for development replacing those formerly enrolled in the State PILOT program

C. Andreana requested that due to time constraints this agenda item be discussed at the December 2015 Committee meeting. She agreed to distribute the Charter Oak's proposal to the Committee members.

Old Business

J. Fountain reported that the November 2015 meeting might be his last since he will be vacating his Board of Representative seat when he begins his position as OPM Director. He will need to be reappointed to the WPCA Board as a member-at-large.

New Business

None

Adjournment

C. Andreana made a motion to adjourn the meeting at 5:35 PM; seconded by D. Capano.
Motion carried 3-0