

**Finance Committee
April 4, 2018
Regular Telephonic Draft Minutes**

Members Present: Committee Chairman Shanley
 Bob Painter
 Jim Hayden
 Lizz Milardo

MIRA Staff Present: Tom Kirk, President
 Mark Daley, Chief Financial Officer
 Peter Egan, Director of Operations and Environmental
 Affairs
 Laurie Hunt, Director of Legal Services
 Jeff Duvall, Director of Budgets & Forecasting
 Deepa Krishna, Manager of Accounting and Financial
 Reporting
 Thomas Edstrom, Risk Manager
 Kanchan Arora, General Accountant/Board Administrator

Public Present: None

PUBLIC COMMENT

Committee Chairman Shanley called the meeting to order at 9:32 a.m. He said there were no members of the public who wished to comment and proceeded with the agenda.

1. Approval of the Minutes of the March 7, 2018, Finance Committee Meeting.

Committee Chairman Shanley requested a motion to accept the minutes of the March 7, 2018 Finance Committee meeting. The motion to approve the minutes was made by Director Milardo and seconded by Director Hayden. Director Shanley and Director Painter abstained.

The motion to accept the minutes was approved.

2. Review and Approve Draft Resolution Regarding Three Year Agreement for Independent Auditing Services.

Committee Chairman Shanley requested a motion on the above referenced item. The motion to approve was made by Director Painter and seconded by Director Milardo.

RESOLVED: That the President is hereby authorized to execute an agreement with **Mahoney Sabol & Company LLP** for Independent Auditing Services, the scope of work for

which will include both the fixed fee Annual Independent Audit for fiscal years 2018, 2019, and 2020; and additional on-call auditing work, substantially as presented and discussed at this meeting.

Mr. Daley said that MIRA's has been through the RFP process for the next audit service agreement. The new agreement will cover the next three Independent Audits for Fiscal Year 2018, 2019, & 2020. During the process, MIRA received four solid proposals including one from our incumbent Mahoney Sabol & Company LLP. The Finance Committee last month approved the evaluation committee which consisted of Cheryl Kaminsky, Jeff Duvall and Roger Guzowski. They have completed their evaluation and recommended renewing an agreement with Mahoney Sabol & Company LLP. Mahoney Sabol has done a thorough job for MIRA and are also very reasonably priced. They came in as the second lowest by only a fraction.

Mr. Daley said he is accepting the evaluation committee's recommendation and would request the Finance Committee to do the same.

The motion previously made and seconded was approved.

3. Discussion-Insurance Renewals for FY 2019.

Mr. Daley said this discussion is in regards to our insurance renewal process and Thomas Edstrom our Risk Manager has been working on MIRA's July 1, 2018 insurance renewals and is expecting final recommendations at the June Finance Committee meeting.

Mr. Edstrom said MIRA is currently looking at coverage period July 1, 2018- July 1, 2019, which will include six lines of coverage: Auto, GL, Umbrella, Public officials, Property and Workers Compensation. All of the applications for renewal have been submitted. MIRA is currently waiting on Beecher Carlson to go out in the market and finalize on the bids that are available. Beecher Carlson will provide a final quote and present at the June Finance meeting.

Mr. Edstrom said there are few changes in coverage compare to last year. There are fewer autos which will save MIRA some money. There is less production in the plant which will affect the GL; the payroll is smaller which will affect workers compensation. The property evaluation has gone up by \$5 million which will affect the premium. The biggest increase we will see is due to diversion cost. Diversion cost has been increased because the T&D cost of diverted tonnage will go up so the amount of coverage MIRA is seeking will go up. In addition the catastrophic loss has gone up as well so that will affect the premium increase.

4. Discussion-Informational

Mr. Daley reviewed the informational reports through February 28, 2018 with the Committee. Mr. Daley said MIRA's total personnel services are currently 11% (\$334,000) under budget year to date. The Authority Budget is 16% (\$387,000) under budget year to date.

Mr. Daley said that Property Division generated operating income of \$1.06 million which is 19% above budget. Year to date income is \$8.6 million or 16% above budget.

Mr. Daley said CSWS was well below budgeted income for the month of February. CSWS operating income was \$608,000 which is 44% below budget. CSWS year to date income is \$120,000 or 4% under budget.

Mr. Daley said that the CSWS energy price was an issue in February as our average price was just over 4.0 cents per kilowatt hour which was 28% below the budgeted price of 5.7 cents.

Mr. Daley said that energy production was 3.4 million kwh (12%) under budget in February. Overall boiler availability was 84.3% compared to budget availability of 85.2%. Turbine availability was 95.3% compared to 100% budget.

Furthermore, waste deliveries were 16% under budget and we had to divert 593 tons at an average price of \$79.06 per ton excluding transportation.

Director Shanley asked if the diverted waste is counted as delivered waste.

Mr. Daley replied yes the diverted waste is counted as delivered waste.

Mr. Daley said Recycling and Metal sales looked very good relative to budget in the month of February. Recycling facility revenues were 42% above budget in the month of February. Metal sales were 130% above budget in the month of February.

In terms of cash flow, Property Division generated sufficient receipts to transfer \$850,000 to the Tip Fee Stabilization Fund. However, CSWS required a draw of \$2.8 million to complete distributions to the CSWS Operating and Improvement funds.

ADJOURNMENT

Committee Chairman requested a motion to adjourn the meeting, which was made by Director Hayden and seconded by Director Painter.

The meeting was adjourned at 10:07 a.m.

Respectfully submitted,

Kanchan Arora
Board Administrator/General Accountant