

**Finance Committee  
June 3, 2020  
Regular Telephonic Minutes**

A Regular Telephonic Meeting of the Finance Committee of the Materials Innovation and Recycling Authority was held on June 3, 2020. Present via video or audio conferencing were:

Members Present:

Scott Shanley  
Carl Fortuna  
Jim Hayden

MIRA Staff Present:

Tom Kirk, President  
Mark Daley, Chief Financial Officer  
Peter Egan, Director of Operations & Environmental  
Affairs  
Laurie Hunt, Director of Legal Services  
Jeffrey Duvall, Director of Budgets and Forecasting  
Cheryl Kaminsky, Manager of Accounting & Financial  
Reporting  
Thomas Edstrom, Risk Manager

Public Present:

Mary Leighton, Beecher Carlson  
Susan Garrard, Beecher Carlson  
Courtney Cassidy, Beecher Carlson  
Chris Bates, Beecher Carlson

**PUBLIC COMMENT**

Committee Chairman Shanley called the meeting to order at 9:30 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 May 6, 2020, Finance Committee Meeting.**

Committee Chairman Shanley requested a motion to accept the minutes of the May 6, 2020 Finance Committee meeting. The motion to approve the minutes was made by Director Hayden and seconded by Director Fortuna.

The motion to accept the minutes was approved.

**2. Review and Approve Draft Resolution Regarding Insurance Coverage Renewing July 1, 2020, presented by Beecher Carlson.**

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

**WHEREAS,** The Materials Innovation and Recycling Authority (MIRA) insurance coverage for Auto, General Liability, Public Officials, Umbrella, Workers Compensation, Pollution, Crime and Fiduciary will expire on June 30, 2020.

**NOW THEREFORE, be it**

**RESOLVED:** That MIRA purchase new insurance coverage for Auto, General Liability, Public Officials, Umbrella, Workers Compensation, Pollution, Crime and Fiduciary according to the recommended options from its broker, Beecher Carlson, as presented and discussed in this meeting ; and

**FURTHER RESOLVED:** That MIRA finance its premium over a ten month period.

Beecher Carlson did a brief presentation for the Finance Committee explaining all the details of the insurance coverage for the upcoming year.

Mr. Daley said Thomas Edstrom and Beecher Carlson have been working on our Insurance coverages that renew July 1st, 2020. These coverages are listed in the draft resolution included in the Finance package and include everything except Property. Mr. Daley said he has distributed the renewal package received yesterday for all lines except pollution. A pollution proposal was received this morning and distributed but must still be reviewed. Overall, other than pollution, we have about a \$43,000 increase in premium for these policies (16%). We will be doing additional budget evaluation and will have an assessment ready for the BOD meeting. The Committee, MIRA and Beecher Carlson representatives discussed the status, cost and term of the pollution coverage renewal and impact on the draft resolution.

Director Hayden moved that the resolution be sent forward to the full Board pending further investigation of the pollution coverage. The motion was seconded by Director Fortuna. The motion was approved.

### 3. DISCUSSION

Mr. Daley reviewed the informational reports through April 30, 2020 with the Committee. Mr. Daley said the Authority budget for personnel and non-personnel services has a year-to-date favorable variance of \$301,000, or 11%.

Mr. Daley said that the Property Division generated \$996,000 in operating income in the month of April 2020, which is on budget. Year-to-date Property Division income is \$10.1 million which is \$855,000, or 9.2%, above budget.

Mr. Daley said CSWS generated \$5.09 million in operating revenue in the month of April, which was 10% below budget. Year-to-date CSWS operating revenue is 12% below budget. CSWS operating expenses totaled \$4.34 million, which was 4% below budget, in April 2020. Accrued expenses are 7% under budget year-to-date. CSWS has generated \$2.11 million in operating income year-to-date, which is \$3.1 million under budget before prior year cost recovery. MIRA received 43,937 tons of waste in April 2020, which is 5.5% greater than last month, but 8.9% under budget. Delivery shortfalls are concentrated in higher priced non participating deliveries to Transfer Stations. CSWS generated 20mm kWh of energy in April 2020, which is 16% below budget. Year-to-date generation is 5.9% under budget.

Mr. Daley said that overall, the plant ran as a two boiler and one turbine operation for 15 out of 30 days in April. The remaining 15 days were less than two boilers.

Recycling Facility revenues were 26% above budget in April 2020, mostly due to increased tonnage and the price of CSWS- sourced container sales.

Metal Sales took a step backwards from last month. They were 47% under budget due to a sharp drop in pricing.

In terms of cash flow, the Property Division generated sufficient cash to transfer \$610,000 to the Tip Fee Stabilization fund. This brings year-to-date distributions to \$9.31 million relative to the increased cap of \$9.6 million.

Mr. Daley informed the Committee that later today we will be having our audit meeting with Mahoney Sabol. They have been doing field work and we will now be discussing schedules and steps for the final audit. The absence of a redevelopment program will require us to look at requirements for decommissioning the plant. I expect this to be an area of focus in the audit.

### EXECUTIVE SESSION

Committee Chairman Shanley requested a motion to go into Executive Session to discuss pending litigation and pending RFP responses, trade secrets, personnel matters, security matters and feasibility estimates and evaluations. The motion was made by Director Hayden and seconded by Director Fortuna. The motion was approved.

Committee Chairman Shanley requested that the following people remain for the Executive Session in addition to the Committee members:

Tom Kirk  
Mark Daley  
Peter Egan  
Laurie Hunt

The Executive Session commenced at 10:00 a.m. and concluded at 10:15 a.m.

### ADJOURNMENT

Committee Chairman Shanley noted that no votes were taken in Executive Session and adjourned the meeting at 10:18 a.m.

Respectfully submitted,

Kanchan Arora  
Consultant