



VIRTUAL FINANCE COMMITTEE MEETING

Monday, July 19, 2021 @ 5:00-5:30 PM

<https://global.gotomeeting.com/join/205333645>

Teleconference Dial-in: Toll-free +1 (571) 317-3122; Access Code-205-333-645#

Full Meeting Minutes

Attendees

Robert Barocas	Chairman - Finance Committee (not present)
Monica DiCostanzo	Acting Vice Chairman, Finance Committee (not present)
Sandy Dennies	Director of Administration, SWPCA Bd Member
Mark McGrath	Director of Operations, SWPCA Bd Member
David Mannis	SWPCA Board Member
William Brink	Executive Director, WPCA
Rhudean Bull	Administration Manager, WPCA
Mark Turndahl	Accountant, WPCA
David Yanik	City of Stamford Controller
Ed Kelly	Chairman – WPCA Board
John Mastracchio	Attorney – Ackerly and Ward
Adam Perlaky	Member at large
Steve Bagwin	Member at large

1. Call to Order and Roll Call

In the absence of R. Barocas, E. Kelly called the meeting to order at 5:05 pm. A quorum was present.

2. Approval of the June 21, 2021 Finance Committee Meeting Minutes

The June 21, 2021 meeting minutes were approved.

3. June 2021 financial update & update on receivables/arrears (Mark T)

M. Turndahl provided the June 2021 accounts receivable balance update: Sewer use receivable balance was \$2.936 million down from June 2020 balance of \$3.618 million, over \$12 thousand was applied to the oldest receivables and the average collection rate for 2021 was 98.35%, down from 98.92% reported for May 2020. Sewer use and sewer connection and assessment cash collections through June 2021 was ahead of the previous June by \$2.78 million. He then provided details to the June 2021 Income Statement reporting a net income of \$5.8 million, ahead of budget by \$6.7 million, a pooled cash balance of \$15.5 million and a reserve account of \$13.7 million.

4. FY 2021 year-end close and Auditors year-end audit plan (David Yanik)

D. Yanik provided an overview of the year-end close and audit plan. He stated that the auditors have begun their preliminary work and will return to complete the audit in

September. M. Turndahl stated that he is working on the requested schedules and posting them on the shared drive when completed.

5. Moody's Investor Services – recap issuer annual comment on SWPCA (Sandy Dennies/Bill Brink)

S. Dennies reported that the Moody's Issuer Comment on the SWPCA financial strength was solid with an excellent days cash on hand of 828 days however the debt to operating revenues was elevated at 3.2x and the annual debt service coverage was narrow at 1.1x. She went on to explain that these issues can be explained and will be pursued at the next new bond issuance.

6. Analysis on use of fees for Customer payments (R. Bull)

R. Bull reported that Invoice Cloud finally provided pricing of their product at a meeting held the previous week. She reported that their prices exceed MCC pricing that the WPCA currently receives and that the Invoice Cloud Rep stated that the trend shows that credit card prices are increasing. She stated that the WPCA Administration recommends that since MCC is an Invoice Cloud company, our current rates are competitive and MCC provides good service, the WPCA should not continue to pursue alternate credit card servicing companies. The Committee agreed.

7. Old Business

None

8. New Business

W. Brink presented the *Rate Setting Model* for the FY 22 sewer use rate. He noted that the \$5.26 per CCF rate – a \$0.10 increase - was arrived at using the 2022 Administrative Budget adjusted for additional revenues to reach a 1.15 debt service coverage (\$616,500), a reduction in expected Nitrogen Credit revenues (\$300,000), the expectation of receiving \$0.00 interest income (\$75,000) and raising the collection rate from the 2021 rate of 95% to 97%. After a discussion, the Committee agreed to present the rate to the Full Board for a vote and adoption.

9. Adjournment

The meeting ended at 5:27 PM