

Finance Committee
UCRRA Office, 6PM
April 15, 2024

Committee Members Present: Regis Obijiski, Chair; David Gilmour, Donna Egan (participated remotely via Zoom)

UCRRA Board Members In attendance: Andrew Ghiorse

UCRRA Staff: Marc Rider, Executive Director; Tim DeGraff, UCRRA Director of Finance and Administration.

Members of the Public in attendance: None.

Roll Call was taken by Chair Obijiski. Quorum was acknowledged.

Meeting was called to order at 6:04PM by Chair Obijiski

Pledge of Allegiance

Public Comment: None

Approval of Minutes: Finance Committee, March 18, 2024

- Correction on page 3 of 4 under “Discussion”: 3rd bullet, “David Gilmour (not Gordon) asked if we have CDs.”
- Modification on page 3 of 4 under “Discussion”: 6th bullet should be reworded as follows: “David Gilmour suggested that UCRRA’s investment policy should be reviewed at the next Finance Committee meeting because the Finance Committee’s approved Charter states that this committee has the responsibility to review and approve the Agency’s investments.”
- David Gilmour advanced a Motion to approve the March 18, 2024 Finance Committee Minutes; Regis Obijiski seconded the Motion. Motion to Approve passed by majority vote: David Gilmour “aye,” Regis Obijiski, “aye,”; Donna Egan was unable to vote because she participated via Zoom.

Administrative Matters: None

Old Business: None

New Business:

- 1) Agency Investments and Investment Policy
- 2) General discussion of retirement benefits for UCRRA Employees, proposed by Marc Rider, Executive Director
- 3) Marc Rider:
 - Reintroduction of an Administrative Assistant Position;
 - a replacement of the agency’s Attorney due to retirement;
 - an introduction of a part-time solid waste Performance Manager position.

- UCRRA's future contract with Ulster County (executive session)
- 4) Discussion of UCRRA's contract renewal with Ulster County commencing March 2025 (reserved for the Executive Session)

Agency Investments / Policy, Auditors Involvement, ABO Reporting, NYS Law Documents Pertaining to Agency Investments were reviewed:

1. Independent CPA Audit, EFPR Group, report on Investments, March 21, 2014
 - a. Examined UCRRA investments as compliant with Section 201.3 of Title Two of the Official Compilation of Codes, Rules and Regulations of New York State for fiscal year ending December 31, 2023
 - b. Results: "In our opinion, the agency complied, in all material respects, with the investment guidelines for the year ended December 31, 2023."
2. UCRRA Report on the 2023 investment activity
 - a. Objectives of the Agency's Investment Policy
 - i. To minimize risk;
 - ii. To ensure that investments mature when the cash is required to finance operations;
 - iii. To ensure a competitive rate of return; and
 - iv. To comply with the law.
 - b. Investments held by Wilmington Trust
 - c. Salomon Smith Barney (Morgan Stanley?) GIC: Guaranteed Investment Certificates for "part of" the reserve accts.
 - d.

<u>Account Name</u>	<u>Balance 1/1/2023</u>	<u>Balance 12/31/2023</u>	<u>Change in Value</u>
2002 Debt Reserve Fund	\$3,563,096	\$3,726,397	\$163,310
2000 Debt Reserve Fund	<u>\$251,124</u>	<u>\$262,582</u>	<u>\$11,458</u>
TOTALS	\$3,814,220	\$3,988,979	\$174,768.....
3. PARIS (Public Authorities Reporting Information)
 - a. Investment Report filed 3/25/24
 - b. Reported that Independent auditor did not issue a management letter
4. ABO Policy Guidance on Investments, based on Public Authorities Law Section 2925.
 - a. Agency must include results of the Annual independent audit of all investments.
 - b. List of permitted investments, fees, commissions
 - c. Steps to safeguard any investments
 - d. Methods to standardize the qualifications of investment bankers or advisers
5. Copy of the NY Code, Rules and Regulations (NYCRR) 201.3, Investment Guidelines for Public Authorities;
 - a. Requires the Agency's auditor to review the agency's policies and practices and ensure that we are following the same;
 - b. Assuring that the Agency follows a set of prudent procedures;
 - c. Assuring that the investment assets are adequately safeguarded and collateralized;
 - d. Assuring a system of internal controls;

- e. Investment policies
 - i. Agency must have an investment policy approved by the governing body.
 - ii. Investment policy must be reviewed at least annually.
 - iii. The primary investment objective is the protection of the principal, has internal control structures in place to prevent loss, theft, misuse, or collusion.
 - iv. Ensure a separation of duties in accounting and record-keeping.
 - v. Ensure a selection of investment firms from an approved list.
 - vi. The Agency should have investment guidelines that provide for procedures, contracts, collateralization that provide for amounts over FDIC coverage, valuation monitoring.
 - f. Since, “ultimately, the governing body is ultimately responsible for the management and safeguarding of all the public authority assets entrusted in its care,”
 - i. There should be “quarterly reporting to the governing body on the investment program operations.”
 - ii. “Custodians must have prior authorization from the agency to deliver obligations and collateral.”
 - iii. There should be monthly verifications of principal amounts and market values of all investments.
 - iv. Repurchase agreements shall be purchased only from banks or trust companies authorized to do business in New York.
6. Investment Policy of UCRRA (circa 1994)
- a. This policy mimics the State law and reads a more like a legal treatise than a policy; however, most of the right stuff seems to be there.
 - b. It appears to be a little out of date in that it names the Treasurer as the principal party to manage the investments, even though it does mention “designee.” It does not mention the agency’s Director of Finance.
 - c. The agency can “live with” this policy for the present time, but it may be useful to update it in a year or so.

UCRRA’s Finance Committee commended Tim DeGraff, Director of Finance and Administration, for his transparent and punctilious work to invest wisely, lawfully, and effectively (minimizing risk, ensuring a competitive rate of return, and ensuring that investments mature when the cash is required).

Since the investment policy of the Agency is closely tied to the investments needed to pay off a long-term bond gradually through March 2025, the Finance Committee is unwilling to recommend any changes to the current investment policy.

- **Motion** made by David Gilmour to leave the current policy unchanged but review it again at the UCRRA Reorganization Board Meeting in January 2025 when ABO Law requires such a review.
- **Motion seconded** by Regis Obijiski
- **Vote passes by a Majority:** David Gilmour “aye”; Regis Obijiski “aye”; Donna Egan was unable to vote because she participated in the meeting via Zoom.

Discussion of Retirement Healthcare Benefits for UCRRA Employees and new Agency positions

Marc Rider raised the issue of improving retirement healthcare benefits for employees for reasons of encouraging retention rates, being competitive with certain municipalities in the county, and enabling recruitment efforts in a climate of an ever-diminishing workforce pool. Marc Rider did not have specific financial impacts to the up-coming budget but he will generate these impacts for a fuller discussion at the June 10, 2024 Finance Committee Meeting and at June 20, 2024 Regular Board Meeting.

Marc Rider also discussed the re-introduction of an Administrative Assistant position to replace the Receptionist position, the hiring of an Agency Attorney who would transition with the current attorney, and the hiring of a part-time solid waste Performance Manager's position who would set up and manage Key Performance Indicators (KPI) which would track quantifiable measurements related to the Agency's 10-year plan as well as measure the Agency' success relative to peer and industry standards of excellence. This person would also assume others duties such as managing grants for capital projects.

Future Agenda Items for the UCRRA Finance Committee

Capital Improvement Plan and Reserve Policy and
Retirement Healthcare Benefits for the June 10, 2024 Committee Meeting

Executive Session: General discussion to prepare the Agency for a March 2025 renewal contract with the County.

Exited Executive Session at 7:53 PM and immediately returned to the open Finance Committee Meeting.

Motion to Adjourn the Finance Committee was made by David Gilmour and seconded by Regis Obijiski.

Vote passed by majority: David Gilmour "aye"; Regis Obijiski "aye." Donna Egan was unable to vote due to her participation via Zoom. Adjournment 7:54 PM.