

MINUTES OF THE JANUARY 14, 2009
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
NEW HAVEN SOLID WASTE AND RECYCLING AUTHORITY

A Regular Meeting of the New Haven Solid Waste and Recycling Authority (the “Authority”) was held on January 14, 2009, at 6:30 P.M. at New Haven City Hall, 165 Church Street, 2nd Floor, Meeting Room #1, New Haven, Connecticut 06510.

Chairman Dolan called the meeting to order at 6:30 p.m.

Directors present: Dolan, Antunes, Ciarlone, Lemar and Walker
Also present: Jackie Bishop, Secretary of the Authority
John Prokop, Director of the Department of Public Works of the City of
New Haven & Executive Director of the Authority
Lawrence D. Rusconi, Director – Office of Management and Budget
Mark Pietrosimone, City Controller
Carleen LaFitte – Treasurer to the Authority
Gina Defilio and Kristine Carling – McGladrey & Pullen, LLP
Nimesh Patel, Counsel to the Authority

1. Approval of the minutes of the December 10, 2008 Regular Meeting of the Board.

RESOLVED: A motion was made by Tony Ciarlone to approve the minutes of the December 10, 2008 Regular Meeting of the Board.

Gerald Antunes seconded the motion.

Voice Vote: Unanimous.

<u>AYES</u>	<u>NAYES</u>	<u>ABSTENTIONS</u>
Antunes		
Ciarlone		
Dolan		
Lemar		
Walker		

A copy of the approved minutes of the December 10, 2008 Regular Meeting of the Board is attached hereto.

2. Election of the Chairman of the Board and Vice Chairman of the Board.

Joe Dolan opened nominations for Chairman of the Board. Tony Ciarlone nominated Joe Dolan to be re-elected as Chairman of the Board, Anika Lemar seconded the motion. There being no further nominations, Tony Ciarlone motioned that the nominations be closed. Gerald Antunes seconded the motion. The nominations were closed.

RESOLVED: A motion was made by Tony Ciarlone to re-elect Joe Dolan as Chairman of the Board.

Anika Lemar seconded the motion.

Voice Vote: Four “Ayes”
One “Abstention”

<u>AYES</u>	<u>NAYES</u>	<u>ABSTENTIONS</u>
Antunes Ciarlone		Dolan
Lemar Walker		

Joe Dolan opened nominations for Vice Chairman of the Board. Joe Dolan nominated Don Walker to be re-elected as Vice Chairman of the Board, Anika Lemar seconded the motion. There being no further nominations, Tony Ciarlone motioned that the nominations be closed. Gerald Antunes seconded the motion. The nominations were closed.

RESOLVED: A motion was made by Joe Dolan to re-elect Don Walker as Vice Chairman of the Board.

Anika Lemar seconded the motion.

Voice Vote: Four “Ayes”
One “Abstention”

<u>AYES</u>	<u>NAYES</u>	<u>ABSTENTIONS</u>
Antunes Ciarlone Dolan Lemar		Walker

3. Appointment of the Secretary and Treasurer.

Joe Dolan opened nominations for Secretary of the Authority. Don Walker nominated Jackie Bishop to be re-appointed as Secretary of the Authority, Tony Ciarlone seconded the motion. There being no further nominations, Joe Dolan motioned that the nominations be closed. Anika Lemar seconded the motion. The nominations were closed.

RESOLVED: A motion was made by Don Walker to re-appoint Jackie Bishop as Secretary of the Authority.

Tony Ciarlone seconded the motion.

Voice Vote: Unanimous

<u>AYES</u>	<u>NAYES</u>	<u>ABSTENTIONS</u>
Antunes Ciarlone Dolan		

Lemar
Walker

Joe Dolan opened nominations for Treasurer of the Authority. Joe Dolan nominated Carleen LaFitte to be re-appointed as Treasurer of the Authority, Tony Ciarlone seconded the motion. There being no further nominations, Tony Ciarlone motioned that the nominations be closed. Joe Dolan seconded the motion. The nominations were closed.==

RESOLVED: A motion was made by Joe Dolan to re-appoint Carleen LaFitte as Treasurer of the Authority.

Tony Ciarlone seconded the motion.

Voice Vote: Unanimous

<u>AYES</u>	<u>NAYES</u>	<u>ABSTENTIONS</u>
Antunes		
Ciarlone		
Dolan		
Lemar		
Walker		

4. Audit Presentation – McGladrey & Pullen, LLP

Gina Defilio and Kristine Carling from the Accounting Firm of McGladrey & Pullen, LLP (the independent auditor for the Authority) presented the results of the audit of the New Haven Solid Waste and Recycling Authority from the inception date of March 24, 2008 to the period ending June 30, 2008. The result of McGladrey and Pullen, LLP's audit was the issuance of an unqualified opinion.

Joe Dolan stated that there were legal costs before and after, that weren't necessarily related to the bond. He asked if they should be amortized.

Kristine Carling stated that they could be, but that she wasn't sure how much they were.

Joe Dolan asked if the legal costs that were related to the creation of the Authority, did the City pay for them.

Kristine Carling stated that the City paid the fees out of the Enterprise Fund. Mark Pietrosimone stated that he would be explaining these transactions in his presentation of the Statement of Activity.

Tony Ciarlone asked if going forward the Board will be receiving on a regular basis an operations statement. Mark Pietrosimone stated that the statements will be prepared and distributed quarterly and then at some point in the future as the process of preparing the statements become more streamlined, they could be done on a monthly basis.

5. Statement of Activity.

A presentation was made to Board by Mark Pietrosimone, City Controller and Carlene LaFitte, Treasurer to the Authority.

Mark stated that the Authority's financial information has been maintained through the City's MUNIS Financial System. He prepared a statement that will reflect revenue and expenses and how it relates to the budget. Mark also stated that he and also the Treasurer will be working with McGladrey & Pullen, LLP to find the best way to present them to the Board. An example of the transactions would be depreciation expense, the cost of the issuance and project construction.

The first two pages of the report is a statement of activity of the Authority's expenses and revenues. The second page is revenue that has come into the Authority. The last page of the report is a summary of how revenues and expenses are going to match against the budget and what adjustments to the budget that will need to be made going forward relative to this fiscal year and also to set the budget for the following fiscal year. Mark also stated they would be working with McGladrey & Pullen, LLP on how the proper accounting of the expenses should be reported.

Joe Dolan noted the total on projected expenditures is incorrect. Mark stated there was a formula error and that it would be corrected.

Joe Dolan also asked what is the project construction cost?

Carleen LaFitte stated that there were 2 invoices payable to Robinson and Cole. The invoices are paid through the authorized certificates of disbursements and were paid by the Trustee.

Anika Lemar asked if contractual services would be the Authority's agreement with the City.

Mark answered that line would be the Swirsky contracts and some Robinson & Cole charges. There were some other miscellaneous charges such as food and Fed Ex, and also Marshall Sterling for insurance. There were charges that were associated with the cost of issuance that the Treasurer would like to talk to McGladrey & Pullen about to find the proper accounting procedure.

Anika Lemar asked if the Board should be concerned that they have almost spent what was budgeted for this fiscal year.

Mark Pietrosimone stated that those initial costs and what is currently being spent will not exceed what is budgeted because the major expenditures have already been recognized.

Joe Dolan asked if the budget is prepared on a cash or accrual basis?

Mark stated that the actual expenses are on cash disbursement.

Joe Dolan stated the budget was prepared on an accrual basis but the expenditures are being reported instead of expenses. For example, the issuance costs, wouldn't they also be amortized over the span of the Bonds?

Mark stated that he is aware they are not being treated correctly.

Joe Dolan stated it would 250, right?

Carleen stated yes, both.

Mark wants to talk to McGladrey & Pullen about how to properly reflect them on the reports. Gina DeFilio has agreed to meet with Carleen on a monthly basis to provide guidance on proper reporting.

Joe Dolan asked does the City get reimbursed for the Treasurer's and Secretary's time.

Mark stated that is not being done yet. Mark wanted to do the reimbursement at year-end.

Joe Dolan felt that could potentially be a sizeable amount of money and if the reports are being prepared on an accrual basis, you will have to book them either way.

Mark stated when the budget was originally set up, we didn't know the contract rates that were going to be charged from January through June of 2009, and so we would have to adjust the budget at that time.

Joe Dolan stated he does not want to amend the budget. Leave the budget the way it is and record the expenses as they actually are.

Mark agreed and this will be done.

Don Walker asked if the same thing applies to the revenue column?

Mark stated the total revenues column is the revenues that we received. The projected revenues column is what we're expecting to end up with at the end of the year.

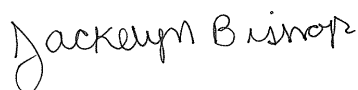
Joe Dolan suggested that going forward the reporting should be on a full accrual basis. The Board agreed and will be done going forward.

6. Public Comments

David Swirksy commented on the current status of the recycling industry.

The meeting was adjourned at 8:00 p.m.

Respectfully submitted,



Jackelyn Bishop