

**GREATER NEW BEDFORD REGIONAL REFUSE MANAGEMENT DISTRICT
DISTRICT MEETING – November 19, 2019**

Minutes

The Greater New Bedford Regional Refuse Management District Committee held a publicly posted meeting on **Tuesday, November 19, 2019, at 8:00 AM** at the Dartmouth Town Hall, Room 305, 400 Slocum Road, Dartmouth, MA.

District Committee Members in attendance: Chairperson, John Beauregard; Daniel Patten, Christine LeBlanc, Kathleen Towers, Ken Blanchard.

Also present: Scott Alfonse, Executive Director; Leonor Ferreira, Secretary; Attorney Matthew J. Thomas, District Counsel; Cynthia Cammarata, District Accountant; Mary Sahady and Andrew Lima; Hague, Sahady & Co., P.C. representatives

1. Call to order by Chairperson John Beauregard; roll call of members

Chairperson Beauregard called the meeting to order at 8:03 AM.

2. Salute to the Flag

All in attendance stood to salute the flag.

3. Legal Notices

Mr. Beauregard read the notice advising the Board that the meeting may be recorded by audio and/or video, and noted that the legal notices of the meeting were posted more than 48 hours prior to the meeting.

4. Warrant Report and Ratification

Chairperson Beauregard asked for a motion to ratify the October 21, 2019 and November 8, 2019 warrants. Motion made by Ms. LeBlanc, seconded by Mr. Patten. Vote 5-0.

5. Approval of Minutes

Chairperson Beauregard asked for a motion to approve the October 22, 2019 minutes. Motion made by Mr. Patten, seconded by Mr. Blanchard. Vote 5-0.

6. Old Business

a. Trust Funds Update

Item tabled for the next meeting.

7. New Business

a. FY 2019 Audit presentation by representatives of Hague, Sahady & Co.

Chairperson Beauregard asked for a motion to receive the Greater New Bedford Regional Refuse Management District Financial Statements for Year Ended June 30, 2019. Motion made by Ms. LeBlanc, seconded by Mr. Patten.

Andrew Lima presented the audited financial statements prepared by Hague, Sahady & Company for fiscal year 2019 ending June 30, 2019. He referred to the Opinion Letter and noted that weren't any findings to report. Mr. Lima then discussed in detail the various sections of the audit highlighting the OPEB and Net Position liabilities.

Mr. Beauregard questioned why the OPEB Trust fund wouldn't be 100% funded vs the 205% funded as listed in the Management Discussion and Analysis on page 3. Mr. Lima explained that it was due to asset growth. The estimate of the liability is based on the landfill end of life. Mr. Alfonse explained that a computer model is used to estimate the OPEB liability, and that the District is looking to obtain an actuary to review all of the calculations which would be beneficial to the District to ensure that the liability is accurate. The District will put out a solicitation for quotes. It was agreed that for budget purposes, no further deposits into OPEB are required. Ms. Sahady stated that if the OPEB continues to be overfunded she suggested that retiree health care costs could be paid out of OPEB; however, Mr. Alfonse noted that the District is not under any obligation to pay the retiree costs out OPEB.

Mr. Beauregard noted that on page 13 under "operating revenue", the line item for "landfill gas revenue" had decreased. Mr. Alfonse noted this was due to landfill capping which reduces gas generation due to slow decomposition.

In response to Mr. Lima's comments on page 17 "Change in net position" for OPEB which is \$309,833, Mrs. Cammarata noted that retiree health care costs were approximately \$33,000. Mr. Patten questioned if the District was required to leave the "investment income" on the account. Mr. Lima said yes.

Mr. Lima referred to page 32, "Pension Plan", and noted the District's proportion percentage was .87%. He explained that state law requires that pension plan be fully funded by 2040. Attorney Thomas questioned that should the District have the funds, if it could establish a trust fund for its pension liability to fund its employees. It was noted that the pension liability is a shared cost liability between the Refuse District, the City of New Bedford, New Bedford Housing Authority, Greater NB Regional Voc. Tech HS, and Southeastern Regional Transit Authority (SRTA); therefore, any change in the current pension liability plan would shift the cost to the City of New Bedford and the other employers. Mr. Patten clarified that the pension liability assessment is based on active employees.

Mr. Lima referred then referred to the "Supplementary Information" on page 49, and noted the amount available for the fiscal year 2019 reconciliation which is \$1,745,202.

Ms. Sahady noted that for FY 2021 there will be changes in "lease" requirements, and suggested that District staff reach out to Mr. Lima to understand those standards. This will affect leases that the District holds for rental properties, cranberry bogs, and gas-to-energy lease. Mr. Lima and Ms. Sahady concluded the presentation.

Mr. Beauregard asked for an overall assessment of the District's management of its finances. Ms. Sahady noted that the District's financial management duties are performed very well.

Ms. Sahady, Mr. Lima and Mrs. Cammarata left at 8:46 a.m.

Motion to receive and place on file made by Mr. Patten, seconded by Mr. Blanchard. Vote 5-0.

b. FY 2019 reconciliation and discussion of District reserves.

Chairperson Beauregard asked for a motion to discuss the District reserve accounts and the FY 2019 Reconciliation. Motion made by Ms. LeBlanc, seconded by Mr. Patten. Vote 5-0.

Mr. Alfonse reviewed contents of the memo, specifically the proposed deposits to reserve, and discussed some factors influencing the outcome. He noted the excess of revenues over expenses was \$1,745,202 available for deposits into reserves.

Attorney Thomas noted that the District consider establishing a trust fund for the "Future Solid Waste Management Reserve Fund". The board will consider a trust fund, but that will be discussed at a later date.

Mr. Alfonse noted the "FY 2019 Community Tonnage & Assessments" and informed the committee that as part of the reconciliation process, appropriation of funds must be made to reserves using FY 2019 revenue. Dartmouth has a credit of \$9,518 and New Bedford has a debit of \$9,518. This will be applied to their FY 2021 assessment.

Chairperson Beauregard asked for a motion to authorize the Treasurer to certify the Fiscal Year 2019 Reconciliation and approve the transfer of the following FY 2019 revenue into the following reserve funds:

\$500,000 into Environmental Contingency Trust Fund

\$250,000 into Equipment Reserve Fund

\$495,202 into Future Solid Waste Management Reserve Fund

\$500,000 into Phase 2 Construction / Design Fund

Motion made by Ms. LeBlanc, seconded by Ms. Towers. Vote 5-0.

c. Discuss of FY 2021 budget preparation & subcommittees to review draft budgets.

Chairperson Beauregard asked for a motion to discuss the FY 2021 budget process. Motion made by Mr. Patten, seconded by Mr. Blanchard.

Mr. Alfonse reviewed the memo and noted the two (2) subcommittees with their respective members.

He asked if there were any proposed revisions, and the board agreed to move forward with the existing subcommittees.

d. Proposed Amendment to FY 2020 Engineering Services Contract

Chairperson Beauregard asked for a motion to discuss the FY 2020 Engineering Services Contract. Motion made by Ms. LeBlanc, seconded by Mr. Patten.

Mr. Alfonse reviewed memo and noted that as of October 31, 2019 the District has exhausted the \$35,000 allocated for engineering services in the Brown and Caldwell contract, and he listed the factors contributing to the increase.

After some discussion the board decided that the engineering contract should be increased to \$65,000 which is what the budget line item is budgeted for.

Motion to accept the recommendation that the District Committee amend the Agreement to Provide Inspection, Reporting and General Engineering Services with Brown and Caldwell by increasing the Total Price for General Engineering to \$65,000 and the total price of the Agreement to \$91,900 (a total increase of \$30,000). Motion made by Mr. Patten, seconded by Ms. LeBlanc. Vote 5-0.

e. Director's Report

Chairperson Beauregard asked for a motion to receive and place on file the Director's Report. Motion made by Ms. LeBlanc, seconded by Mr. Blanchard.

Mr. Alfonse mentioned the efforts on the Health and Safety training for the landfill personnel.

Mr. Beauregard questioned if there was an issue with the Freetown taxes. Mr. Alfonse provided an explanation and noted that he and Attorney Matt Thomas were scheduled to meet with the Freetown Board of Assessors on December 18, 2019.

f. Items which could not have been reasonably anticipated 48 hours in advance.

8. Set date for next meeting.

Next Board meeting is scheduled for Tuesday, December 10, 2019 at 8:00 a.m.

9. Adjourn

Chairperson asked for a motion to adjourn. Motion made by Ms. LeBlanc, seconded by Mr. Patten. Vote 5-0.

Meeting adjourned at 9:18 a.m.

Approved by vote of District Committee on Tuesday, December 10, 2019.

Scott Alfonse, Executive Director

MEMOS

- 7 a. FY 19 Financial Statements dated 11/14/2019
- 7 b. Reserve Accounts / Fiscal Year 2019 Reconciliation dated 11/14/19
- 7 c. FY 2021 budget dated 11/14/19
- 7 d. Engineering services contract (for FY 2020) dated 11/14/2019
- 7 e. Director's Report dated 11/14/19