

Albany Municipal Water Finance Authority

Minutes of Meeting 12-18-2013 8:00 AM

Members in attendance: Gardner Lerner, Julia Cannizzaro, Rev. Ed Smart, Michael Hall & Gary Overdorf.

Also Present: William Kahn, UHY Advisors; Bob Hennes, Hugh Johnson Advisors, LLC; Dan Hershberg, PE engineering advisor; John Kosa, Albany Asst. Commissioner Water Dept.; Danuta Malina and Carol Williams with the Albany Water Department Accounting Dept..

Approval of Previous Minutes: Since the previous minutes from 9-12-13 were distributed prior to this meeting, Gary Overdorf made a motion to approve. Seconded by Rev. Smart and approved.

Treasurer Report:

Bob Hennes reported the Federal Reserve is maintaining its low interest rates on bonds so our income will remain with low interest return, but we are still in a very good financial position.

We received a report of the income & expenses for the year from Danuta Malina. Mike Hall questioned the amount of overtime expenses (99% of the budget & 8% over budget). John Kosa explained that due to the cold weather, there were numerous pipe ruptures that had to be fixed.

We also received a report that the City rollover would be higher than past year, estimated at \$10 million or higher.

Mike Hall brought a problem we have with our accounting firm , Teal, Becker & Chiarmonte CPA. TBC gave us a report at a previous meeting that was approved by the board and has been found to be erroneous. Bill Kahn said that when the City Auditor claimed that our financial numbers were wrong and that their numbers were correct., TBC decided to use the City's numbers. When Mike Hall brought it to TBC's attention and requested some action on their part, they sent a small note about how the mistake made was only a 5% miscalculation and was not a big deal. The 5% was on about \$30 million which brings it to a difference of \$1.5 million and all on the Authority Board agreed that this was not satisfactory. Rev. Smart asked that TBC should be held accountable and be forthright about their mistake. TBC declined to send a representative to our meeting, and all on the Authority think there should be an emergency joint meeting early next year to decide how we should proceed.

Cont'd on page 2

Capital Projects Report

Dan Hershberg reported on current and completed projects In the City.

Our backwater valve grant has been extended as open ended.

The Nano Tech Center has complained about the lack of water pressure at their facility. New pumps should be installed to correct the problem and bids have been received and are waiting for approval. Several projects have been cancelled to cover the cost for this. This is important because the Nano Tech facility is using about 300 million gallons of water per day.

OLD BUSINESS:

Nothing on the table

NEW BUSINESS:

Bill Kahn asked that we issue checks tor outstanding invoices due, and per the new “Policy Guidelines for the Board and Authority Expense Accounts” checks were issued.

Bill also gave us the proposed new budget for 2014. Rev. Smart made a motion to approve this and Gary Overdorf seconded. All voted yes.

A motion to adjourn was made by Gary Overdorf and seconded by Rev Smart at 9:35 AM.

Respectfully submitted,

Gary Overdorf