

HUDSON RIVER-BLACK RIVER REGULATING DISTRICT
FINANCE COMMITTEE MEETING

June 9, 2015

Inlet Town Office
160 Rt 28
Inlet, NY 13360

CALL TO ORDER

Committee Chairman Neddo called the meeting to order at 10:07 A.M.

ROLL CALL

Present: Committee Chairman Anthony M. Neddo; Board Chair and Committee Member Mark M. Finkle; Board Members Albert Hayes, David W. Berkstresser, Jeffrey Rosenthal and Robert A. Moore; Executive Director Michael A. Clark; General Counsel Robert P. Leslie; Chief Engineer Robert S. Foltan; Chief Fiscal Officer Richard J. Ferrara; Area Administrator John Hodgson and Compliance Officer Stephanie Ruzicky.

MOTION TO ADOPT COMMITTEE MEETING AGENDA

Committee Chairman Neddo asked for a motion to adopt the Committee's draft agenda. Mr. Finkle moved to adopt the Committee meeting agenda. Committee Chairman Neddo seconded it and the motion was unanimously approved.

APPROVAL OF May 12, 2015 FINANCE COMMITTEE MEETING MINUTES

A motion was made by Mr. Finkle to adopt the May 12, 2013 Finance Committee Meeting Minutes. Mr. Neddo seconded it and the motion was unanimously approved.

COMMITTEE BUSINESS

(1) New Business

(A) Motion to Advance to the full Board & Recommend Adoption of the July 1, 2015 through June 30, 2018 Regulating District Budget

Committee Chairman Anthony Neddo asked Mr. Ferrara to outline the changes, if any, to the proposed budget resulting from circumstances arising since the Committee's previous work session on the budget. Mr. Ferrara noted several changes to the proposed budget including the reduction of the Black River Area annual assessment by 1.65%, and the elimination of the 6th Lake reconstruction debt service in budget year 17-18. Mr. Ferrara provided a brief overview of the budget proposal. He noted that pursuant to the District's enabling legislation 15-2125, the Board is responsible for estimating an amount sufficient to pay the expense of maintenance and operation of the Regulating District and when determined, be fixed for a period of three (3) years. In addition, pursuant to Section 5 of Article 10 of the New York State Constitution, Article 9 of the Public Authorities Law and Section 8 (14) of the State Finance Law, the State

Comptroller adopted Regulation 2 NYCCR Part 203, “Budget and Financial Plan Format, Supporting Documentation and Monitoring – Public Authorities” which requires a fourth year proposed financial plan. Mr. Ferrara noted that pursuant to the Budget Development Schedule approved by the Board in December 2014, the Adoption of the 3 Year Budget is planned for the June 9, 2015 meeting. Committee Chair Neddo asked for clarification regarding the timing of FERC’s Order requiring the commencement of HWB payments and its impact on Hudson River Area Assessments. Mr. Clark and Mr. Ferrara addressed Mr. Neddo’s concerns. Mr. Ferrara recommended that the Committee advance the proposed budget for July 1, 2015 and ending June 30, 2018 and fourth year proposed financial plan to the full Board for their review and adoption by resolution. Mr. Clark concurred in Mr. Ferrara’s recommendation.

Mr. Finkle made a motion to advance to the full board & recommend adoption of the July 1, 2015 through June 30, 2018 Budget. Mr. Ferrara noted the Resolution also includes a fourth year financial plan. Mr. Finkle modified his motion to so reflect inclusion of the fourth year plan. Mr. Neddo seconded the revised motion which the Committee then unanimously approved.

(B) Resolution to Approve the Annual Assessment for the Operation and Maintenance of Storage Reservoirs in the Black River Area for the First Year (July 1, 2015 – June 30, 2016) of the Three Year Budget Period Beginning July 1, 2015

Mr. Ferrara presented Committee Chairman Neddo with a recommendation to approve the Annual Assessment for Storage Reservoirs in the Black River Area totaling \$1,151,618.00 for the first year of the Budget period beginning July 1, 2015.

Mr. Finkle made a motion to advance to the full board the Resolution to approve the annual assessment for the operation and maintenance of storage reservoirs in the Black River Area for the first year (July 1, 2015 – June 30, 2016) of the three year budget period beginning July 1, 2015. Committee Chairman Neddo seconded and the Committee adopted the motion by unanimous vote.

(C) Resolution to Approve the Annual Assessment for the Operation and Maintenance of Storage Reservoirs in the Hudson River Area for the First Year (July 1, 2015 – June 30, 2016) of the Three Year Budget Period Beginning July 1, 2015

Mr. Ferrara presented Committee Chairman Neddo with a recommendation to approve the Annual Assessment for Storage Reservoirs in the Hudson River Area totaling \$2,994,100.00 for the First year of the Budget period beginning July 1, 2015.

Mr. Finkle made a motion to advance to the full board the Resolution to approve the annual assessment for the operation and maintenance of storage reservoirs in the Hudson River Area for the first year (July 1, 2015 – June 30, 2016) of the three year budget period beginning July 1, 2015. Committee Chairman Neddo seconded and the Committee adopted the motion by unanimous vote.

(D) Resolution to Approve the State Share for the Operation and Maintenance Storage Reservoirs in the Hudson River Area for the First Year (July 1, 2015 – June 30, 2016) of the Three Year Budget Period Beginning July 1, 2015

Mr. Ferrara presented Committee Chairman Neddo with a recommendation to approve the State Share for the operation and maintenance of Storage Reservoirs in the Hudson River Area totaling \$853,278.00 for the first year of the Budget period beginning July 1, 2015.

Mr. Finkle made a motion to advance to the full board the Resolution to approve the State Share for the operation and maintenance of storage reservoirs in the Hudson River Area for the first year (July 1, 2015 – June 30, 2016) of the three year budget period beginning July 1, 2015. Committee Chairman Neddo seconded and the Committee adopted the motion by unanimous vote.

Old Business – None

ADJOURNMENT

There being no further business to come before the Finance Committee, Mr. Finkle moved to adjourn the meeting. Mr. Neddo seconded it. The motion was unanimously approved. The committee meeting adjourned at 10:30 A.M.

Respectfully submitted,

Richard J. Ferrara
Secretary/Treasurer

Mark M. Finkle
Chairman