

GREATER NEW BEDFORD REGIONAL REFUSE MANAGEMENT DISTRICT MEETING

Meeting Minutes

Thursday, November 19, 2020

1. Call to order

The Greater New Bedford Regional Refuse Management District Committee held a publicly posted meeting on **Thursday, November 19, 2020 at 8:00 AM.**

District Committee members participated remotely.

Chairperson Beauregard read the following statement: "Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, and the Governor's March 23, 2020 Order imposing strict limitations on the number of people that may gather in one place, as extended by the Governor's March 31, 2020 Order, this meeting of the Greater New Bedford Regional Refuse Management District's District Committee is open to the public, but attendees are required to socially distance. All members of the District Committee are participating remotely. Those members are Ken Blanchard, Michael Gagne (not yet joined), Christine LeBlanc, Daniel Patten, and John Beauregard,

Pursuant to the Open Meeting Law, any person may make an audio or video recording of this public meeting or may transmit the meeting through any medium. Attendees are therefore advised that such recordings and transmissions are being made, whether perceived or unperceived, by those present, and are deemed acknowledged and permissible."

Chairperson Beauregard reminded members that texting and private chats on the video conference platform are not an acceptable method of remote participation. He also wanted to make sure that all members could be heard when they are speaking and if any member cannot hear another member to please let him know. Finally, he informed members that if their remote connection is lost, that they should attempt to sign back in. The time they were disconnected and the time they signed back in will be noted.

Mr. Alfonse noted that there were not any members of the public present at the meeting location where the public meeting notice was posted.

2. Legal notice

Chairperson Beauregard noted that the legal notices of the meeting were posted in Dartmouth and New Bedford more than 48 hours prior to the meeting.

3. Roll call of members

Chairperson, John Beauregard; yes

Daniel Patten, yes

Christine LeBlanc, yes

Ken Blanchard, yes

Michael Gagne, (arrived at 8:10 a.m.)

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

4. Warrant Report and Ratification – Warrant dated September 17, October 5, and October 30, 2020.
Chairperson Beauregard asked for a motion to receive and ratify the warrant reports dated September 17, 2020, October 5, 2020, and October 30, 2020. Motion made by Mr. Patten, seconded by Mr. Blanchard. Roll call vote: John Beauregard, yes; Daniel Patten, yes; Christine LeBlanc, yes; Ken Blanchard, yes; Michael Gagne; not in attendance.

Motion passed – 4 to 0

5. Approval of Minutes – September 23, 2020 minutes
Chairperson Beauregard asked for a motion to approve the minutes of the September 23, 2020 meeting.

Attorney Thomas requested an edit to the minutes and stated that in order to comply with the requirement of the Open Meeting Law that all meeting members' names be listed in section 1. Call to Order. The paragraph should read: "All members of the District Committee are participating remotely, the members being John Beauregard, Daniel Patten, Christine LeBlanc, Ken Blanchard, and Michael Gagne".

Motion to accept the minutes, as amended, made by Mr. Patten, seconded by Ms. LeBlanc. Roll call vote: John Beauregard, yes; Daniel Patten, yes; Christine LeBlanc, yes; Ken Blanchard, yes; Michael Gagne, not in attendance.

Motion passed – 4 to 0

6. New Business
a. FY 20 Audit Presentation by representatives of Hague, Sahady & Co.
Chairperson Beauregard asked a motion to receive the Greater New Bedford Regional Refuse Management District Financial Statements for Year Ended June 30, 2020. Motion made by Mr. Patten, seconded by Ms. LeBlanc.

Michael Gagne and Mary Sahady joined at 8:10 a.m.

Mr. Lima referred to the Financial Statements and said the audit was done entirely remote this year due to COVID-19 pandemic. He noted that there were no major findings. He reviewed page 3 (Financial Highlights), pages 4 and 5 (Condensed Financial Information), noting the increase in the District's net position, and page 14 (Statement of Cash Flows). He noted the net increase in cash, and commented that in these economic times, it is beneficial to be in a solid cash position. Mr. Lima discussed details of the District's OPEB trust, referring to pages 16 and 17 (Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position Other Post Employment Benefit Trust Fund) and page 46 (Required Supplementary Information). He noted the OPEB liability is around \$2.6 million and the trust balance is approximately \$4.9 million. He noted that given the District's finite life, the OPEB liability has been conservatively calculated. He noted the District conducted a full valuation this year by

contracting with an actuarial to perform a more detailed evaluation. He noted most assumptions remained the same in the full valuation, with the exception of the discount rate.

He then reviewed page 31 (Net Pension Liability), page 38 (OPEB). Mr. Lima said the District is required to book a proportionate share of the New Bedford Retirement System pension liability on its balance sheet (3.5 million on page 34). He then discussed Statement of Revenues and Expenses – Budget and Actual (Non-GAAP Budgetary Basis) on page 50 and noted the amount available for the FY2020 Reconciliation, which is \$819,189. Mr. Lima discussed the Statement of Restricted Net Position on pages 52, 53, and 54 as presented, which are the District's various reserve funds.

John Beauregard asked if Mr. Lima and Ms. Sahady saw any areas of concern. Ms. Sahady noted that the District is in good financial shape and did not find any areas of concern. All the reserves have done well. She also noted that if the District had to bond, this would be the year because the rates are very low; however, the District is fortunate that it does not have to bond.

Mr. Alfonse commented that the over funded OPEB trust may create an appearance that the District did not follow a plan for funding OPEB liability. He explained that contributions have been in accordance with the software tool recommendations that the District has used in the past to calculate OPEB liability, so these were not arbitrary contributions. Also, OPEB liability as presented represents a snapshot in time (the District's OPEB liability as of today based on the current employee census). As employees retire and new employees are hired the OPEB liability could likely change (increase). This change could occur as the landfill nears the end of its life, and the District's ability to generate revenue is diminished. Mr. Alfonse noted that while it appears to be overfunded presently, that could change in the future.

Mr. Patten thanked District staff and Hague, Sahady & Co. and noted that he was satisfied with the results of the report. He noted that hauler tonnages have decreased, which has been a goal of the District. He noted that our investments have recovered, and we have unrealized gains, instead of losses.

Mr. Beauregard stressed the importance of looking forward to extend the life of the District.

Mr. Gagne recognized the finite life of the landfill and revenue sources. He asked how escalating medical costs factor into OPEB liability projections and how closure and post closure costs will be funded. Mr. Lima stated the health care cost trend rate increases are included in the actuary's projection. The advantage to the District is that the asset growth of trust looks like it should cover any changes in health care liability. Projecting OPEB liability is a continuous revision. Although not required, this District looks at it annually, which is better. He predicted that asset growth should cover any changes in liability. He then noted the District maintains Closure and Post Closure trust funds, which are based on engineering cost estimates provided by the Districts consulting engineers. State law requires the District to maintain a funding mechanism for closure and for post closure monitoring for 30 years after the landfill ceases operation. Mr. Alfonse stated that the District has gone further, based on the understanding that post closure monitoring and maintenance could extend beyond 30 years, and created a separate trust for post closure monitoring after year 30. Mr. Lima referred to pages 53 and 54 which show the trust fund balances for closure and post closure.

Mr. Gagne asked if the OPEB trust document adequately protects the trust from any kind of demand. Attorney Thomas replied that we have declaration of trust, and, based on a recent review, it will be revised at next meeting.

Ms. Sahady explained that the District has a smaller staff than most municipalities. In a situation where staff are older or fewer, there is less exposure because employees will be closer to Medicare eligibility upon retirement. Municipalities have more staff and the potential for retirements at an earlier age, which creates more exposure for the municipality.

Chairperson Beauregard thanked District and Hague, Sahady & Co. staff for their work on the audit.

Mr. Lima and Ms. Sahady signed off at 8:36 a.m.

b. FY 2020 Reconciliation and discussion of District reserves

Chairperson Beauregard asked for a motion to discuss the District reserve accounts and the FY 2020 Reconciliation. Motion made by Mr. Patten, seconded by Mr. Blanchard.

Mr. Alfonse reviewed his memo of proposed deposits of FY 2020 revenue to reserves and described the two components of the reconciliation. Those two components are Deposits to Reserves and the Reconciliation of FY 20 Assessment amounts. He referred to the spreadsheet and discussed the table "District Reserve Balances and Goals – November 2020" as presented.

The board discussed environmental contingencies and what would be covered by its pollution liability policy.

Mr. Beauregard asked if there were upcoming plans to renovate any of the District buildings. Mr. Alfonse noted that there currently weren't any plans and that it would be part of the overall long range planning effort.

Attorney Thomas noted the requirements for bonding if the District ever needed it.

Mr. Alfonse noted the FY 2020 Community Tonnage & Assessments. New Bedford has a credit of \$1,558 and Dartmouth has debit of \$(1,558). These will be applied to the FY22 assessments.

Motion to authorize the Treasurer to certify the Fiscal Year 2020 Reconciliation and approve the transfer of the following FY 2020 revenue into the following reserve funds: \$408,000 into Building Capital Improvement Reserve; \$411,189 into Environmental Contingency Trust Fund. Roll call vote: John Beauregard, yes; Daniel Patten, yes; Christine LeBlanc, yes; Ken Blanchard, yes; Michael Gagne; yes.

Motion passed 5 to 0

c. Request from Frade's Disposal for tonnage increase – Matter was not discussed

d. Inquiry regarding District owned property on Samuel Barnet Blvd., Dartmouth.

Chairperson Beauregard asked for a motion to consider inquiry regarding District property. Motion made by Mr. Patten, seconded by Ms. LeBlanc.

Mr. Alfonse reviewed his memo to the committee and summarized his recommendation that the District should not sell the property.

Mr. Gagne noted he would like to hear more from Mr. Davis and proposed project; however, after further discussion with the board Mr. Gagne agreed that the property may be too valuable to the District and should not be sold.

Mr. Beaugard expressed his interest in retaining the property. His concern is that it is at the entrance of the landfill. The board was concerned about retaining buffer acreage. The property serves as a strategic asset to the District.

Mr. Alfonse will contact Mr. Davis and request he submit a formal inquiry to the District. He had previously informed Mr. Davis of the property's value to the District.

Mr. Blanchard noted a decision should be made after the Long-Range Plan is finished.

e. **Director's Report**

Chairperson Beaugard asked for a motion to receive the Director's report. Motion made by Ms. LeBlanc, seconded by Mr. Blanchard.

Mr. Alfonse reviewed the Director's report.

Request for Design Services Update

Attorney Thomas noted that he is finalizing the contract and will have it ready for Mr. Alfonse by the beginning of next week.

Recycling Update

Mr. Alfonse noted that MassDEP awards grants known as Recycling Dividends Program (RDP). He noted that Marissa and Meg worked relentlessly with the City of New Bedford and the Town of Dartmouth to meet the various criteria, and as a result New Bedford was awarded \$91,000 and Dartmouth was awarded \$27,000 in RDP funds. He recognized and commended Marissa and Meg on a job well done. He noted that New Bedford received the second to the highest grant amount in Massachusetts. The highest grant amount went to the City of Cambridge.

Mr. Blanchard also noted that this was the second time that City of New Bedford was awarded a high grant amount, and that the recognition goes to Marissa and Meg for continuation of that work.

7. Set Date for Next Meeting

Next meeting is scheduled for Thursday, December 17, 2020 at 8:00 a.m.

8. Adjourn

Chairperson asked for a motion to adjourn. Motion made by Mr. Patten, seconded by Mr. Blanchard. Roll call vote: John Beaugard, yes; Daniel Patten, yes; Christine LeBlanc, yes; Ken Blanchard, yes; Michael Gagne, yes.

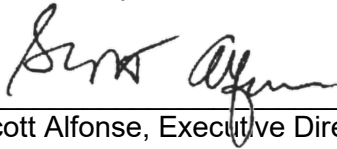
Motion passed 5 to 0

Meeting was adjourned at 9:14 a.m. on November 19, 2020.

MEMOS

- 6a. FY 20 Financial Statements dated 11/13/2020
- 6b. Reserve Accounts / Fiscal Year 2020 Reconciliation dated 11/13/2020
- 6c. Request from Frade's Disposal for tonnage increase dated 11/13/2020 (taken off the agenda)
- 6d. Inquiry regarding District owned property on Samuel Barnet Blvd., Dartmouth (Dartmouth Assessors Map 84 Lot 8-12) dated 11/13/2020
- 6e. Director's Report dated 11/13/2020

Approved by vote of District Committee on December 17, 2020.



Scott Alfonse, Executive Director