

Minutes approved January 9, 2025

**DISTRICT COMMITTEE- GREATER NEW BEDFORD
REGIONAL REFUSE MANAGEMENT DISTRICT MEETING**

Meeting Minutes

Thursday, December 19, 2024

The Greater New Bedford Regional Refuse Management District Committee held a publicly posted meeting on Thursday, December 19, 2024, at 8:00 AM at the Dartmouth Town Hall - Room 309, 400 Slocum Road, Dartmouth, MA 02747.

District Committee Members in attendance: Chairperson John Beauregard, Daniel Patten, Christine LeBlanc, Kelley Cabral-Mosher, Caroline Conzatti, and Michael Gagne.

Also in attendance: Anthony Novelli, Executive Director; Michael Forbes, Accountant, and Matthew J. Thomas, District Counsel (entered at 8:10 a.m.)

Other Attendees: Mary Sahady and Robert Russell, Hague Sahady and Co. Both arrived at 8:00 a.m. and left at 8:24 a.m.

1. Call to order / Salute the flag

Chairperson Beauregard called the meeting to order at 8:01 a.m. and led the pledge of allegiance.

2. Legal notices

Chairperson Beauregard read the following statement:

“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. All 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
Kelley Cabral-Mosher: yes
Michael Gagne: yes
Caroline Conzatti: yes

4. Approval of Minutes

- a. Draft Minutes of November 20, 2024 meeting, Regular session

MOTION to approve the Draft Minutes of November 20, 2024 meeting, Regular session made by Mr. Patten, seconded by Ms. Cabral-Mosher. All voted in favor. Motion passed 6-0.

- b. Draft Meeting Minutes of November 20, 2024, Executive Session

MOTION to approve the Draft Meeting Minutes of November 20, 2024 Executive Session made by Mr. Patten, seconded by Ms. Cabral-Mosher. All voted in favor. Motion passed 6-0.

5. Warrant Report and Ratification

- a. Warrant 10-25 dated 11/19/2024 and warrant 11-25 dated 12/6/2024

MOTION to ratify Warrant 10-25 dated November 19, 2024 and warrant 11-25 dated December 6, 2024 made by Mr. Patten, seconded by Ms. LeBlanc. All voted in favor. Motion passed 6-0.

6. New Business

- a. Presentation of FY24 Audit Results

MOTION to hear the presentation by Hague, Sahady & Co. of the fiscal year 2024 audited financial statements made by Ms. LeBlanc, seconded by Mr. Patten.

Mr. Novelli introduced Ms. Sahady, Principal and Mr. Russell, audit supervisor from Hauge, Sahady and Co.

Attorney Thomas entered the meeting at 8:10 a.m.

Mr. Russell noted that the preparation by District staff was stellar and that he appreciated the organized financial records. He reviewed the parameters of the Independent Auditors' Report on pages 1-2 and noted that the audit was conducted in accordance with generally accepted standards in the U.S. and with Government Auditing Standards.

Mr. Russell moved on to the Management Discussion and Analysis (MD&A) section beginning on page 3, and presented the District's financial highlights, noting good financial performance and an increasing net position. He spoke about the changes in net position- operating revenues decreased from FY2023, mostly due to decreased tipping fee revenue. Operating expenses increased over the previous year, mostly due to the depreciation and amortization expenses. Non-operating revenues increased due to improved investment performance. A summary of investment activity was presented, including the deposits made into the reserve accounts over the year, and he pointed to pages 57-59 for additional information on investment accounts.

Mr. Russell moved to page 55, which details the budget to actual statement (non-GAAP). He described the variances from the budget to actual expenses and noted that the amounts expended from reserves were highlighted in a column on this page. This was presented slightly differently from past years to more easily see amounts expended from reserves.

Mr. Russell returned to the MD&A section and noted an overall increase in capital assets of 2.14%. The FY2025 budget will increase by about \$29,000 and reasoning for projected increases was explained. He mentioned that the remainder of the document contains the basic financial statements and notes to financial statements, including a discussion of significant accounting policies and details over many areas such as cash and investments, capital assets, restricted net position, tipping fees, pension and OPEB information, closure & post-closure care costs, supplementary information, and revenue sources.

Mr. Russell welcomed any questions from the Committee. Treasurer Patten mentioned that he did not have any questions and that everything looked good. There were no other questions.

Ms. Sahady added that the net pension liability at the end of the fiscal year was \$3.6 million- the District's share of the total net pension liability. On the flip side, the District's OPEB is an asset, meaning that the District has contributed theoretically more than it has needed to contribute. She noted that at some point, the landfill will close and that asset will be utilized to pay for retiree health insurance.

She reviewed the statement of Restricted Net Position (page 57-59) and explained a slight change that was made to the presentation of these amounts. There were transactions where money was withdrawn from the reserves, as well as additional transfers approved by the Committee. She mentioned that the District staff and Mr. Russell spent considerable time to ensure that these reserve statements were accurate and that the transactions were detailed here. She said that there is a lot of activity that goes through the District that is unique to the District and they do not see other places. The District is a proprietary fund and run on a full GAAP basis, so assets are posted to fixed assets when they are purchased but need to be included in the budget to actual statement. She said that the District did a great job working through those transactions and there was a lot of work that needed to be done there.

Mr. Novelli pointed to page 55 and the column where the amounts expended from reserves are detailed. These amounts are factored into the operating budget and the final reconciliation amount. He mentioned that the amount available from the FY2024 reconciliation is \$806,132. Ms. Sahady noted that the supplementary information on this page is displayed based on the preferences of each entity.

Mr. Patten asked if Ms. Sahady knew what the pension system unfunded liability is. She did not know but mentioned that the net pension liability is part of the New Bedford Retirement System and is calculated by an actuary.

Attorney Thomas mentioned that the District is over-funded on OPEB liability and asked what it would take to become fully funded for pension liability. Ms. Sahady said that the District can't do this because it is a part of the group retirement system. Mr. Patten mentioned that the pension % is based on the payroll of each entity. If the District's payroll were to increase, the % of unfunded liability would also. If the District were to close and cease to have a payroll, the unfunded liability would go away. In this case, District employees who are members of the pension system would have fully funded pensions, to the extent that they are eligible.

Mr. Gagne asked if the District were to try obtain a bond, if they would go through the same S&P rating as a municipality. Ms. Sahady confirmed. Mr. Gagne expects that the District would

have an AAA rating and Ms. Sahady agreed. The District does not have any outstanding debt or bonds.

With no further questions, Chairperson Beauregard thanked Ms. Sahady and Mr. Russell for their presentation and they exited the meeting at 8:24 a.m.

MOTION to receive and place on file the FY2024 audited financial statements made by Ms. LeBlanc, seconded by Mr. Patten. All voted in favor. Motion passed 6-0.

Mr. Patten mentioned that an article in the Standard Times in 2006 stated that the District has no bond rating on its own, but it must use New Bedford's bond rating. Attorney Thomas mentioned that in order for the District to obtain a bond, it must go through a Town Meeting in Dartmouth and a City Council meeting in New Bedford.

b. FY2024 Reconciliation

MOTION to discuss the fiscal year 2024 Reconciliation made by Mr. Patten, seconded by Ms. LeBlanc.

Mr. Novelli mentioned that the Reconciliation amount is detailed on page 55 of the audited financial statements and that this is essentially the District's revenue over expenses for the fiscal year. He thought this was a good amount, as the District managed to significantly reduce the incoming tonnage and tipping fee revenue and still put a lot of money into reserves.

Mr. Gagne asked if the amounts transferred from each reserve over the course of the fiscal year would be returned to the respective reserve with this vote. Mr. Novelli explained that the Committee could vote to split up the reconciliation amount into different reserves if they desired, but his recommendation was to deposit the full amount into the Phase 2 Design/Construction Reserve.

Ms. LeBlanc asked if the District had the ability to move funds in between its reserve funds. Attorney Thomas mentioned that the Committee could with a majority vote. Mr. Novelli added that the District could only withdraw funds from the Closure and Post Closure reserves with permission from MassDEP. Mr. Patten added that it appears the District has funded all of the legally required reserve amounts. Mr. Novelli agreed.

Attorney Thomas highlighted that the maximum amount assessable to the member communities for Fiscal Year 2024 was \$4,083,076 and that the actual FY24 assessment was under \$1 million. Mr. Novelli added that the maximum amount is calculated by adding a 2.5% increase to the assessment for every year that the landfill has been open.

With the reconciliation each year the District does a "true-up" of costs between Dartmouth and New Bedford. The annual assessment to each community is based on the percentage of member tonnage delivered in the previous fiscal year. Based on the actual tonnage amounts delivered by New Bedford and Dartmouth, and the actual assessments paid by those communities for FY 2024, New Bedford has debit of \$2,087 and Dartmouth has a credit of \$2,087. This amount will be added to New Bedford's FY 2026 assessment and deducted from Dartmouth's FY 2026 assessment.

MOTION to Authorize the Treasurer to certify the Fiscal Year 2024 Reconciliation and approve the transfer of \$806,132 from FY 2024 revenue into the Phase 2 Design and Construction Trust Fund made by Ms. LeBlanc, seconded by Ms. Cabral-Mosher. All voted in favor. Motion passed 6-0.

c. Bid Results- Temporary Labor Services

MOTION to discuss the bid results for Temporary Labor Services made by Mr. Patten, seconded by Ms. LeBlanc.

Mr. Novelli mentioned that the majority of the District's contracts operate on a fiscal basis, but the contract for Temporary Labor is for a calendar year. He described tasks performed by the temporary laborers. The contract sets an hourly rate for the laborers, but does not guarantee any amount of hours to be worked.

MOTION to award the bid for Temporary Labor Services to BJ's Service Company, Inc. and to authorize the Executive Director to execute a one-year contract with BJ's Service Company made by Ms. LeBlanc, seconded by Mr. Patten. All voted in favor. Motion passed 6-0.

d. Staff Report

MOTION to receive the staff report made by Ms. LeBlanc, seconded by Ms. Cabral-Mosher.

Mr. Novelli reviewed the memo and mentioned that three vertical gas collection wells were drilled recently. The District continues to communicate with CNBE on ways to increase gas production and collection within the landfill. The total amount of landfill gas being produced and collected has decreased over the past year. CNBE has pointed to the acceptance of Processed Bottom Ash as a potential factor in the declining gas production. The District receives a considerable amount of revenue from the ash and it also represents an avoided cost of purchasing other cover materials. He will continue to evaluate other options for cover materials or materials that can be mixed with the ash to neutralize its pH to try and improve gas collection.

Attorney Thomas mentioned that the District used to be able to accept and use soils referred to as COMM-97 soils as cover materials, but the Town of Dartmouth banned the use of COMM-97 soils as cover, forcing the District to look at other options. Ms. LeBlanc asked how much revenue the ash generates. Mr. Novelli estimated \$250,000.

Mr. Novelli reviewed some of the holiday-centered waste reduction outreach materials that are being advertised, such as outlets for string lights. The information is tailored to Dartmouth and New Bedford to provide area-specific information.

New Bedford has a new service where residents can call CMRK to schedule a free curbside collection at their homes of materials to be donated, such as clothing, linens, household items, and bicycles.

MOTION to accept the staff report and place on file made by Ms. LeBlanc, seconded by Ms. Conzatti. All voted in favor. Motion passed 6-0.

7. Executive Session

Chairperson Beauregard requested a MOTION that the District Committee go into Executive Session pursuant to General Law Chapter 30A, Section 21(a)(7) and General Law chapter 4, Section 7, Clause Twenty-Sixth(d) to discuss inter-agency or intra-agency memoranda or letters relating to policy positions being developed by the District and then reconvene in Open Session. The minutes of this Executive Session will become public once the policy positions being developed by the District have been fully developed. MOTION made by Ms. LeBlanc, seconded by Ms. Conzatti.

The Committee returned to open session at 9:35 a.m.

8. Items That Could Not Be Reasonably Anticipated 48 Hours In Advance

There were none.

9. Set Meeting Schedule

The next meeting is scheduled for January 9, 2025. The following meeting was scheduled for February 13, 2025.

10. Adjourn

MOTION to adjourn the meeting made by Ms. LeBlanc, seconded by Mr. Patten. All voted in favor. Motion carried 6-0.

The meeting was adjourned at 9:37 a.m.

MEMOS

6A. Presentation of FY24 Audit Results

Attachment: GNBRRMD Financial Statements, Year Ended June 30, 2024 prepared by Hague, Sahady, & Co., P.C.

6B. FY2024 Reconciliation

Attachment: District Reserve Balances and goals- December 2024

Attachment: Draft FY2024 Reconciliation

6C. Bid Results- Temporary Labor Services

6D. Staff Report

Attachment: Tonnage Graph June 2023 – November 2024

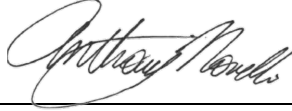
Attachment: Income Statement as of December 10, 2024

Attachment: Dartmouth Holiday Recycling Flyer 2024

Attachment: New Bedford CMRK Program Flyer

Attachment: Press Release- New Bedford-CMRK Partnership 12/11/2024

Approved by vote of the District Committee on January 9, 2025.

A handwritten signature in cursive script, reading "Anthony Novelli". The signature is written in black ink and is positioned above a horizontal line.

Anthony Novelli, Executive Director