

**Saratoga County Water Authority  
Official Minutes of the May 22, 2012 Meeting of the  
Saratoga County Water Authority Finance Subcommittee**

Chairman Lawler called the meeting to order at 2:15 p.m. The meeting was held in the board room at the Saratoga County Municipal Complex, Building One. Also in attendance were Subcommittee Members Supervisor Art Johnson, Treasurer Kevin King, Acting Executive Director Ed Hernandez and SCWA Special Counsel Craig Crist.

The first matter discussed was the review of the Investment Policy. The matter of the two funds that currently held the debt service reserve funds were discussed, which are the Federal Home Loan Bank and the Federal Home Loan Mortgage Company. Chairman Lawler raised the issue of the funds not currently on the approved investments list to which Mr. King stated he would check with Mr. Wait of the Board for further information regarding whether these were permitted investments by the New York State Comptroller's office. **A motion was made by Mr. King and seconded by Mr. Lawler to present a Resolution to the Board to amend the current Investment Policy to include the Federal Home Loan Bank and the Federal Home Loan Mortgage Company to the Schedule of Eligible Securities provided same are a permitted investment by the NYS OSC and the bond documents. Motion was approved.**

The next matter of the Committee was the review of the 2011 Investment Report. It was reflected by Mr. King that the investments showed poor returns, which was indicative of the current economic climate and that other financial entities were encountering the same returns. **A motion was made by Mr. Johnson and seconded by Mr. King to request a Resolution from the full Board to accept the Investment Report as offered. Motion was passed.**

The next matter presented to the Committee was the review of the current investment advisors. It was discussed that at the present time, the only advisers currently were Wells Fargo as Trustee to the Bond funds. It was determined that no action was necessary at this time to change advisors.

Mr. Hernandez then presented a requested change to the Fixed Asset Policy to raise the threshold for capitalization from \$1,000 to \$5,000. Mr. King mentioned that he set the Town of Malta's limit low for inventory control purposes, but Mr. Lawler countered that the Authority did not have a lot of smaller asset items, so inventory control was not as big an issue. **Mr. Johnson offered a motion to present a Resolution to the full Board to raise the threshold from \$1,000 to \$5,000 for capitalizing costs. Motion was seconded by Mr. Lawler and was passed.**

The final item for review was a budget transfer request from Mr. Hernandez for the full amount of the previous director's salary. This transfer would move those funds from the Salaries and Wages budget line item to the Professional Services Contracts line item. This would reflect in the budget an accurate picture of the costs associated with Delaware Engineering's management fees. **Motion to recommend the Resolution to the Board for the budget transfer of approx. \$92,000 was made by Mr. King and seconded by Mr. Johnson. Motion to present was**

**passed unanimously.**

**Motion was made by Mr. Lawler to adjourn the meeting at 2:45 p.m. Motion was seconded by Mr. King. Motion carried.**

Meeting was adjourned at 2:45 p.m.