

**Saratoga County Water Authority
Official Minutes of the February 26, 2015 Meeting of the
Saratoga County Water Authority Finance Committee**

SCWA Finance Committee member Art Johnson called the meeting to order at 2:20 p.m. The meeting was held in the conference room at the Saratoga County Board of Supervisors in Ballston Spa. In attendance were Committee Members: Arthur Johnson and Kevin King. Also in attendance were Executive Director Ed Hernandez, Confidential Secretary Carol Alden and SCWA General Counsel Mark Schachner. Chairman John Lawler was absent.

Mr. Hernandez presented the 2014 Investment Report for the Committee's review and approval. Mr. Hernandez discussed the interest earnings, various accounts and reflected that the report appeared reasonable. **Motion was made by Mr. King to recommend the report be adopted by the Board and posted to PARIS. Mr. Johnson seconded the motion. Motion passed unanimously.**

The next matter was the investment accounts of the funds held in the Debt Service Reserve Fund. The Federal Home Loan Bank note was called in March and the proceeds were reverted to the Treasury Cash Reserve Fund. Mr. Hernandez stated he contacted the Authority's financial advisor as to a recommendation for reinvestment of the \$1.3 mil. He read aloud the recommendation of Environmental Capital. Mr. King recommended that \$500,000 be invested in a 5 year investment and the remaining \$800k stay in the US Treasury Cash Reserve Fund until interest rates rise. **Mr. King made a motion to recommend to the Board that \$500,000 be invested in a 5 year Treasury note. Mr. Johnson seconded that motion. Motion passed unanimously.**

The next item were some legal fees that were received and classified by the auditors as Bond Issuance Costs. All bond costs have been expensed up to the maximum 2% threshold for the tax-exempt bonding in 2014. Mr. Hernandez stated he had contacted Bond Counsel for their opinion. Mr. Hernandez recommended that the legal bills be paid out of the Operating Fund and reimburse the bond proceeds account. Mr. King stated the main goal is to maintain the tax exempt status and to review the additional legal costs from Bond Counsel. Mr. Hernandez stated he would discuss the additional costs with Holland & Knight.

At 2:30 p.m. motion was made to adjourn by Mr. Johnson. Mr. King seconded and the Committee meeting was adjourned.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary