

## **Regular Board Meeting**

### **Wednesday, June 19, 2019**

#### **Present:**

Judge Jeff Arey, Mr. J. R. Walters, Ms. Jennifer Hill, Sheryl Childs, Tiffany Dunn-Executive Director, Carmen Haynes-IDCO, Attorney Sam Ed Gibson, Ms. Leslie Morris and Mr. Zeke Jones.

#### **Absent:**

Jim Erwin- Judge Jeff Arey, Proxy  
Mayor Paul Mitchell

#### **1. Call to Order and Sign In**

The Saline County Regional Solid Waste Management District Regular Board meeting was called to order at 2:00 p.m. by Judge Jeff Arey. Judge Arey relays to those attending that Chairman Jim Erwin has given proxy to Judge Arey for this meeting because Chairman Erwin is absent due to illness in his family.

#### **2. Review and Approval of Minutes from April 17, 2019 Meeting**

The Board meeting minutes for April 17, 2019 were motioned for approval by Ms. Jennifer Hill and seconded by Mr. J. R. Walters. Motion passed.

#### **3. Review of 2018 Audit : Zeke Jones of Yoakum, Lovell, & Co., PLC**

Mr. Jones would like for it to be reflected in the minutes that he is not wearing a suit at Mr. Jim Erwin's request. Mr. Jones relays to the Board that pages one, two, and three of the report are Management Discussion and Analysis that gives a summary of the audit. Mr. Jones states that pages four and five are the Auditor's Report, which has issued an unmodified opinion, that is the good report of the unmodified opinion. Page Six is the Balance Sheet ending December 31, 2018 has a total of unrestricted cash and investments of \$4,061,344.00, which is an increase of \$19,158.00 from the prior year and that is the first time for an increase in about six or seven years. Mr. Jones relays that things are headed in the right direction. Restricted Funds on page six is the Grant Advances of \$354,728.00. The Net Pension Liability is down \$146,321.00, which is a decrease of \$125,000.00. This is the liability from APERS where APERS projects from the contributions of the company according to the number of employees and since there are two less employees, the pension liability decreases due to the less employees. The District's net position decreased by \$5,754.00 with a total net position of \$4,021,628.00. Page Seven is the Income Statement. The last audit was for 3 months, so we went back to compare to a full year and the Operating Revenues increased by \$30,000.00 and Operating Expenses decreased by \$48,000.00. The Net Investment Return decreased \$14,000.00 which left a change in that position of \$5,700.00 loss. Mr. Jones states to the Board that he did go back and look and there was a \$68,000.00 loss in 2017, a loss of \$155,000.00 in 2016, a loss of \$69,000.00 in 2015, and a loss of \$ 55,000.00 in 2014. The past four years have had losses over \$50,000.00 compared to 2018 of \$5,700.00. Page Eight is the Statement of Cash Flows shows cash provided by Operating Activities is \$62,409.00 and used by Investing Activities of \$65,346.00. The net decrease in cash is \$2,937.00 and that change is the cash portion only and not the investment portion of the restricted funds. Page Nine begins the Notes to the Financial Statements that did not have any changes in them. Page Ten, Note 2 discusses the Restricted Funds and

Note 3 discusses the Investments and shows the investment return and where it came from in respect to the interest income of \$51,906.00, the unrealized loss of \$26,500.00 and the return of \$25,406.00. Page Eleven under Note 5 shows the Grant Advances with beginning balance, funds received, funds disbursed and the balance at the end of the year. Page Eleven, Note 6 shows the Retirement Plan that is with APERS through Page 14 and Mr. Jones points out that APERS uses a 7.15% discount rate that shows a \$146,321.00 liability and if they are wrong and the rate is 1% higher the liability is \$69,681.00 and if the rate is 1% lower the liability is \$239, 228.00. Page 15 Note 7 shows commitments which is the lease to the office space. Page 15, Note 8 shows a company owned by a Board member's spouse was paid \$5,434.00 for promotional materials. Page 16 and Page 17 shows the schedule of the District's net Pension Liability. Page 18 is a report of the actual expenditures compared to the budget. Page 19 is our audit report over Internal Control. The auditors randomly selected 25 cash disbursements and 25 peril disbursements, and we had zero acceptance on those and issued an unmodified opinion of no findings. Motion made to accept Audit for 2018 Financials by Sheryl Childs and seconded by Jennifer Hill. Motion passed.

**4. Review of Financials from April 2019 and May 2019: Tiffany Dunn**

Ms. Dunn reports for Jordan that the April 2019 Bank Account Summary with the prior months cash and cash equivalents as \$4,421,355.09. The Operating account beginning balance is \$233,209.29 giving an ending balance of \$210,949.21. The Revenue account beginning balance is \$1,577,757.97 and the ending balance was \$1,673,444.75. The Recycling account beginning balance is \$185,593.35 and the ending balance was \$161,686.20. Ms. Dunn relays to the Board that after reviewing the Audit and the Financials of the Recycling numbers, Zeke, Jordan and herself are going to get together to discuss the possibility of transferring money into the Recycling Account to clear up old posting of recycling monies so that they can match the grant money entries. The beginning Investments balance is \$2,424,794.48 and the ending balance is \$2,426,302.74 which leaves a total cash and cash equivalents for the month of April 2019 of \$4,472,382.90. Page 2 of 5 is the Operations Detail Report where you can see what the year to date is and what the budget is. Page 3 of 5 is the Operating Account Transactions for the month of April 2019 and what was spent for April. Page 4 is the 2019 Grant monies for the District and what has been spent each month out of the grant money account. Ms. Dunn relays moving on to May 2019, the prior month's cash and cash equivalents are \$4,472,382.90. The Operating Account beginning balance is \$210,949.21 and the ending balance is \$192,657.75. The Revenue Account beginning balance is \$1,673,444.75 and the ending balance of the Revenue account is \$1,679,400.49. The Recycling account beginning balance is \$161,686.20 and the ending balance of the Recycling account is \$144,283.66 for May 2019. The Investments account beginning balance is \$2,426,302.74 with an ending May 2019 balance of \$2,444,440.78, which gave a total cash and cash equivalents for May 2019 of \$4,460,782.68. Page 2 is the Operations Detail Report for May 2019 and Page 3 is the Operating Account Transactions for May 2019. Page 4 is the Grant Monies for the District and Page 5 is the Recycling Account Transactions that looks like a lot, but it is the payout for the YEA! Team Leaders for their stipend to finish the year and Re-Fashion Bash invoices. Judge Arey ask if there are any questions concerning Financials for April and May of 2019 and ask for a motion to be entertained to approve the Financials. Motion made by Mr. J.R. Walters and seconded by Ms. Jennifer Hill.

**5. Inter-District Tire Update: Leslie Morris**

Leslie Morris reports to the Board there are 27 public tire collection centers and of those, there are 3 in Saline County. Ms. Morris reports that she has visited each of these locations and they are operating as they should. At this time, ADEQ has done 2 inspections at least at each location, and there are minor adjustments but as a whole the locations are doing well for Saline County. Ms. Morris reports that she

and Carmen communicate often and things are going well in the program. Ms. Morris relays that the Inter-Tire District is in the process of approving the contract with Davis Rubber Company for 5 years to process the tires and the contract will be effective July 1, 2019. The Inter-District Tire Board will meet Thursday, June 20, 2019 to have the contract presented to them and once they approve and sign off, Inter-District Tire will present the contract to each Board to approve the Resolution to adopt the contract for a 5-year program. ADEQ had ask Pulaski Inter-District to help develop a communications program for a manifest app to become paperless. The Inter-District developed the app and the Association was asked to fund that communications and the Association declined due to not getting a consensus. Ms. Morris relays that this is unfortunate due to the fact, that this could have been beneficial to the State and the whole program, but we will continue to develop the communications for our District as we had outlined for the whole State. Ms. Morris states that as of April 2019, Saline County has had 10,929 tires processed for disposal and year to date for the District is 87,000 tires processed. Ms. Morris relays that the Inter-District Tire has processed 800,000 tires, which has been their projection for the most recent time. Financially the Inter-District is funding the TAP program and operating in a good cash flow. The 2019 Business Plan has been submitted to ADEQ for approval and the Inter-District should hear from them shortly. Ms. Dunn relays to the Board that the Resolution has been included in this Board Packet so the Board will have time to look over and the next Board Meeting will be able to vote. Attorney Gibson ask when will the contract be approved by the Inter-District Board and Ms. Morris replies on Thursday, June 20, 2019. Attorney Gibson relays to the Board that the Resolution in the Board Packet reflects a June 2019 adoption date, so there will be a modification to reflect an August 2019 adoption date assuming the Board likes the contract once they see it at the August 2019 Board Meeting.

**6. Illegal Dump Control Officer Update: Carmen Haynes**

Officer Haynes relays to the Board that there have been 8 cases concerning illegal dumps over this reporting period and those are all closed and have met their obligations to the District. There was no burning during this reporting period and there is one incident of 60 illegally dumped tires which has been open for about two months. There have been 2 tire trailers that have been processed at the community collection center with a total of 558 tires. There were 200 pounds of properly disposed waste for this reporting period. Ms. Childs ask Officer Haynes what triggers an investigation and Officer Haynes relays any violation of the Solid Waste Act, which could be illegal dumping, burning, tires dumped illegally, garbage dumped anywhere whether it is reported anonymously or it is found in my rounds through the County. Ms. Childs ask Officer Haynes what is the percentage of call-ins for complaints compared to Officer Haynes finding illegal dumps on her own? Officer Haynes answers that 75% come from her finding them in the high traffic areas that she patrols and 25% come from calls to the tip-line, responses on FACEBOOK page and calls to the office. Ms. Childs ask if Officer Haynes has considered creating an Excel spreadsheet for the incidents that have been reported and their status. Officer Haynes reports that is in the works and will be available at the next Board Meeting. Mr. Walters relays to Officer Haynes that the tires on Vimy Ridge have not been moved in six months. Officer Haynes relays the 60 tires on the report are from the Vimy Ridge site. There have been no more added to the site and the gentleman understands if the site is not clear by August 2019, then he will have to go before Judge Robinson.

**7. Executive Director Update: Tiffany Dunn**

**a. Marketing & Education Update**

Ms. Dunn reports to the Board the listing of the events for the 2019-2020 YEA! TEAM Program, which include contest, Re-Fashion Bash, recycling events and setting up the new Bryant Junior High with their recycling program. Ms. Dunn relays that the new Junior High is massive and Judge Arey relays there are 250,000 square feet in the new facility. Ms. Dunn relays that this summer has been a time to look at how the needs of the YEA! Team program have changed and explore re-organization of the Executive Committee of the YEA! Team Leaders to be focused on the numerous details that make up the production of Re-Fashion Bash. Ms. Dunn relays to the Board that she has been selected to serve a two-year term as an Advisory Board Member to the National Board of SWANA National's Communication, Education, and Marketing Division. Ms. Dunn has also been ask to speak and participate on a panel discussion for the Young Professionals in Phoenix at the SWANA Wastecon Conference in October and serve on the Connector Committee for the Wastecon Conference. Ms. Dunn relays the preparing of the ad campaign for the Household Hazardous Waste Event in October and the restructure of the recycling events for the upcoming year due to the needs and responses of the County are keeping her busy. Ms. Childs ask if there were shredding events scheduled as upcoming events and Ms. Dunn relays that is something that is being considered. In the past, churches have paid half of the cost of the event and the District has paid half for the event. The Library funding has changed, so they are not able to provide any participation in a shredding event. Ms. Dunn relays that she is aware of the need and that is what she hopes the restructure of the Recycling events will provide for the District.

**b. 2019 Landfill Coupon Program**

Ms. Dunn reports the 2019 Landfill Coupon Program has issued 4,331 coupons issued with 2,165.5 homes receiving coupons to date. The total cash received from the Landfill program to date is \$20,445.00

**c. Recycling Report**

Ms. Dunn reports that the totals in May for paper and cardboard for Non-profits and Schools increased due to the closing of the school year. The totals for the Non-profits for the year is 13,970 pounds of paper and cardboard. The E-Waste has increased greatly due to the monthly and daily drop off at Habitat for Humanity for a total for the year of 65,581 pounds. The schools for the year have collected 20,980 pounds of paper and cardboard. The Household Hazardous Waste numbers will be in by November after the event on October 19, 2019.

**8. Old Business**

No new Business to report.

**9. New Business**

No old Business to report.

**10. Public Comments**

No public comments.

Judge Arey, Acting Chairman, asked for a motion to adjourn. Motion made by Mr. J. R. Walters and seconded by Ms. Jennifer Hill.