

REPORT OF FINANCE & ADMINISTRATION COMMITTEE MEETING

August 3, 2017

A meeting of the Finance & Administration Committee was held on Thursday, August 3, 2017 at 10:00 A.M. at the Authority's Administrative Office in Conway, South Carolina. In accordance with the Freedom of Information Act, notices setting forth the date, time, and place of the meeting were mailed to the news media.

Present were Committee Chairman Lance Thompson and Committee Members Dan Gray and Bo Ives. Also in attendance were Executive Director Danny Knight, and Directors Jan Bitting, Esther Murphy, Mike Bessant and Bill Hilling and staff members Nannette Powell and Susie Wofford. Board Chairman Pam Creech, Horry County Treasurer Angie Jones, Deputy Treasurer RA Johnson and Horry County Councilman Johnny Vaught also attended the meeting. There were no members of the media in attendance.

Mr. Thompson called the meeting to order and Mr. Ives rendered the invocation. Mr. Gray led the group in the Pledge of Allegiance. Mr. Thompson then turned the meeting over to Mrs. Bitting.

Charleston Update

Mrs. Bitting began by stating she was going to give a brief update on the MRF. Mrs. Bitting stated she had mentioned at the last Board Meeting expenses were still being processed for year end. She advised that expenses changed from the previous report. Mrs. Bitting reviewed the MRF Analysis sheet and commented the revenue remained the same at \$437,584.70 and expenses were \$710,547.89. She explained the expense number is extremely high compared to normal monthly totals. Mrs. Bitting stated that June was a "catch up" month when all invoices had to be paid for the fiscal year end. She informed the Committee Members a large portion of the expenses was labor cost.

Mrs. Bitting advised total year-to-date revenue for the MRF was \$5,170,752.14 and year-to-date expenses were \$4,688,881.52, with revenue being over expenses by a total of \$481,870.62.

Mr. Ives asked Mrs. Bitting to review the rejects analysis report. She commented this report was the tonnage that went out of the county from the C&D recycling facility to compensate for air space savings. Mrs. Bitting informed the Committee Members the new contract with Charleston would go into effect August 1, and all of their rejects would be going back to Charleston.

Horry County Treasurer Update

Mrs. Bitting introduced Ms. Angie Jones, Horry County Treasurer. Mr. Thompson informed Ms. Jones the SWA would like to see the highest return on the investments with the lowest risks. Mr. Ives commented that the SWA has three different funding needs: day-to-day operations, intermediate and long range. He suggested to Ms. Jones that maybe she could shop different investors that still meet the guidelines that are set forth. Ms. Jones advised the State Investment Pool rate is good at this time with 1.086%. She explained those funds are the ones that are liquid.

Ms. Jones discussed the options available and fee differences. General discussion was held on different investment opportunities. Ms. Jones acknowledged that she was willing to meet and discuss investments with Committee Members at any time. Ms. Jones stated with public funds all funds have to be collateralized.

Mr. Thompson advised Ms. Jones the SWA just wanted to maximize their returns and explore all options. The Committee Members and staff thanked Ms. Jones for coming to hear and discuss the SWA's concerns. SWA looks forward to working with her and her staff.

There being no further business to come before the Committee, the meeting was adjourned at 10:30 A.M.