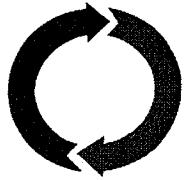


**CRRA
REGULAR BOARD MEETING
Feb. 20, 2014**



**CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY**

**100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700
Fax (860)757-7745**

MEMORANDUM

TO: CRRA Board of Directors
FROM: Moira Kenney, HR Specialist/Board Administrator
DATE: Feb. 14, 2014
RE: Notice of Regular Meeting

There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors on Thursday, Feb. 20, 2014, at 9:30 a.m. The meeting will be held in the Board Room at 100 Constitution Plaza, Hartford, CT 06103.

Please notify this office of your attendance at (860) 757-7787 at your earliest convenience.

Connecticut Resources Recovery Authority
Regular Board of Directors Meeting

Agenda
Feb. 20, 2014
9:30 AM

I. Pledge of Allegiance

II. Public Portion

A ½ hour public portion will be held and the Board will accept written testimony and allow individuals to speak for a limit of three minutes. The regular meeting will commence if there is no public input.

III. Finance Committee Reports

1. Presentation of Proposed CSWS and Property Division Budgets for FY 2015 (Attachment 1).
2. Board Action will be sought for the Resolution Regarding Disposition of Accounts and Flow of Funds Associated with the Connecticut Resources Recovery Authority's Property Division (Attachment 2).
3. Board Action will be sought for the Property Division Budget (Attachment 3).
4. Board Action will be sought for the Resolution Regarding Disposition of Accounts and Flow of Funds Associated with the Connecticut Resources Recovery Authority's CSWS Division (Attachment 4).
5. Board Action will be sought for the CSWS Division Budget (Attachment 5).

IV. Legal

1. Board Action will be sought Regarding Additional Projected Legal Expenditures (Attachment 6).

V. Organizational Synergy & Human Resources Report

VI. Chairman and President's Reports

VII. Executive Session

An Executive Session will be held to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and evaluations.

TAB 1

CSWS Division
FY 2015 Budget
Development

February 14,
2014
CRRA Finance
Committee

CONNECTICUT RESOURCES
RECOVERY AUTHORITY

SUMMARY DRAFT BUDGET

■ Total Operating Revenues -	\$67.3 Million
■ Total Operating Expenses -	\$57.1 Million
■ Operating Income Before Reserve Contributions -	\$10.2 Million
■ Proposed Reserve Contributions	
■ CSWS Debt Service Fund -	\$2.1 Million
■ CSWS General Fund:	\$8.1 Million
■ CSWS Improvement Fund -	\$7,425,000
■ CSWS Risk Fund -	\$ 191,000
■ CSWS Legal Fund -	\$ 100,000
■ CRRRA Severance Fund -	\$ 85,000
■ CSWS Tip Fee Stabilization Fund -	\$ (205,000)
■ CSWS General Fund Retained -	\$ 500,000
■ Tip Fee Set at Base Opt Out (Excluding Additional Opt Out Cost)	

SUMMARY DRAFT BUDGET

■ Cost of Operation -	\$67,271,000
■ Operating Expense Budget - \$57,075,000 (\$1.2 Million, 2.1% Reduction)	
■ Reserve Contributions - \$10,196,000 (\$3.9 Million, 62% Increase)	
■ Non Disposal Fee Revenue -	\$39,231,000
■ \$2.0 Million, 5.3% Increase	
■ Includes Member Service Fees (Tier 2) 26,000 Tons @ \$2.00 / Ton	
■ Net Cost of Operation -	\$28,040,000
■ \$0.1 Million, 0.3% Increase	
■ Add: Cost of Service Discounts -	\$ 556,000
■ Tier 1 Long - 205,000 Tons @ \$2.00 / Ton; and	
■ Tier 3 - 3,000 Tons @ \$2.00 / Ton	
■ Hauler Billed - 70,000 Tons @ \$2.00 / Ton	

"CRRA shall set the Base Disposal Fee such that the product of the Base Disposal Fee and the Aggregate Tons, shall produce funds estimated as sufficient to pay the estimated Net Cost of Operation"

SUMMARY DRAFT BUDGET

- **Total Rate Base -** **\$28,596,000**
 - Net Cost of Operation & Cost of Service Discounts
- **Aggregate Tons -** **447,000**
 - Service Discounted (Tier 1 Long & Tier 3) - 208,000
 - Gate Rate (Tier 1 Short) - 143,000
 - Service Fee (Tier 2) - 26,000
 - Hauler Billed - 70,000
 - Total - **447,000**
- **Uniform Base Disposal Fee -** **\$64.00 / Ton**

Contract	Proposed Disposal Fee	Base Opt Out Disposal Fee	Total Opt Out (With Additional Opt Out Costs)
Tier 1 Long	\$62.00	\$62.00	\$64.67
Tier 1 Short	\$64.00	\$64.00	\$66.67
Tier 2	\$66.00	n/a	n/a
Tier 3	\$62.00	n/a	n/a

- **Total Member Disposal Fees -** **\$28,040,000**
2.6% Increase from FY 2014

OPERATING EXPENSE BUDGET

■ Transfer Stations -

■ Ellington -	\$ 23,000
■ Essex -	\$ 567,000
■ Torrington -	\$ 546,000
■ Watertown -	\$ 564,000
■ Total -	<u>\$1,700,000</u>

\$ 1,700,000
0.5% Increase from FY 2014

■ Waste Transportation -

■ MSW From Essex -	\$ 840,000
■ MSW From Torrington -	\$ 631,000
■ MSW From Watertown -	\$ 1,505,000
■ MSW From Salisbury -	\$ 23,000
■ MSW From RRDD#1 -	\$ 22,000
■ Solid Waste Bypass -	\$ 189,000
■ Ash Disposal -	\$10,454,820
■ Non-Processible -	\$ 60,500
■ Total -	<u>\$13,725,320</u>

\$13,725,000
5.3% Reduction from FY 2014

■ Trash to Energy Facility -

■ Waste Processing -	\$11,751,000
■ Power Block -	\$18,196,000
■ Facility Contractor -	\$ 1,207,000
■ Total -	<u>\$31,154,000</u>

\$31,154,000
1.6% Increase from FY 2014

OPERATING EXPENSE BUDGET

■ Recycling Facility -

■ Transport From Essex -	\$ 147,000
■ Transport From Torrington -	\$ 161,000
■ Transport From Watertown -	\$ 121,000
■ Direct O&M Expenses -	\$ 28,300
■ CRRR Personnel Services -	\$ 305,000
■ CRRR Non Personnel Services -	\$ 66,800
■ Recycling Rebate -	\$ 400,000
■ Total	\$1,229,100

\$1,229,000

4.5% Reduction from FY 2014

■ Indirect Expense-

■ CRRR Personnel Services -	\$3,733,960
■ CRRR Non Personnel Services -	\$2,882,340
■ Assessment, Fees and Taxes -	\$2,651,000
■ Total	\$9,267,300

\$9,267,000

8.9% Reduction from FY 2014

■ Total Operating Expense Budget -

\$57,075,000

OPERATING EXPENSE BUDGET

(CHANGE FROM FY 2014 BUDGET)

- Legal Services Operating Budget - \$ (400,000)
- Insurance - \$ (203,000)
- Operational Contingency - \$ (50,000)
- Hartford Pilot - \$ (700,000)
- Solid Waste Bypass Disposal - \$ (424,500)
- Ash Disposal - \$ (547,360)
- Trash To Energy Facility (NAES) Incentive Compensation - \$ (186,950)

Group Compensated	FY 2014	FY 2015	Change
WPF Site Personnel	\$ 456,000	\$ 387,600	\$ (68,400)
PBF Site Personnel	\$ 584,000	\$ 518,500	\$ (65,500)
NAES Corporate	\$ 416,000	\$ 362,950	\$ (53,050)
Total Incentives	\$ 1,456,000	\$ 1,269,050	\$ (186,950)

- Other Reductions (Net) - \$ (103,463)
- Trash To Energy Facility (NAES) Other Compensation - \$ 678,950
- Indirect Labor and Overhead - \$ 718,000
- Waste Transport (Other Than Bypass & Ash) - \$ 323,000
- Net Reduction to Operating Expense Budget - \$ (1,218,000)

RECOMMENDED RESERVE CONTRIBUTIONS

▪ Operating Income Before Reserve Contributions -	\$10,196,000
▪ CSWS Debt Service Fund -	\$ 2,100,000
▪ CSWS General Fund:	\$ 8,096,000
▪ CSWS Improvement Fund - Combined with \$3.0 million from Property Division and \$2.1 million Debt Service Fund. This fully funds major maintenance and capital improvement plan for FY 2015.	\$7,425,000
▪ CSWS Risk Fund - Combined with \$250,000 from FY 2014 budget, this fully funds all deductibles other than property damage and crime.	\$ 191,000
▪ CSWS Legal Fund - Combined with FY 2014 legal reserve contribution of \$500,000, the CSCW legal reserve will total \$600,000 in addition to CSWS legal service operating budget of \$100,000. This in addition to other division legal reserves and FY 2015 operating budgets of \$3.8 million	\$ 100,000
▪ CRRRA Severance Fund - Combined with FY 2014 severance reserve contributions of \$857,500 and FY 2015 Property Division contribution of \$85,000, the total reserve will be \$1,027,500 in a consolidated single account.	\$ 85,000
▪ CSWS Tip Fee Stabilization Fund - Estimated draw pursuant to Property Division flow of funds resulting from adopted budget and tip fees.	\$ (205,000)
▪ CSWS General Fund Retained - Estimated funds to be retained within CSWS General Fund. Combined with long term lease income from Property Division, this is sufficient long term debt service coverage on potential bond issuance.	\$ 500,000

RESERVE CONTRIBUTIONS

(CHANGE FROM FY 2014 BUDGET)

■ Debt Service Fund -	\$2,100,000
■ CSWS General Fund -	\$ 500,000
■ CSWS Improvement Fund -	\$1,516,000
■ CSWS Risk Fund -	\$ (59,000)
■ CSWS Legal Reserve -	\$ (400,000)
■ CRRA Severance Reserve -	\$ (342,500)
■ Transfer from Property Division (Tip Fee Stabilization) - (Reflects Reduction of Subsidy from FY 2014 Budget of \$800,000)	<u>\$ 595,000</u>
■ Net Increase in Reserve Contributions - (Dedicated to Major Maintenance, Improvements and Equipment)	\$3,909,500

NON DISPOSAL FEE REVENUE

▪ Energy Sales -		\$22,214,000	6.9% Increase from FY 2014
▪ Capacity Payments -	\$ 1,686,000		
▪ Real Time Market -	\$20,382,000		
▪ Renewable Energy Credits -	\$ 146,000		
▪ Total -	<u>\$22,214,000</u>		
▪ Other Recovered Products -		\$2,657,000	16.7% Reduction from FY 2014
▪ Inbound CSWS Base @ \$8.50 / Ton -	\$ 382,500		
▪ Inbound FCR Base @ \$7.50 / Ton -	\$ 75,000		
▪ Revenue Share (Container Sales) -	\$ 246,330		
▪ Revenue Share (Paper Sales) -	\$ 376,740		
▪ FRC Residue Disposal / Other -	\$ 151,150		
▪ Other Recycling / Waste Revenue -	\$ 75,000		
▪ Metal Sales -	\$1,350,000		
▪ Total -	<u>\$2,656,720</u>		
▪ Contract Waste -		\$9,498,000	0.8% Reduction from FY 2014
▪ June 30, 2014 Contracts -	\$7,314,000		
▪ December 31, 2014 Contracts -	\$1,800,000		
▪ No Contract -	\$ 384,000		
▪ Total -	<u>\$9,498,000</u>		
▪ Spot Waste -		\$4,800,000	32% Increase from FY 2014
▪ Other (Interest / Service Fees)		\$ 62,000	
▪ Total Non Disposal Fee Revenue -		\$39,231,000	

KEY DRIVERS

Trash to Energy Operations:

■ Total MSW Deliveries -

■ "Aggregate Tons" -	447,000
■ Contract -	177,000
■ Spot -	87,000
■ Municipal Bulky -	600
■ Total -	<u>711,600</u>

711,600

■ Total MSW to RDF Production Rate -

■ Total RDF -

94.1%

■ RDF to KWH Production Rate -

669,492

■ Energy Production -

590 kwh / ton

■ Wholesale Energy Price -

395,000,000 kwh

■ RDF to Ash Production Rate -

\$.0516 / kwh

■ Ash to Disposal -

25.1%

■ Ash Disposal Cost Per Ton -

168,000 tons

\$62.23

Recycling Operations:

■ CSWS Sourced Recyclables -

45,000 tons

■ FCR Sourced Recyclables -

10,000 tons

PROPOSED FLOW OF FUNDS

- Receipts - Deposited Daily to CSWS Division Clearing Account and Distributed Monthly. Pledged Revenues for Approved Bond Issuance (CSWS, PD or Other)

Monthly Disbursements

- First to CSWS Division Operating STIF - 1/12 of Operating Budget with a Maximum of 120 Days Cash on Hand.
- Next to CSWS Debt Service Fund - Monthly Budgeted Reserve Contribution.
- Next to CSWS Division General Fund - Balance of Monthly Receipts. Available for any Authorized Purpose Including Debt Service and Debt Service Coverage.

From CSWS General Fund

- To CSWS Improvement Fund - Monthly Budgeted Reserve Contribution.
- Next to CSWS Risk Fund - Monthly Budgeted Reserve Contribution.
- Next to CSWS Legal Fund - Monthly Budgeted Reserve Contribution.
- Next to CRRRA Severance Fund - Monthly Budgeted Reserve Contribution.
- Next to CSWS Tip Fee Stabilization - Transfer the Balance of Monthly Receipts Provided that Amounts Remain Due To the CSWS Tip Fee Stabilization Fund.

Property Division
FY 2015 Budget
Development

February 14,
2014
CRRA Finance
Committee

CONNECTICUT RESOURCES RECOVERY AUTHORITY

SUMMARY DRAFT BUDGET

■ Total Operating Revenues -	\$6,795,000
■ Total Operating Expenses -	\$4,516,000
■ Operating Income / Fund Contributions -	\$2,279,000
■ Property Division FY 2015 Flow of Funds:	
■ CRRR Severance Reserve -	\$ 85,000
■ PD General Fund -	\$2,194,000
■ PD Improvement Fund -	\$ 0
■ CSWS Improvement Fund -	\$ 0
■ Tip Fee Stabilization Fund -	\$ 0
■ Proposed FY 2014 Fund Transfers	
■ Mitigates Demand on FY 2015 Operating Income	

TOTAL OPERATING REVENUE

▪ Electric Generation from Jets-		\$ 5,957,000
▪ Forward Capacity Market -	\$ 5,129,851	
▪ Reserve Time -	\$ 600,000	
▪ Real Time -	\$ 150,000	
▪ VAR Payments - (High Voltage Ampere Reactive)	\$ 75,794	
▪ Interest Income -	\$ 1,000	
▪ Total -	\$ 5,956,645	
▪ Education and Trash Museum-		\$ 62,000
▪ Admission Fees -	\$ 42,000	
▪ Gift Shop Sales -	\$ 12,000	
▪ Other -	\$ 8,000	
▪ Total -	\$ 62,000	
▪ Other Property -		\$ 776,000
▪ Lease Income-	\$ 441,000	
▪ South Central Facility Capacity -	\$ 194,000	
▪ CSWS Building Reimbursement -	\$ 139,000	
▪ Interest Income -	\$ 2,000	
▪ Total -	\$ 776,000	
▪ Total Operating Revenue -		\$ 6,795,000

TOTAL OPERATING EXPENSE

■ CRRA Allocated Personnel Services - \$837,000

Allocation	Other Property	Jets	Trash Museum	Total
Indirect Labor / Overhead	\$594,000	\$0	\$0	\$594,000
Administrative Labor / Benefits	\$86,721	\$51,000	\$0	\$137,721
Operational Labor / Benefits	\$21,344	\$84,000	\$0	\$105,344
Total	\$702,065	\$135,000	\$0	\$837,065

■ Other Property O&M - \$867,000

- 211 Murphy Road - \$214,000
- 171 Murphy Road - \$41,000
- Railroad Maintenance - \$10,800
- 1410 Honey Spot Road - \$91,000
- South Central Facility Capacity - \$109,000
- CRRA Non Personnel Services - \$401,000
- Total - \$866,800

TOTAL OPERATING EXPENSE

■ JETS O&M - \$2,568,000

Operating Expense	NAES Contract	CRRA Related	Total
Fuel for Twin Packs	\$ 0	\$1,323,000	\$1,323,000
Management Fee & Incentive	\$ 97,680	\$ 0	\$ 97,680
Home Office Support	\$ 46,200	\$ 0	\$46,200
Direct Labor & Overhead	\$145,778	\$ 0	\$ 145,778
Employee Incentive Bonus	\$ 8,809	\$ 0	\$ 8,809
Operations and Maintenance	\$520,798	\$ 426,000	\$ 946,798
Total	\$819,265	\$1,749,000	\$2,568,265

■ Education and Trash Museum - \$244,000

- Educator Labor & Benefits \$218,000
- Operating Expense \$ 26,000

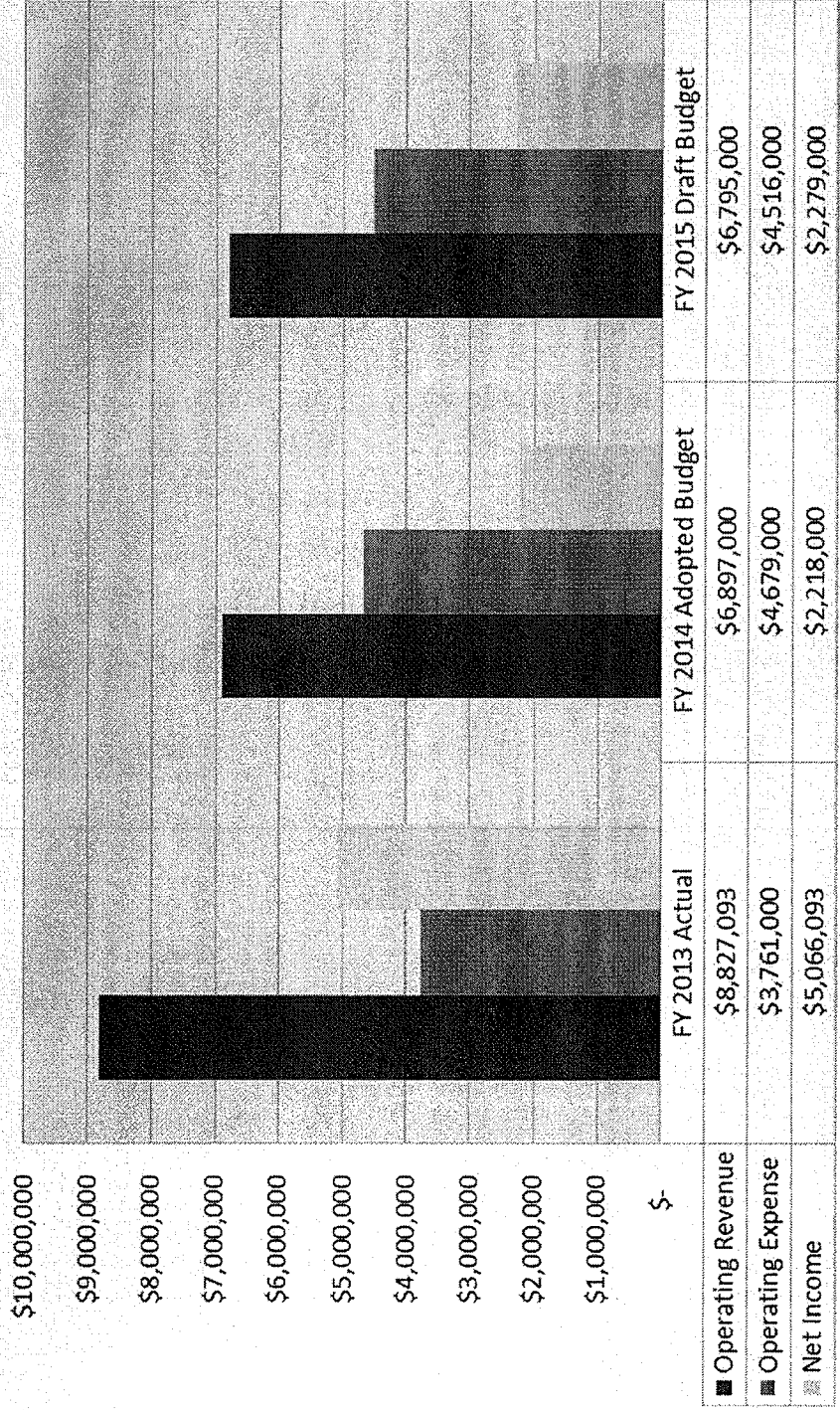
■ Total Operating Expense \$4,516,000

NET INCOME / FUND CONTRIBUTIONS

<ul style="list-style-type: none"> ■ FY 2015 Net Operating Income - <li style="padding-left: 20px;">■ Jets - \$3,253,735 <li style="padding-left: 20px;">■ Other Property - \$ (792,865) <li style="padding-left: 20px;">■ Trash Museum - \$ (182,000) <li style="padding-left: 20px;">■ Total - \$2,278,870 	<p>\$2,279,000</p>
<ul style="list-style-type: none"> ■ CRRA Severance Reserve - <p>Combined with FY 2014 severance reserve contributions of \$857,500 and FY 2015 CSWS Division contribution of \$85,000, the total reserve will be \$1,027,500 in a consolidated single account.</p>	<p>\$ 85,000</p>
<ul style="list-style-type: none"> ■ Property Division General Fund - <p>This account is used to supplement any other fund within the Property Division as circumstances warrant. The other funds within Property Division are being funded to current requirements through the recommended redistribution of existing funds as of January 31, 2014 and the flow of funds to be maintained thereafter.</p>	<p>\$2,194,000</p>
<ul style="list-style-type: none"> ■ Property Division Improvement Fund - <p>This account is fully funded to authorized project balances with the recommended redistribution of Property Division funds. Mid year transfers to this fund may be requested dependent on future identified needs consistent with the stated purpose of this fund.</p>	<p>\$ 0</p>
<ul style="list-style-type: none"> ■ CSWS Improvement Fund - <p>The \$3.0 million contribution anticipated in the Ten Year Financial Plan is funded from existing reserves. No transfer is currently anticipated from FY 2015 Net Operating Income.</p>	<p>\$ 0</p>
<ul style="list-style-type: none"> ■ CSWS Tip Fee Stabilization - <p>This account is funded to nearly 50% of the recommended cap through existing reserves as of January 31, 2014. The remaining 50% is funded through the recommended flow of funds for the balance of FY 2014. No transfer to this account is anticipated from FY 2015 Net Operating Income. The CSWS Division budget for FY 2015 anticipates that \$205,000 may be drawn from this account to supplement the CSWS Division Operating STIF.</p>	<p>\$ 0</p>

NET INCOME COMPARISONS

CRRA Property Division



PROPOSED FLOW OF FUNDS

- Receipts - Deposited Daily to Property Division Clearing Account and Distributed Monthly. Pledged Revenues for Approved Bond Issuance (CSWS, PD or Other)

Monthly Disbursements

- First to Property Division Operating STIF - 1/12 of Operating Budget with a Maximum of 180 Days Cash on Hand.
- Property Division General Fund - Balance of Monthly Receipts. Available for any Authorized Purpose Including Debt Service and Debt Service Coverage.

From Property Division General Fund

- To Property Division Improvement Fund - Monthly Budgeted Reserve Contribution.
- Next to CSWS Improvement Fund - Monthly Budgeted Reserve Contribution
- CSWS Tip Fee Stabilization - Balance of Available Funds Remaining within Property Division General Fund Subject to a Maximum Fund Balance Equivalent to \$7.00 for each Budgeted Aggregate Ton.

PROPOSED FUNDS REDISTRIBUTION

Existing Account	1/31/ 2014 Existing	Action	1/31/2014 Proposed
Property Division Operating (STIF)	\$ 5,844,041	Fund monthly budget in advance. Fund to maximum of 180 days cash on hand.	\$ 2,356,000
Property Division Clearing Account	\$ 41,132	Distribute balance per adopted flow of funds and maintain account.	\$ -
Trash Museum	\$ 58,013	Close this account and redistribute balance.	\$ -
Jets Capital Reserve	\$ 1,613,812	Rename this account "Property Division Improvement Fund". Set funding level to authorized project balance and redistribute remaining funds.	\$ 299,963
Wallingford Project Closure	\$ 133,218	None. CRRRA is required to maintain this account.	\$ 133,218
Wallingford Escrow	\$ 500,062	None. CRRRA is required to maintain this account.	\$ 500,062
Bridgeport Post Project Reserve	\$ 162,566	None. CRRRA is required to maintain this account.	\$ 162,566
Enron Litigation Reserve	\$ 411,493	None. CRRRA is required to maintain this account.	\$ 411,493
Capital Expenditure Reserve	\$ 1,712,563	Rename this account "CSWS Improvement Fund". Increase funding by \$3.0 million in accordance with CRRRA Ten Year Financial Year Plan.	\$ 4,712,563
Facilities Capital Refurbishment	\$ 175,063	Close this account and redistribute balance.	\$ -
Solid Waste Future Development	\$ 354,662	Close this account and redistribute balance.	\$ -
Severance Reserve	\$ 246,543	Fully fund this account to the amount authorized in the FY 2014 budget. Establish a new single severance reserve account under the Authority Budget and transfer these funds to it. Close this account.	\$ 430,000
CSWS Tip Fee Stabilization	\$ -	Establish in accordance with Ten Year Financial Year Plan. Fund initially to \$3.50 for each "Aggregate Ton". Cap at \$7.00 for each "Aggregate Ton".	\$ 1,330,000
Property Division General Fund	\$ -	Establish and fund with balance of available funds	\$ 917,303
Total	\$11,253,168		\$11,253,168

TAB 2

ATTACHMENT 2

REGARDING DISPOSITION OF ACCOUNTS AND FLOW OF FUNDS ASSOCIATED WITH THE CONNECTICUT RESOURCES RECOVERY AUTHORITY'S PROPERTY DIVISION

WHEREAS, The Authority has developed a Transition Plan and Ten Year Financial Plan in response to the requirements of Section 9 of Public Act 13-285; and

WHEREAS, Such plan anticipates that certain actions be taken to ensure that the Authority remains a financially self-sufficient public instrumentality and political subdivision of the State for a period of at least ten years; and

WHEREAS, such actions include, but are not limited to, establishing a Tip Fee Stabilization Fund, making certain funds available for the Connecticut Solid Waste System (CSWS) Major Maintenance and Capital Improvement Program, and utilizing the Authority's bonding capability to provide further funding for such program; and

WHEREAS, Utilizing the Authority's bonding capability will ultimately require an integrated financial structure including a defined flow of funds and pledge of revenues derived from the Authority's Property Division; and

NOW THEREFORE, be it

RESOLVED: The Board of Directors approves the Property Division Flow of Funds attached hereto as Exhibit A.

RESOLVED: The Board of Directors approves the establishment of new accounts, closing of existing accounts and redistribution of funds within the Property Division as described in Exhibit B attached hereto.

RESOLVED: The Board of Directors authorizes Authority Management to undertake such actions as described on Exhibits A and B effective as of March 1, 2014.

Exhibit A
Connecticut Resources Recovery Authority
Property Division
Flow of Funds

Total Operating Revenue – Actual receipts of Total Operating Revenue (as described in the adopted Operating Budget for the Property Division) are to be coded to customer and revenue account codes and deposited to the Bank of America Property Division Clearing Account within 1 business day of receipt. Property Division receipts are to be considered “Pledged Revenues” for the purposes of future CRRA bond issuances as designated by the Board of Directors.

Disbursements - Within the first five (5) business days of each month, total receipts held within the Bank of America Property Division Clearing Account as of the last day of the preceding month are to be disbursed to the following accounts, in the following order:

1. **To Property Division Operating STIF** – Transfer the next month’s Total Operating Expense Budget as described in the adopted Operating Budget for the Property Division. For example, Property Division revenue received in the month of January is to be fully disbursed by the 5th business day in February which is to include disbursement of the Property Division’s Total Operating Expense Budget for March.

The Property Division Operating STIF is to be used to fund all operating expenses of the Division. The account is to be funded to a maximum of 180 days cash on hand (budget basis) to be assessed and adjusted annually with the start of each fiscal year. Operating expenses of the Property Division include all items of expense reflected in the adopted Total Operating Expense Budget and incurred pursuant to applicable CRRA procurement policies and procedures.

2. **To Property Division General Fund (STIF)** – Transfer the balance of all funds remaining within the Property Division Clearing Account. Also transfer any amount due to the CSWS Tip Fee Stabilization Fund pursuant to the CSWS Flow of Funds that would result in an over-funding of the CSWS Tip Fee Stabilization Fund. This account is to be used to further supplement any existing fund established within the Property Division at the direction of the CRRA Board of Directors, for debt service and debt service coverage for authorized CRRA Bond issues.
3. **To Property Division Improvement Fund STIF** – From funds available within the Property Division General Fund, transfer the amount equivalent to the next month’s Property Division Improvement Fund reserve contribution included in the adopted Operating Budget for Property Division. This account is to be used to pay the eligible cost of approved major maintenance, capital improvement and equipment acquisition projects associated with facilities assigned to the Property Division including the “Jets”, Education and Trash Museum at 211 Murphy Road in Hartford, and presently vacant facilities at 171 Murphy Road in Hartford and 1410 Honey Spot Road in Stratford.
4. **To CSWS Improvement Fund STIF** - From funds available within the Property Division General Fund, transfer the amount equivalent to the next month’s CSWS Improvement Fund reserve contribution included in the adopted Operating Budget for Property Division. This account is to be used to pay

the eligible cost of approved major maintenance, capital improvement and equipment acquisition projects associated with facilities comprising the CSWS Division including Ellington, Essex, Torrington and Watertown transfer stations, the South Meadows Waste Processing Facility and Power Block, Operations Center and Recycling Center at 211 Murphy Road. The CSWS Operating Budget will include direct transfers to this account in addition to any authorized distribution from Property Division revenues.

5. **To CSWS Tip Fee Stabilization Fund STIF** - Transfer the balance of available funds remaining within the Property Division General Fund. Subject to available funding, this account is to be funded to a maximum value equivalent to \$7.00 for each budgeted Aggregate Ton of MSW (as defined in the Municipal Service Agreements) anticipated to be processed at CSWS in accordance with the adopted Operating Budget for CSWS. The Maximum Tip Fee Stabilization Fund value is to be established with the start of each fiscal year. The CSWS Tip Fee Stabilization Fund is to be used to supplement receipts available in the CSWS Division Clearing Account when such receipts are otherwise insufficient to disburse funds to the CSWS Division Operating STIF and the CSWS Division Debt Service Fund as required by the CSWS Flow of Funds. Each transfer to the CSWS Operating STIF from the Tip Fee Stabilization Fund is to be recorded on CSWS books and records as an amount due to the Tip Fee Stabilization Fund. The CSWS Flow of Funds includes direct transfers back to the Tip Fee Stabilization Fund whenever such amounts remain due.

Exhibit B			
Establishment, closing and redistribution of funds within the Property Division			
Existing Account	1/31/ 2014 Existing	Action	1/31/2014 Proposed
Property Division Operating (STIF)	\$ 5,844,041	Fund monthly budget in advance. Fund to maximum of 180 days cash on hand.	\$ 2,356,000
Property Division Clearing Account	\$ 41,132	Distribute balance per adopted flow of funds and maintain account.	\$ -
Trash Museum	\$ 58,013	Close this account and redistribute balance.	\$ -
Jets Capital Reserve	\$ 1,613,812	Rename this account "Property Division Improvement Fund". Set funding level to authorized project balance and redistribute remaining funds.	\$ 299,963
Wallingford Project Closure	\$ 133,218	None. CRRA is required to maintain this account.	\$ 133,218
Wallingford Escrow	\$ 500,062	None. CRRA is required to maintain this account.	\$ 500,062
Bridgeport Post Project Reserve	\$ 162,566	None. CRRA is required to maintain this account.	\$ 162,566
Enron Litigation Reserve	\$ 411,493	None. CRRA is required to maintain this account.	\$ 411,493
Capital Expenditure Reserve	\$ 1,712,563	Rename this account "CSWS Improvement Fund". Increase funding by \$3.0 million in accordance with CRRA Ten Year Financial Year Plan.	\$ 4,712,563
Facilities Capital Refurbishment	\$ 175,063	Close this account and redistribute balance.	\$ -
Solid Waste Future Development	\$ 354,662	Close this account and redistribute balance.	\$ -
Severance Reserve	\$ 246,543	Fully fund this account to the amount authorized in the FY 2014 budget. Establish a new single severance reserve account under the Authority Budget and transfer these funds to it. Close this account.	\$ 430,000
CSWS Tip Fee Stabilization	\$ -	Establish in accordance with Ten Year Financial Year Plan. Fund initially to \$3.50 for each "Aggregate Ton". Cap at \$7.00 for each "Aggregate Ton".	\$ 1,330,000
Property Division General Fund	\$ -	Establish and fund with balance of available funds	\$ 917,303
Total	\$11,253,168		\$ 11,253,168

TAB 3

ATTACHMENT 3

REGARDING ADOPTION OF THE FISCAL YEAR 2015 PROPERTY DIVISION OPERATING BUDGET

RESOLVED: That the fiscal year 2015 Connecticut Resources Recovery Authority Property Division Operating Budget attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the applicable Property Division accounts and reserves to pay for costs and fees incurred during Fiscal Year 2015 in accordance with the operating budget adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority's Procurement Policies and Procedures; and

FURTHER RESOLVED: That the Authority contribute \$85,000 to the Severance Reserve; and

FURTHER RESOLVED: That \$3,000,000 be contributed to the CSWS Improvement fund from existing resources of the Property Division; and

FURTHER RESOLVED: That the Authority establish a Property Division General Fund and contribute all remaining operating funds as described in the Disposition of Accounts and Flow of Funds which is anticipated to be \$2,194,000 in Fiscal Year 2015.

EXHIBIT A – PROPERTY DIVISION BUDGET

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**FISCAL YEAR 2015
PROPERTY DIVISION
PROPOSED OPERATING BUDGET**

February 20, 2014

CRRA - PROPERTY DIVISION

Exhibit A

REVENUE

ACCOUNT	DESCRIPTION	MC/CSWS/RD	FY13 ACTUAL PD	TOTAL	ADOPTED FY13	ADOPTED FY14	PROPOSED FY15
35-001-000-40101	South Central Facility Capacity	\$ -	(a) \$ 245,657	\$ 245,657	\$ 1,444,000	\$ 239,000	\$ 194,000
35-001-000-43104	Jets Electricity	\$ 3,620,192	\$ 4,419,501	\$ 8,039,693	\$ 3,838,000	\$ 5,823,000	\$ 5,957,000
35-001-000-45101	Lease Income	\$ 16,093	\$ 434,157	\$ 450,250	\$ 426,000	\$ 425,000	\$ 441,000
35-001-000-xxxxx	CSWS share of Murphy Road operations	\$ -	(b) \$ -	(b) \$ -	(b) \$ -	\$ 175,000	\$ 139,000
35-001-000-46101	Interest Income	\$ -	(a) \$ 1,869	\$ 1,869	\$ -	\$ -	\$ 2,000
35-001-000-xxxxx	Education & Trash Museum	\$ 89,624	\$ -	(c) \$ 89,624	(a) \$ -	\$ 235,000	\$ 62,000
	Subtotal Revenues	\$ 3,725,909	\$ 5,101,184	\$ 8,827,093	\$ 5,711,000	\$ 6,897,000	\$ 6,795,000
	TOTAL OPERATING REVENUES	\$ 3,725,909	\$ 5,101,184	\$ 8,827,093	\$ 5,711,000	\$ 6,897,000	\$ 6,795,000

EXPENDITURE DETAILS

ACCOUNT	DESCRIPTION	MC/CSWS/RD	FY13 ACTUAL PD	TOTAL	ADOPTED FY13	ADOPTED FY14	PROPOSED FY15
35-001-xxx-xxxxx	CRRA Non-Personnel Services	\$ 32,219	\$ 88,199	\$ 120,418	\$ 100,000	\$ 370,000	\$ 401,000
35-001-xxx-xxxxx	CRRA Personnel Services - Other Property O&M	\$ 284,867	\$ 399,382	\$ 684,249	\$ 314,000	\$ 451,000	\$ 702,000
35-001-506-52709	Railroad Maintenance	\$ -	(c) \$ -	(c) \$ -	\$ 10,800	\$ -	\$ 10,800
35-001-506-xxxxx	Subtotal 211 Murphy Road Operations Center, Net	\$ 103,381	\$ -	(c) \$ 103,381	(a) \$ -	\$ 269,000	\$ 214,000
35-001-508-xxxxx	Subtotal 1410 Honey Spot Road	\$ 69,973	\$ 4,830	\$ 74,803	\$ 43,000	\$ 85,000	\$ 91,000
35-001-620-xxxxx	Subtotal 171 Murphy Road	\$ 27,213	\$ 34,846	\$ 62,059	\$ 60,000	\$ 45,000	\$ 41,000
35-001-621-xxxxx	Education & Trash Museum	\$ 157,177	\$ -	(c) \$ 157,177	(a) \$ -	\$ 236,000	\$ 244,000
35-001-623-52701	South Central Facility Operating Charges	\$ -	(a) \$ 215,439	\$ 215,439	\$ 1,425,000	\$ 220,400	\$ 109,000
35-001-951-xxxxx	Jets Operating Charges	\$ 884,529	\$ 1,209,038	\$ 2,093,567	\$ 1,847,000	\$ 2,803,000	\$ 2,703,000
	Total Operating Expenditures Budget	\$ 1,559,359	\$ 1,951,734	\$ 3,511,000	\$ 3,800,000	\$ 4,479,000	\$ 4,516,000
	Net Income/(Loss)	\$ 2,166,550	\$ 3,149,450	\$ 5,316,093	\$ 1,911,000	\$ 2,418,000	\$ 2,279,000

Disbursement Of Property Division Net Income

35-001-501-xxxxx	Contribution to Property Division General Fund	\$ -	(d) \$ -	(d) \$ -	(d) \$ -	(d) \$ -	\$ 2,194,000
35-001-501-xxxxx	Contribution to Property Division Improvement Fund	\$ -	(a) \$ 250,000	\$ 250,000	\$ 250,000	\$ 500,000	(d) \$ -
35-001-501-52638	Contribution to Severance Reserve	\$ -	(b) \$ -	(b) \$ -	(b) \$ -	\$ 430,000	\$ 85,000
35-001-951-59104	Transfer to the CSWS	\$ -	(a) \$ 1,672,000	\$ 1,672,000	\$ 1,672,000	\$ 800,000	\$ -
35-001-501-52685	Contribution to Solid Waste Future Development Reserve	\$ -	(b) \$ -	(b) \$ -	(b) \$ -	\$ 688,000	\$ -
35-001-501-xxxxx	Contribution to CSWS Tip Fee Stabilization Fund	\$ -	(d) \$ -	(d) \$ -	(d) \$ -	(d) \$ -	\$ -
	Total	\$ -	\$ 1,922,000	\$ 1,922,000	\$ 1,922,000	\$ 2,418,000	\$ 2,279,000
	Balance	\$ 2,166,550	\$ 1,227,450	\$ 3,394,093	\$ (11,000)	\$ -	\$ -

(a) Reflected 100% under the Property Division in FY13.

(b) Established in FY14

(c) Reflected under the Mid-Connecticut Project and the Connecticut Solid Waste system (CSWS) in FY13.

(d) Established in FY15

JETS ELECTRICITY

ASSUMPTIONS								
ACCOUNT	DESCRIPTION	MC/CSWS/RD	FY13 ACTUAL PD	TOTAL	ADOPTED FY13 (e)	ADOPTED FY14	PROPOSED FY15	
FUEL USAGE								
	K1 Fuel Price (average per gallon)		See Total	See Total	\$ 3.63	\$ 4.00	\$ 3.70	\$ 3.75
	Gallons/Hr./Unit		See Total	See Total	3,167	4,200	4,200	4,200
	Annual Run Hours		See Total	See Total	25	19	20	21
	Number of Units		See Total	See Total	4	4	4	4

REVENUES								
ACCOUNT	DESCRIPTION	MC/CSWS/RD	FY13 ACTUAL PD	TOTAL	ADOPTED FY13 (e)	ADOPTED FY14	PROPOSED FY15	
35-001-000-xxxxx	Jets Electricity Revenues	\$ 3,620,192	\$ 4,419,501	\$ 8,039,693	\$ 3,838,000	\$ 5,823,000	\$ 5,957,000	

EXPENDITURE DETAILS								
ACCOUNT	DESCRIPTION	MC/CSWS/RD	FY13 ACTUAL PD	TOTAL	ADOPTED FY13 (c)	ADOPTED FY14	PROPOSED FY15	
35-001-951-52612	Fuel	\$ 571,583	\$ 244,085	\$ 815,668	\$ 1,277,000	\$ 1,243,000	\$ 1,323,000	
35-001-951-xxxxx	CRRA Operating Costs	\$ 115,351	\$ 321,646	\$ 436,997	\$ 335,000	\$ 644,000	\$ 426,000	
35-001-951-xxxxx	Operator Operating & Maintenance Costs	\$ 168,802	\$ 581,109	\$ 749,911	\$ 157,000	\$ 785,000	\$ 819,000	
35-001-xxx-xxxxx	CRRA Personnel Services - Jets	\$ 28,793	\$ 62,198	\$ 90,991	\$ 78,000	\$ 131,000	\$ 135,000	
	Subtotal Jets Electricity Expenditures	\$ 884,529	\$ 1,209,038	\$ 2,093,567	\$ 1,847,000	\$ 2,803,000	\$ 2,703,000	
	Balance	\$ 2,735,663	\$ 3,210,463	\$ 5,946,126	(a)	\$ 3,020,000	\$ 3,254,000	

EDUCATION & TRASH MUSEUM

REVENUES											
ACCOUNT	DESCRIPTION	MC/CSWS/RD	FY13 ACTUAL			TOTAL	ADOPTED FY13 (c)	ADOPTED FY14	PROPOSED FY15		
				PD							
35-001-000-45150	Gift Shop Sales	\$	9,022	\$ - (c)	\$	9,022	(a) \$	10,000	\$	12,000	
35-001-000-45201	Admission Fees/Group Tours	\$	45,748	\$ - (c)	\$	45,748	(a) \$	50,000	\$	42,000	
35-001-000-xxxxx	Miscellaneous Activities	\$	34,854	\$ - (c)	\$	34,854	\$ -	\$	25,000	\$	8,000
35-001-000-48401	Use of Trash Museum Bank Account	\$	- (b)	\$ - (b)	\$	- (b)	(a) \$	150,000	\$	-	
35-001-000-xxxxx	Subtotal Education & Trash Museum Revenues	\$	89,624	\$ -	\$	89,624	(a) \$	235,000	\$	62,000	

EXPENDITURE DETAILS										
ACCOUNT	DESCRIPTION	MC/CSWS/RD	FY13 ACTUAL			TOTAL	ADOPTED FY13 (c)	ADOPTED FY14	PROPOSED FY15	
				PD						
35-001-621-52118	Customer Relations	\$	29,832	\$ - (c)	\$	29,832	(a) \$	10,000	\$	10,000
35-001-621-52202	Office Supplies	\$	182	\$ - (c)	\$	182	(a) \$	1,000	\$	1,000
35-001-621-52203	Educational Supplies	\$	10,709	\$ - (c)	\$	10,709	(a) \$	5,000	\$	5,000
35-001-621-52303	Subscriptions/Publications/Ref. Material	\$	-	\$ - (c)	\$	-	(a) \$	500	\$	500
35-001-621-52304	Dues-Professional Organizations	\$	285	\$ - (c)	\$	285	(a) \$	500	\$	500
35-001-621-xxxxx	Meetings & Training	\$	819	\$ - (c)	\$	819	(a) \$	3,500	\$	3,500
35-001-621-52418	Education Exhibits Maintenance	\$	(38,631)	\$ - (c)	\$	(38,631)	(a) \$	5,000	\$	5,000
35-001-621-xxxxx	CRRA Personnel Services - Education & Trash Museum	\$	153,982	\$ - (c)	\$	153,982	(a) \$	211,000	\$	218,000
35-001-621-xxxxx	Subtotal Education & Trash Museum Expenditures	\$	157,177	\$ - (c)	\$	157,177	(a) \$	236,000	\$	244,000
	Balance	\$	(67,552)	\$ - (c)	\$	(67,552)	(a) \$	(1,000)	\$	(182,000)

(b) Established in FY14
(c) Reflected under the Mid-Connecticut Project and the Connecticut Solid Waste system (CSWS) in FY13.
n/a Not Applicable

TAB 4

ATTACHMENT 4

REGARDING DISPOSITION OF ACCOUNTS AND FLOW OF FUNDS ASSOCIATED WITH THE CONNECTICUT RESOURCES RECOVERY AUTHORITY'S CSWS DIVISION

WHEREAS, The Authority has developed a Transition Plan and Ten Year Financial Plan in response to the requirements of Section 9 of Public Act 13-285; and

WHEREAS, Such plan anticipates that certain actions be taken to ensure that the Authority remains a financially self-sufficient public instrumentality and political subdivision of the State for a period of at least ten years; and

WHEREAS, such actions include, but are not limited to, establishing a Tip Fee Stabilization Fund, making certain funds available for the Connecticut Solid Waste System (CSWS) Major Maintenance and Capital Improvement Program, and utilizing the Authority's bonding capability to provide further funding for such program; and

WHEREAS, Utilizing the Authority's bonding capability will ultimately require an integrated financial structure including a defined flow of funds and pledge of revenues derived from the Authority's CSWS Division; and

NOW THEREFORE, be it

RESOLVED: The Board of Directors approves the CSWS Division Flow of Funds attached hereto as Exhibit A.

RESOLVED: The Board of Directors approves the establishment of new accounts, closing of existing accounts and redistribution of funds within the CSWS Division as described in Exhibit B attached hereto.

RESOLVED: The Board of Directors authorizes Authority Management to undertake such actions as described on Exhibits A and B effective as of March 1, 2014.

Exhibit A
Connecticut Resources Recovery Authority
CSWS Division
Flow of Funds

Total Operating Revenue – Actual receipts of Total Operating Revenue (as described in the adopted FY 2015 Operating Budget for the CSWS Division) are to be coded to customer and revenue account codes and deposited to the Bank of America CSWS Division Clearing Account within 1 business day of receipt. CSWS Division receipts are to be considered “Pledged Revenues” for the purposes of future CRRRA bond issuances as designated by the Board of Directors.

Disbursements - Within the first five (5) business days of each month, total receipts held within the Bank of America CSWS Division Clearing Account as of the last day of the preceding month are to be disbursed to the following accounts, in the following order:

1. **To CSWS Division Operating STIF** – Transfer the next month’s Total Operating Expense Budget as described in the adopted Operating Budget for the CSWS Division. For example, CSWS Division revenue received in the month of January is to be fully disbursed by the 5th business day in February which is to include disbursement of the CSWS Division’s Total Operating Expense Budget for March.

The CSWS Division Operating STIF is to be used to fund all operating expenses of the Division. The account is to be funded to a maximum of 120 days cash on hand (budget basis) to be assessed and adjusted annually with the start of each fiscal year. Operating expenses of the CSWS Division include all items of expense reflected in the adopted Total Operating Expense Budget and incurred pursuant to applicable CRRRA procurement policies and procedures.

2. **To CSWS Debt Service Fund** – Transfer the amount equivalent to the next month’s CSWS Division Debt Service Fund contribution included in the adopted Operating Budget for CSWS. This account is to be used to pay principal, interest and additional costs related to CRRRA bond issuances as designated by the Board of Directors. This account may be used to supplement the CSWS Improvement Fund in lieu of such bond issuances as designated by the Board of Directors.
3. **To CSWS Division General Fund (STIF)** – Transfer the balance of all funds remaining within the CSWS Division Clearing Account. This account is to be used to further supplement any existing fund established within the CSWS Division at the direction of the CRRRA Board of Directors, for debt service and debt service coverage for authorized CRRRA Bond issues.
4. **To CSWS Improvement Fund STIF** – From funds available within the CSWS Division General Fund, transfer the amount equivalent to the next month’s CSWS Division Improvement Fund reserve contribution included in the adopted Operating Budget for CSWS. This account is to be used to pay the eligible cost of approved major maintenance, capital improvement and equipment acquisition projects associated facilities comprising the CSWS Division including the Ellington, Essex, Torrington and Watertown transfer stations, the South Meadows Waste Processing Facility and Power Block, Operations Center and Recycling Facility located at 211 Murphy Road.

5. **To CSWS Risk Fund** - From funds available within the CSWS Division General Fund, transfer the amount equivalent to the next month's CSWS Risk Fund reserve contribution included in the adopted Operating Budget for CSWS. This account is to be used to pay deductibles on CSWS insurance claims under applicable general liability, auto liability, umbrella, pollution liability, public officials' liability and fiduciary policies.
6. **To CSWS Legal Fund** - From funds available within the CSWS Division General Fund, transfer the amount equivalent to the next month's CSWS Legal Fund reserve contribution included in the adopted Operating Budget for CSWS. This account is to be used to pay attorney's fees and other costs incurred in defense of claims and suits made against the CSWS or such costs incurred in the assertion of claims or suits made by CRRA on behalf of the CSWS against others.
7. **To CRRA Severance Fund** - From funds available within the CSWS Division General Fund, transfer the amount equivalent to the next month's CRRA Severance Fund reserve contribution included in the adopted Operating Budget for CSWS. This account is to be used to pay severance to CRRA employees separated from service in accordance with applicable policies, procedures and contractual requirements
8. **To CSWS Tip Fee Stabilization Fund** - Transfer the balance of all funds remaining within the CSWS Division General Fund to the CSWS Tip Fee Stabilization Fund provided that, and only to the extent that, amounts remain due to such fund in accordance with the CRRA Property Division Flow of Funds.

Exhibit B			
Establishment, closing and redistribution of funds within the CSWS Division			
Existing Account	1/31/ 2014 Existing	Action	1/31/2014 Proposed
CSWS Clearing Account	\$ 38,424	Distribute balance per adopted flow of funds and maintain account.	\$ 38,424
CSWS Division Operating (STIF)	\$ 11,324,039	Fund monthly budget in advance. Fund to maximum of 120 days cash on hand.	\$ 11,324,039
CSWS Debt Service Fund	\$ -	Establish and fund with balance of available funds	\$ -
Risk	\$ 145,885	None. Maintain this account and fund in accordance with FY 2014 and FY 2015 budgets and adopted flow of funds.	\$ 145,885
Legal	\$ 291,770	None. Maintain this account and fund in accordance with FY 2014 and FY 2015 budgets and adopted flow of funds.	\$ 291,770
Severance Reserve	\$ 253,846	Fully fund this account to the amount authorized in the FY 2014 budget. Establish a new single severance reserve account under the Authority Budget and transfer these funds to it. Close this account.	\$ 253,846
Customer Deposits	\$ 1,417,987	None. CRRA is required to maintain this account.	\$ 1,417,987
CSWS General Fund	\$ -	Establish this account and fund in accordance with adopted flow of funds.	\$ -
Total	\$ 13,471,951		\$ 13,471,951

TAB 5

ATTACHMENT 5

REGARDING ADOPTION OF THE FISCAL YEAR 2015 CSWS DIVISION OPERATING AND CAPITAL BUDGETS

RESOLVED: That the fiscal year 2015 Connecticut Resources Recovery Authority CSWS Division Operating and Capital Budgets attached hereto as Exhibits A and A1 be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That the following tip fees be adopted for the Fiscal Year 2015 operating budgets; and

WASTE STREAM	TIP FEES
Base Disposal Fee/Tier 1 Short-Term (per ton)	\$64.00
Tier 1 Long-Term/Tier 3 (per ton)	\$62.00
Tier 2 (per ton)	\$66.00
Spot Waste (per ton)	Market Rate
Bulky Waste (per ton)	\$85.00
Ferrous (per ton)	Market Rate
Mattress/Box Springs Surcharge (per unit)	\$30.00
Recycling; Single or Dual Stream (per ton)	No Charge

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the applicable CSWS accounts and reserves to pay for costs and fees incurred during Fiscal Year 2015 in accordance with the operating and capital budgets adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority's Procurement Policies and Procedures; and

FURTHER RESOLVED: That the Authority contribute \$85,000 to the Severance Reserve, \$100,000 to the Legal Reserve and \$191,000 to the CSWS Risk Reserve; and

FURTHER RESOLVED: That a the Authority contribute \$7,425,000 to the CSWS Improvement Fund from the Fiscal Year 2015 CSWS operating budget and adopted CSWS flow of funds; and

FURTHER RESOLVED: That the Authority establish a CSWS General Fund and contribute all remaining operating funds as described in the Disposition of Accounts and Flow of Funds which is anticipated to be \$500,000 in Fiscal Year 2015.

EXHIBIT A – CSWS DIVISION BUDGET

EXHIBIT A-1 – CSWS DIVISION CAPITAL BUDGET

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**FISCAL YEAR 2015
CONNECTICUT SOLID WASTE SYSTEM DIVISION
PROPOSED OPERATING & CAPITAL BUDGETS**

February 20, 2014

CRRA - CONNECTICUT SOLID WASTE SYSTEM DIVISION (CSWS)

Exhibit A

REVENUE & EXPENDITURE SUMMARY

REVENUES

ACCOUNT	DESCRIPTION	FY13 ACTUAL			ADOPTED	PROPOSED
		07/01/12 - 11/15/12	11/16/12 - 06/30/13	TOTAL	FY14	FY15
49-001-000-40101	Service Charges Solid Waste-Participating Town	\$ 18,080,401	\$ 14,127,255	\$ 32,207,656	\$ 23,670,000	\$ 23,752,000
49-001-000-40109	Service Charges Solid Waste-Contracts	\$ 664,783	\$ 9,073,834	\$ 9,738,617	\$ 9,574,000	\$ 9,498,000
49-001-000-xxxxx	Service Charges Solid Waste-Hauler	(a)	(a)	(a)	\$ 3,720,000	\$ 4,340,000
49-001-000-40103	Service Charges Solid Waste - Spot	\$ 1,600,063	\$ 1,840,667	\$ 3,440,730	\$ 3,635,000	\$ 4,800,000
41-001-000-41103	DEP Certified Soil/Cover Material	\$ 236,132	n/a	\$ 236,132	n/a	n/a
49-001-000-49104	Metal Sales	\$ 630,472	\$ 1,059,804	\$ 1,690,276	\$ 1,725,000	\$ 1,350,000
49-001-000-49106	Municipal Bulky Waste & Mattresses/Box Spring	\$ 149,856	\$ 156,638	\$ 306,494	\$ 179,000	\$ 75,000
49-001-000-42101	Recycling Facility	\$ 870,435	\$ 911,835	\$ 1,782,270	\$ 1,287,000	\$ 1,231,720
49-001-000-xxxxx	Trash Museum	\$ 30,130	\$ 59,496	\$ 89,626	(b)	(b)
49-001-000-xxxxx	Electricity	\$ 5,324,698	\$ 9,345,781	\$ 14,670,479	\$ 20,780,000	\$ 22,214,000
49-001-000-45150	Miscellaneous Income	\$ 66,003	\$ 18,743	\$ 84,746	n/a	n/a
41-001-000-48201	Use of Prior Year's Surplus	\$ 2,388,954	n/a	\$ 2,388,954	-	n/a
41-001-000-48202	Use of Debt Service Reserve Fund	\$ 1,636,000	n/a	\$ 1,636,000	n/a	n/a
41-001-000-48401	Use of Board Designated Reserves	\$ 1,500,000	n/a	\$ 1,500,000	n/a	n/a
41-001-000-xxxxx	Jets	\$ 3,637,215	(b)	\$ 3,637,215	(b)	(b)
49-001-000-46101	Interest Income	\$ 51,879	\$ 8,266	\$ 60,145	\$ 10,000	\$ 10,000
Total Operating Revenues		\$ 36,867,021	\$ 36,602,319	\$ 73,469,340	\$ 64,580,000	\$ 67,271,000

EXPENDITURES

ACCOUNT	DESCRIPTION	FY13 ACTUAL			ADOPTED	PROPOSED
		07/01/12 - 11/15/12	11/16/12 - 06/30/13	TOTAL	FY14	FY15
49-001-501-57871	Administrative Expenses	\$ 1,094,253	\$ 1,486,534	\$ 2,580,787	\$ 2,827,000	\$ 3,508,000
49-001-xxx-xxxxx	Operational Expenses	\$ 1,297,362	\$ 2,233,842	\$ 3,531,204	\$ 3,807,000	\$ 2,969,000
49-001-xxx-xxxxx	Assessment, Fees, Subsidies, & PILOTs	\$ 2,270,651	\$ 802,481	\$ 3,073,132	\$ 3,358,000	\$ 2,651,000
49-001-505-xxxxx	Waste Transport	\$ 8,291,921	\$ 8,886,452	\$ 17,178,373	\$ 14,486,000	\$ 13,725,000
49-001-601-xxxxx	Waste Processing Facility	\$ 4,135,753	\$ 7,222,960	\$ 11,358,713	\$ 12,219,000	\$ 11,751,000
49-001-602-xxxxx	Power Block Facility	\$ 6,918,173	\$ 12,861,009	\$ 19,779,182	\$ 17,276,000	\$ 18,196,000
49-001-xxx-xxxxx	Facility Contractor	\$ 456,013	\$ 728,327	\$ 1,184,340	\$ 1,167,000	\$ 1,207,000
49-001-xxx-xxxxx	Transfer Stations	\$ 893,152	\$ 1,124,239	\$ 2,017,391	\$ 1,691,000	\$ 1,700,000
49-001-xxx-xxxxx	Murphy Road Operations Center	\$ 6,214	(b)	\$ 6,214	\$ 175,000	\$ 139,000
49-001-506-xxxxx	Recycling Facility	\$ 401,318	\$ 695,520	\$ 1,096,838	\$ 1,287,000	\$ 1,229,000
49-001-621-xxxxx	Trash Museum	\$ 130,355	\$ 299,396	\$ 429,751	(b)	(b)
Total Operating Expense Budget		\$ 25,895,165	\$ 36,340,760	\$ 62,235,925	\$ 58,293,000	\$ 57,075,000
Operating Income Before Fund Transfers & Reserve Contributions		\$ 10,971,856	\$ 261,559	\$ 11,233,415	\$ 6,287,000	\$ 10,196,000

FUNDS FLOW DETAILS

DISBURSEMENT OF CSWS NET INCOME/(LOSS)

49-001-502-xxxxx	Debt Service	n/a	n/a	n/a	n/a	\$ 2,100,000
49-001-501-xxxxx	Contribution to CSWS General Fund	(c)	(c)	(c)	(c)	\$ 500,000
49-001-501-52682	Transfer to Property Division (CSWS Improvement Fund)	\$ 800,000	\$ 1,200,000	\$ 2,000,000	\$ 5,909,000	\$ 7,425,000
49-001-501-52675	Contribution to CSWS Risk Fund Reserve	(a)	(a)	(a)	\$ 250,000	\$ 191,000
49-001-501-52680	Contribution to Legal Reserve	(a)	(a)	(a)	\$ 500,000	\$ 100,000
49-001-501-52683	Contribution to Severance Reserve	(a)	(a)	(a)	\$ 427,500	\$ 85,000
49-001-000-47216	Transfer from Property Division (Tip Fee Stabilization Fund)	\$ -	\$ (1,672,000)	\$ (1,672,000)	\$ (800,000)	\$ (205,000)
41-001-501-52678	Contribution to Post Project Closure Reserve	\$ 1,475,000	n/a	\$ 1,475,000	n/a	n/a
41-001-501-52680	Contribution to Litigation Reserve	\$ 1,200,000	n/a	\$ 1,200,000	n/a	n/a
Total		\$ 3,475,000	\$ (472,000)	\$ 3,003,000	\$ 6,287,000	\$ 10,196,000
Balance		\$ 7,496,856	\$ 733,559	\$ 8,230,415	\$ -	\$ -

TIP FEES

MSW	Tier 1 Short-term (a)	n/a	\$ 62.50	n/a	\$ 62.96	\$ 64.00
	Tier 1 Long-term / Tier 3 (a)	n/a	\$ 60.50	n/a	\$ 60.96	\$ 62.00
	Tier 2 (a)	n/a	\$ 64.50	n/a	\$ 64.96	\$ 66.00
	Member/Contract (a)	\$ 69.00	n/a	n/a	n/a	n/a
	Contract Tip Fee	(d)	(d)	(d)	(d)	(d)
	Municipal Bulky Waste	\$ 85.00	\$ 85.00	\$ 85.00	\$ 85.00	\$ 85.00
Other	Spot	(e)	(e)	(e)	(e)	(e)
	Mattresses/Box Spring Surcharge (per unit)	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
	Ferrous Residue (Inbound)	\$ 40.00	\$ 40.00	\$ 40.00	\$ 45.00	\$ 45.00

- (a) Established in FY14.
- (b) Transferred to the Property Division.
- (c) Established in FY15.
- (d) Rate based on negotiated contract.
- (e) Rate based on market condition.
- n/a Not applicable

CRRA - CONNECTICUT SOLID WASTE SYSTEM DIVISION (CSWS)

Exhibit A

EXPENDITURE DETAILS

ACCOUNT	DESCRIPTION	FY13 ACTUAL			ADOPTED	PROPOSED
		07/01/12 - 11/15/12	11/16/12 - 06/30/13	TOTAL	FY14	FY15
ADMINISTRATIVE EXPENSES						
49-001-501-57871	Indirect Labor & Overhead - Administration	\$ 889,558	\$ 1,264,453	\$ 2,154,011	\$ 2,136,000	\$ 2,854,000
49-001-501-xxxx	Direct Salaries/Labor & Benefits - Administration	\$ 204,695	\$ 222,081	\$ 426,776	\$ 691,000	\$ 653,800
	Subtotal Administrative Expenses	\$ 1,094,253	\$ 1,486,534	\$ 2,580,787	\$ 2,827,000	\$ 3,508,000
OPERATIONAL EXPENSES						
49-001-501-xxxx	DIRECT SALARIES / LABOR & BENEFITS - OPERATIONAL	\$ 476,495	\$ 675,188	\$ 1,151,683	\$ 1,733,000	\$ 1,539,000
ASSET PROTECTION & STATUTORY COMPLIANCE						
49-001-501-52115	Legal Notices	\$ 2,189	\$ 7,217	\$ 9,406	\$ 25,500	\$ 15,000
49-001-501-52502	Fees/Licenses/Permits	\$ 520	\$ 480	\$ 480	\$ 1,000	\$ 750
49-001-501-52505	Claims/Losses	\$ (22,970)	\$ 380,449	\$ 357,479	\$ 50,000	\$ 50,000
49-001-501-52602	Bad Debt Expense	\$ (75,000)	\$ 228,749	\$ 153,749	\$ 500	\$ 500
49-001-501-52856	Legal	\$ 156,566	\$ 277,205	\$ 433,771	\$ 500,000	\$ 100,000
49-001-501-52864	Operational Auditing	\$ -	\$ -	\$ -	\$ 5,000	\$ -
49-001-xxx-xxxx	Insurance Expenditures	\$ 719,300	\$ 610,776	\$ 1,330,076	\$ 1,295,000	\$ 1,092,000
	Subtotal Asset Protection & Statutory Compliance	\$ 780,605	\$ 1,504,876	\$ 2,284,961	\$ 1,877,000	\$ 1,258,000
ENGINEERING, TECHNOLOGY, AND EQUIPMENT/FACILITY						
49-001-501-52899	Engineering & Technology Consulting Services	\$ 9,877	\$ 55,074	\$ 64,951	\$ 10,000	\$ 30,000
49-001-501-54482	Computer Hardware	\$ -	\$ 908	\$ 908	\$ 4,200	\$ 2,000
49-001-501-54483	Computer Software	\$ -	\$ -	\$ -	\$ 1,000	\$ 500
49-001-501-58001	Operational Contingency	\$ 5,780	\$ -	\$ 5,780	\$ 50,000	\$ -
	Subtotal Engineering, Technology, and Equipment/Facility	\$ 15,657	\$ 55,982	\$ 71,639	\$ 65,200	\$ 32,500
OTHER OPERATING EXPENSES						
49-001-501-52101	Postage & Delivery Fees	\$ 1,493	\$ 2,556	\$ 4,049	\$ 5,000	\$ 4,500
49-001-501-52108	Printing Services	\$ 2,124	\$ 3,481	\$ 5,605	\$ 5,000	\$ 5,000
49-001-501-52118	Customer Relations	\$ -	\$ 193	\$ 193	\$ -	\$ 10,000
49-001-501-52202	Office Supplies	\$ 2,018	\$ 1,896	\$ 3,914	\$ 5,000	\$ 4,000
49-001-501-52211	Protect Clothing/Safety Equipment	\$ -	\$ 206	\$ 206	\$ 5,300	\$ 3,000
49-001-501-52302	Miscellaneous Services	\$ 806	\$ (21,937)	\$ (21,131)	\$ 5,000	\$ 4,000
49-001-501-xxxx	Meetings & Training	\$ 862	\$ 407	\$ 1,269	\$ 3,500	\$ 2,000
49-001-501-52401	Vehicle Repair/Maintenance	\$ 1,304	\$ 2,526	\$ 3,830	\$ 15,000	\$ 15,000
49-001-501-52612	Fuel for Vehicles	\$ 7,365	\$ 8,468	\$ 15,833	\$ 18,000	\$ 17,000
49-001-501-52615	Temporary Agency Services	\$ (a)	\$ (a)	\$ (a)	\$ 40,000	\$ 55,000
49-001-501-52859	Financial Services	\$ 8,633	\$ -	\$ 8,633	\$ 20,000	\$ 20,000
49-001-502-55585	Bank Fees	\$ -	\$ -	\$ -	\$ 10,000	\$ -
	Subtotal Other Operating	\$ 24,605	\$ (2,204)	\$ 22,401	\$ 132,000	\$ 140,000
	Subtotal Operational Expenses	\$ 1,297,362	\$ 2,233,842	\$ 3,530,684	\$ 3,807,000	\$ 2,969,000
DEBT SERVICE						
49-001-502-55560	Principal Repayment	n/a	n/a	n/a	n/a	\$ 2,100,000
49-001-502-55525	Interest	n/a	n/a	n/a	n/a	included above
49-001-502-55585	Bank/Trustee Fees	n/a	n/a	n/a	n/a	included above
	Subtotal Debt Service	n/a	n/a	n/a	n/a	\$ 2,100,000
ASSESSMENT, FEES, SUBSIDIES, & PILOTS						
49-001-501-52507	City of Hartford PILOT	\$ 1,617,142	n/a	\$ 1,617,142	\$ 2,200,000	\$ 1,500,000
49-001-xxx-52508	Transfer Station Host Community Benefit Fees	\$ 86,000	\$ 86,023	\$ 172,023	\$ 136,000	\$ 147,000
49-001-505-52508	Municipal Subsidy	\$ 149,798	\$ 96,706	\$ 246,504	n/a	n/a
41-001-620-52507	171 Murphy Rd PILOT	\$ 21,000	(b)	\$ 21,000	(b)	(b)
41-001-605-52504	Ellington Landfill Assessment / Taxes	\$ 2,197	n/a	\$ 2,197	n/a	n/a
49-001-602-52506	Solid Waste Assessment (Dioxin)	\$ 394,514	\$ 619,752	\$ 1,014,266	\$ 1,022,000	\$ 1,004,000
	Subtotal Assessment, Fees, Subsidies, & PILOTS	\$ 2,270,651	\$ 802,481	\$ 3,073,132	\$ 3,358,000	\$ 2,651,000
WASTE TRANSPORT						
49-001-505-52701	Contract Operating Charges (excludes recycling transportation)	\$ 1,872,160	\$ 2,577,711	\$ 4,449,871	\$ 2,698,000	\$ 3,021,000
49-001-505-52710	Disposal Fees - Solid Waste Bypass	\$ 97,700	\$ 119,679	\$ 217,379	\$ 613,500	\$ 189,000
49-001-505-52711	Ash Disposal	\$ 3,419,483	\$ 6,030,519	\$ 9,450,002	\$ 11,002,180	\$ 10,454,820
49-001-505-52716	Non-Processible Disposal Fees	\$ 2,902,578	\$ 158,543	\$ 3,061,121	\$ 171,856	\$ 60,500
	Subtotal Waste Transport	\$ 8,291,921	\$ 8,886,452	\$ 17,178,373	\$ 14,486,000	\$ 13,725,000
WASTE PROCESSING FACILITY (WPF)						
49-001-601-xxxx	Scale house Expenses	\$ 2,149	\$ 4,383	\$ 6,532	\$ 13,000	\$ 10,500
49-001-601-52407	Project Equipment Maintenance	\$ 2,600	\$ 470	\$ 3,070	\$ 7,000	\$ 5,000
49-001-601-52502	Fees/Licenses/Permits	\$ 5,875	\$ 600	\$ 6,475	\$ 7,500	\$ 10,500
49-001-601-xxxx	Contract Operating Charges	\$ 4,042,765	\$ 7,154,019	\$ 11,196,784	\$ 12,470,000	\$ 11,629,600
49-001-601-xxxx	Facility O&M Reduction	(a)	(a)	(a)	(400,000)	n/a
49-001-601-52709	Other Operating Charges	\$ 39,491	\$ 32,148	\$ 71,639	\$ 63,100	\$ 35,200
49-001-601-52858	Engineering Consultants	\$ 40,438	\$ 27,627	\$ 68,065	\$ 51,000	\$ 55,000
49-001-601-52901	Environmental Testing	\$ 2,435	\$ 3,713	\$ 6,148	\$ 7,500	\$ 5,000
	Subtotal WPF	\$ 4,135,753	\$ 7,222,960	\$ 11,358,713	\$ 12,219,000	\$ 11,751,000

(a) Established in FY14.

(b) Transferred to the Property Division.

n/a Not applicable

CRRA - CONNECTICUT SOLID WASTE SYSTEM DIVISION (CSWS)

Exhibit A

EXPENDITURE DETAILS

ACCOUNT	DESCRIPTION	FY13 ACTUAL			ADOPTED	PROPOSED
		07/01/12 - 11/15/12	11/16/12 - 06/30/13	TOTAL	FY14	FY15
POWER BLOCK FACILITY (PBF)						
49-001-602-52502	Fees/Licenses/Permits	\$ 327,858	\$ 73,993	\$ 401,851	\$ 455,500	\$ 439,600
49-001-602-xxxxx	Contract Operating Charges	\$ 6,322,340	\$ 12,511,891	\$ 18,834,231	\$ 16,405,000	\$ 17,122,500
49-001-602-xxxxx	Facility O&M Reduction	(a)	(a)	(a)	\$ (350,000)	n/a
49-001-602-52720	Power Products Management Fee	(c)	(c)	(c)	(c)	\$ 90,000
49-001-602-52858	Engineering Consultants	\$ 5,667	\$ 1,785	\$ 7,452	\$ 15,500	\$ 17,000
49-001-602-52901	Environmental Testing	\$ (40,396)	\$ 50,381	\$ 9,985	\$ 103,000	\$ 111,700
49-001-602-53304	Electricity	\$ 28,747	\$ 130,488	\$ 159,235	\$ 245,000	\$ 115,000
49-001-602-52404	Building Operations	\$ 125,237	\$ 1,809	\$ 127,046	\$ 17,000	n/a
49-001-602-53309	Other Utilities	\$ 148,720	\$ 90,662	\$ 239,382	\$ 385,000	\$ 300,000
	Subtotal PBF	\$ 6,918,173	\$ 12,861,009	\$ 19,779,182	\$ 17,276,000	\$ 18,196,000
FACILITY CONTRACTOR						
49-001-501-52641	Operator Reimbursement - Insurance Premium	n/a	\$ 16,428	\$ 16,428	\$ 88,000	\$ 103,000
49-001-501-52703	Management Fee	\$ 312,000	\$ 508,000	\$ 820,000	\$ 838,000	\$ 791,950
49-001-501-52717	Engineering, accounting, and regulation expenses	\$ 144,013	\$ 203,899	\$ 347,912	\$ 241,000	\$ 312,000
	Subtotal Facility Contractor	\$ 456,013	\$ 728,327	\$ 1,184,340	\$ 1,167,000	\$ 1,207,000
TRANSFER STATION - ELLINGTON (f)						
49-001-610-xxxxx	Dormancy Expenses	\$ 5,221	\$ 6,121	\$ 11,342	\$ 20,500	\$ 20,500
49-001-610-52407	Project Equipment Maintenance	\$ 2,858	\$ 1,474	\$ 4,332	(f)	(f)
49-001-610-52502	Fees/Licenses/Permits	\$ 1,200	\$ 1,550	\$ 2,750	\$ 2,500	\$ 2,500
49-001-610-52701	Contract Operating Charges	\$ 231,569	\$ 47,625	\$ 279,194	(f)	(f)
	Subtotal Ellington TS	\$ 240,848	\$ 56,770	\$ 297,618	\$ 23,000	\$ 23,000
TRANSFER STATION - ESSEX						
49-001-611-xxxxx	Scale house Expenses	\$ 2,452	\$ 2,979	\$ 5,431	\$ 14,600	\$ 12,600
49-001-611-52407	Project Equipment Maintenance	\$ 5,453	\$ 4,883	\$ 10,336	\$ 10,500	\$ 10,500
49-001-611-52502	Fees/Licenses/Permits	\$ 1,443	\$ 1,690	\$ 3,133	\$ 2,750	\$ 1,550
49-001-611-52701	Contract Operating Charges	\$ 225,642	\$ 370,070	\$ 595,712	\$ 520,000	\$ 531,750
49-001-611-52858	Engineering Consultants	\$ 703	\$ -	\$ 703	\$ 11,000	\$ 8,000
49-001-611-52901	Environmental Testing	\$ 1,946	\$ 438	\$ 2,384	\$ 5,800	\$ 2,100
	Subtotal Essex TS	\$ 237,639	\$ 380,060	\$ 617,699	\$ 565,000	\$ 567,000
TRANSFER STATION - TORRINGTON						
49-001-612-xxxxx	Scale house Expenses	\$ 1,856	\$ 3,423	\$ 5,279	\$ 15,100	\$ 12,450
49-001-612-52407	Project Equipment Maintenance	\$ 2,858	\$ 4,883	\$ 7,741	\$ 10,500	\$ 10,500
49-001-612-52502	Fees/Licenses/Permits	\$ 1,200	\$ 1,690	\$ 2,890	\$ 2,750	\$ 1,550
49-001-612-52701	Contract Operating Charges	\$ 214,637	\$ 357,728	\$ 572,365	\$ 499,000	\$ 510,000
49-001-612-52858	Engineering Consultants	\$ 867	\$ -	\$ 867	\$ 11,000	\$ 8,000
49-001-612-52901	Environmental Testing	\$ 1,112	\$ 1,241	\$ 2,353	\$ 4,650	\$ 3,000
	Subtotal Torrington TS	\$ 222,530	\$ 368,965	\$ 591,495	\$ 543,000	\$ 546,000
TRANSFER STATION - WATERTOWN						
49-001-613-xxxxx	Scale house Expenses	\$ 1,563	\$ 2,886	\$ 4,449	\$ 12,400	\$ 10,200
49-001-613-52407	Project Equipment Maintenance	\$ 2,858	\$ 4,883	\$ 7,741	\$ 10,500	\$ 10,500
49-001-613-52502	Fees/Licenses/Permits	\$ 1,200	\$ 2,350	\$ 3,550	\$ 2,750	\$ 1,550
49-001-613-52701	Contract Operating Charges	\$ 185,117	\$ 307,713	\$ 492,830	\$ 520,000	\$ 531,750
49-001-613-52858	Engineering Consultants	\$ 724	\$ -	\$ 724	\$ 11,000	\$ 8,000
49-001-613-52901	Environmental Testing	\$ 673	\$ 612	\$ 1,285	\$ 3,500	\$ 1,500
	Subtotal Watertown TS	\$ 192,135	\$ 318,444	\$ 510,579	\$ 560,000	\$ 564,000
MURPHY ROAD OPERATIONS CENTER						
49-001-xxx-xxxxx	Murphy Rd Operations Center Usage Fee	(a)	(a)	(a)	\$ 175,000	\$ 139,000
	Subtotal Murphy Rd Operations Center	(a)	(a)	(a)	\$ 175,000	\$ 139,000

(a) Established in FY14.

(c) Established in FY15.

(f) Ellington Transfer Station closed in January 2013.

n/a Not applicable

CRRA - CONNECTICUT SOLID WASTE SYSTEM DIVISION (CSWS)

Exhibit A

REVENUE & EXPENDITURE SUMMARY

ACCOUNT	DESCRIPTION	FY13 ACTUAL			ADOPTED	PROPOSED
		07/01/12 - 11/15/12	11/16/12 - 06/30/13	TOTAL	FY14	FY15
RECYCLING FACILITY						
REVENUES						
49-001-000-42101	Recycling Sales	\$ 870,434	\$ 911,835	\$ 1,782,269	\$ 1,287,000	\$ 1,231,720
EXPENDITURES						
49-001-506-52104	Telecommunications	\$ -	\$ 259	\$ 259	(b)	(b)
49-001-506-52115	Legal Notices	\$ 5,601	\$ 2,115	\$ 7,716	\$ 8,000	\$ 3,000
49-001-506-52118	Customer Relations	\$ 1,626	\$ 120	\$ 1,746	\$ -	\$ 10,000
49-001-506-xxxxx	Meetings & Training	\$ -	\$ -	\$ -	\$ 2,000	\$ 1,000
49-001-506-52404	Building Operations	\$ 26,798	\$ 21,777	\$ 48,575	(b)	(b)
49-001-506-52407	Project Equipment Maintenance	\$ 4,648	\$ 5,323	\$ 9,971	\$ 35,000	\$ 23,000
49-001-506-52415	Grounds Maintenance	\$ 5,873	\$ 14,285	\$ 20,158	(b)	(b)
49-001-506-52502	Fees/Licenses/Permits	\$ 1,235	\$ 2,015	\$ 3,250	\$ 3,750	\$ 4,300
49-001-506-52617	Municipal Events	\$ 1,920	\$ -	\$ 1,920	\$ 16,000	\$ -
49-001-506-52620	Recycling Delivery Rebate	\$ -	\$ 298,880	\$ 298,880	\$ 415,000	\$ 400,000
41-001-506-52659	Recycling Education Reserve (PILOT)	\$ 150,000	n/a	\$ 150,000	n/a	n/a
49-001-506-5701	Contract Operating Charges	\$ -	\$ 240	\$ 240	\$ -	\$ 1,000
49-001-506-52707	Transportation Expense	(a)	(a)	(a)	\$ 436,000	\$ 429,000
49-001-506-52858	Engineering Consultants	\$ 154	\$ 3,240	\$ 3,394	\$ 12,000	\$ 12,000
49-001-506-52901	Environmental Testing	\$ 1,485	\$ 2,915	\$ 4,400	\$ 7,500	\$ 4,800
49-001-506-53304	Electricity	\$ 16,956	\$ 12,650	\$ 29,606	(b)	(b)
49-001-506-53309	Other Utilities	\$ 3,586	\$ 3,586	\$ 7,172	(b)	(b)
49-001-506-57871	Indirect Labor & Overhead - Administration	\$ 95,428	\$ 171,909	\$ 267,337	\$ 35,000	\$ 36,000
49-001-506-xxxxx	Direct Salaries/Labor & Benefits - Administration	\$ 13,789	\$ 21,772	\$ 35,561	\$ 47,000	\$ 46,000
49-001-506-xxxxx	Direct Salaries/Labor & Benefits - Operational	\$ 72,219	\$ 134,434	\$ 206,653	\$ 270,000	\$ 259,000
Total Expenditures		\$ 401,318	\$ 695,520	\$ 1,096,838	\$ 1,287,000	\$ 1,229,000
Balance		\$ 469,116	\$ 216,315	\$ 685,431	\$ -	\$ 2,720

(a) Established in FY14.

(b) Transferred to the Property Division.

n/a Not applicable

CRRA - CONNECTICUT SOLID WASTE SYSTEM (CSWS)

Exhibit A

DETAILS		07/01/12 - 11/15/12	FY13 ACTUAL 11/16/12 - 06/30/13	TOTAL	ADOPTED FY14	PROPOSED FY15
ASSUMPTIONS						
POWER	kwh/ton of RDF Produced	562	543	553 *	612	590
	Total kwh Sold	143,539,830	227,837,178	371,377,008	417,000,000	395,000,000
	Weighted Average Rate Per kwh (a)	\$ 0.0333	\$ 0.0372	\$ 0.0352	\$ 0.0461	\$ 0.0516
	Capacity Payment	n/a	\$ 876,648	\$ 876,648	\$ 1,340,000	\$ 1,686,000
	Renewable Energy Credits (REC) II	n/a	\$ -	\$ -	\$ 200,000	\$ 146,000
DELIVERIES						
	Tier 1 Short-term	n/a	86,643	86,643	145,000	143,000
	Tier 1 Long-term	n/a	125,119	125,119	210,000	205,000
	Tier 3	n/a	incl in Tier 1	incl in Tier 1	incl in Tier 1	3,000
	Member/Contract	278,252	n/a	278,252	n/a	n/a
	Tier 2	n/a	15,409	15,409	27,000	26,000
MSW	Participating Town	278,252	227,171	505,423	382,000	377,000
	Hauler	(b)	(b)	(b)	60,000	70,000
	Total Participating Town and Hauler Deliveries	278,252	227,171	505,423	442,000	447,000
	Contract	14,773	147,609	162,382	175,000	177,000
	Municipal Bulky Waste	737	1,384	2,120	2,000	600
	Spot	21,666	41,812	63,478	91,000	87,000
	Total	315,428	417,975	733,403	710,000	711,600
	Other (Spot)					
	Ferrous Residue (Inbound)	3,584	6,378	9,961	10,000	10,000
	Recycling Residue	2,871	2,560	5,431	8,600	5,000
	Total	6,455	8,937	15,393	18,600	15,000
	Mattresses/Box Spring					
	Mattress/Box Spring (number of unit)	1,272	1,301	2,573	300	800
RECYCLING OPERATIONS						
	Tip Fees					
	Single Stream Acceptable Recyclables	\$ -	\$ -	\$ -	\$ -	n/a
	Dual Stream Acceptable Recyclables	\$ -	\$ -	\$ -	\$ -	n/a
	Recycling Delivery Credit per Ton	\$ -	\$ -	\$ -	\$ 10.00	\$ 10.00
	Delivery/Processing					
	Dual Stream Acceptable Recyclables (tons)	498	451	949	1,500	n/a
	Single Stream Acceptable Recyclables (tons)	41,827	48,142	89,969	40,000	n/a
	CSWS Acceptable Recyclables (tons)	(c)	(c)	(c)	(c)	45,000
	Contractor Sourced Acceptable Recyclables (tons)	(c)	(c)	(c)	(c)	10,000
	Total	42,325	48,593	90,918	41,500	55,000
	Recycling Sales					
	Container Per Ton Sales Revenue	\$ 39.35	\$ 35.53	\$ 37.44 *	\$ 21.00	\$ 17.00
	Paper Per Ton Sales Revenue	\$ 5.45	\$ 5.30	\$ 5.38 *	\$ 11.00	\$ 14.00
	Single Stream Acceptable Recyclables per Ton	\$ 14.85	\$ 14.56	\$ 14.71 *	\$ 17.00	n/a
	Dual Stream Acceptable Recyclables per Ton	\$ 15.47	\$ 15.50	\$ 15.49 *	\$ 17.05	n/a
	CSWS Acceptable Recyclables per Ton	(c)	(c)	(c)	(c)	\$ 8.50
	Contractor Sourced Acceptable Recyclables per Ton	(c)	(c)	(c)	(c)	\$ 7.50
	Contractor Sourced Sales Revenue	(c)	(c)	(c)	(c)	\$ 2.00
	Others					
	Residue Rate - Containers & Paper	6.81%	5.27%	6.04% *	7.00%	8.00%
	Excess Residue Tons - CSWS Recyclables	(c)	(c)	(c)	(c)	1,350
	Excess Residue Tons - Contractor	(c)	(c)	(c)	(c)	800
FACILITY OPERATIONS						
	Tons Processed					
	Total MSW Processed	295,652	430,140	725,792	701,000	708,000
	RDF Produced	255,371	419,583	674,954	681,000	669,000
	Residue Rates					
	Ash Rate (Per Ton of RDF)	22.60%	24.09%	23.35% *	26.14%	25.11%
	Ash Rate (Per Ton of MSW)	19.52%	23.50%	n/a	25.39%	23.73%
	Process Residue Rate (Per Ton of MSW)	11.02%	0.06%	n/a	0.00%	0.00%
	Ferrous Metals Rate (Outbound) (Per Ton of MSW)	2.70%	2.92%	2.81% *	3.00%	2.50%
	Ferrous Residue Rate (Inbound) (Per Ton of MSW)	1.21%	1.48%	1.35% *	1.10%	1.98%
	Non-processible Waste - Out-of-State	1.00%	1.00%	n/a	1.00%	5.00%
	Other					
	Ferrous Residue Revenue (per ton price)	\$ 75.36	\$ 80.25	n/a	\$ 75.00	\$ 75.00
	Ferrous Metals including post combustion (Outbound)	7,982	12,548	20,530	23,000	18,000
	Scrap Metal/Maintenance Metal Revenue (price per ton)	(c)	(c)	(c)	(c)	\$ 250.00
	Scrap Metal/Maintenance Metal Revenue (Outbound)	(c)	(c)	(c)	(c)	450

(a) Rates specified by contract by real time day ahead market.

(b) Established in FY14.

(c) Established in FY15.

n/a Not applicable

* average

CRRA - CONNECTICUT SOLID WASTE SYSTEM (CSWS)

Exhibit A

ASSUMPTIONS							
DETAILS		FY13 ACTUAL		TOTAL	ADOPTED FY14	PROPOSED FY15	
		07/01/12 - 11/15/12	11/16/12 - 06/30/13				
MUNICIPAL PAYMENTS							
Fees	Essex TS Host Benefit (per ton)	\$ 0.545	\$ 0.545	n/a	\$ 0.560	\$ 0.560	
	Torrington TS Host Benefit (per ton)	\$ 0.545	\$ 0.545	n/a	\$ 0.560	\$ 0.560	
	Watertown TS Host Benefit (per ton)	\$ 0.545	\$ 0.545	n/a	\$ 0.560	\$ 0.560	
	Hartford Host Benefit (per ton)	(b)	(b)	(b)	\$ 0.560	\$ 0.560	
	Waterbury LF Residential Drop Off (per load)	\$ 245.00	\$ 217.00	n/a	(d)	(d)	
Deliveries (Tons/Loads)	Essex TS Host Benefit	28,945	39,514	68,459	62,000	67,000	
	Torrington TS Host Benefit	21,984	32,621	54,605	58,000	55,000	
	Watertown TS Host Benefit	42,198	84,986	127,185	95,000	113,265	
	Hartford Host Benefit	314,162	415,718	729,880	701,000	708,000	
	Waterbury LF Residential Drop Off (load)	213	446	659	(d)	(d)	
WASTE TRANSPORT							
Fees	Essex per ton MSW	\$ 16.04	\$ 17.96	n/a	\$ 14.00	\$ 14.00	
	Essex per ton Recyclables (f)	\$ 322.65	\$ 29.23	n/a	\$ 21.00	\$ 21.00	
	Torrington per ton MSW	\$ 13.59	\$ 13.67	n/a	\$ 12.62	\$ 12.62	
	Torrington per ton Recyclables (f)	\$ 256.38	\$ 25.02	n/a	\$ 22.95	\$ 22.95	
	Watertown per ton MSW	\$ 14.40	\$ 14.49	n/a	\$ 14.00	\$ 14.00	
	Watertown per ton Recyclables (f)	\$ 259.58	\$ 28.04	n/a	\$ 21.00	\$ 21.00	
	Sharon/Salisbury per ton MSW	\$ 13.24	(e)	n/a	\$ 5.62	\$ 9.39	
	RRDD#1 per load MSW	\$ 102.38	(e)	n/a	\$ 105.00	\$ 109.52	
	Ash to Other (blended rate per ton T&D)	\$58.57 - \$58.97	\$59.53 - \$59.56	n/a	\$ 61.81	\$ 62.23	
	Process Residue to Other (per ton T&D)	\$77.99 - \$78.22	\$ 78.39	n/a	\$ -	\$ -	
	Non-processible Waste to Other (per ton T&D)	\$94.46 - \$94.69	\$94.58 - \$94.80	n/a	\$ 96.82	\$ 100.51	
	South Central Disposal Diversion Fee (per ton)	\$ 69.00	\$ 62.50	n/a	\$ 59.00	\$50.00 / \$59.00	
	Southeast Project Disposal Diversion Fee (per ton)	\$ 60.00	\$ 58.00	n/a	\$ 75.50	\$ 58.00	
Hauled Tons	Essex MSW	29,465	35,188	64,654	55,000	60,000	
	Essex Recyclables (f)	222	4,230	n/a	7,000	7,000	
	Torrington MSW	18,619	28,198	46,817	50,000	50,000	
	Torrington Recyclables (f)	286	4,019	n/a	8,000	7,000	
	Watertown MSW	47,605	79,485	127,090	90,000	107,500	
	Watertown Recyclables (f)	430	5,144	n/a	5,000	5,800	
	Sharon/Salisbury MSW	1,536	(e)	n/a	2,800	2,400	
	RRDD#1 per load MSW	86	(e)	n/a	200	200	
MSW Byproduct Tons	Ash to Other	57,726	101,080	158,806	178,000	168,000	
	Process Residue to Other	32,589	260	32,849	-	-	
	Non-processible Waste to Other	3,525	1,424	4,949	1,775	600	
MSW Diverted Tons	South Central Diversion	1,266	2,257	3,523	4,000	3,600	
	Southeast Project Diversion	-	-	-	5,000	-	
	<i>Subtotal</i>	1,266	2,257	3,523	9,000	3,600	
MISCELLANEOUS							
	Inflation Estimate	1.46%	1.33%	1.39% *	2.20%	2.50%	
	Interest Rate	0.20%	0.12%	0.16% *	0.25%	0.25%	

(b) Established in FY14.

(d) Contract ended in FY13.

(e) Contract ended on 11/15/12.

(f) per Load thru 11/15/12.

n/a Not applicable

* average

SOUTH MEADOWS SYSTEM - FIVE YEAR CAPITAL PLAN

FY15 - FY19 CSWS Improvement Fund (\$000's)

WASTE PROCESSING, POWER BLOCK, ROLLING STOCK, TRANSFER STATIONS

CSWS IMPROVEMENT FUND RESERVE	FY15 Proposed	FY16 Projected	FY17 Projected	FY18 Projected	FY19 Projected
Reserve Balance as of July 1st	\$ 3,940	\$ 16,300	\$ 13,955	\$ 13,025	\$ 10,540
Waste Processing Facility (WPF)	\$ 1,775	\$ 1,065	\$ 845	\$ 675	\$ 925
Power Block (PBF)	\$ 10,750	\$ 10,260	\$ 7,175	\$ 6,275	\$ 6,290
Rolling Stock (RS)	\$ -	\$ 640	\$ 710	\$ 760	\$ 1,560
Transfer Stations (TS)	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40
TOTAL WPF/PBF/RS/TS	\$ 12,565	\$ 12,005	\$ 8,770	\$ 7,750	\$ 8,815
Contributions to CSWS Improvement Fund	\$ 24,925 (A)	\$ 9,660	\$ 7,840	\$ 5,265	\$ 4,374
Estimated Reserve Balance	\$ 16,300	\$ 13,955	\$ 13,025	\$ 10,540	\$ 6,099

(A) Assumes a bonding for \$17.5 million in FY 15. In the absence of a bonding, an additional \$2.1 million will be contributed to the

CSWS Improvement Fund from bonding expenses currently in the CSWS FY 15 budget

Waste Processing Facility (WPF)
 Roof Repairs
 Resurface Tip and RDF Floors
 Replace / Rebuild Conveyor Lines
 Power Block (PBF)
 Roof Repairs
 Boiler Tube and Pressure Part Replacement
 Turbine Generators # 5 Overhaul

Rolling Stock (RS)

Transfer Stations (TS)
 Roof Repairs
 Resurface Tip Floors
 Curbing and Street Repair

TAB 6

CONNECTICUT RESOURCES RECOVERY AUTHORITY

Request regarding BOARD RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES

February 20, 2014

Executive Summary

This is to request Board authorization of payment of additional projected fiscal '14 legal expenses.

Discussion:

At its May 2013 regular meeting, the Board of Directors approved payment of FY 14 legal fees and expenses from appropriate budgets and reserves, including authorization to pay CRRA's environmental counsel, Brown Rudnick, up to \$85,000 during fiscal 2014. In June 2013, the State Legislature passed Public Act 13-247, directing CRRA to enter into a Memorandum of Understanding with DEEP for the assumption by DEEP of CRRA's obligations regarding its closed landfills. Brown Rudnick has been engaged to represent CRRA in connection with the drafting and negotiating of the MOU and to advise the Board and management regarding potential concerns and exposures.

We are seeking board authorization to incur additional legal expenses in connection with this matter.

BOARD RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES

WHEREAS, CRRA obtained Board authorization to pay projected legal fees and expenses from appropriate budgets and reserves in May, 2013; and

WHEREAS, Public Act 13-247, approved in June, 2013, states that CRRA shall enter into a memorandum of understanding with DEEP for the assumption by DEEP of CRRA's post-closure obligations for the Hartford, Ellington, Wallingford, Shelton, and Waterbury landfills; and

WHEREAS, CRRA has engaged its environmental counsel to provide legal advice and assistance with the drafting and negotiation of the required MOU; and

WHEREAS, CRRA expects to incur greater than authorized legal expenses for these services;

NOW THEREFORE, it is

RESOLVED: That the following additional amount be authorized for projected legal fees and costs to be incurred during fiscal year 2014:

Firm:

Brown Rudnick

Amount:

\$85,000