



Region 2000 Services Authority

Location

Bank of the James Building
828 Main Street, 12th Floor
Lynchburg, VA 24504

Date | Time

June 10, 2020
2:00 p.m.

Minutes

Board Members Present

Susan Adams.....Appomattox County
Steve Carter Nelson County
Frank Rogers..... Campbell County
Bonnie Svrcek.....City of Lynchburg

1. Welcome

Bonnie Svrcek, Chair, welcomed everyone and called the meeting to order at 2:00 p.m.

2. Public Comment

No public comments were received.

3. Approval of the May 27, 2020 Meeting Minutes

A motion was made by Susan Adams, seconded by Steve Carter, to approve the May 27, 2020 minutes as presented. The motion was unanimously approved.

4. Distribution of 2018-2019 Excess Revenue

Frank Rogers requested that the Authority consider a discussion regarding the 2018-2019 Excess Revenue before proceeding with a vote to approve the FY 2020-2021 budget. The Authority agreed to the change the agenda item change.

Ms. Adams and Mr. Carter stated that they did not want to discuss the proposal due to potential litigation from other localities.

Bonnie Svrcek made a motion, seconded by Frank Rogers, to reconsider the allocation of 2018-2019 Excess Revenue. The vote was:

Steve Carter – Nay
Frank Rogers – Aye
Susan Adams – Nay
Bonnie Svrcek – Aye

The motion failed.

5. FY 2020-2021 Services Authority Budget

Rosalie Majerus reported that the budget revenue has remained the same as previously presented. Salary increases were removed as previously discussed; however, a contingency line was included so that salary increases could be considered at a later date.

Susan Adams asked for clarification about the future disposal planning reserve as well as the closure and post closure reserves. Ms. Majerus explained that the future disposal planning reserve currently has sufficient funds available and that the closure and post closure reserves are accounted for in the budget.

Susan Adams asked about approving the budget as written and the subsequent result of Excess Revenue if approved. Gary Christie explained that a balanced budget is needed to proceed, and that this budget that would be approved includes the total revenue. Ms. Adams asked for clarification as to whether there would be a separate vote for distribution of the Excess Revenue and Bonnie Svrcek clarified that this would be voted on later and the item is not in the agenda for this meeting.

A motion was made by Steve Carter to approve the FY 21 Budget for a total of \$7,054,565, not including distribution of the Excess Revenues, seconded by Susan Adams.

Frank Rogers explained that approving the budget under the current conditions puts the Authority in default per the Member Use Agreement and that he would not vote to approve the budget as presented.

The vote was:

Steve Carter – Aye
Frank Rogers – Nay
Susan Adams – Aye
Bonnie Svrcek – Aye

The motion was approved.

6. Refinancing of the 2011 Bond Residual

Ted Cole of Davenport LLC reported that the request to extend the offer on refunding of the 2011 Bond was accepted by BB&T. BB&T has also provided a lower interest rate than the last offer, which is now 2.15%. Closing for refunding would need to occur on or before July 23.

The other option presented to the Authority was a full prepayment of the bond. Prepayment can only be completed in whole and on a payment date.

Both options presented carry a 0.5% prepayment penalty. Refunding would result in approximately \$98,000 in savings, while prepayment in full would result in approximately \$296,000 in savings.

The same assessment was run on the 2015 Bond for comparison, and Mr. Cole recommended that if any of the bonds were able to be repaid in full, that the 2011 Bond would be the best and most cost-saving option.

Frank Rogers made a motion, seconded by Bonnie Svrcek, to approve the refunding as proposed by Davenport with the resolution authorizing staff to proceed with the refinancing.

The vote was:

Steve Carter – Nay
Frank Rogers – Aye
Susan Adams – Aye
Bonnie Svrcek – Aye

The motion was approved.

7. Notice of Meeting and Distribution of Agenda Materials Timeframe

Staff are seeking the advice of the Authority regarding timeframes for distribution of meeting materials. Currently, agenda packets and additional materials are distributed one week prior to meetings. The members of the Authority affirmed that this window of time is sufficient for distribution of materials.

8. Other Business from Staff or Authority Members

Ms. Svrcek recommended that the Authority reconvene for a work session in the next sixty to ninety days to consider adjustments that may be necessary for the Member Use Agreement.

9. Adjourn – There being no further business, the meeting adjourned at 2:47 p.m.