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**The Authorities Budget Office Issues Report on the Eastern Rensselaer County Solid Waste Management Authority**

The Authorities Budget Office (ABO) released its report on the operating practices of the Eastern Rensselaer County Solid Waste Management Authority (Authority). The Authority is responsible for managing solid waste generated within seven member communities in the County in the most economically feasible and environmentally sound manner.

The review found the Authority's Executive Director has a significant conflict of interest by also working for two solid waste management organizations that solicit funds from companies for annual conferences. Several of these companies also have contracts with the Authority. Further, the review found that the Executive Director did not solicit proposals or competitively select the vendors that provide transportation services and disposal services. Instead, for the disposal contract the Executive Director simply extended the contract with the disposal company in exchange for a \$50,000 payment to the Authority. For the transportation contract the Executive Director again simply extended the previous contract, resulting in over \$20,000 in excess transportation costs to member municipalities. The Executive Director's relationship with the organizations was not approved by the Authority board.

The review also found the Authority board is failing its fiduciary duty to oversee management and ensure the Authority operates efficiently and effectively. The board does not review or monitor the Authority's finances, but instead allows the Executive Director to act autonomously. The lack of oversight resulted in member municipalities being overcharged more than \$85,000 in disposal and operating cost in 2013, 2014 and 2015. The ABO found that board members had not signed an acknowledgement of fiduciary duty as required by Public Authorities Law and that not all board members had attended mandatory board member training.

In addition, the review found Authority funds were being inappropriately used by the Executive Director for personal use. Although most of the instances were reimbursed by the Executive Director, the use of Authority funds represents an interest-free loan to the Executive Director and is inappropriate.

The report includes recommendations to improve board oversight over financial transactions and the effectiveness of the Authority's operations.

A copy of the full report is available at [www.abo.ny.gov](http://www.abo.ny.gov).