

**METROPOLITAN DISTRICT COMMISSION
BOARD OF FINANCE
SPECIAL MEETING
MONDAY, OCTOBER 1, 2018
5:00 P.M.**

Location

Board Room
District Headquarters
555 Main Street, Hartford

Commissioners

Caban
Currey
DiBella (Ex-Officio)
Hoffman (VC)
Salemi (C)

Citizen Members

Aberasturia
Angelo
King-Corbin

Quorum: 5

1. CALL TO ORDER
2. PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS
3. APPROVAL OF MEETING MINUTES OF AUGUST 6, 2018
4. CONSIDERATION OF AND POTENTIAL ACTION RE: 2018 OPERATING BUDGET TRANSFER
5. DISCUSSION RE: QUARTERLY FINANCIAL REPORT
6. CONSIDERATION OF AND POTENTIAL ACTION RE: AUDITOR RECOMMENDATION FOR FISCAL YEAR 2018
7. OPPORTUNITY FOR GENERAL PUBLIC COMMENTS
8. ADJOURNMENT

2018 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on October 1, 2018

The 2018 Metropolitan District operating budget is forecasting deficits in the following functional areas: Chief Executive Office, Legal, Command Center and Operations. The forecasted deficit in the Chief Executive office is due to overlapping positions as a result of a retirement. The Legal Department is forecasting a deficit due to increased federal lobbying efforts and the Command Center and Operations departments are forecasting shortfalls in overtime due to the high volume of water main breaks during the winter of 2018.

CERTIFICATIONS:

In accordance with Section 3-8 of the Charter of The Metropolitan District, I hereby certify that there exists free from encumbrances, in the following appropriation, the amounts listed:

From:	General	Water	Total
Department 15 - Human Resources	63,000.00	65,600.00	128,600.00
Department 17 - Information Systems	90,700.00	184,300.00	275,000.00
Department 18 - Finance	49,000.00	51,000.00	100,000.00
Department 19 - Environment, Health & Safety	12,300.00	12,700.00	25,000.00
Department 20 - Engineering Planning	29,400.00	30,600.00	60,000.00
Department 40 - Operating Office	22,800.00	23,700.00	46,500.00
Department 404 - Plant Maintenance	49,000.00	51,000.00	100,000.00
Department 50 - Water Treatment & Supply	-	173,000.00	173,000.00
Department 70 - Debt Service	17,700.00	38,200.00	55,900.00
Department 741- Special Agreements & Programs	-	219,600.00	219,600.00
	<u>333,900.00</u>	<u>849,700.00</u>	<u>1,183,600.00</u>

John M. Zinzarella
Chief Financial Officer

It is therefore RECOMMENDED that it be:


Voted: That the Board of Finance recommends to the District Board passage of the following resolution.

Resolved: That transfers within the 2018 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 15 - Human Resources	63,000.00	65,600.00	128,600.00
Department 17 - Information Systems	90,700.00	184,300.00	275,000.00
Department 18 - Finance	49,000.00	51,000.00	100,000.00
Department 19 - Environment, Health & Safety	12,300.00	12,700.00	25,000.00
Department 20 - Engineering Planning	29,400.00	30,600.00	60,000.00
Department 40 - Operating Office	22,800.00	23,700.00	46,500.00
Department 404 - Plant Maintenance	49,000.00	51,000.00	100,000.00
Department 50 - Water Treatment & Supply	-	173,000.00	173,000.00
Department 70 - Debt Service	17,700.00	38,200.00	55,900.00
Department 741- Special Agreements & Programs	-	219,600.00	219,600.00
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	333,900.00	849,700.00	1,183,600.00

To:	General	Water	Total
Department 12 - Chief Executive Office	22,800.00	23,800.00	46,600.00
Department 14 - Legal	36,800.00	38,200.00	75,000.00
Department 21 - Command Center	33,000.00	64,000.00	97,000.00
Department 30- Operations	241,300.00	723,700.00	965,000.00
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	333,900.00	849,700.00	1,183,600.00

Respectfully Submitted,


 Scott W. Jellison
 Chief Executive Officer

RECOMMENDATION OF AUDITORS FOR FISCAL YEAR 2018

To: Board of Finance for consideration on October 1, 2018

The financial auditors are appointed annually by the Board of Finance. In 2014, the District solicited competitive proposals from qualified auditing firms on the State of Connecticut Department of Administrative Services contract and awarded a one-year contract, with the option for two additional one-year renewals to the firm of Blum, Shapiro & Company P.C.. Following past practice, annually, the Board of Finance has reappointed the incumbent auditor in the interim years, although this practice is not obligatory. The single-year term has been retained so that performance of the auditor may be evaluated annually; with the option of change should the finding be negative.

In the spring of 2018 Staff solicited competitive proposals from three qualified auditing firms on the State of Connecticut Department of Administrative Services contract for auditing services. After review of the three submitted proposals, it is the recommendation of Staff that the Board of Finance appoint the firm of Blum, Shapiro & Company, P.C. to conduct the 2018 audit. The Blum, Shapiro & Company, P.C. proposal included a one-year contract with the option for four additional one-year renewals.

If, after discussion, it is the consensus of the Board of Finance that the firm of Blum, Shapiro & Company, P.C. be appointed for fiscal year 2018, it may be

Voted: That the Board of Finance appoints the firm of Blum, Shapiro & Company, P.C., to audit the financial statements of the Metropolitan District for the year ending December 31, 2018, based upon the hourly rate fee schedule contained within State of Connecticut Department of Administrative Services Contract, with total fees not to exceed \$160,000.

Respectfully submitted,



Scott W. Jellison

Chief Executive Officer