

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Wednesday, November 6, 2019**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi and District Chairman William A. DiBella; Citizen Members Ram Aberasturia, Ronald Angelo and Linda King-Corbin (8)

ABSENT: Citizen Member Joan McCarthy Gentile (1)

ALSO

PRESENT: Commissioner Jackie Gorsky Mandyck
Commissioner Maureen Magnan
Commissioner Alphonse Marotta
Commissioner Whit Osgood
Commissioner Dominic Pane
Commissioner Bhupen Patel
Commissioner Raymond Sweezy
Scott W. Jellison, Chief Executive Officer
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Manager of Budget and Analysis
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:43 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared.

APPROVAL OF MINUTES

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of October 21, 2019 were approved.

OPEB TRUST FUNDING

The following resolution amends and replaces the Board of Finance's prior resolution of October 7, 2019 establishing an OPEB Trust prefunding phase-in of 8 years supporting a discount rate of 6.75% with a fiscal year 2020 contribution of \$486,000.00.

To: Board of Finance for Consideration on November 6, 2019

BE IT HEREBY

RESOLVED: The District shall fund the OPEB Trust in the 2020 budget in the amount of \$389,000.00 and commence a 10 year prefunding phase-in.

FURTHER RESOLVED: The OPEB Trust asset allocation be designed to support 6.75% discount rate.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

Without objection, Commissioner Hoffman requested a roll call vote.

On motion made by Commissioner Adil and duly seconded, report was received and the resolution adopted by a majority of those present.

The results of the roll call vote:

Yea to All: Commissioners Andrew Adil, Allen Hoffman; District Chairman William A. DiBella; Citizen Members Ram Aberasturia, Ronald Angelo and Linda King-Corbin (6)

Nays: Commissioner Donald Currey and Pasquale J. Salemi (2)

Abstentions: (0)

CLEAN WATER PROJECT CHARGE

No action was taken.

FUNDING OF RIVERFRONT RECAPTURE

To: Board of Finance for consideration on November 6, 2019

The Metropolitan District's FY20 contribution to Riverfront Recapture, Inc. shall remain as proposed in the draft budget at \$1,087,500.00, and be funded as follows: a) the sum of \$625,000.00 from water revenues; and b) the sum of \$462,500.00 from sewer revenues. The 2020 water usage rate and member town ad valorem payments shall be adjusted accordingly.

District Chairman DiBella moved to amend the above resolution and submitted the following in lieu of the above resolution:

Be it resolved that the Board of Finance recommends to the District Board of Commissioners that the District's FY20 contribution to Riverfront Recapture, Inc. be revised to \$1,120,000.00, and funded as provided in the draft FY20 budget submitted to the Board of Finance; and

Be it further resolved that there shall be a subcommittee of the Board of Finance comprised of a total of five (5) members, with three such members determined by the Chairperson of the Board of Finance, and one member each from the Bureau of Public Works and Water Bureau, as determined by the Chairperson of each bureau, charged with developing recommendations to the Board of Finance and the District Board on future financial support for Riverfront Recapture, Inc., whether such support is in lieu of or in conjunction with further financial support from The Metropolitan District; and

Be It further resolved that said subcommittee, which shall be referred to the Board of Finance Subcommittee on Funding of Riverfront Recapture, Inc., may, at its discretion, request the participation of and input from other stakeholders, including but not limited to representatives from Riverfront Recapture, Inc., State agencies of cognizance, and District member and non-member in its deliberations and final recommendations to the Board of Finance.

On motion made by District Chairman DiBella and duly seconded, the amendment was adopted by majority vote of those present. Commissioner Hoffman opposed the amendment.

On motion made by Commissioner Adil and duly seconded, the report was received and the resolution, as amended, adopted by majority vote of those present. Commissioner Hoffman opposed the resolution.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen submitted the following written comments and discussed the Long Term Control Plan.

11/5/2019

To the District Board of Finance

It would be helpful to have a response to the questions and comments below before the upcoming public hearing so my comments can be as informed as possible.

WATER RATES

Since the increase in the water rate for treated water is so high, please explain why the rate for untreated water remains the same. In the chart for water revenues, is raw water included in the "Sale of Water – Variable" section? If so, what percentage of that is included in this section?

GENERAL INSURANCE

Please explain the item under General Insurance called Liability – Claims which is described as contributions to a self-insurance fund that is to pay for claims not covered by insurance. Is this a fund to which contributions are made and if not used by the end of the year stays in the fund, and accumulates from year to year? That is, if the \$3 million budgeted for last year is not used by year's end, will that carry over and the \$4 million proposed for 2020 would result in a fund containing \$7 million? If not, and if expected \$3 million budgeted for in 2019 will be spent by year's end, can you explain what kinds of things that money was used for.

COLEBROOK

If responsibilities have ended at Colebrook, please explain why it still has a budget of \$183,200.

EMPLOYEE PAYROLL

Why aren't the employees and their titles included in all departments as they have been in previous years?

How many employee qualify for the 3% COLA? What is the total amount budgeted for the COLA for non-union employees?

CLEAN WATER PROJECT

Where in the budget is the rate for the CWP charge documented? Is there a separate budget kept for the CWP? If so, where can customers read that?

If the CWP charge is included in the proposed 2020 budget and since on customer bills it is identified as the CWP charge, could the same wording be used in the proposed budget so it's clear how those charges are accounted for?

MISC

Please explain what part of the levee the MDC actually owns and what part is the responsibility of Hartford and East Hartford? Will any of the \$2,200,000 in the CIP go toward what is the responsibility of Hartford and East Hartford? Or is this money exclusively to be used on the pipeline?

Is the CT DPH allotment actually increasing? The charge for 2020 is \$.15 which is less than the \$.33 in 2019 budget.

Does the proposed budget available on the website include any recent changes? Will updates be made available so comments at the public hearing will be informed by the actual proposed 2020 budget?

If the proposed budget is based on a water rate of \$4.01, and the claims and liability item is taken out of Special Agreements and programs in the amount of \$4,792,800 million, will the water rate decrease as a result? If not, why not?

Could the public hearing be video taped?

Thank you for any information you can provide.

Judy Allen
West Hartford

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Sweezy asked the Board of Finance to consider sending the budget back to staff, in order to look for \$1 Million worth of budget cuts for Fiscal Year 2020.

ADJOURNMENT

The meeting was adjourned at 6:18 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval