CALL TO ORDER

Chairman Salemi called the meeting to order at 5:15 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of July 11, 2016 were approved.

Commissioners Caban and Citizen Member Angelo abstained.
2016 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on September 12, 2016

The 2016 Metropolitan District operating budget is currently experiencing deficits in both the Information Technology and Special Agreements & Programs budgets. The Information Technology budget deficit is the result of higher than forecasted software maintenance service fees as a result of the IT infrastructure investments which have been placed into service during the current year. The Special Agreements & Programs budget deficit is due to the District’s portion of increased construction associated with Mattabassett District.

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:

<table>
<thead>
<tr>
<th>Department 701 – Debt Service</th>
<th>General</th>
<th>Water</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$17,400,10</td>
<td>$19,101,80</td>
<td>$36,501,90</td>
</tr>
<tr>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td>$17,400,10</td>
<td>$19,101,80</td>
<td>$36,501,90</td>
</tr>
<tr>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

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 2016 Budget Appropriations be approved as follows:

<table>
<thead>
<tr>
<th>From: Department 701 – Debt Service</th>
<th>General</th>
<th>Water</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$205,900.00</td>
<td>$330,100.00</td>
<td>$536,000.00</td>
</tr>
<tr>
<td>Total</td>
<td>$205,900.00</td>
<td>$330,100.00</td>
<td>$536,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>To: Department-171 Information</th>
<th>General</th>
<th>Water</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$141,900.00</td>
<td>$288,100.00</td>
<td>$430,000.00</td>
</tr>
</tbody>
</table>
FISCAL YEAR 2016 BUDGET AMENDMENT

To: Board of Finance for consideration on September 12, 2016

The 2016 adopted operating budget contained certain assumptions with regard to revenues and the allocation for Employee Benefits. These assumptions included forecasted water consumption, anticipated sludge quantities as well as, the successful resolution of the CRRA arbitration in 2016. As resolution of the CRRA arbitration will not be achieved in 2016, the allocation assumptions for Employee Benefits has to be adjusted to reflect the revised reality. Accordingly, certain revenue line items in both the water utility and sewer budgets, must also be adjusted to ensure that each of their 2016 budgets remain balanced.

Therefore it is RECOMMENDED that it be

Voted: That the 2016 Budget Revenues be amended as follows: Water Budget Revenues Sale of Water of $74,015,300 be reduced by $3,320,900 to $70,694,400 and the Sewer Budget Revenues-Revenue from Other Government Agencies of $3,963,400 be increased by $2,000,000 to $5,963,400 and Other Revenues of $11,854,700 be increased by $1,320,900 to $13,175,600 and the total amount remains $149,287,400.

And that the 2016 Budget Expenditures be amended as follows: Water Budget Expenditures-Employee Benefits be reduced by $3,320,900 and the Sewer Budget Expenditures-Employee Benefits be increased by $3,320,900 and the total amount remains $149,287,400 to be referred to the District Board for acceptance and approval.
Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

On motion made by Citizen Member Courneen and duly seconded by Citizen Member Angelo, the report was received and the resolution adopted by unanimous vote of those present.

ADJOURNMENT

The meeting was adjourned at 5:27 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval