

**SECOND TAXING DISTRICT COMMISSIONERS**

Regular Meeting Minutes

November 10, 2015

Present:	David Westmoreland Maria Borges-Lopez Cèsar Ramirez Mary Geake Sandra Stokes Martha Wooten-Dumas	Chairman Vice Chairperson
Absent:	Mary Mann	
Also Present:	Paul Yatcko Lisa Roland Kevin Barber	General Manager District Clerk Director of Administration & Customer Service
Public Present:	None	

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**Call To Order:**

Commissioner Borges-Lopez called the Regular Meeting of The Second Taxing District Commissioners to order at 7:05 p.m. on Tuesday, November 10, 2015. The meeting was held at South Norwalk Electric and Water, One State Street, Norwalk, Connecticut.

Commissioner Borges-Lopez: "Good Evening everyone. Welcome Sandra Stokes."

Commissioner Stokes: "Thank you."

Commissioner Borges-Lopez: "And I would like to call the meeting of the Second Taxing District of the city of Norwalk to order on November 10, 2011 at 7:00 oh."

[Laughter]

Commissioner Borges-Lopez: "I'm sorry 2015, I'm sorry at, I was going to say September 11<sup>th</sup>, I mean November 11<sup>th</sup> and then I, OK at, I can't see...at 7:05pm."

Commissioner Ramirez: "Before you do that, I appreciate it because you make me younger."

[Laughter]

Commissioner Borges-Lopez: "I would like to entertain a motion to accept the minutes of the regular meeting of October 20, 2015."

1. Acceptance of the Minutes

Commissioner Geake: "So moved."

Commissioner Ramirez: "I second it."

Commissioner Borges-Lopez: "I got that date right. Public Participation."

[Laughter]

Commissioner Ramirez: "We have a large group."

**PUBLIC PARTICIPATION**

No Public

Commissioner Borges-Lopez: "Alright so we will move on to the regular agenda Item #2."

Commissioner Westmoreland: "We have to vote on the meeting minutes."

Commissioner Geake: "We haven't voted."

Commissioner Borges-Lopez: "Oh, Ok."

Commissioner Westmoreland: "You are moving too fast."

[Laughter]

Commissioner Borges-Lopez: "Alright, so to entertain a motion for the...I said that?"

Paul Yatcko: "It was moved and seconded already."

Commissioner Westmoreland: "You did."

Commissioner Borges-Lopez: "Who did? I didn't hear that."

Commissioner Westmoreland: "You made a motion, but we never voted to approve it or if there was any discussion."

Commissioner Borges-Lopez: "Yea, right but did anybody make a motion to approve it?"

Commissioner Westmoreland: "Mary."

Commissioner Ramirez: "The agenda we approved already. She made the motion and we seconded it."

Commissioner Borges-Lopez: "Ok, a second, all in favor?"

Commissioners Unanimously: "Aye"

Commissioner Borges-Lopez: "Any Opposed? Abstention?"

Commissioner Stokes: "Abstain, I wasn't here."

Commissioner Borges-Lopez: "Ok, one abstention. So we will move right on to regular agenda."

## **REGULAR AGENDA**

### 2. Select Chair and Vice Chairperson.

Commissioner Borges-Lopez: "Select Chair and Vice Chairperson. On the floor?"

Commissioner Geake: "I would like to make the nomination for David Westmoreland as Chair. He's a hard worker, he does a lot of research before the meetings. I feel that he would be an asset."

Commissioner Borges-Lopez: "Is there a second?"

Commissioner Ramirez: "I second the motion. I believe as the younger individual that he is and a commissioner he has demonstrated a good interest and knowledge, and also I, in seconding the motion, I'd like to make an open statement. Ok, and I do believe that in the future we should allow individuals within the body of the commission to be a part, to give them a part or a chance that you say to be a leader of the organization itself. I do not agree that in the long term of a leadership of only one person. I think we all are capable, have the knowledge and the interest for those wishing to do so. And that is my, I do not believe that we should be directing only for one party, it should be integrated among the parties that are here. And, that is what I would like to see in the future. But I do second the motion because I do believe that you will do a good job also, in conjunction with Maria. Ok, thank you."

Commissioner Westmoreland: "Well, I accept the nomination and I appreciate the support and faith from all of the other commissioners and please feel free to correct me, pull me aside, kick me whatever needs to be done if it is needed, because all I want to do is serve the constituents of the Second Taxing District to the best of my ability, so thank you very much."

Commissioner Ramirez: "You're welcome."

Commissioner Borges-Lopez: "So all in favor?"

Commissioners Unanimously: "Aye."

Commissioner Borges-Lopez: “Any abstentions, opposed? Motion carried. Congratulations Mr. Chair.”

Commissioner Westmoreland: “Thank you.” “I guess the next order of business is electing a Vice Chair of the commission. Do we have any nominations for Vice Chair?”

Commissioner Ramirez: “I do nominate Maria Borges to be the Vice President.”

Commissioner Geake: “I will second.”

Commissioner Ramirez: “She has done an excellent job in the past and I’m pretty sure she will do it in the future, she will be the same in the future.”

Commissioner Geake: “I’ll second it. I whole heartedly agree with that statement.”

Commissioner Westmoreland: “Do you accept the nomination?”

Commissioner Borges-Lopez: “Yes, I accept the nomination.”

Commissioner Westmoreland: “Excellent. All those in favor?”

Commissioners Unanimously: “Aye.”

Commissioner Westmoreland: “Opposed, abstentions? Motion carried. Congratulations.”

Commissioner Borges-Lopez: “Thank you.”

3. Comprehensive Annual Financial Report of the Second Taxing District for the Fiscal Year July 1, 2014 – June 30, 2015.

Commissioner Westmoreland: “Ok then, the next item on the agenda is the Comprehensive Annual Financial Report of the Second Taxing District for the Fiscal Year July 1, 2014 – June 30, 2015.

Commissioner Ramirez: “Before we begin, if you don’t mind, Chair, since you are just basically finishing with the elections, I think it would be appropriate to bring an issue, not an issue but a suggestion I as you say. We have a member of this body that dedicated herself for many, many years in one way or another and has demonstrated that she was interested in the community, very much interested in this part of this body and also interested in the promotion and the progress of this organization. I believe that this body itself, the commissioners and the staff, we should be thinking about, since we did not do what I would say is a good bye or saying thank you, I think we should be thinking about perhaps a date or a meeting and we can demonstrate it to this person from a Chair Mrs. Burgess how grateful this organization is for her services perhaps with a plaque, that’s my suggestion. I think she is an excellent lady, and excellent person. It’s up to you folks. I

think we should be rendering our thank you being passed to her.”

Commissioner Westmoreland: “I absolutely agree with that. I think Mary has had some initial discussions about that sometime, so...”

Commissioner Geake: “Yes, you want to talk to Lisa, its already done.”

Paul Yatcko: “It’s already in the works.”

Commissioner Ramirez: “Oh, it is?”

Commissioner Geake: “It’s already in the works.”

Paul Yatcko: “We are getting a plaque and we are planning a reception in her honor. I don’t think we have that scheduled yet but...”

Lisa Roland: “No, we are waiting to find out when the plaque comes back and I need a date on that then I can set a date for the reception.”

Commissioner Ramirez: “What I think in the future, if you guys plan to do something, maybe you can keep us up to date, the rest of the commissioners, because I feel a little strange bringing this up when it’s already on the table, so keep us in mind so that this can be a two way communication, ok, thank you.”

Commissioner Westmorland: “Maria?”

Commissioner Borges-Lopes: “I just wanted to make a point that perhaps you know this should have been a surprise and having a public meeting everything is going to be in the minutes now she’s going to know what we are planning. It would have been nice to have been a surprise and to discuss it, you know, privately but, oh well I’m sure she is going to read the minutes.”

Lisa Roland: “Can we strike it?”

Paul Yatcko: “What was that?”

Commissioner Geake: “Can we strike it?”

Paul Yatcko: “I don’t know. We’ll look at Robert’s Rules of Parliamentary procedure and see if we can strike this from the minutes.”

Commissioner Ramirez: “To strike what we just said, not just what I said?”

Lisa Roland: “No.”

Commissioner Ramirez: “What I said is ok on the record.”

Paul Yatcko: "Not what you said, but our response to it."

Commissioner Westmoreland: "With that, we need to receive, approve and recommend to the electors, the Audit Report of the Second Taxing District for the fiscal year July 1, 2014 to June 30, 2015. Paul would you and I assume Kevin is here?"

Paul Yatcko: "Yes, Mr. Chairman I asked Kevin Barber our Director of Finance and Services to summarize the audit for you and also to review the changes that have gone on since you received this document last Friday. This is an organic process and the numbers right through the weekend were still being scrubbed, even as early or as late as this morning, so there has been a number of changes to specific numbers in the document and Kevin is going to summarize those for you as well."

Kevin Barber: "All of you should have had placed in front of you this evening a document that describes all the changes, it is entitled audit changes with today's date, November 10<sup>th</sup>. What I did was I identified all the changes that took place, as Paul mentioned, all the number changes in the document, I listed basically page by page and on the subsequent pages you actually see the replacement pages that you could actually insert in your board book if you so choose to and I highlighted where the changes took place. So that will sort of hopefully be a little easier for you to trace through any changes we did end up making. While the sheet lists nine different sets of changes that were made, the majority of them were all the result of two entries that we worked with our auditors on to make at the end of the process and then the decision we made to re-categorize instead of operating or non-operating, so when we make a change like that I'll described it as ripple effect throughout the audit, numbers change on various pages, so that's why there may have only been two or three changes, but it did effect nine different pages throughout the document. If at any point you have questions on the changes or why, please ask and I will be happy to provide you with any information you need. I think at this point Paul, would you like me to go through the audit itself?"

Paul Yatcko: "Please."

Kevin Barber: "OK, you were provided with an audit as part of your package."

Commissioner Ramirez: "Would you mind to get a little closer please?"

Kevin Barber: "I'll be happy to. You were provided the draft audit in your board book and that was dated on Friday. This year we worked with our new auditors and I want to make sure I say their names correctly, Michaud, Accavallo, Woodbridge and Cusano. They are our new auditors that replaced our previous auditors Hope & Hernandez for this year and they performed the audit and generated the audit report that you have. The audit report will look probably identical or very much the same as what you have dealt with over the past number of years. It is set up in a comprehensive CAFR style, which is a comprehensive annual financial report. The structure of it is the same as it's been as I mentioned. What I plan on doing is sort of going over it on a relatively high level into the sections as we go through it. I will try and drill down to a few areas that I feel are important to point out. If at any time, as I am going through it and you wish to have a

question, please interrupt me and we can address the question as we go. The first section of the document on page 7 is the Letter of Transmittal. This is the letter from the General Manager, Paul Yatcko to the Commission, which sort of explains the audit, explains the different sections, the introductory, the financial, and the statistical sections of the audit. It gives a little history about the reporting entity, about the District and talks upon the economic condition and outlook. And probably the thing to note in the outlook is the comment in the second paragraph where we talk about General Growth Properties and how they acquired the rights to the property of the Reed Putnam Redevelopment Project, which is then going to be, if all goes through the SoNo Collection Mall.”

Commissioner Ramirez: “I’m sorry would you entertain questions right now while you are on that page or do you want to wait?”

Kevin Barber: “That would be fine if you like.”

Commissioner Ramirez: “Through the chair, if you don’t mind, the same page from the economic conditions to the outlook section, which you just described. Well, I have a little comment I guess pertaining just the mall itself. I believe that we have more vision on what is going on and what will happen at the South Norwalk Electric company you have also the new Washington Village project that would be coming. We have also the new development agency coming, developing the condominiums that would be developed right across from Ryan Park, 11 Chestnut Street, 55 Chestnut Street and when he says here this is the only part that is apparently coming up commercially, why he left the others? Because they are not officially in place or what is the story? One is officially already in place, which is 11 Chestnut. The other two, which are going to be the largest one...”

Paul Yatcko: “I am sorry excuse me, the Washington Village as you know is currently in the process of litigation and it’s uncertain as to whether or not that project is going to be completed, so I didn’t include it. The other projects that you mentioned are in an earlier stage of development than the mall and their impact on our future growth is still uncertain. That’s why I left them out.”

Commissioner Ramirez: “Ok, the only reason why is because they have not been officially said ok; it is or it’s not.”

Paul Yatcko: “And the 11 Chestnut, I frankly missed that one.”

Commissioner Ramirez: “Ok, and 55 Chestnut?”

Paul Yatcko: “That one I was not aware of.”

Commissioner Westmoreland: “Is that the...”

Commissioner Ramirez: “That’s part of the shelter.”

Commissioner Westmoreland: “The shelter? Well I think the other big difference is that, I

mean a 10 megawatt increase in load is a significant impact to us and I'm not sure the others would be terribly, you know it's unclear as to whether they are significant; we don't really know that yet."

Paul Yatcko: "We don't have any data on them at this time."

Commissioner Westmoreland: "Yea, but 10 megawatts is a huge."

Paul Yatcko: "10 megawatts is going to be a substantial increase in the size of our company."

Commissioner Westmoreland: "What's our current total load today typically?"

Paul Yatcko: "16 megawatts."

Commissioner Westmoreland: "It's more than doubling our business."

Paul Yatcko: "It's going to be a step change in the size of our electrical demand. We just met with GGP and their engineers and architects yesterday. They still don't have water demand impacts for us. I'm not expecting it to be as big a percentage increase in water. It's not like a manufacturing facility that makes a tremendous consumptive use of water."

Commissioner Westmoreland: "That's too bad."

[Laughter]

Paul Yatcko: "If you think about retail stores they don't really use all that much. There are going to be a number of restaurants and of course the hotel, but I don't think we are talking about a 30%, 40% or 50% increase in our demand."

Kevin Barber: "Next on page 9, the letter talks about the major initiative that the District has embarked on over the past year or actually multiple years. The high level touch is one of them is the installation of the AMI, which is advanced metering infrastructure system and it talks about how we are completed with electric and we are in the process of installing AMI modules on our water meters and it gives, right at this point 1,250 modules or 13% of our water meters, that number is steadily increasing as we go. The second bullet is our customer web based interface, which is now officially live and running. It does reference that at the date of this letter we've process over 3,000 payments totaling over \$500,000 and that was in, I believe three months' time, so that has been a very successful project at this point. The next one is our GASB 45 evaluation, which is required by GASB which evaluates our other post-employment benefits. In the paragraph it mentions that we had our last re-evaluation in July of 2014 and our evaluation at that date actually reduced from \$11.3 million down to \$7.5 million. And it also discusses the OPEB trust that was established and to date or as of the letter, we have placed \$1.7 million into that trust. And this current fiscal year we've also added an additional, if I recall correctly \$800,000 into the trust. And then on the next page we talk about the power substation, which I believe the Commission is very aware of. That project is, while

the substation is up and running, we are still in the process of completing some of the final components of the project. And then finally the retired generation plant visibility study, which is a project to study the feasibility of our old generation plant and determine what the District can do with that.”

Paul Yatcko: “Actually on that one Kevin, I might point out that we’re going beyond the plant building. We are also looking at the facility over on Water Street. We’re going to be engaging a consultant to do a condition assessment and indicate what they believe potential appropriate future uses might be. You know, as we discussed before there are a lot of possibilities for that real estate and we want to be pretty expansive in our thinking about our real estate portfolio.”

Commissioner Westmoreland: “Have you, has it gone out to bid?”

Paul Yatcko: “Yes.”

Commissioner Westmoreland: “Have you gotten responses already.”

Paul Yatcko: “We received only one response and it happened to be a pretty good one.”

Commissioner Westmoreland: “That’s good. I just have a question on the GASB 45 language, not about being in the report, but it says that over the next two years SNEW plans to allocate additional funds to eliminate the net OPEB obligation from SNEW’s balance sheet. I don’t recall how that works. I thought that, wouldn’t we have to have an amount equal to our outstanding liability in the trust or is it a percentage of that? Because surely we’re not going to allocate like another \$6 million in the next two years. I’m assuming we’re not.”

Kevin Barber: “No. I’m trying to figure out the best way to describe it to make sure I’m also going to say it correctly. When we first established...when the first liability was established the...I’m trying to remember the...I may have to get back to you on some of that information because we do have a spread sheets that detail how we are dealing with this.”

Commissioner Westmoreland: “Well I know in general it goes up and down because of the number of people in the pool, as well as the value of our outstanding investment. I mean I get all that. I’m just saying is it a formula of some percentage we have to have funded in the trust and then we can take it off the balance sheet? Is that how it works?”

Kevin Barber: “Well actually as we fund it in the trust, it actually reduces off the balance sheet I believe.”

Commissioner Westmoreland: “Right.”

Kevin Barber: “So that we are working our way down, but it’s not the full...”

Commissioner Westmoreland: "But we are not going to work it down to zero in two years?"

Kevin Barber: "I think it was the unfunded liability, if I recall correctly, we were going to work our way back."

Commissioner Westmoreland: "Well you could get back to me on that."

Kevin Barber: "Yes that might be the best thing to do."

Commissioner Westmoreland: "Ok, thank you."

Paul Yatcko: "The actual liability is an actuarially determined amount again based on the population, the ages in the population and so forth, as well as the value of the investment."

Commissioner Westmoreland: "Right, I just don't understand how that's going to equal out given what I know the unfunded...what I thought the unfunded liability was, so..."

Paul Yatcko: "I don't understand it either."

Kevin Barber: "It's up there. It gets very confusing, but I will be happy to share some of the work sheets we have to help you understand it."

Commissioner Westmoreland: "You could give me a simple explanation. That would be fine."

Kevin Barber: "That would be great."

Commissioner Westmoreland: "I'm sure that all the Commissioners would like to see that."

Kevin Barber: "No problem. Then on page 10, 11 and 12 is just talking about some of the financial information, our internal controls, our debt administration, risk management and taxation regarding the District. Following the Letter of Transmittal, we do have our listing of officers and administration, which is the District Commissioners and staff. Next page is our chart, our organizational chart."

Commissioner Ramirez: "Excuse me. Assumingly that this would be changing on the next...?"

Kevin Barber: "For the next audit it will be changed, that is correct. The date that this audit was and the letter was generated was October 10<sup>th</sup>, which is before any of the changes took place, so that's why it's listed as it is. As with the organizational chart for SNEW, that changed after the fact as well. Our next section is the Independent Auditor's Report and this is just their report. I will describe it as more standard

boilerplate information for us. One thing I will point out is under the auditor's responsibility, they write that it is their responsibility to express opinions on the financial statements based on the audit. And that's what they do as part of this process. At the top of page 17 they do reference that in their opinion, our financial statements are presented fairly. So the information you have here is a fair representation of the District's finances. You can skip to page 20, which is getting into our management discussion analysis. This is the section of the document where staff and the management provide probably more nuts and bolts of what's happening with the finances. We talk about the government-wide financial statements, our fund statements. Just to give you a quick overview, the governmental wide financial statements talks about our general funds, which is the District's books. The fund financial statements or otherwise to be called the proprietary, are the electric and water books for each of those. So they are kind of handled differently and accounting wise we handle all the same, but the way it's reported in the audit is a little bit different. I will point out on page 21, which is actually I believe the first page where we did make some changes. So, if you were to look at number 1 on our change list, it does talk about some numbers that have changed. The District's total net position is \$49.7 million and that increased from the prior year by \$572,000, as result of our year's operation. Within that year, the District's general fund did decrease, the net position of the District decreased by \$25,000. While the water's position also decreased by \$390,000 and the electric increased by \$988,000 in this fiscal year that we had audited."

Commissioner Ramirez: "What would you contribute to be such a big number on the water decrease? That's a big number."

Kevin Barber: "It is big, it's actually not as big as it was the year before. Let me look in my notes. In the fiscal year 2014 we showed a loss of \$987,000 so that is, we actually lessened the loss by almost \$600,000. I mean we could have..."

Commissioner Ramirez: "But in any way, shape or form, we are still losing. What are making up for the losses, is it clients or leaks in the water pipes or what?"

Kevin Barber: "It's really not a loss from that standpoint, cash wise we are doing ok. I mean, as we get further into some of the reports I can show you that our loss shown is, a lot of it is because we incorporate \$2.4 million in depreciation into our financials. So if we factor out the depreciation our cash on a cash basis..."

Commissioner Ramirez: "Help me out to understand, you say that it's actually not a loss but?"

Kevin Barber: "It's not a loss as you described from leaking water or anything like that."

Commissioner Borges-Lopez: "It's paper loss."

Paul Yatcko: "It's a book loss, not a cash loss. On a cash basis, the water business is in very good shape. Its net cash flow is about \$2.3 million greater than the \$400,000 loss. It's the difference between a cash statement and an accounting statement."

Commissioner Ramirez: "Ok, go ahead, thank you."

Kevin Barber: "At the bottom of 21 we talked about some of the District's general fund expenditures and how it changed throughout the year. I won't go into detail on that. On page 22 is a financial analysis in a chart form, where it talks about how the general active, the governmental activities, which is the District, did this year compared to last year when looking at your assets and all your liabilities. And you'll see that while last year we did have a net position of \$2.7 million, am I saying that right? I want to make sure I get my numbers correctly. We had a reduction of about \$25,000, so it's about \$2,752 this year as compared to last year. On the business type we had a net position of \$46.9 million this year and last year was \$46.3 million. So we actually increased our net position with the two utilities by \$3.6 million. So overall we did show an increase in our net position for the District, an increase of 1.1%. On page 23, this is a change in net assets, so it's a way different way of presenting some of the same information. On this page we also had some changes that I listed in our change log, so you will see that one of the changes is in the charge for services went down a little bit than what was on the report you had. The very bottom it talks once again about our net assets for the government and the utilities, comparing this year against last year. Does anyone has any particular questions regarding any of these two pages? Ok, at the top of page 24 it talks about our business-type activities and here is where it talks about the District's business activities accounted for an increase of \$600,000 in net position. And that is the selling of both the water and electric. So overall between the two we had an increase and then the next two paragraphs it talks about how we did operating in revenue and expense wise. And the electric did show an increase of operating revenues of about \$245,000 to a total of \$15.9 million for the year."

Commissioner Ramirez: "In the future if you don't mind, would you be able to adjust just to distinguish, to see a difference between the water and electricity accountability on the increase perhaps?"

Kevin Barber: "In some of the reports later on it does spell that out for you very clearly. What we are showing here is just sort of a summary."

Commissioner Ramirez: "Summary, yes."

Kevin Barber: "Water had an increase in total operating revenues of \$400,000 to a total of \$8.5 million, as compared to the previous year. And our expenses decreased by \$100,000 for that year. A little bit to the bottom of page 24, we do talk about our long-term debt. I just want to point out that our long-term debt balance overall for the District is \$26.9 million and that is made up of the balance of the water filtration's plant loan of \$17.5 million and the balance of the electric substation bond that we took out last year and the balance of that is \$9.5 million. On page 25, once again we do talk about a significant factor affecting future financial management, which would possibly be with the

installation of the new mall. That's the end of the management and discussion area, are there any other additional questions about that before we move on?"

Commissioner Westmoreland: "Just, in your spare time, at some point in the next few months, I think that we should do at least a high-level analysis on what steady state will look like with the mall constructed, because I'm hoping that the additional 10 megawatts will give us some revenue that will decrease our overall fixed operating costs for all the rest of the customers. I mean I want to understand what...is it a 1% benefit or 10 whatever and I realize we are probably going to have to, I am assuming we're going to have to spend some money. I don't know if we have to invest money that's significant to supply that?"

Paul Yatcko: "We are going to have to buy as many as 16 or 17 distribution transformers with sizes ranging from 1 MVA to 2 MVA. We have a couple of circuit reinforcements that we're going to have to do back in the distribution system. In addition, we need to buy some switchgear. We also will be relocating some facilities for example there is a, I believe there's a 12 inch main water main that actually bisects the northern parcel of the property. That's going to have to be relocated. Otherwise we won't be able to provide service to the other customers in that area and we are going to have to relocate some distribution pole line as well both on the northern and southern edge of the property. We will be negotiating with them to get contributions in aid of construction for much of that stuff."

Commissioner Westmoreland: "Can you in the next month or two, can you put together a very high-level document with just guesstimates of just what all those costs are in revenues and what the overall impact is? It doesn't have to be...I just want a directionally correct idea."

Paul Yatcko: "I think its premature right now, I may need more than a month."

Commissioner Ramirez: "You are going to need more than that, yes."

Commissioner Westmoreland: "Alright."

Paul Yatcko: "There are still a lot of stuff that we don't know and even after that meeting yesterday their architects and engineers are exchanging data with our engineering staff in real time right now. I think it's going to take us a little bit of time to get some decent estimates of that stuff. I could probably guesstimate the transformers. I could probably do the same for the distribution system reinforcements. I'm on shakier ground when it comes to relocating facilities."

Commissioner Westmoreland: "Well that's ok, I mean you could just identify you know, there's this and I don't know what it is and I will be happy with that, but I like to understand the major dimensions of this project and what the impacts are. I mean the number of us meet with GGP on other issues and things and I think it would be to the Second Taxing District's benefit if we have a pretty good idea of what the impacts here are."

Paul Yatcko: "Alright we'll see what we could come up with quickly."

Commissioner Westmoreland: "Just high level and it can be, I'm not looking for you know, it's not setting ground work for a got you moment later, its just kind of looks like it is this big and here are the holes."

Paul Yatcko: "Alright, I trust you."

Commissioner Westmoreland: "That's all I want."

Commissioner Ramirez: "I have a question?"

Commissioner Westmoreland: "Mary?"

Commissioner Geake: Through the chair, I just want to confirm all the...if we were to get the mall, it will all be underground electricity, there won't be any...?"

Paul Yatcko: "Yes, that would be an underground area."

Commissioner Geake: "Thank you."

Paul Yatcko: "As you get off the mall property there will be a couple of places where it pops up again, it goes up a riser pole and then becomes an overhead line, but the mall property itself is going to be all underground."

Commissioner Geake: "Ok, thank you."

Commissioner Ramirez: "Would it be fair to say also the transferring of this water pipeline presumably you would have to hire a company that specializes in such a construction instead of utilizing our own folks?"

Paul Yatcko: "We haven't decided yet, but it's, I would, I don't want to commit to it right now. But it wouldn't surprise me if we end up using a contractor."

Commissioner Ramirez: "Ok, I just want to make sure. I'm pretty sure that you are the expert, but we are going to let it go to the people who are experts in this process because this could be a large undertaking."

Paul Yatcko: "You are absolutely right."

Commissioner Ramirez: "We don't need to burn our own staff, when it's such a big project in the meantime neglect other issues going on, you know?"

Commissioner Westmoreland: "Alright, thank you."

Kevin Barber: "The next section we are going to go over is the basic financial statements, which is on page 27 or begins on 27. On page 27 is our statement of financial position, which shows both the government, which is the District and our business type activity which once again is the water and electric and it provides totals for the whole District. Where it shows our assets, both our current, non-current assets and our liabilities, both our current liabilities and our non-current liabilities and at the very bottom it does provide us with a total net position. So, if you look at it currently our assets for the District as a whole is \$82 million. That is then offset by liabilities both current and non-current, of \$32 million. And I will point out that the current liabilities are more standard accounts payable, all short-term bonds and notes that we have due, all relating to our current liabilities. The non-current liabilities are all of our loans and bonds that are beyond a year and other compensated absences and our OPEB obligation, which is beyond a year. So, the difference between our assets of \$81 million and our liabilities of \$32 million, provides us with our total net position of \$49.6 million dollars for the District."

Commissioner Ramirez: "We all due respect, through the Chair? I am taking off, I have to go somewhere else."

Commissioner Westmoreland: "Sure, have a good evening."

Kevin Barber: "Commissioner Westmoreland I think probably the question you had on the OPEB obligation on this page at the bottom, we are showing an obligation of \$1.1 million. You see, in the non-current liabilities?"

Commissioner Westmoreland: "Right, but I thought it was calculated like \$7 or \$8 million?"

Kevin Barber: "Well that's our total liability accounting wise, but that's the number that we are chipping away at each year. I believe in two years that obligation will not appear in the liability section."

Commissioner Westmoreland: "I don't understand the difference between this number on the balance sheet and that number and if you could provide us, I know that the rest of us that are on that little committee might appreciate it."

[Laughter]

Kevin Barber: "We'll get that to you."

Commissioner Borges-Lopez: "Do you have a certain term to pay off that \$11 million or whatever it was, the total because it is supposed to be what, \$1 million every year, but I thought we had a..."

Kevin Barber: "Well."

Commissioner Westmoreland: "\$800,000, but you know we have only been doing it for two years so how do you get to it in two more years?"

Kevin Barber: "You don't get to it all that quickly, but it's the accounting handling of it that we are kind of working down. I actually have last year's audit with me, if I can really quickly find that number from last year but we can find out for you."

Commissioner Westmoreland: "That is not going to help me. If you could just write a simple thing and you can send us an email. We will be happy."

Kevin Barber: "So any other questions on the statement of financial position?"

Commissioner Westmoreland: "No, that's good. Thank you."

Kevin Barber: "Ok, we can, page 28 just shows the statement of activities. A lot of these reports are just different ways of showing a lot of accounting information. It just spells out sort of the way the District spent its money between official fees, clerk salary and all the other expenses in the District. It talks about the water and the electric expenditures for the year and then also the charges that we receive from our customers and then some other general revenues on the right hand column. All just another way of coming down and getting the change in net assets for the District and each of the utilities."

Paul Yatcko: "The net OPEB obligation at the end of last fiscal year was \$1.5 million."

Kevin Barber: "The next section in the audit is the fund financial statements. My plan would not be there to really go into detail on these unless anyone has a particular question, but there is a reconciliation of the balance sheet for the District's accounts for the government funds followed by a reconciliation of the balance sheet on page 31. On page 32 it talks about the statement of revenue and expenditures and changes in fund balance. These are all required reports for the audit, but there are all different ways of showing a lot of the same information, in this case the expenditures, the revenues for the District. I will point out that the revenues for the District this year was \$302 in interest. Yet the District incurred expenditures of \$289,000. So, revenues minus expenses, our net operating is a negative \$288,000 for the year. That is offset by contributions by both the water and electric utilities. Both the water and electric contribute an even split amount of \$90,000 each and then the electric also contributes an amount equal to the street lighting expenses for the year. And adding those three numbers up is where you get the contribution of \$311,077. So then you can see where our fund balance began at the year and ended at the year. So we increased our fund balance by \$22,000 throughout the fiscal year. Page 33 is just another reconciliation of statement of revenues and expenses, followed by on page 34, this is probably a little bit more of an important report for you. This is our budget to actual for the general fund. This year we budgeted \$364,603 for District expenditures, yet we only incurred expenses of \$289,181. So we are under budget for the District operations for the year, which is a good thing."

Commissioner Westmoreland: "I don't know how we managed to come under budget on our legal fees."

Commissioner Borges-Lopez: "On which fees?"

Commissioner Westmoreland: "On our legal fees, given all the stuff that's going on."

Paul Yatcko: "Well I think a lot of the legal fees get charged to the proprietary funds as opposed to the District."

Commissioner Westmoreland: "Really?"

Kevin Barber: "Yes, when it's specific towards an electric issue, we will charge it directly to it"

Commissioner Westmoreland: "No, I'm talking more about the community stuff like Ryan Park."

Paul Yatcko: "Yes, that does get charged to the District's income statement."

Kevin Barber: "And if I recall correctly, we may have increased our budget for this fiscal year to take that into consideration."

Commissioner Geake: "Through the chair? Why is there such a difference in the street lighting have we made changes that I didn't know?"

Kevin Barber: "A lot of it may have been actual maintenance work, a little bit less on the maintenance work than what we had budgeted."

Commissioner Geake: "Ok, just curious since it was so big of a number."

Commissioner Westmoreland: "The street lighting is kind of weird because as I understand it the City pays for the actual lighting the capital investment and then we just pay the bill. Is that correct?"

Kevin Barber: "It depends on where. If the City is going through and redeveloping an area, they will do the street lights and we will then receive that as a contribution and we cover the operation and maintenance of those lights. If we need to go and replace lighting, it's typically on the District to do that."

Commissioner Westmoreland: "Well to operating strategy questions related to that, is there any business case to replace old street lighting with LED fixtures that actually have a pay back, so that we are paying less for street lighting?"

Paul Yatcko: "I think that as the capital costs of the LED lighting comes down, that business case will be better. Right now it's a fairly expensive form of lighting, but yes, I think in the future, as those lights become more wide spread and the prices come down."

Commissioner Westmoreland: "Lowe's has 60 watt equivalent LED light bulbs, two in a package for \$3.00 a piece for two."

Paul Yatcko: "I would hesitate to equate retail pricing strategy to the actual cost of street lighting in the market place."

Commissioner Westmoreland: "No, I know, I know, it's seems like it's coming down dramatically."

Kevin Barber: "That is also subsidized."

Paul Yatcko: "That's called the lost leader."

Commissioner Westmoreland: "Alright."

Kevin Barber: "So as I said page 34, does show how we did budget wise on the District books. We flip to page 35, we get into our net position of our proprietary fund, which talks more specifically about the electric and the water. So this will show our assets for both water and electric and along with our liabilities for both water and electric and showing our total net assets at the very bottom. I won't go through detail line-by-line on this, but if there are any questions, I would be happy to answer those."

Commissioner Westmoreland: "I rather just go directly to the budget and actuals for each one. It seems more relevant to me."

Kevin Barber: "Yes, we have a few more reports that I just want to touch on just quickly then we will be jumping right to that. Our next page is the statement of revenues and expenses for the proprietary funds. Once again there were some changes on these reports that I just want to bring to your attention. This is also where it shows that our change in net assets for both water and electric and how those numbers were calculated. It does sort of break down our revenues for each, on the water side we did bring in \$8.5 million in revenues and the electric \$15.9 million. And then it shows below how we spent the money through operations and other non-operating expenses. Any questions on that? The next page is just a statement of cash flows, which just shows where the money came in and where it went in different categories."

Paul Yatcko: "I will point out on this statement as we said earlier, if you look at the net cash flow for the water business all the way down at the bottom of the column labeled water, you'll see it's a positive \$2.3 million. So on a cash basis water is fairly healthy."

Commissioner Westmoreland: "Well, because we raised the rates last year."

Paul Yatcko: "Yes."

Commissioner Westmoreland: "I think that is debatable."

Kevin Barber: “On pages 38 and 39 is just some reporting on our OPEB Trust. And it just provides you that right now, while we contributed \$1.7 million, the net position of the trust is \$1.774 million, so it is making some money. Ok, the next section is actually our notes to the basic financials. These are notes that were provided to the reader to help explain the history of us and other accounting notes. I’m not going to go through these, I recommend you read them at your leisure because it does provide a whole wealth of information. The next page I want everyone to flip to is page 75. This is the supplementary combining an individual fund schedule section and this as Commissioner Westmoreland had asked, is our budget to actuals for our water. This is the page that will show you how we did on the water for both our revenue side and our expenses. The way we budgeted, we budgeted \$8.291 million in revenue and for the fiscal year we brought in \$8.6 million. So we brought in \$392,000 more than what we budgeted on the revenue for water, which is a good thing. Touching upon the expenses, we budgeted for our total operating expenses \$5.7 million and for the year we spent \$5.5 million. So for operating expenses, we were \$187,000 under budget for the year, adding in our other expenses, which is interest and some of our tax-related issues, we were over budget in that area by \$21,000. So our total expenses, we budgeted \$6.6 million, we spent \$6.4 million and we were under budget by \$165,000 for the year. Any particular questions regarding the water?”

Commissioner Westmoreland: “Do you attribute the increase in revenues due to the hot, dry summer or were there new customers or?”

Kevin Barber: “Most of it is the...”

Paul Yatcko: “Well, this is the last fiscal year, not this one.”

Commissioner Westmoreland: “Because it is only through July, we still had a pretty dry spring.”

Paul Yatcko: “We did have a dry spring and I would suspect some of it is irrigation.”

Commissioner Westmoreland: “I’m always nervous when I see...oh wait a minute no, never mind. It’s the opposite question. The maintenance, the transmission distribution systems being over by \$180,000 approximately. Do you recall what any of those issues were? Is there one significant thing or a couple of significant things?”

Kevin Barber: “Yes, I think it wasn’t one, it was a number. A lot of it is main breaks just throughout the year and I know we had another report that breaks down, if you flip to page 82 it will actually break down each of those. So we were talking about the transmission distribution maintenance, about two-thirds of the way down on page 82 you’ll see transmission and distribution. That’s the breakdown of all the charges relating that makes up the \$707,000. And you’ll see that with maintenance and transmission and distribution mains is by far more than 50% of that total and then we had maintenance of

services. So between those just main breaks, having to go out and replace some services that failed, we just obviously didn't budget enough for it in the year. So, we did go over budget in that component. But overall total operating expenses, we still remained under. It's typically labor for that, if it's not a one category, it ends up in another."

Commissioner Westmoreland: "Sure, Ok."

Kevin Barber: "So if there are no other questions on the water, flip the page is the schedule of our capital projects. So, it will just list all of our capital projects that we have running and where they are and the status; whether they have been completed or ongoing. Probably, the one big project to note for the water was project 2015-O8CW which is a TAC replacement. TAC is a granular activated carbon for our filtration plant and we replaced that this past fiscal year and that even came under budget by, was that \$33,500 under budget."

Commissioner Westmoreland: "I thought that the painting of the water tanks; that was a capital project isn't it?"

Kevin Barber: "No it's not. That is actually an expense."

Commissioner Westmoreland: "That is not, it's an expense?"

Kevin Barber: "And that actually, some of that, there in lieu of it, may have appeared in the transmission and distribution maintenance a little bit, but a lot of it was the previous fiscal year."

Commissioner Westmoreland: "Right, well then it's going to hit in the next couple of years right because we have like three more tanks to paint or something?"

Kevin Barber: "We have a..."

Paul Yatcko: "We're doing the Summit Avenue tank this fiscal year."

Commissioner Westmoreland: "I think there's two more after that?"

Commissioner Geake: "Yes."

Commissioner Westmoreland: "It was like \$400,000 a year for several years out."

Kevin Barber: "Yes. We spread them out a little bit, but it is over the next 4 or 5 years, we have a few on the docket."

Commissioner Westmoreland: "Alright."

Kevin Barber: "Any questions on the water capital projects? If not, we'll flip the page to 77 and this is the electric operating budget to actual for the year. And once again this also had some changes, so you may want to reflect to page 77. I believe it's the last page

in your change package. For the year the electric, we budget total operating income or total income of \$15.8 million. We brought in \$15.9 million, so we were \$136,000 over budget or to the good. We brought in more money than we budgeted on the revenue side. On the expense side for our total operating budget, we budgeted \$14.3 million and we spent \$14.6 million. So for the operating portion of it, we were \$250,000 over budget for the year.”

Commissioner Westmoreland: “And why is that?”

Kevin Barber: “Ok, glad you asked. The first line item under operating expenses purchased electricity we budgeted \$8.9 million and we spent \$9.4 million. So, we spent \$550,000 more than we budgeted and here is the reason why. When the budget was passed by the electors was in March I believe of 2014 and I believe it was June of 2014 the Commission approved an increase in the rate that CMEEC charges us for electricity. I believe it was from 8 1/2 cents to 10 cents a megawatt or kilowatt hour. So that change in the rate that CMEEC charges us, is what caused the overage in this fiscal year. Now, that we had the increase in that amount that CMEEC charges us, in order to start replenishing the rate stabilization fund, which was, if you may recall, it was starting to get a little diminished. So we increased the rate, which was then increasing our rate stabilization fund up to a more appropriate level for what we wanted. So that’s why our purchased electricity is over budget for the year. Now, when we look at our other income and expenses, we budgeted \$504,000 of expenses. If I’m reading that correctly, yes and we actually brought in \$605,000 in income. So you see a \$1.1 million dollar swing on that section. I will explain that under the miscellaneous income and deduction line, if you’ll see that we budgeted \$10,800, yet we are showing a negative \$807,000, that was due to the auditors wanted us to displace, to make a change in how we are handling our contributions. So that is the reflection, that is not...”

Paul Yatcko: “When Kevin says contributions he means contributions that we receive in aid of construction.”

Kevin Barber: “Thank you.”

Commissioner Westmoreland: “Could you clarify that again?”

Kevin Barber: “Would you like an example?”

[Laughter]

Commissioner Borges-Lopez: “Yes, please.”

Commissioner Westmoreland: “Is it like free money from the State to build something? I mean what is it?”

Paul Yatcko: “No. Part of it is State funded utilities relocations for the work the on I-95 and the bridges.”

Commissioner Westmoreland: "Right."

Paul Yatcko: "And this auditor wants us to account for it as a basically as part of the other income section of the income statement, where before we were directly hitting the asset account."

Commissioner Geake: "Through the Chair? Do we have an itemized listing of what is in the miscellaneous service? I mean we got money, but do we know exactly how much it is for each item, each thing that's in there?"

Kevin Barber: "A little clarification, the miscellaneous income and deductions line?"

Commissioner Geake: "Under other income, miscellaneous service charges."

Kevin Barber: "We do have a breakdown of what all that entails. The reason why that was highlighted, was that the \$807,000 that we had down below, on your report on the original document, it's showing up in the other income section up top. So our change was we needed to move that down into the non-operating section. So that's why we made that change. But that \$807,000 is not a cash influx."

Commissioner Westmoreland: "Well, it's like a reimbursement."

Kevin Barber: "Well, what ends up happening is, let's say the State will and I'll use Monroe Street when they rebuilt Monroe Street, the State project required us to have to move our assets, so the State paid for those assets. Once the State pays for and installs let's say the water main, they turn the water main over to us and it's our asset. So, then we have to account for that asset as an asset on our books, but we also have to take it as a contribution in aid of construction, since we didn't have to pay for it."

Commissioner Westmoreland: "Might I suggest that you just have a schedule or something that we attach to the whole package that we're going to show the electors, that details this because it is just weird and it's different and it's not a trivial number and I don't want to sound like we're fumbling around explaining it."

Kevin Barber: "I know."

Commissioner Westmoreland: "I mean I understand what it is and it's clear to me, but it's just, to somebody who doesn't see all this all the time, it kind of looks like we are playing with numbers."

Kevin Barber: "When the auditors did bring this to our attention and wanted us to change it from the way the previous auditors did it. It did create a little discussion internally on how to handle it."

Paul Yatcko: "We did have several conference calls with the auditors on this subject."

Commissioner Westmoreland: "It's fine I understand why they want to do it this way, I mean it kind of makes sense, but I just think if you could point to it's this, this, this and this and then you have to explain how it is actually a good thing and not a bad thing. Just in case it comes up. I believe in being over prepared, especially when it comes to public meetings with big numbers."

Paul Yatcko: "Understood."

Kevin Barber: "We will create something."

Commissioner Westmoreland: "Just something simple; just a list."

Kevin Barber: "Getting back to the overall numbers for the electric, the total budget expenses we have, we budgeted \$14.9 million. It is showing here that we spent \$14.0 million or we are under budget by \$901,000. When I take out that \$807,000 of miscellaneous income that we just talked about, our actual variance is about \$94,000. So overall we were \$94,000 under budget for this year on the electric expenses."

Commissioner Westmoreland: "No, I mean, sort of."

[Laughter]

Kevin Barber: "Don't forget when we budget, we budget more on a cash basis and so that's why when we're looking at the actual variance on what we spent cash wise, we are \$94,000 under budget."

Commissioner Westmoreland: "Right, but from a measuring the performance of management, I would look at the total operating expenses line as being more meaningful and relevant because the rest is just luck. Grant revenue, interest expense, I mean, you know."

Kevin Barber: "So are there any other questions on page 77?"

Commissioner Westmoreland: "Yes, I know you want to move on but?"

[Laughter]

Kevin Barber: "That's ok."

Commissioner Westmoreland: "Why was the interest expense on a long-term debt so much, basically half of what we had planned?"

Kevin Barber: "When we originally generated the budget, we did not know the interest rate."

Commissioner Westmoreland: “We didn’t know what the interest rate was going to be.”

Kevin Barber: “On \$500,000, we figured I think 5%; we shot high.”

Commissioner Westmoreland: “Yes.”

Kevin Barber: “Came in a lot less so, that’s why. Going forward that number will be actually zero because we know what it is going to be.”

Commissioner Westmoreland: “Because we know exactly what it is, right, that was going to be my point. But you are right, alright good.”

Kevin Barber: “The next page is the listing of the electric capital projects. The big projects to note are the substation, where we have multiple projects listings here. Specifically at the bottom of the list, where it says special appropriation, that is the \$10 million dollar bonding and that shows that we did spend all the \$10 million of the bonding on the substation and then we also had some other substation projects up at the top.”

Commissioner Westmoreland: “If we spent all the \$10 million, why is it still ongoing?”

Paul Yatcko: “Because we’re spending some money out of current appropriation that was budgeted for that way.”

Commissioner Westmoreland: “Ok.”

Kevin Barber: “Any other questions?”

Commissioner Westmoreland: “I’m good, any other questions?”

Kevin Barber: “The remainder of the reports on here are just standard reports, the depreciation reports, our breakdown of the schedule of the expenses for water and electric. And then on page 84, is just the breakdown of schedule of the community service projects for the District. That just shows you how and where we spent the \$28,000 in community service projects.”

Commissioner Westmoreland: “Where is that?”

Kevin Barber: “Page 84.”

Commissioner Westmoreland: “We spent \$81 on Madison Street Park?”

[Laughter]

Commissioner Borges-Lopez: “Yes.”

Kevin Barber: "I believe that's because, I believe they are doing work over there, so we may have only been able to do a little."

Commissioner Westmoreland: "So, we like mowed it once?"

Paul Yatcko: "Very little."

Kevin Barber: "Very, very little."

[Laughter]

Commissioner Borges-Lopez: "Is there a way that maybe that SNEW can take over the bushes on Dr. Martin Luther King Drive, so accidents won't happen there? Those bushes are so high. You have some in South Norwalk right? Who takes care of that island, do you know?"

Paul Yatcko: "I would have thought it was city public works."

Commissioner Geake: "I would think the city."

Commissioner Borges-Lopez: "Well no wonder we can't see the oncoming cars. No one is taking care of it."

Commissioner Geake: "Yes, I mean that happened before with the snow and ice where they didn't realize it was ours and they were letting it go and it got to be a problem."

Commissioner Borges-Lopez: "I thought SNEW was doing that at one point."

Kevin Barber: "I don't believe we've done the island there. We used to handle other portions."

Paul Yatcko: "We have that parcel over by I-95 by the exit ramp."

Kevin Barber: "That's the West Avenue, which we've done a lot of work on, but we used to have other ones as well."

Commissioner Borges-Lopez: "Someone came to the meeting and they requested that SNEW do something about that island and I think one year it did happen, but I think every year that person was supposed to come in and request that it be done."

Kevin Barber: "I personally don't recall that. We may have to look back and see."

Commissioner Borges Lopez: “And then because it was not...like for example the clean and green every year they’ll come and send a written request for the \$1,500. So I think that’s what supposed to be done and they never did it, so they dropped the ball, but I know that SNEW did it at least one year and it was nice and clean and then all of a sudden SNEW didn’t do that area and I think the city of Norwalk is not doing anything either.”

Kevin Barber: “We used to budget to do a bunch of different areas throughout and the Commission decided to scale back on that.”

Commissioner Borges-Lopez: “Yes. I know.”

Commissioner Westmoreland: “If there’s a specific bush you want trimmed. I can, if you tell me exactly where, I can ask DPW to do it just because I deal with them.”

Commissioner Borges-Lopez: “All of them, they’re overgrown. Right here by the traffic light, Madison Street.”

Commissioner Westmoreland: “Where? Madison and Martin Luther King?”

Commissioner Borges-Lopez: “And Martin Luther King.”

Commissioner Westmoreland: “OK.”

Commissioner Borges-Lopez: “It’s awful.”

Paul Yatcko: “I drive past there every day; I can’t say that I’ve noticed it.

[Laughter]

Commissioner Geake: “It has gotten a lot bigger than it was.”

Commissioner Borges-Lopez: “You don’t take a left there you know?”

Paul Yatcko: “You are right.”

Commissioner Westmoreland: “I don’t notice it because I’m always speeding.”

[Laughter]

Commissioner Geake: “We have it on the record here.”

Commissioner Borges-Lopez: “You’re lucky Cesar is not here. He will be behind the bushes waiting for you.”

Kevin Barber: The final section, I just want to bring your attention, is the statistical section. All it does is it list out ten years’ worth of history for the water, the electric and

the general fund expenditures. Followed up by some city debt information, which is required for our audit. And that brings us through the audit. Does anyone have any additional questions?”

Paul Yatcko: “Mr. Chairman if I may, during this lull in this conversation I would like to thank Kevin and his staff, Mark Harris and Brad Doolittle for their hard work and dedication. They have to put in an awful lot of hours under tight deadlines to get this stuff done and I think they have done an admirable job and I like to commend them to you. I also want to thank our auditors from Michaud, Accavallo Woodbridge & Cusano for their professionalism and for their cooperative nature of the process. This was our first year working with them and they did a good job.”

Commissioner Westmoreland: “And the working relationship was good?”

Kevin Barber: “I actually talked with staff and they enjoyed them. They were very easy to work with; they were very professional. They were a pleasure to work with.”

Commissioner Borges-Lopez: “That is good to hear.”

Commissioner Westmoreland: “That’s good. Thank you.”

Commissioner Borges-Lopez: “Thank you Kevin for your hard work, as well.”

Commissioner Westmoreland: Thank you as well. I also think you should mention that at the electors meeting since it was a topic last year in that we made the change.”

Kevin Barber: “A representative, our managing partner will be Darren Offerdahl will be at the Annual Electors Meeting to answer any questions that may arise as well.”

Commissioner Borges-Lopez: “So, I guess you need a motion to approve and recommend?”

Commissioner Westmoreland: “Yes.”

Commissioner Borges-Lopez: “The approval by the electors the audit report of Second Taxing District for the fiscal year July 1, 2014 through June 30 2015.”

Commissioner Westmoreland: “Do we have a second?”

Commissioner Geake: “Second.”

Commissioner Westmoreland: “All those in favor?”

Commissioners Unanimously: “Aye”

Commissioner Westmoreland: “Opposed? Abstentions? Ok, motion carried. And is that everything on our agenda?”

Paul Yatcko: “Yes it is.”

Commissioner Westmoreland: “Lisa can you review the upcoming dates when the Electors Meeting and all that.”

Lisa Roland: “The Electors Meeting is next week, November 17, 2015 at 8:00pm. We are going to need a quorum. That means we need 15 electors.”

Commissioner Westmorland: “Ok, so everybody here needs to bring five people.”

[Laughter]

Commissioner Westmoreland: “Right?”

Commissioner Borges-Lopez: “How about a motion to adjourn.”

[Laughter]

Commissioners Geake: “Second.”

Commissioner Westmoreland: “Wait a minute I didn’t call for a motion to adjourn, I want to talk some more.”

[Laughter]

Commissioner Westmoreland: “All those in favor?”

Commissioners Unanimously: “Aye.”

**Adjournment**

*The meeting adjourned at 8:25 p.m.*

Attest:

Lisa G. Roland  
District Clerk