

Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271

Fax: (203) 866-9856

Third Taxing District of the City of Norwalk Commission Meeting

Monday January 6, 2014 at 7:00 PM

At the Third Taxing District Office, 2 Second Street, East Norwalk, CT

1. Public comment – 15 minute limit
2. Minutes of meeting – December 2, 2013 & Special Meeting December 11, 2013
3. Presentation by Norwalk Fire Chief – Renovations to East Norwalk Fire House
4. Fitch Street Fence – Accurate Auto – (Dave Brown)
5. Banner Height Issue – (Dave Brown)
6. Final Update on Fitch St./Cervalis Projects – (Jim Smith / Joe Cristino)
7. Update on Outage Management System
8. General Manager's Report
 - Discussion on Participation in City-wide Summer Concert
 - Fitch Street Substation Plaque – (Verbal)
9. Discussion/Analysis of Financial Statements / Key Performance Indicators – (KPI's)
10. Adjourn

Agenda backup material is available at the TTD office, www.ttd.gov and will be available at the meeting.

M:\Shared\Commission Meeting Information\Agenda 1-6-14.doc

District Commissioners

Charles L. Yost	203-853-0837	Chairman	James Smith	203-866-9271	General Manager
David L. Brown	203-866-8099	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Debra Goldstein	203-252-7214	Commissioner	Michael Intrieri	203-846-3001	Treasurer

DRAFT

THIRD TAXING DISTRICT
of the City of Norwalk
December 2, 2013

ATTENDANCE: Commissioners: Charles Yost, Chairman; David Brown;
Debra Goldstein; Michael Intreri, Treasurer

STAFF: James Smith, General Manager; Ron Scofield, Assistant General Manager.

CALL TO ORDER

Chairman Yost called the meeting to order at 7:00 p.m.

Public Comment - None

Minutes of Meeting – November 6, 2013

Ms. Goldstein noted the following corrections: Page 1: Under Public Comments correct Debra to Deborah; change the second on the motion to Ms. Goldstein. Page 2: Actuary should be actuary. Page 4: In the first motion, add the word of after need; in the second motion change Mr. Yost to Ms. Goldstein.

Mr. Brown questioned several sentences in the minutes and asked if these items were done as stated. Mr. Smith clarified that the items were accurately listed as noted and he would be addressing them during his report.

Mr. Yost requested that it be noted that Mr. Michael Intreri was elected as District Treasurer following the outcome of the vote recount.

**** MR. BROWN MOVED TO APPROVE THE MINUTES OF NOVEMBER 6, 2013 AS AMENDED WITH CORRECTIONS NOTED.**
**** MS. GOLDSTEIN SECONDED THE MOTION.**
**** MOTION PASSED UNANIMOUSLY**

Person to Person Assistance Program

Ms. Marina Thomas, Director of Social Services from Person to Person, presented the program for customers in need of financial assistance as authorized at the November meeting. She reviewed how the \$20,000 will be allocated based on identifying chronic delinquent customers and the guidelines for qualification and notification. Questions and comments from the Commissioner were addressed.

Marketing PR Update - Jumar Presentation

Judi Virgulak presented the program review as contained in the agenda packet and gave an overview of the activities performed by Jumar Marketing. Questions and comments were addressed from the commissioners and follow up items relative to the upcoming Tree Lighting will be confirmed by e-mail to Mr. Smith as discussed. Executed copies of the Master Services Agreement and Statements of Work Plans were provided for review.

Mr. Smith requested a suspension of the rules to add the review of Property & Casualty Insurance to the agenda.

Insurance Renewal

Peter Murphy and Elizabeth Lyons from J. P. Murphy & Associates presented the insurance recommendation and reviewed the supporting documents as contained in the agenda packet. A discussion ensued regarding additional coverage required for the substation projects, and Mr. Murphy suggested that approximately \$5,000 would cover the addendum.

Questions and comments from the Commissioners were addressed relative to the details of the plan as outlined in the recommendation.

**** MS. GOLDSTEIN MOVED TO AUTHORIZE THE RENEWAL RECOMMENDATION FROM J. P. MURPHY AND ASSOCIATES FOR THE THIRD TAXING DISTRICT 2014 PROPERTY AND CASUALTY INSURANCE IN THE AMOUNT OF \$141,887.44. TOTAL AMOUNT IS TO INCLUDE AN ADDITIONAL \$5,000 OR +/- 1% INCREASE TO COVER THE SUBSTATION PROJECT IMPROVEMENTS.**

**** MR. BROWN SECONDED THE MOTION.**

**** MOTION PASSED UNANIMOUSLY.**

Update on Christmas Tree Lighting

Mr. Scofield provided a draft of the program for the annual Christmas Tree Lighting ceremony for Sunday, December 8 at 6:00 p.m. He reviewed the schedule, confirmed attendance, gifts, and roles of the Commissioners.

General Manager's Report

Update on Rate Study

Mr. Smith reported that the rate study was completed today, based on the actuarial analysis that was just recently received, and he will release it after a final review.

Update on Fitch Street/Cervalis Projects

Mr. Smith reported that Fitch Street is on the home stretch of completion, and they are cleaning up a few minor issues on the final substation project list. He explained they are working on CMEEC power source options then on to the permanent negotiated rate. He stated there is a two-page detailed memo from Joe Cristino of what will be completed by December 16, and he will forward by e-mail if requested. He summarized that completion represents work of multiple partners that came together with logistical coordination, and all is on track within one week of the original plan deadline.

Rain Garden

Mr. Scofield presented the program offered by Sound Keepers to plant and maintain a 5'x 8' flower/perennial garden in back of the TTD property referred to as Angelo M. Santella Park. He explained that there will be no cost to the district and volunteers will plant and maintain the garden. It was agreed by a general consensus of the Commission to proceed with the Rain Garden.

Discussion/Analysis of Financial Statements

Mr. Smith provided a review of the financial reports as of October, 2013 and included an explanation of noted major variances versus year ago. Included in the review was a summary of key performance indicators (KPI's), which measures how TTD is performing in several key areas, year over year, as well as the current month. This is a new initiative for TTD and will be enhanced by adding a column, beginning next month, which benchmarks TTD against industry averages.

Mr. Smith distributed the project status report and Mr. Yost asked that it be included in all future agenda packets for the Commissioners to review in advance.

Executive Session There was no executive session.

Ms. Goldstein asked it be noted that an executive session should only be listed on the agenda if it is scheduled and the reason should be included to be in compliance with FOI guidelines.

Adjournment

**** MS. GOLDSTEIN MOVED TO ADJOURN.**
**** MR. BROWN SECONDED.**
**** MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 8:45 p.m.

Respectfully submitted,
Marilyn Knox,
Telesco Secretarial Services

Draft

THIRD TAXING DISTRICT
Of the City of Norwalk
December 11, 2013

ATTENDANCE: Commissioners: Charlie Yost, Chairman, David Brown, Debora Goldstein,
Treasurer: Michael Intreri

STAFF: James Smith, General Manager, Ron Scofield, Assistant General Manager,
Matt Allred, District Accountant

PUBLIC: Tabor Hamilton II

Chairman Yost called the meeting to order @ 7:00 pm

Public Comment – None

Rate Study Presentation Dawn Lund, Vice President of Utility Financial Solutions, LLC presented by telephone the cost of service study and rate design. The Commissioners asked many questions during the presentation which were answered by Dawn. It was decided by the Commissioners to contemplate the presentation information in their minds and agree to meet again in January and focus on the direction needed for Dawn to move forward.

Adjournment:

** **MR. BROWN MOVED TO ADJOURN**
** **MS. GOLDSTEIN SECONDED**
** **MOTION PASSED UNANIMOUSLY**

The meeting adjourned at 8:55 pm.

Respectfully submitted,

Ron Scofield
District Clerk

Memorandum

Third Taxing District

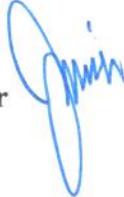
Electric Department

To: TTD Commissioners

From: Jim Smith – General Manager

Date: December 26, 2013

Subject: East Norwalk Fire House- Capital Item Request



Attached please find a copy of an e-mail from Denis McCarthy, the City Fire Chief, regarding proposed renovations to the E. Norwalk Fire House.

As you can see, he is asking for \$30,000 in funding for the Capital projects listed in his e-mail.

We currently have \$20,000 in the 2013-14 budget under the “Firehouse Building - Major Capital “category and have not expended any funds out of that account through the end of November.

We have also reserved \$25,000 in the “Contingencies “account in the budget and have not expended any funds out of that account through November.

My recommendation would be to listen to his initial request to get further details on the project and request a review of specific cost estimates when he is able to get them ,since some funding out of the District’s “ Contingency “ account would be required.

James W. Smith

From: James W. Smith
Sent: Thursday, December 26, 2013 11:22 AM
To: 'Charles Yost'
Subject: RE: FW: Capital budget foir the East Norwalk Firehouse
Attachments: Cover Memo-2013-14 Budget Request for Repairs - E. Norwalk Fire House.doc

Charlie: See attached memo I just drafted as backup to the Commission meeting agenda.
Jim

From: Charles Yost [<mailto:cyost5@gmail.com>]
Sent: Thursday, December 26, 2013 10:15 AM
To: James W. Smith
Subject: Re: FW: Capital budget foir the East Norwalk Firehouse

Hi Jim
We already went through this but I dont recall what \$ we gave them and the detail on what project it funded.
Please remind us.
thanks

On Tue, Dec 24, 2013 at 10:49 AM, James W. Smith <jsmith@ttd.gov> wrote:

Folks: Please see the attached request from the Fire Chief. I will be asking him to come to the meeting on January 6th to present in more detail to the Commission.

Jim

From: McCarthy, Denis [<mailto:DMcCarthy@norwalkct.org>]
Sent: Monday, December 23, 2013 4:27 PM
To: James W. Smith
Cc: 'James Hines'; D'Acunto, Louis
Subject: FW: Capital budget foir the East Norwalk Firehouse

Jim attached you will find a copy of the renovation plans for the 1st and 2nd floors of the East Norwalk Firehouse. As you can see we intend to reorient the 2nd floor living space so that it is more functional. Major deficiencies of the current layout are:

- 1) bunk space is in the middle room where the day room seating area is proposed
- 2) front room is underutilized because the day space and kitchen are in the rear of the 2nd floor.
- 3) there are inadequate bathroom facilities on the 2nd floor and none on the first floor
- 4) the fire pole is not used due to it's inconvenient location. Relocating it to the front room will make it much more accessible regardless of time of day.

We are requesting the Third Taxing District assist with the financing of this project by appropriating funds for the additional two bathrooms, the upgrade of the

existing bathroom and relocation of the fire pole. These are capital upgrades to the facility and are valuable improvements to the building. In particular, having a public restroom on the 1st floor allows the

Department to better serve the public

It is our intent to bid this work through the normal city bidding procedures in January and the total cost of the project and the incremental cost of the bathrooms and pole relocation will be finalized at that time. We are requesting funding support of 30k from the district to complete this work in the summer of 2014.

I will be glad to attend a commission meeting to review and discuss our renovation plans.

Denis McCarthy

Fire Chief

Norwalk Fire Department

121 Ct Av

Norwalk CT 06854

Office: [203 854 0230](tel:2038540230)

Cell: [203 667 4388](tel:2036674388)

dmccarthy@norwalkct.org

<http://www.facebook.com/NorwalkOEM>



Memorandum

Third Taxing District

Electric Department

To: TTD Commissioners

From: Jim Smith – General Manager

Date: December 30, 2013

Subject: Fitch Street Substation/ Cervalis Projects

Attached please find a hard copy of a power point presentation re-capping the Fitch St. Substation /Cervalis projects that will be made @ the January 6, 2014 Commission meeting.

As can be seen in the narrative portion of the presentation, we are finalizing the power supply contract details with Cervalis prior to placing them on their special contract rate.

We have scheduled a meeting with representatives from Cervalis on January 8, 2014 to finalize their selections.

They are currently on our standard rate and have been billed approximately \$17,000 and have used almost 100,000 KWH for the period September, 2013 through November, 2013.

Three (3) follow up items that are remaining to be completed in connection with Fitch St. are (1) the remote monitoring of data collected from the substation via a fiber connection to the Second St. office, (2) landscaping of the front section of the lot nearest the street, and (3) the removal of the old underground CL&P circuits on East Ave.

We are currently waiting for computer hardware to be delivered to complete the remote monitoring project and the landscaping will be completed in the spring when weather conditions improve. We are also in the process of removing and scrapping the old cable from both underground vaults based on elimination of these circuits.

Third Taxing District Electric Department Centennial Projects

A brief report on the 2013 major
electrical system projects

Cervalis/Norden Park Data Center Substation & Supply

- Preliminary meetings in 2010
- Negotiation for TTD to supply one-half of electrical power to Data Center based upon District franchise lines and CL&P's long-lead scheduling requirements
- Site Construction for underground infrastructure began 2011
- TTD to supply a dedicated 27,000-volt feeder and on-site substation
- Fortis' Construction Group to provide on-site excavation and infrastructure installation
- Cervalis worked with TTD and Fortis Construction to resolve outstanding issues
- TTD supplied and installed 27,000-volt aerial and underground cables, Control House, on-site Transformer and Gas Switch, Protective Relays and Metering
- Cervalis requested TTD to supply Temporary Construction Power
- Data Center Substation (106D) energized, on line and supplying 100% of Data Center power by November 4, 2013
- Cervalis presently on Temporary Power Rate pending negotiations with TTD
- Fiber Optic protective relay installation to be completed by Spring 2014

Manhole #1 Woodside Commons



On-Site Underground Installation



Triangle Street Bridge Construction



Data Center Substation Plot



Data Center Transformer



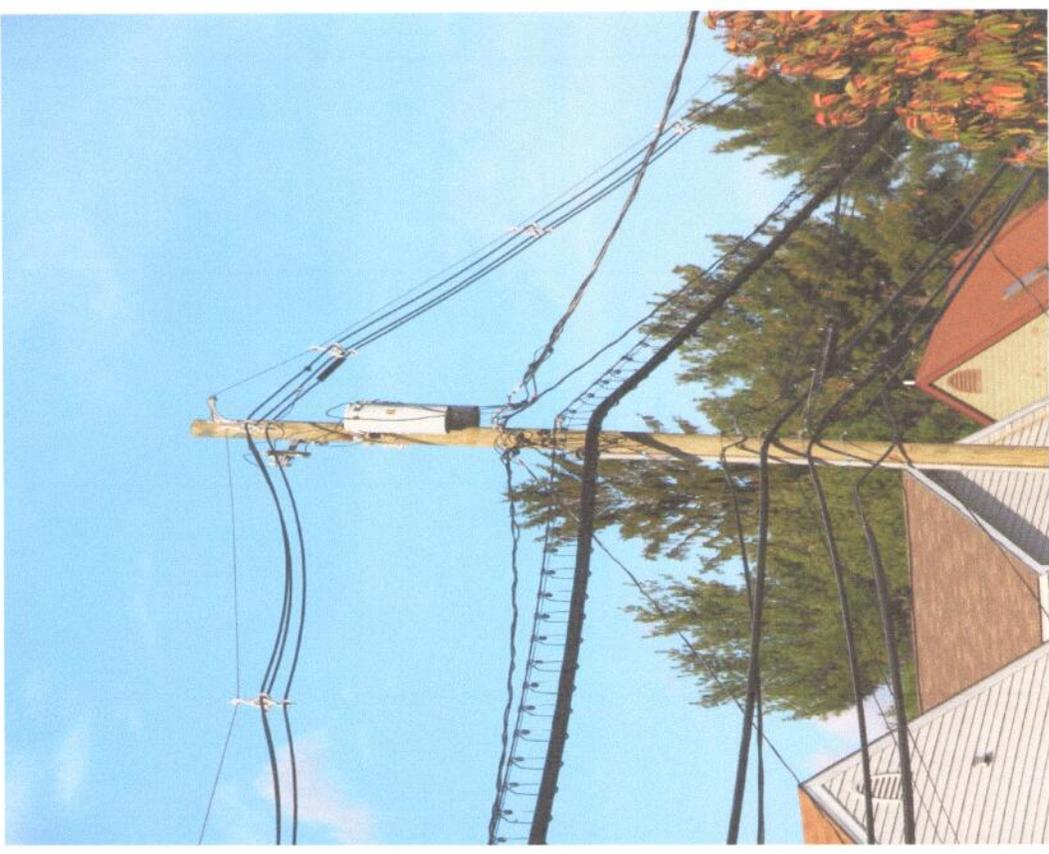
Transformer On-site Pad



Woodside Pull Box



27,000-volt Aerial Cable



East Avenue Substation Terminal



Data Center Substation with Temp



Data Center Substation (106D)



Fitch Street Substation (47R)

- Original concept 2009
- Preliminary analysis and assessment completed 2010
- Discussions and meetings with CMEEC, Tighe & Bond and others 2010-2011
- Plans firmed up and RFQs issued for Design-Build project 2012
- Siting Council. City of Norwalk agencies, ISO-New England, CL&P filings 2012-2013
- Project awarded to Eaton Service Corporation 2012
- Preliminary design document reviews early 2013
- Ground Breaking July 2013
- Major Equipment Deliveries September 2013
- Control House on site September 2013
- On-site equipment testing completed October-November 2013
- Tie into 115kV Transmission System December 2013
- Rowan Street Substation (104R) 27,000-volt Tie-In December 14, 2013
- East Avenue Substation (102E) 27,000-Volt Tie-In December 21, 2013
- Fitch Street Substation (47R) fully operational December 2013
- Plantings and site paving Spring 2014

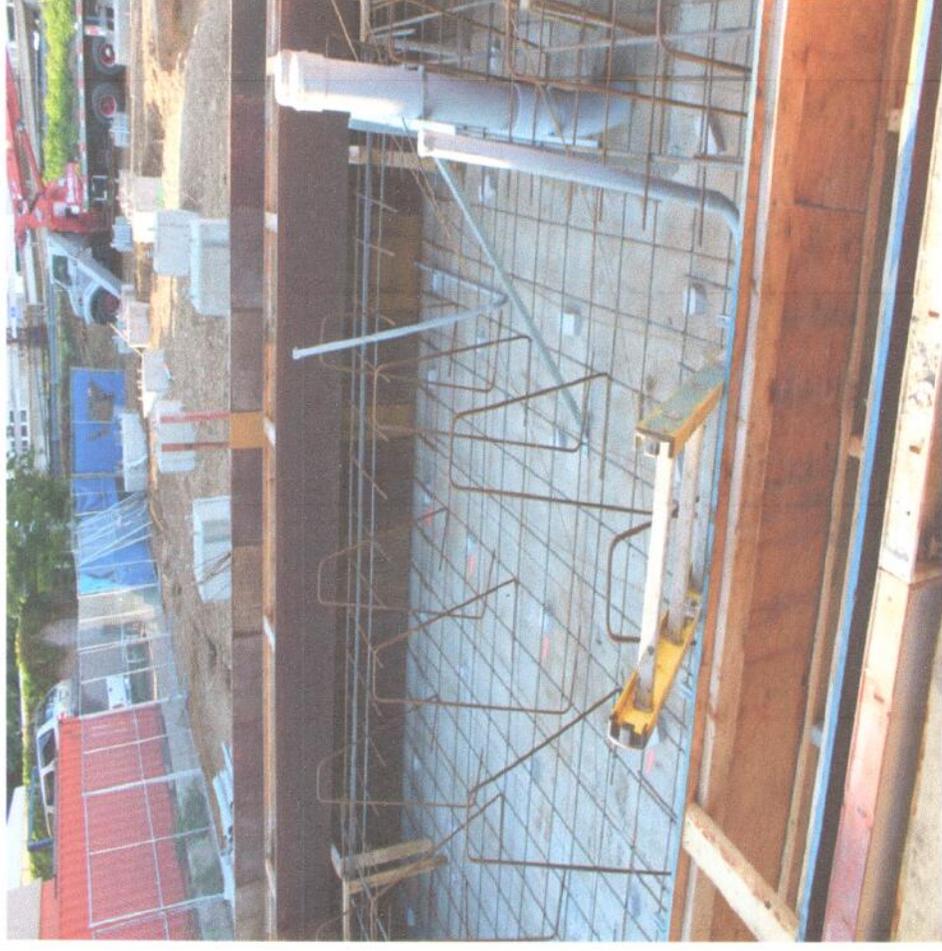
Fitch Street Substation Site



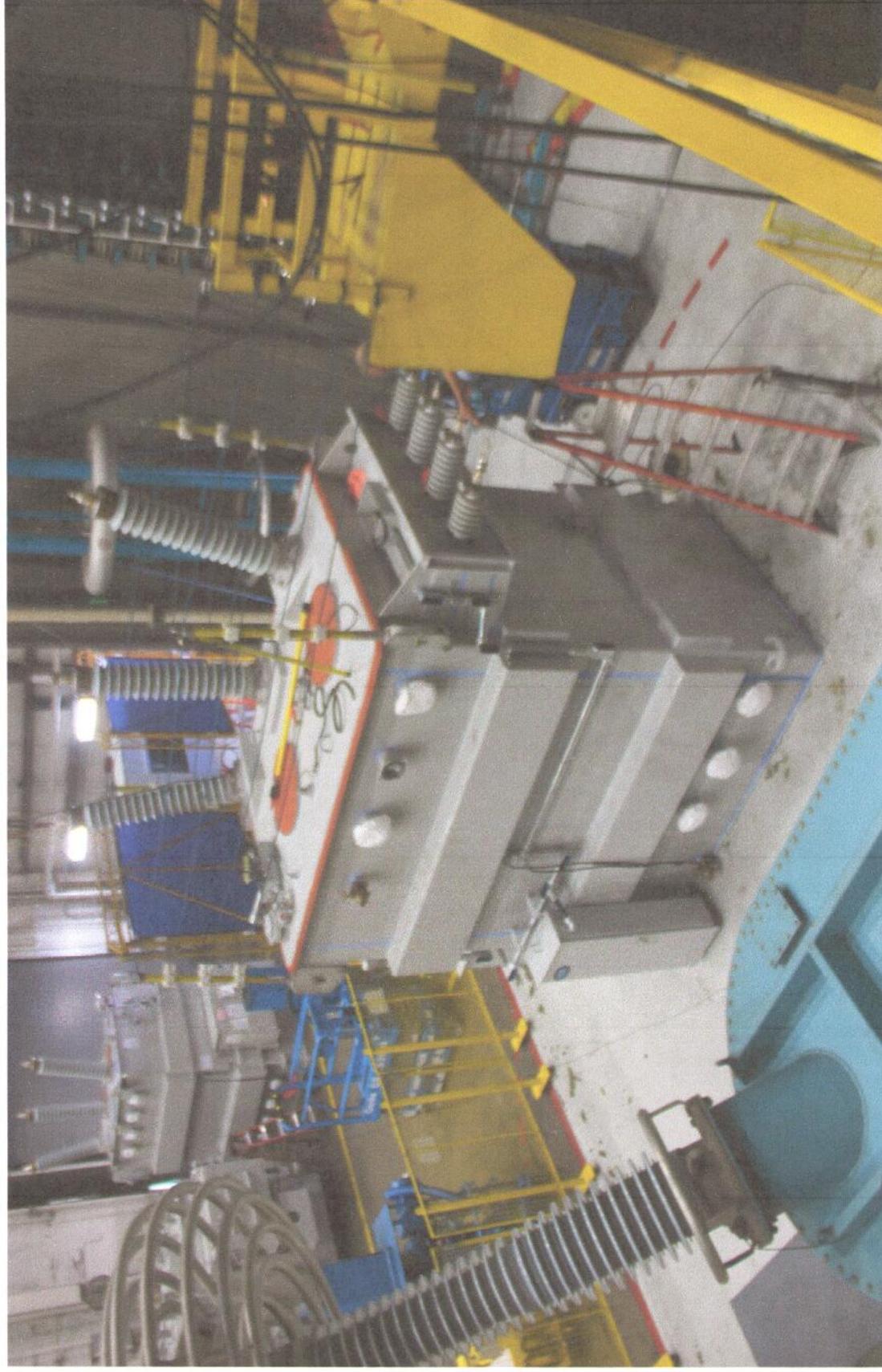
Early Foundation Construction



Early Excavation and Forms



Main Power Transformer #1 at SPX



Main Power Transformer #2 at SPX



August 2013 Construction Progress



Ornamental Cherry Tree



Fitch H-Frames as seen from RR



Fitch 47R Control House



October 2013 Progress



New Equipment in East Ave 102E



Fitch (47R) Substation



Memorandum Third Taxing District Electric Department

To: TTD Commissioners

From: Jim Smith – General Manager

Date: December 30, 2013

Subject: Participation in City Wide Summer Concert



Attached please find a recent e-mail forwarded to me by Ron Scofield regarding participation in a City wide summer concert that the City of Norwalk is planning.

Before we proceed any further on this issue, I wanted to determine the Commission's interest in participating as a sponsor in this event.

If there is interest, I will direct the staff to move forward and contact John Kydes for additional information.

James W. Smith

From: Ron Scofield
Sent: Wednesday, December 18, 2013 1:43 PM
To: James W. Smith
Subject: FW: Summer Concert

Jim,

This is the e-mail I spoke to you about. I e-mailed John Kydes and told him it would go on the agenda for the January 6th Commission Meeting and then I would contact him. Would you please put this on that agenda. Thanks.

Ron -----Original Message-----

From: John Kydes [<mailto:itkyd@yahoo.com>]
Sent: Tuesday, December 17, 2013 3:19 PM
To: Ron Scofield
Subject: Summer Concert

Hello Ron,

Deb Goldstein recommended that I contact you. I wanted to reach out you and see if the TTD would be interested in getting involved with a Summer Concert we are planning. We are aware that the TTD holds its own concert series but I thought that a more publicized event would be of interest.

We are trying to improve the regional opinion of Norwalk and one of the ways we are trying to do this is by having a National act perform at Veterans Park. We are looking at family friendly acts such as Dave Mathews, Cyndi Lauper, Harry Connick Jr.. We are confident that 8000 people will attend. This event will be attached to a non profit and sponsor contributions will be tax deductible. Sponsors will also be able to place brand labeling on the day of event and will be included with all promotions/press. Please let me know if you and the TTD are interested in collaborating.

Sincerely,
John

John Kydes
Norwalk Common Council Member
(203)904-6457

Third Taxing District
Profit & Loss Prev Year Comparison
 July through November 2013

	<u>Jul - Nov 13</u>	<u>Jul - Nov 12</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
440-00 · Residential Sales	1,187,497.45	1,212,340.52	-24,843.07	-2.05%
442-01 · Large Commercial Sales	284,658.79	272,023.26	12,635.53	4.65%
442-02 · Small Commercial Sales	918,170.85	913,386.47	4,784.38	0.52%
445-01 · Water Pollutn Contrl Plnt Sales	288,750.84	325,436.79	-36,685.95	-11.27%
445-02 · Flat Rate	37,434.80	36,541.55	893.25	2.44%
451-00 · Miscellaneous Service Revenue	57,630.62	0.00	57,630.62	100.0%
557-00 · Purchased Power Adjustment	1,686,814.15	1,761,434.40	-74,620.25	-4.24%
Total Income	<u>4,460,957.50</u>	<u>4,521,162.99</u>	<u>-60,205.49</u>	<u>-1.33%</u>
Cost of Goods Sold				
555-00 · Electrical Power Purchased	2,926,420.15	2,955,198.32	-28,778.17	-0.97%
Total COGS	<u>2,926,420.15</u>	<u>2,955,198.32</u>	<u>-28,778.17</u>	<u>-0.97%</u>
Gross Profit	1,534,537.35	1,565,964.67	-31,427.32	-2.01%
Expense				
930-43 · TTD 100th Anniversary	36,099.47	0.00	36,099.47	100.0%
403-00 · Depreciation Expense	192,389.70	173,422.30	18,967.40	10.94%
408-00 · Taxes	102,465.49	108,501.76	-6,036.27	-5.56%
540-00 · Other Power Generation Expense	42,303.55	41,755.45	548.10	1.31%
565-00 · Transmission Expenses	0.00	731.25	-731.25	-100.0%
580-00 · Distribution Expenses	25,208.35	21,561.00	3,647.35	16.92%
590-00 · Maintenance Expenses	205,808.49	174,312.65	31,495.84	18.07%
900-00 · Customer Accounts & Service	190,845.50	163,792.51	27,052.99	16.52%
920-00 · Administrative Expenses	560,208.86	542,463.81	17,745.05	3.27%
Total Expense	<u>1,355,329.41</u>	<u>1,226,540.73</u>	<u>128,788.68</u>	<u>10.5%</u>
Net Ordinary Income	179,207.94	339,423.94	-160,216.00	-47.2%
Other Income/Expense				
Other Income				
418-00 · Dividends	0.97	6.10	-5.13	-84.1%
419-00 · Interest Income	2,470.00	29,817.51	-27,347.51	-91.72%
420-00 · Gain/(Loss) on Investments	0.00	-20,191.47	20,191.47	100.0%
421-00 · Norden Project Income	133,383.25	18,516.21	114,867.04	620.36%
423-00 · Gain/(Loss) from Sale of FA	12,500.00	0.00	12,500.00	100.0%
424-00 · Energy Conservation Fund Income	35,102.62	35,085.68	16.94	0.05%
Total Other Income	<u>183,456.84</u>	<u>63,234.03</u>	<u>120,222.81</u>	<u>190.12%</u>
Other Expense				
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
Net Other Income	183,456.84	63,234.03	120,222.81	190.12%
Net Income before rate stabilization	<u>362,664.78</u>	<u>402,657.97</u>	<u>-39,993.19</u>	<u>-9.93%</u>
Rate Stabilization	<u>69,534.02</u>	<u>56,446.11</u>	<u>13,087.91</u>	<u>23.19%</u>
Net Income	<u>432,198.80</u>	<u>459,104.08</u>	<u>-26,905.28</u>	<u>-5.86%</u>

Footnote 1

Footnote 2

Footnote 3

Footnote 4

Footnote 5

Footnote 6

Footnote 7

Third Taxing District
Profit & Loss Prev Year Comparison
November 2013

	Nov 13	Nov 12	\$ Change	% Change
Ordinary Income/Expense				
Income				
440-00 · Residential Sales	216,828.17	213,714.21	3,113.96	1.46%
442-01 · Large Commercial Sales	56,548.20	50,645.74	5,902.46	11.65%
442-02 · Small Commercial Sales	206,606.80	166,483.59	40,123.21	24.1%
445-01 · Water Pollutn Contrl Plnt Sales	54,025.86	65,860.20	-11,834.34	-17.97%
445-02 · Flat Rate	7,423.06	7,308.31	114.75	1.57%
557-00 · Purchased Power Adjustment	294,863.65	321,156.07	-26,292.42	-8.19%
Total Income	836,295.74	825,168.12	11,127.62	1.35%
Cost of Goods Sold				
555-00 · Electrical Power Purchased	473,118.02	459,810.40	13,307.62	2.89%
Total COGS	473,118.02	459,810.40	13,307.62	2.89%
Gross Profit	363,177.72	365,357.72	-2,180.00	-0.6%
Expense				
403-00 · Depreciation Expense	39,426.31	34,684.46	4,741.85	13.67%
408-00 · Taxes	662.21	772.74	-110.53	-14.3%
540-00 · Other Power Generation Expense	1,295.68	12,939.52	-11,643.84	-89.99%
565-00 · Transmission Expenses	0.00	506.25	-506.25	-100.0%
580-00 · Distribution Expenses	7,718.94	2,656.75	5,062.19	190.54%
590-00 · Maintenance Expenses	66,917.14	69,639.45	-2,722.31	-3.91%
900-00 · Customer Accounts & Service	36,984.00	41,683.42	-4,699.42	-11.27%
920-00 · Administrative Expenses	110,652.91	123,307.52	-12,654.61	-10.26%
Total Expense	263,657.19	286,190.11	-22,532.92	-7.87%
Net Ordinary Income	99,520.53	79,167.61	20,352.92	25.71%
Other Income/Expense				
Other Income				
418-00 · Dividends	0.00	1.23	-1.23	-100.0%
419-00 · Interest Income	11.76	7,053.58	-7,041.82	-99.83%
420-00 · Gain/(Loss) on Investments	0.00	-3,463.06	3,463.06	100.0%
421-00 · Norden Project Income	29,000.00	5,277.09	23,722.91	449.55%
424-00 · Energy Conservation Fund Income	8,333.56	40,829.12	-32,495.56	-79.59%
425-00 · Miscellaneous Income	0.00	353.12	-353.12	-100.0%
Total Other Income	37,345.32	50,051.08	-12,705.76	-25.39%
Other Expense				
942-00 · Interest Expense	86.89	0.00	86.89	100.0%
Total Other Expense	86.89	0.00	86.89	100.0%
Net Other Income	37,258.43	50,051.08	-12,792.65	-25.56%
Net Income before rate stabilization	136,778.96	129,218.69	7,560.27	5.85%
Rate Stabilization	12,264.51	16,101.57	-3,837.06	-23.83%
Net Income	149,043.47	145,320.26	3,723.21	2.56%

Preliminary Unaudited - Internal Use Only - Modified Cash Basis

Third Taxing District
Profit & Loss Statement
Explanation of Major Variances
Jul-Nov 2013 vs. Jul-Nov 2012

1. The 57,630.62 in miscellaneous revenue is a bill to the Norwalk Transit District for the accident on East Avenue where a bus collided with the Pole and caused significant damage.
 2. The approximate \$31K increase in Maintenance expense is due to the fact that there were approximately \$25K more in expenses related to KTI Utility Services for tree trimming during the current fiscal year versus the prior year.
 3. The approximate \$27K increase in Customer Accounts & Service expense is due to a slight increase in payroll and call time, \$5K in timing of purchases of paper from Lindenmeyer Munroe, and 4K increase from the prior year in credit card fees are more and more customers are processing payments.
 4. The approximate \$17K increase in Administrative Expenses is due mainly to the Cogsdale software upgrade during the current year.
 5. The \$20K decrease in Gain/(Loss) on investments is due to the fact that the investment account has been invested in cash (money markets) for liquidity purposes. The investments are adjusted to Fair Market Value for unrealized gains/(losses) that get booked to this account. The investment account has remained in cash for liquidity due to the funding needs of the substation and Cervalis data center projects. Management will be looking into other investment vehicles with appropriate returns as these projects come to a close.
 6. The increase of approximately \$114K of Norden Income is due to the fact that TTD has been called on to place the generators in service for a significant period of time versus the prior year.
 7. The 12,500 gain on sale of fixed assets is from the sale of the bucket truck which was fully depreciated.
-

THIRD TAXING DISTRICT
KEY PERFORMANCE INDICATORS (KPI'S)

		2013	November 2012
1)	OPERATING RATIO	TOTAL OPERATING EXPENSE / TOTAL OPERATING REVENUE 95.98%	92.49%
2)	POWER SUPPLY EXPENSE RATIO	TOTAL POWER SUPPLY EXPENSES / TOTAL EXPENSES 68%	71%
3)	BAD DEBT RATIO	TOTAL CUSTOMER ACCOUNTS OVER 90 DAY / TOTAL ACCOUNTS RECEIVABLE 5.85%	5.54%
4)	ACTUAL RATE OF RETURN ON RATE BASE	AUTHORIZED BY STATE STATUTE N/A	N/A
5)	ELECTRIC CUSTOMERS PER EMPLOYEE	TOTAL ELECTRIC CUSTOMERS / TOTAL FULL TIME EMPLOYEES 387	426