



Third Taxing District

2 Second Street
East Norwalk, CT 06855

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Third Taxing District of the City of Norwalk Commission Meeting

Monday, November 18, 2019 at 7:00p.m.

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

1. Public Comment – 15 Minute Limit
2. Minutes of Meeting – October 21, 2019 Regular Meeting – A/R (Pgs. 1-5)
3. Discussion/Analysis of Financial Statements/Key Performance Indicators (Pgs. 6-12)
4. Health Insurance Renewal (Pgs. 13-15)
5. 2020 Commission Meeting Schedule (Pgs. 16-17)
6. General Manager's Report
 - CMEEC Update
7. Project Summary (Pgs. 18-22)
8. Adjourn

*A/R – Action Required/See Attached Motion

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 11-18-19.doc

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Pamela Parkington	203-858-4261	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Michele Sweeney	203-820-3107	Commissioner	Read Auerbach	203-451-7047	Treasurer

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THIRD TAXING DISTRICT

of the City of Norwalk

Commission Meeting

October 21, 2019

ATTENDANCE: Commissioners: Johnnie Mae Weldon, Chair; Debora Goldstein; Pam Parkington (arrived 8:30 p.m.); Ed Holowinko, Treasurer

STAFF: Kevin Barber, General Manager
Ron Scofield, Assistant General Manager/District Clerk

OTHERS: Peter Johnson, CMEEC Ratepayer Representative
Dawn Lund, Utility Financial Solutions¹

CALL TO ORDER

Commissioner Weldon called the meeting to order at 7:28 p.m. A quorum was present.

PUBLIC COMMENT

No one from the public was in attendance to comment.

UTILITY FINANCIAL CHECK-UP PHONE MEETING

Mr. Barber reminded the Commission that he met in person with Ms. Dawn Lund, VP Utility Financial Solutions, while attending the APPA Business & Finance Conference last month. Utility Financial Solutions (UFS) is an international consulting firm providing cost of service and financial plans and services to utilities.

The financial check-up is a prelude to the Cost of Service Study that UFS will be performing for TTD. Ms. Lund walked through the presentation with the Commission and reviewed the current financial situation with them. The results are as follows:

- TTD is financially healthy.
- Operating Incomes have been and are projected to meet the funding of Operating and Maintenance Expense and Capital Replacement.
- Rate of Return has and is projected to meet state requirements.
- Minimum Cash Revenue balances were identified, with recommended days of cash on hand.

¹ Dawn Lund was on the phone and confirmed that she could hear us and we could hear her.

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- A revenue neutral rate adjustment should be considered in the near future, including increasing the residential customer charge.
- The Power Cost Adjustment (PCA) methodology is working, but is not the industry standard.
- TTD needs to ensure they have a solid 5 to 20 year capital plan.

MINUTES OF MEETING

September 9, 2019 Regular Meeting

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE MINUTES OF SEPTEMBER 9, 2019 REGULAR MEETING.**
**** COMMISSIONER WELDON SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY.**

DISCUSSION/ANALYSIS OF FINANCIAL STATEMENTS/KEY PERFORMANCE INDICATORS

Mr. Barber reviewed the Financial Highlights with the Commission for August 2019 which is consistent to last year. Total Income is \$1,540,662 versus \$1,609,851 for last year, a difference of (4.30%). Total Expense is \$1,713,030 versus \$1,717,631 for last year, a difference of (0.27%). Net Income is \$79,169 versus \$65,260 for last year, a difference of 21%.

Total cash balance on hand is \$6,171,150. Current outstanding principal balance with CMEEC is \$3,424,191. Current Fiscal Year Capital Additions to date is \$148,142.

P&L's for both the Operating and Districts accounts are in good shape.

KPI's: In good shape. The Rate of Return will not calculate negative numbers and will level out over time.

PCA: The current balance in the RSF is \$3,902,439. Still working on lowering the amount to the \$2.7MM-\$3.0MM range, which has been a slow process.

GENERAL MANAGER'S REPORT

CMEEC Updates

- CEO Interviews – Commissioner Goldstein, Peter Johnson and Kevin Barber have been in attendance of the interviewing process. They expect to make a selection within the next few weeks.

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- Ratepayer Rep – Mr. Barber reminded the Commission that Mr Johnson’s term will expire in December 2019 and a new appointment will need to be made.
- Governance Committee – Mr. Barber informed the Commission that he has volunteered to be considered for the appointment of Chairman of the Board for CMEEC. Commissioner Goldstein supported his decision.

Health Insurance – Mr. Barber said that the union is currently reviewing the new health insurance proposals and was told that the union would have an answer to management by the end of October 2019. Due to the tight timeline, a Special Commission meeting may need to be scheduled for the final decision.

T3 – Mr. Barber said staff was working diligently on getting the T3 up and running and expects it to be commissioned during this week (week of October 21, 2019).

TOD Oversight Committee – Commissioner Goldstein is Third Taxing District’s representative for this committee. She believes her term is ending soon. Staff will check the records and verify this information. Commissioner Goldstein brought the Commission up-to-date on the project. The next forum will be held on Monday, November 18, 2019.

Commissioner Goldstein also mentioned that re-appointment of terms will also be needed for both the East Avenue Design Committee and the Walk Bridge Stakeholders/Design Committee.

PROJECT SUMMARY

Rowan Street Facility – Mr. Barber informed the Commission that the progress is picking up and they are now working inside the building. The library parking lot will soon be cleaned up and be put back into use.

EXECUTIVE SESSION

- **PERFORMANCE REVIEWS (ASSISTANT GENERAL MANAGER AND GENERAL MANAGER) [EXEMPTION SEC. 1-200(6)(A)]**

**** COMMISSIONER GOLDSTEIN MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THE PERFORMANCE REVIEWS FOR THE ASSISTANT GENERAL MANAGER AND GENERAL MANAGER.**

**** COMMISSIONER WELDON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, and Messrs. Barber and Scofield entered into Executive Session at 8:30 p.m.

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The Commissioners, Treasurer, and Messrs. Barber and Scofield returned to public session at 9:12 p.m.

**** COMMISSIONER GOLDSTEIN MOVED TO ACCEPT THE RECOMMENDATION OF THE GENERAL MANAGER REGARDING THE EMPLOYEE'S PERFORMANCE REVIEW OF THE ASSISTANT GENERAL MANAGER, RON SCOFIELD, TO INCREASE HIS YEARLY SALARY BY 2.75% FROM \$151,278 TO \$156,393 AND TO EXTEND HIS CONTRACT BY ONE ADDITIONAL YEAR TO RUN THROUGH JUNE 2022.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

**** COMMISSIONER PARKINGTON MOVED TO INCREASE KEVIN BARBER, GENERAL MANAGER'S ANNUAL SALARY FROM \$156,000 BY \$6,000 BRINGING HIS NEW ANNUAL SALARY TO \$162,000 AND TO EXTEND HIS CONTRACT FOR ONE MORE YEAR TO OCTOBER 2021.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

ADJOURNMENT

**** COMMISSIONER GOLDSTEIN MOVED TO ADJOURN.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 9:17 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

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MOTION FOR MINUTES

COMMISSIONER (name of Commissioner) MOVED TO APPROVE THE MINUTES OF (date of meeting) REGULAR MEETING.

OR

COMMISSIONER (name of Commissioner) MOVED TO APPROVE THE MINUTES OF (date of meeting) REGULAR MEETING AS CORRECTED.

**Third Taxing District
Financial Highlights
Jul-Sep-2019 vs. Jul-Sep 2018**

	Jul-Sep-19	Jul-Sep-18	\$ Change	% Change
Total Income	2,452,746	2,705,458	(252,712)	-9.34%
Total Expense	2,397,034	2,514,907	(117,873)	-4.69%
Net Ordinary Income	55,712	190,551	(134,839)	-71%
Other Income	215,249	281,680	(66,431)	-24%
Other Expense	76,443	-	76,443	0%
Net Income before Rate Stabilization	194,518	472,231	(277,713)	-59%
Rate Stabilization	95,849	80,087	15,763	20%
Net Income	290,367	552,317	(261,950)	-47%

CASH BALANCES FY 08/31/19

	Sep-19
ACCTS	
Operating Accounts	2,617,360
Savings	1,295,949
Capital Improvements Fund	2,316,679
TOTAL	\$ 6,229,988

TTD Outstanding Principal Balance with CMEEC

Balance as of July 1, 2017	3,175,025
Current Balance	3,409,021
Current Fiscal Year Capital Additions to date	205,486

**Third Taxing District
Profit & Loss Budget vs. Actual
July through September 2019**

	CURRENT MONTH				YEAR TO DATE			
	Sep 19	Budget	\$ Over Budget	% of Budget	Jul - Sep 19	Budget	\$ Over Budget	% of Budget
	Ordinary Income/Expense							
Income								
443-00 · Cervalis Data Center Revenues	29,945.94	25,324.24	4,621.70	18.25%	64,919.84	66,777.12	-1,857.28	-2.78%
440-00 · Residential Sales	382,084.81	460,796.08	-78,711.27	-17.08%	1,019,219.78	1,069,582.96	-50,363.18	-4.71%
442-01 · Large Commercial Sales	78,986.21	102,914.41	-23,928.20	-23.25%	218,005.76	283,036.43	-65,030.67	-22.98%
442-02 · Small Commercial Sales	257,081.16	307,906.04	-50,824.88	-16.51%	706,253.10	756,760.66	-50,507.56	-6.67%
445-01 · Water Pollutn Contrl Pnt Sales	86,609.73	89,860.70	-3,250.97	-3.62%	237,418.19	234,963.64	2,454.55	1.04%
445-02 · Flat Rate	8,342.79	8,472.56	-129.77	-1.53%	19,525.69	19,788.95	-263.26	-1.33%
451-00 · Miscellaneous Service Revenue	1,450.00	880.00	570.00	64.77%	3,620.30	1,972.08	1,648.22	83.58%
557-00 · Purchased Power Adjustment	67,582.76	82,857.65	-15,274.89	-18.44%	183,783.17	234,027.81	-50,244.64	-21.47%
Total Income	912,083.40	1,079,011.68	-166,928.28	-15.47%	2,452,745.83	2,666,909.65	-214,163.82	-8.03%
Cost of Goods Sold								
555-00 · Electrical Power Purchased	380,507.38	386,960.00	6,452.62	1.67%	1,416,414.59	1,382,880.00	-33,534.59	-2.42%
Total COGS	380,507.38	386,960.00	6,452.62	1.67%	1,416,414.59	1,382,880.00	-33,534.59	-2.42%
Gross Profit	531,576.02	692,051.68	-160,475.66	-23.19%	1,036,331.24	1,284,029.65	-247,698.41	-19.29%
Expense								
904-00 · Substation	13,315.30	15,149.99	1,834.69	12.11%	43,531.28	45,450.09	1,918.81	4.22%
403-00 · Depreciation Expense	71,663.00	71,667.00	4.00	0.01%	214,989.00	214,997.00	8.00	0.0%
408-00 · Taxes	811.31	94,901.54	94,090.23	99.15%	2,592.26	97,204.59	94,612.33	97.33%
540-00 · Other Power Generation Expense	20,465.44	11,500.00	-8,965.44	-77.96%	30,786.17	34,500.00	3,713.83	10.76%
580-00 · Distribution Expenses	7,164.26	21,541.66	14,377.40	66.74%	53,248.68	64,625.06	11,376.38	17.6%
590-00 · Maintenance Expenses	38,379.64	51,345.00	12,965.36	25.25%	131,022.63	154,035.00	23,012.37	14.94%
900-00 · Customer Accounts & Service	26,511.50	29,297.92	2,786.42	9.51%	88,901.58	87,893.72	-1,007.86	-1.15%
920-00 · Administrative Expenses	123,985.28	190,402.10	66,416.82	34.88%	415,547.72	571,206.10	155,658.38	27.25%
Total Expense	302,295.73	485,805.21	183,509.48	37.77%	980,619.32	1,269,911.56	289,292.24	22.78%
Net Ordinary Income	229,280.29	206,246.47	23,033.82	11.17%	55,711.92	14,118.09	41,593.83	294.61%
Other Income/Expense								
Other Income								
418-00 · Dividends	3,185.00	4,166.67	-981.67	-23.56%	14,484.93	12,499.97	1,984.96	15.88%
419-00 · Interest Income	619.00	625.00	-6.00	-0.96%	2,299.92	1,875.00	424.92	22.66%
420-00 · Gain/(Loss) on Investments	0.00	2,500.00	-2,500.00	-100.0%	-823.63	7,500.00	-8,323.63	-110.98%
421-00 · Norden Project Income	47,718.57	50,000.00	-2,281.43	-4.56%	146,671.75	150,000.00	-3,328.25	-2.22%
423-00 · Gain/(Loss) from Sale of FA	0.00	583.33	-583.33	-100.0%	0.00	1,750.03	-1,750.03	-100.0%
424-00 · Energy Conservation Fund Income	10,720.84	12,083.33	-1,362.49	-11.28%	35,353.26	36,250.03	-896.77	-2.47%
425-00 · Miscellaneous Income	2,446.49	3,166.67	-720.18	-22.74%	17,262.67	9,499.97	7,762.70	81.71%
Total Other Income	64,689.90	73,125.00	-8,435.10	-11.54%	215,248.90	219,375.00	-4,126.10	-1.88%
Other Expense								
426-30 · PERSON TO PERSON	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
426-10 · Distribution to "District Fund"	0.00	0.00	0.00	0.0%	76,443.25	76,443.25	0.00	0.0%
999-00 · Miscellaneous Unknown	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%	76,443.25	76,443.25	0.00	0.0%
Net Other Income	64,689.90	73,125.00	-8,435.10	-11.54%	138,805.65	142,931.75	-4,126.10	-2.89%
Net Income	293,970.19	279,371.47	14,598.72	5.23%	194,517.57	157,049.84	37,467.73	23.86%

TTD District Fund
Profit & Loss Budget vs. Actual
 July through September 2019

	CURRENT MONTH				YEAR TO DATE			
	Sep 19	Budget	\$ Over Budget	% of Budget	Jul - Sep 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense								
Income								
980-02 · INTEREST INCOME	22.50	27.08	-4.58	-16.91%	71.41	81.28	-9.87	-12.14%
980-05 · FIRE HOUSE RENT	0.00	0.00	0.00	0.0%	44,052.00	44,052.00	0.00	0.0%
980-10 · FUNDING FROM ELECTRIC	0.00	0.00	0.00	0.0%	76,443.25	76,443.25	0.00	0.0%
Total Income	22.50	27.08	-4.58	-16.91%	120,566.66	120,576.53	-9.87	-0.01%
Expense								
980-12 · FEES- COMMISSIONERS	2,625.00	2,625.00	0.00	0.0%	2,625.00	2,625.00	0.00	0.0%
980-14 · FEES-CLERKS	450.00	450.00	0.00	0.0%	450.00	450.00	0.00	0.0%
980-16 · FEES-TREASURER	450.00	450.00	0.00	0.0%	450.00	450.00	0.00	0.0%
980-17 · Fees - Rate Payer Rep	450.00	450.00	0.00	0.0%	450.00	450.00	0.00	0.0%
980-19 · PAYROLL EXPENSES	382.11	325.00	-57.11	-17.57%	382.11	325.00	-57.11	-17.57%
980-20 · PARKS MAINTENANCE	161.48	2,166.67	2,005.19	92.55%	5,412.06	6,499.97	1,087.91	16.74%
980-30 · EAST NORWALK CEMETERY ASS'N	169.26	1,970.83	1,801.57	91.41%	15,419.26	12,412.53	-3,006.73	-24.22%
980-34 · Library - Master Plan	0.00	500.00	500.00	100.0%	0.00	1,500.00	1,500.00	100.0%
980-35 · EAST NORWALK IMP ASSOC LIBRARY	134.49	3,166.67	3,032.18	95.75%	44,012.52	46,999.97	2,987.45	6.36%
980-40 · CHRISTMAS TREE LIGHTING	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
980-45 · FIREHOUSE EXPENSES	0.00	1,833.34	1,833.34	100.0%	0.00	5,499.94	5,499.94	100.0%
980-55 · CONCERTS IN THE PARK	0.00	0.00	0.00	0.0%	27,020.00	33,000.00	5,980.00	18.12%
980-70 · ANNUAL MEETING EXPENSES	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
980-90 · CONTINGENCY EXPENSES	0.00	2,500.00	2,500.00	100.0%	0.00	7,500.00	7,500.00	100.0%
980-95 · Other District Services	200.00	181.81	-18.19	-10.0%	8,200.00	8,363.71	163.71	1.96%
Total Expense	5,022.34	16,619.32	11,596.98	69.78%	104,420.95	126,076.12	21,655.17	17.18%
Net Ordinary Income	-4,999.84	-16,592.24	11,592.40	69.78%	16,145.71	-5,499.59	21,645.30	393.58%
Net Income	-4,999.84	-16,592.24	11,592.40	69.78%	16,145.71	-5,499.59	21,645.30	393.58%

THIRD TAXING DISTRICT
KEY PERFORMANCE INDICATORS (KPI'S)
September

	Formula	2019	2018	Industry Average (Bandwidth)	Comments	
1) OPERATING RATIO - This ratio measures the proportion of revenues required to cover the operation and maintenance costs associated with the operation of the electric utility.						
a.	Operating Ratio - without Change in Rate Stabilization Fund	Total Operating Expenses / Total Operating Revenues	97.73%	92.96%	95-105%	Calculation is based on the CMEEC billable rate that is set by TTD
b.	Operating Ratio - with Change in Rate Stabilization Fund	Total Operating Expenses + Change in RSF / Total Operating Revenues	93.82%	90.00%	95-105%	Reflects the true total operating expenses by including the change (+/-) in the rate stabilization fund.
2) POWER SUPPLY EXPENSE RATIO - This ratio measures the proportion of the total operating expenses that is for power supply (purchased power)						
2) a.	Power Supply Expense Ratio - without Change in Rate Stabilization Fund	Purchased Power / Total Operating Expenses	59.09%	60.95%	65% - 70%	Calculation is based on the CMEEC billable rate that is set by TTD
b.	Power Supply Expense Ratio - with Change in Rate Stabilization Fund	Purchased Power + Change in RSF / Total Operating Expenses	55.09%	57.76%	65% - 70%	Reflects the true total operating expenses by including the change (+/-) in the rate stabilization fund.
3) OUTSTANDING RECEIVABLES - Total amount of outstanding receivables greater than 90 days past due						
a.	Outstanding Receivables - Dollars	Total (\$) Outstanding Receivables > 90 days	\$36,356	\$38,290		Indicates if TTD is doing an adequate job of collecting past due receivables
b.	Percentage of total receivables	Receivables > 90 days past due / total receivables	4.01%	3.83%		Indicates the percentage of receivables that is greater than 90 days past due
4) RATE OF RETURN - Year to Date (YTD) Net income divided by audited Net Book Value of Assets						
	Actual Rate of Return on Rate Base	AUTHORIZED BY STATE STATUTE	3.1%	4.6%	Varies by state 5 - 8 %	Rate of Return authorized by State statute
5) RATE STABILIZATION FUND - this index lists the balance of the rate stabilization fund held for TTD at CMEEC						
	Rate Stabilization Fund balance	RSF Balance	\$3,917,760	\$4,134,657	\$2.75MM -\$3.0MM	Commission approved the target balance, which is based on a RSF balance of cover 6 months of power bills
7) ENERGY LOSS % - This ratio measures how much energy is lost in the utility's electrical system and is an indicator of the efficiency of the electrical system.						
	Energy Loss %	Total Energy Loses/Total Sources of Energy	5.03%	6.56%	2.5% - 6%	This ratio is calculated on a 12 month rolling average of electricity purchased compared to energy sold to customers

East Norwalk - PCA Calculation
 Power Cost Adjustment Calculation
 6 Month Rolling Average (starting January 2014)

Yellow indicates Forecast

Orange indicates data is from the preliminary CMEEC monthly bill, numbers will change when the "true up" numbers are available from CMEEC

Green indicates the final numbers have been entered for the month.

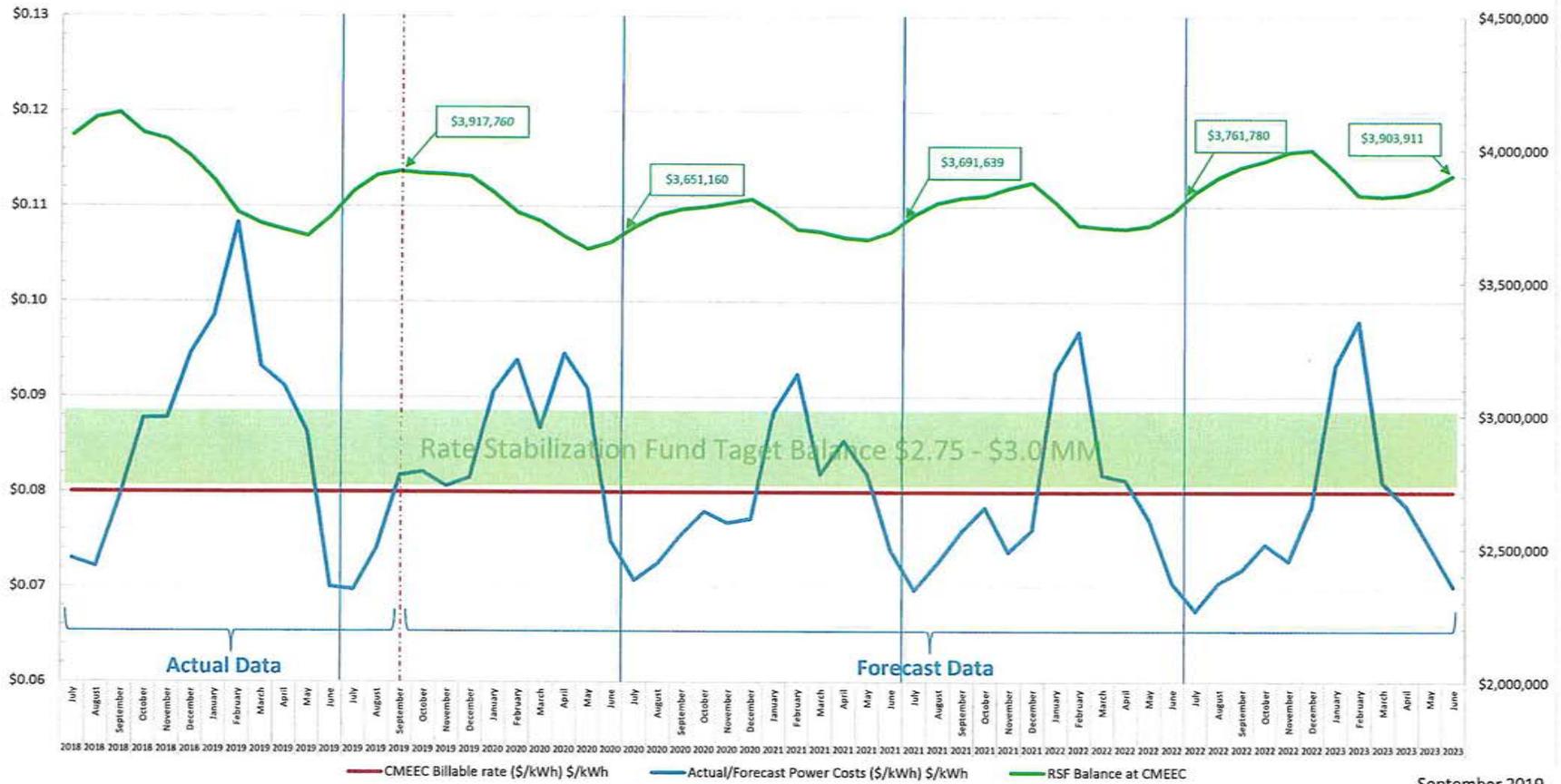
Colors will change when actual numbers are received.

		2019 July	2019 August	2019 September	2019 October	2019 November	2019 December	2020 January	2020 February	2020 March	2020 April	2020 May	2020 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000
h Grand Total (Actual) Purchased Power Costs	\$	\$ 468,429	\$ 434,499	\$ 371,651	\$ 342,646	\$ 364,725	\$ 438,958	\$ 526,186	\$ 495,528	\$ 426,266	\$ 381,672	\$ 385,622	\$ 364,998
i (Sum of current and previous 5 months)	\$	2,566,035	2,453,066	2,355,558	2,331,185	2,319,085	2,420,908	2,478,665	2,539,694	2,594,309	2,633,335	2,654,231	2,580,272
j kWh's Purchased	kWh												
l Total Purchased Power kWh Units	kWh	6,719,686	5,864,470	4,546,195	4,172,000	4,524,000	5,384,000	5,811,000	5,280,000	4,916,000	4,038,000	4,246,000	4,879,000
m (Sum of current and previous 5 months)	kWh	30,021,522	30,829,487	30,340,703	30,486,602	30,641,874	31,210,351	30,301,665	29,717,195	30,087,000	29,953,000	29,675,000	29,170,000
Actual/Forecast Power Costs (\$/kWh)	\$/kWh	0.06971	0.07409	0.08175	0.08213	0.08062	0.08153	0.09055	0.09385	0.08671	0.09452	0.09082	0.07481
n Power (Actual) Supply Costs @ Retail	\$	0.0903	0.0840	0.0820	0.0807	0.0799	0.0819	0.0864	0.0902	0.0911	0.0928	0.0945	0.0934
o Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
p Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
q Calculated PCA	\$	(0.0055)	(0.0118)	(0.0138)	(0.0151)	(0.0159)	(0.0139)	(0.0094)	(0.0056)	(0.0047)	(0.0030)	(0.0013)	(0.0024)
r Actual PCA Implemented	\$	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130
s Total System Retail Sales (kWh's)	kWh	5,389,759	6,481,248	5,226,901	3,938,368	4,270,656	5,082,496	5,485,584	4,984,320	4,640,704	3,811,872	4,008,224	4,605,776
t Base PCA Revenue	\$	516,339	620,904	500,737	377,296	409,129	486,903	525,519	477,498	444,579	365,177	383,988	441,233
u Fuel Factor Revenue	\$	70,067	84,256	67,950	51,199	55,519	66,072	71,313	64,796	60,329	49,554	52,107	59,875
v Total Revenues through PCA	\$	586,406	705,160	568,687	428,494	464,647	552,976	596,832	542,294	504,909	414,732	436,095	501,108
w Difference of Collection vs Expense	\$	\$ 6,763,569	\$ 7,034,231	\$ 7,231,266	\$ 7,317,114	\$ 7,417,037	\$ 7,531,055	\$ 7,601,700	\$ 7,648,466	\$ 7,727,108	\$ 7,760,168	\$ 7,810,641	\$ 7,946,752
Over collect / (Under Collect) in each month		\$117,976.47	\$270,661.15	\$197,035.39	\$85,848.08	\$99,922.49	\$114,018.04	\$70,645.49	\$46,766.02	\$78,642.24	\$33,059.91	\$50,473.05	\$136,110.44
RSF Balance at CMEEC		3,842,752.00	3,902,439.00	3,917,760.00	3,908,873.64	3,906,068.76	3,897,831.24	3,836,525.19	3,763,397.19	3,730,410.83	3,671,779.07	3,625,837.35	3,651,159.36
Diff between Billed Rate and Actual Cost	\$	0.01029	0.00591	(0.00175)	(0.00213)	(0.00062)	(0.00153)	(0.01055)	(0.01385)	(0.00671)	(0.01452)	(0.01082)	0.00519
Affect on RSF - by Month	\$	69,145.57	34,659.02	(7,955.84)	(8,886.36)	(2,804.88)	(8,237.52)	(61,306.05)	(73,128.00)	(32,986.36)	(58,631.76)	(45,941.72)	25,322.01

East Norwalk - PCA Calculation
 Power Cost Adjustment Calculation
 6 Month Rolling Average (starting January 2014)

		2020 July	2020 August	2020 September	2020 October	2020 November	2020 December	2021 January	2021 February	2021 March	2021 April	2021 May	2021 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000
h Grand Total (Actual) Purchased Power Costs	\$	\$ 444,703	\$ 423,821	\$ 363,375	\$ 325,555	\$ 347,601	\$ 416,054	\$ 514,630	\$ 472,431	\$ 403,063	\$ 345,191	\$ 348,075	\$ 360,781
i (Sum of current and previous 5 months)	\$	2,498,789	2,427,082	2,364,190	2,308,074	2,270,053	2,321,109	2,391,036	2,439,646	2,479,334	2,498,970	2,499,444	2,444,171
j kWh's Purchased	kWh												
l Total Purchased Power kWh Units	kWh	6,290,000	5,845,000	4,811,000	4,177,000	4,529,000	5,390,000	5,817,000	5,114,000	4,922,000	4,043,000	4,250,000	4,884,000
m (Sum of current and previous 5 months)	kWh	29,649,000	30,214,000	30,109,000	30,248,000	30,531,000	31,042,000	30,569,000	29,838,000	29,949,000	29,815,000	29,536,000	29,030,000
Actual/Forecast Power Costs (\$/kWh)	\$/kWh	0.0707	0.07251	0.07553	0.07794	0.07675	0.07719	0.08847	0.09238	0.08189	0.08538	0.0819	0.07387
n Power (Actual) Supply Costs @ Retail	\$	0.0890	0.0848	0.0829	0.0806	0.0785	0.0790	0.0826	0.0863	0.0874	0.0885	0.0894	0.0889
o Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
p Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
q Calculated PCA	\$	(0.0068)	(0.0110)	(0.0129)	(0.0152)	(0.0173)	(0.0168)	(0.0132)	(0.0095)	(0.0084)	(0.0073)	(0.0064)	(0.0069)
r Actual PCA Implemented	\$	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130
s Total System Retail Sales (kWh's)	kWh	5,937,760	5,517,680	4,541,584	3,943,088	4,275,376	5,088,160	5,491,248	4,827,616	4,646,368	3,816,592	4,012,000	4,610,496
t Base PCA Revenue	\$	568,837	528,594	435,084	377,748	409,581	487,446	526,062	462,486	445,122	365,630	384,350	441,686
u Fuel Factor Revenue	\$	77,191	71,730	59,041	51,260	55,580	66,146	71,386	62,759	60,403	49,616	52,156	59,936
v Total Revenues through PCA	\$	646,028	600,324	494,124	429,008	465,161	553,592	597,448	525,245	505,525	415,245	436,506	501,622
w Difference of Collection vs Expense	\$	\$ 8,148,077	\$ 8,324,580	\$ 8,455,329	\$ 8,558,782	\$ 8,676,342	\$ 8,813,880	\$ 8,896,697	\$ 8,949,511	\$ 9,051,973	\$ 9,122,027	\$ 9,210,457	\$ 9,351,298
Over collect / (Under Collect) in each month		\$201,325.29	\$176,502.63	\$130,749.51	\$103,452.59	\$117,560.16	\$137,537.71	\$82,817.79	\$52,813.30	\$102,462.26	\$70,053.87	\$88,430.60	\$140,840.88
RSF Balance at CMEEC		3,709,656.36	3,753,435.41	3,774,940.58	3,783,545.20	3,798,264.45	3,813,410.35	3,764,140.36	3,700,829.04	3,691,526.46	3,669,775.12	3,661,700.12	3,691,639.04
Diff between Billed Rate and Actual Cost	\$	0.00930	0.00749	0.00447	0.00206	0.00325	0.00281	(0.00847)	(0.01238)	(0.00189)	(0.00538)	(0.00190)	0.00613
Affect on RSF - by Month	\$	58,497.00	43,779.05	21,505.17	8,604.62	14,719.25	15,145.90	(49,269.99)	(63,311.32)	(9,302.58)	(21,751.34)	(8,075.00)	29,938.92

Rate Stabilization Balance - 5 Year Forecast



September 2019



Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271
Fax: (203) 866-9856

Memorandum

To: TTD Commissioners
From: **Kevin Barber – General Manager**
Date: November 14, 2018
Subject: Employee Health Insurance Renewal

Each November, the renewal of employee health insurance is brought before the Commission for approval. As in years past, TTD has utilized the services of Mike Imbrogno from the Alera Group, formerly Benefit Planning, to acquire bids for the employee health insurance.

This year, Mr. Imbrogno provided TTD with ten different plan options from four different providers. After reviewing the plans, the options were narrowed to two plans offered by Anthem Blue Cross Blue Shield, TTD’s current provider, and United Healthcare.

- Option 1: Anthem Silver Pathway CT PPO with HSA (HDHP)
- Option 2: United Healthcare Featuring Oxford CT Silver Freedom HAS (HDHP)

For this year’s renewal, I am recommending the renewal of the health insurance with Anthem Blue Cross Blue Shield, option #1. The recommended plan is virtually identical to the plan currently in effect, with slight changes to the deductibles, out of pocket maximums and prescription copays after reaching the deductible. This plan has an increase of 13% in the premiums, which is partially offset by an increase in the employee contributions, as per the union contract. TTD would continue to fund the deductible through a health reimbursement account (HRA), as also agreed upon in the union contract.

The United Healthcare plan, while similar, did have variations in the plan after the deductible is met, which would result in potential increase in costs to the employees. Changing providers was also another concern that was taken into consideration.

This recommendation has been presented to the union and they have agreed with the renewing of the health insurance plan with Anthem Blue Cross Blue Shield.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Pamela Parkington	203-858-4261	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Michele Sweeney	203-820-3107	Commissioner	Read Auerbach	203-451-7047	Treasurer

The attached plan document summarizes the current plan and the two options listed above. I also included two other plans from Anthem and United Healthcare, to be used for comparison purposes.

I will be available at the meeting to answer any questions you may have.



Medical Renewal

EFF: 12/1/19

Current Plan

Option 1

Option 2

Carrier:	Anthem Blue Cross Blue Shield	Anthem Blue Cross Blue Shield	Anthem Blue Cross Blue Shield	UnitedHealthcare featuring Oxford	UnitedHealthcare featuring Oxford
Plan Name:	2018 Anthem CT PPO 3000/0%/6500 w/HSA - 2V1S	2019 Anthem Silver Pathway CT PPO 3400/0%/6700 w/HSA - 38NP	2019 Anthem Gold Pathway CT PPO 2500/0%/4500 - 38NT	CT S FRDM NG 3000/100 PPO HSA 19	CT S FRDM NG 30/50/2500/100 PPO HSA 19
Metallic Level:	Silver	Silver	Gold	Silver	Silver

In-Network

Deductible Ind / Fam	\$3000 / \$6000	\$3400 / \$6800	\$2500 / \$5000	\$3000 / \$6000	\$2500 / \$5000
Coinsurance	0%	0%	0%	0%	0%
Out-of-Pocket Max Ind/Fam	\$6500 / \$13,000	\$6700 / \$13,400	\$4500 / \$9000	\$6700 / \$13,400	\$5500 / \$11,000
PCP Office Copay	\$0 after Ded	\$0 after Ded	\$25.00	\$0 after Ded	\$30 after Ded
Specialist Office Copay	\$0 after Ded	\$0 after Ded	\$50.00	\$0 after Ded	\$50 after Ded
Inpatient Hospital	\$0 after Ded	\$0 after Ded	\$0 after Ded	\$0 after Ded	\$500/Day after Ded up to \$2000
Outpatient Surgery	\$0 after Ded	\$0 after Ded	Fac: \$250; Hosp: \$0 after Ded	\$0 after Ded	Ded then, Fac: \$250; Hosp: \$500
ER Copay / Ambulance Copay	\$0 after Ded / \$0 after Ded	\$0 after Ded / \$0 after Ded	20% after Ded / \$0	\$200 after Ded / \$0 after Ded	\$200 after Ded / \$0 after Ded
Walk-in Urgent Care	\$0 after Ded	\$0 after Ded	\$75.00	\$0 after Ded	\$50 after Ded
Referrals	Not Required	Not Required	Not Required	Not Required	Not Required

Out-of-Network

Deductible Ind / Fam	\$9000 / \$18,000	\$10,200 / \$20,400	\$7500 / \$15,000	\$5500 / \$11,000	\$5000 / \$10,000
Coinsurance	30%	30%	30%	40%	30%
Out-of-Pocket Max Ind/Fam	\$19,500 / \$39,000	\$20,100 / \$40,200	\$13,500 / \$27,000	\$11,000 / \$22,000	\$12,500 / \$25,000

RX Benefits

Prescription Drug Benefit	Ded then, Tier 1: \$5; Tier 2: \$50; Tier 3: 50%; Tier 4: 50%	Ded then, Tier 1: \$5; Tier 2: \$50; Tier 3: 30%; Tier 4: 30%	Tier 1: \$5; Tier 2: \$50; Tier 3: 30% up to \$500; Tier 4: 30% up to \$1000	Ded then, G: \$5; PB: \$50; NPB: 30% up to \$500; S: 50% up to \$750	Ded then, G: \$5; PB: \$50; NPB: 30% up to \$500; S: 50% up to \$750
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Employee Name	Age	Cov	CURRENT	RENEWAL	Rate	Rate	Rate
Monthly Premium			\$15,861.91	\$17,968.66	\$19,081.09	\$16,018.75	\$15,083.97
Annual Premium			\$190,342.92	\$215,623.92	\$228,973.08	\$192,225.00	\$181,007.64
Percentage Increase				13%	20%	1%	-5%



Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271
Fax: (203) 866-9856

Memorandum

To: TTD Commissioners

From: **Kevin Barber – General Manager**

Date: November 14, 2018

Subject: 2020 Commission Meeting Schedule

Attached is a proposed Commission Meeting schedule for 2020. The schedule was developed following a discussion with the Commission Chair. The number of monthly meetings has been reduced from eighteen meeting per year to twelve. During the past year, the need for a second meeting, every other month, has diminished. The attached schedule has meetings scheduled on the first Monday of every month, with the exception of September, due to a conflict with Labor Day.

I would like the Commission to consider changing the week of the monthly meetings. The reason for this request is under the current schedule, the financial reports that are presented to the Commission is from two months prior. By changing the meeting to a later week, the financials would be for the previous month and would provide the Commission with a current financial position for both the District and the Electric Department.

Two options for consideration are the following:

- 1) Third Thursday of each month.
- 2) Fourth Monday of each month.

I would happy to discuss this request at Monday's Commission meeting.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Pamela Parkington	203-858-4261	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Michele Sweeney	203-820-3107	Commissioner	Read Auerbach	203-451-7047	Treasurer



Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271
Fax: (203) 866-9856

THIRD TAXING DISTRICT 2020 COMMISSION MEETING SCHEDULE

Monday	January 6, 2020
Monday	February 3, 2020
Monday	March 2, 2020
Monday	April 6, 2020
Monday	May 4, 2020
Monday	June 1, 2020
Monday	July 6, 2020
Monday	August 3, 2020
Monday	September 14, 2020
Monday	October 5, 2020
Monday	November 2, 2020
Monday	December 7, 2020

*All meetings begin at 7:00 p.m. in the TTD Conference Room.

Annual Meeting – Wednesday, March 4, 2020 at 7:00 p.m.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Pamela Parkington	203-858-4261	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Michele Sweeney	203-820-3107	Commissioner	Read Auerbach	203-451-7047	Treasurer

THIRD TAXING DISTRICT – PROJECT SUMMARY

UPDATED: October 31, 2019

<u>#</u>	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
1)	A-Base Meter Replacement Program	<ul style="list-style-type: none"> In progress – with Meter Department 	On-Going – until all A-Base meters have been replaced	<ul style="list-style-type: none"> Working with staff to understand the A-Base meter issue and develop a plan. October 2019 – No A-Base Meters were installed during the month of August.
2)	Radio-Read Meter Upgrade	<ul style="list-style-type: none"> Approximately 97% of the system has been completed 	Multi-year program beginning in 2015. Will continue until completed	<ul style="list-style-type: none"> October 2019 – Installed 3 radio-read meters for a total of 3,683 to date or 97% of the system.
3)	Conduct Cost of Service/Rate Study with Periodic Updates	<ul style="list-style-type: none"> Initial rate study conducted in 2013 with results implemented in October 2014. Update/"Tune-Up" completed in July 2016 Cost of Service Study on security lighting began in June 2016 Cost of Service Study to be performed in 2019 	Cost of Service Study - 2019	<ul style="list-style-type: none"> Initial discussion held with UFS regarding cost of service study. Reviewing proposal provided by UFS UFS Proposal accepted and executed Staff compiling data requested by UFS Data provided to UFS UFS presented a Financial Check UP report to the Commission on Oct 21st UFS developing the Cost of Service Study

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
4)	Strategic Planning Process	<ul style="list-style-type: none"> Commission started a Strategic Planning process in Jan 2019 	<ul style="list-style-type: none"> Begin in 1st Qtr 2016. Work continues into 2017 as necessary Strategic Planning process to begin again in late 2018 – early 2019 	<ul style="list-style-type: none"> Jan 28th meeting scheduled. Dedicated to Strategic Planning 2nd Meeting held on Feb 25th. List of issues created and categorized. 3rd meeting held on Apr. 15th. Reviewed year 1 lists for Governance and Infrastructure categories. 4th meeting scheduled for Jun 17th
5)	Substation Upgrades and Improvements	<ul style="list-style-type: none"> Projects on-going in all substations to upgrade / maintain compliance with CONVEX / FERC requirements 	T3 Transformer Replacement – Nov 2017 – Spring 2019	<ul style="list-style-type: none"> T3 transformer has been ordered. T3 Transformer delivered on July 31st T3 – Multi-Ratio CT failed test Repairs made to CT on Jan 31st by ABB T3 Commissioning schedule to begin the 2nd week of June Commissioning delayed until Sept due to a manufacturer delay for the motor operated disconnect (MOD). MOD received from manufacturer Commissioning scheduled for week of Oct 21st T3 transformer live and operating as of Oct 21st. Project Completed

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
6)	Rowan Street Storage Facility	<ul style="list-style-type: none"> • Property Acquired, house demolished and lot repaved • Final step is to site a material storage facility on the site • Construct storage facility 	Expected completion Fall 2019	<ul style="list-style-type: none"> • Contractor selected and approved by Commission on March 5th • Contract signed • Building Permit issued • Site work began on Jan 2nd • Building delivery scheduled for Feb 28th • Excavation began on Mar 25th • Building erection beginning on June 3rd • Exterior of building almost complete • Interior concrete completed • Interior work progressing
7)	Norden Generators	Periodic testing for “Black Start” backup to the Norden facility and run into the ISO LFR Market	On-going	<ul style="list-style-type: none"> • Received a Consent Order from CT DEEP regarding stack testing issue from 2013. Commission addressed the issue at the June 25th Commission meeting. • Consent order civil penalty has been paid and accepted by CT DEEP. • During the summer Claim Capacity Audit (CCA), TTD experienced a problem with Norden Generator #3. Working to resolve the issue. Will work with CMEEC to determine the financial impacts, if any, caused by the interruption of availability of generator #3. • Repairs made to Gen #3 and CCA passed

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
8)	State (CT DOT) Bridge Projects	Initial letter from CT DOT to TTD issued in March 2016. Regular updates have been received from CT DOT / Parsons Brinkerhoff as information is required	Apr 2019- Sep 2024	<ul style="list-style-type: none"> • May 2017 – Continued to work with CT DOT officials on the various bridge projects through attendance at scheduled meetings, etc. Several of these projects are reaching the 30% design/development phase, which triggers additional meetings and coordination efforts. • Received the 60% project submissions from the State of CT. TTD reviewing the submissions and meeting with State to review. • Continue to work with the State on the design of the infrastructure that affects TTD • Advanced utilities construction project, 60% design review occurring with the state
9)	Small Cell Antenna Project/Co-Location Equipment Attachments – Verizon and ATT&T	<ul style="list-style-type: none"> • Verizon request to attach “Small Cell Antennas” on certain TTD poles. We anticipate they will attach to three to five poles in the system. • CMEEC Legal developed a “Master Lease Agreement” on behalf of the MEU’s statewide outlining the terms and conditions for attachment 	On-going	<ul style="list-style-type: none"> • Master Lease Agreement has been finalized by CMEEC Attorney and Verizon. Other MEUs have executed the agreement with Verizon • Verizon interested in attaching to multiple TTD poles • Attachment rate needs to be developed • Received inquiry from AT&T on small cell attachments • Reviewing agreement with AT&T

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
10)	Tree Trimming	On-going	Tree trimming will typically occur during the winter months. Spot trimming will occur on an as needed basis during the spring, summer and fall.	<ul style="list-style-type: none"> • Streets trimmed in current fiscal year: Emmerson St, Myrtle St Ext, various other spot locations • Streets/areas planned for trimming: Roland St, Howard Ave, Triangle St, Winfield – Triangle to Duck, Strawberry @Winfield
11)	East Ave Road Widening Project / Undergrounding of Electric Utilities	Study of undergrounding of electric distribution system		<ul style="list-style-type: none"> • Staff, at the approval of the Commission has been working with the City to develop a conceptual plan of undergrounding a portion of East Ave • Letter sent to Mayor Rilling stating the District’s understanding and position related to the East Ave Design Project • Report of Undergrounding provided to Commission for discussion at the May 6th Commission meeting • Staff continuing to work with City on conceptual plans regarding East Ave, RR bridge to I-95 and 215 East Ave property • Cost estimates for the underground of East Ave are being developed