

FINAL

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 \$152,178 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 2022.**

**** 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