

FINAL

THIRD TAXING DISTRICT
of the City of Norwalk
ZOOM/Telephonic Commission Meeting
February 22, 2021

ATTENDANCE: Commissioners: Pamela Parkington; Michele Sweeney

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

OTHERS: Peter Johnson, CMEEC Ratepayer Representative

The Commission Meeting of February 22, 2021 was held via ZOOM and telephonically. All participants could hear and be heard.

CALL TO ORDER

In the absence of Commissioner Weldon, Commissioner Sweeney called the meeting to order at 6:33 p.m. A quorum was present.

PUBLIC COMMENT

No one from the public was in attendance to comment.

MINUTES OF MEETING

January 25, 2021 Regular Meeting

**** COMMISSIONER PARKINGTON MOVED TO APPROVE THE MINUTES OF JANUARY 25, 2021 REGULAR MEETING.**

**** COMMISSIONER SWEENEY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

DISCUSSION/ANALYSIS OF FINANCIAL STATEMENTS/KEY PERFORMANCE INDICATORS

Mr. Barber reviewed the Financial Highlights with the Commission for the month of January 2021. Total Income is \$5,225,982 versus \$5,538,209 for last year, a difference of (5.64%) which is a reflection of the PCA being lowered to zero. Total Expense is \$5,390,771 versus \$5,528,032 for last year, a difference of (2.48%). Net Income before Rate Stabilization is \$227,770 versus \$370,427 from last year or a difference of (39%). Net Income after Rate Stabilization is \$25,964 versus \$410,312 for last year, a difference of (94%).

Total cash balance on hand is \$6,818,645. Of this, the Capital Improvement Fund is \$2,612,050. Current outstanding principal balance with CMEEC is \$3,177,546. Current Fiscal Year Capital additions to date is \$111,058.

Mr. Barber reviewed the P&L for the Electric Department. All categories are in good shape except for the Purchased Power Adjustment (PPA) which shows no income due to the PCA being reduced to zero in order to provide relief to customers. Under Expense, Customer Accounts & Service is over-budget year-to-date due to the Cogsdale Customer Billing System project. Under Other Income, Mr. Barber pointed out the Norden Project Income was at zero for the month of January.

The P&L for the District is in very good shape. Expenses for the cemetery are over-budget due to the clean-up from storm damage.

KPI's: Mr. Barber reviewed the KPI's with the Commission and they remain consistent with the industry average. The Power Supply Expense Ratio is a little under the industry average but is directly related to the lowering of the billable rate with CMEEC. Outstanding Receivables greater than 90 days were \$68,217 which is up approximately \$30,000 since the same time last year. It is directly related to the COVID-19 pandemic. Staff continues to be diligent in monitoring accounts.

RSF: The current balance of the RSF (Rate Stabilization Fund) is \$4,144,613. For the remainder of this year, it is forecasted to decrease to approximately \$3.7 million. And after the second year, it will begin to increase once again. This is due to the excellent job that CMEEC has been doing in procuring the power and keeping the costs as low as possible.

Accounts Receivable Analysis: The company continues to do fairly well. The total open A/R for accounts 90 days or less is \$729,964 of which \$124,886 is the Waste Water Treatment Plant for the City of Norwalk. Accounts greater than 90 days is starting to move in an upward direction but is only 7.1% of the overall past due. Staff continues to reach out to customers to make payment arrangements.

GENERAL MANAGER'S REPORT

Norden Generators

Mr. Barber had mentioned earlier about the Norden project's income being at zero for the month of January 2021. Currently, the generators are off-line. They have been temporarily removed from the ISO market because there are currently some issues/problems with the Norden facility's electrical equipment. Recently, they had an outage which caused the generators to automatically fire up and start generating electricity. While the generators were able to run, they were not able to provide power to the facility due to the facility's equipment problems.

Because of this problem, the generators had to be taken off-line and out of the ISO market which means Third Taxing District is not receiving revenue. TTD is currently working with the building owner to get the facility's equipment repaired. A test will be scheduled to ensure that the facility's equipment is repaired and operating properly. The generators will remain off-line until the test is complete.

This problem leads into a deeper issue that TTD has with Norden which may force TTD to address the future of the generators sooner than expected.

Annual Meeting

Mr. Barber thanked the Commission for meeting on February 17th to approve and adopt the Resolution declaring a local public health and civil preparedness emergency for the District which will allow TTD to postpone the Annual Meeting to a future date. Staff is working on the communication to the District to make them aware of the postponement.

ADJOURNMENT

- ** COMMISSIONER PARKINGTON MOVED TO ADJOURN.**
- ** COMMISSIONER SWEENEY SECONDED.**
- ** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 7:10 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District