

FINAL

THIRD TAXING DISTRICT
of the City of Norwalk
ZOOM/Telephonic Commission Meeting
May 24, 2021

ATTENDANCE: Commissioners: Johnnie Mae Weldon, Chair; Pamela Parkington;
Michele Sweeney

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

OTHERS: Atty. Steve Studer, Berchem Moses (6:52 p.m.)

The Commission Meeting of May 24, 2021 was held via ZOOM and telephonically. All participants could hear and be heard.

CALL TO ORDER

Commissioner Weldon called the meeting to order at 6:30 p.m. A quorum was present.

PUBLIC COMMENT

No one from the public was in attendance to comment.

MINUTES OF MEETING

April 26, 2021 Regular Meeting

**** COMMISSIONER SWEENEY MOVED TO APPROVE THE MINUTES OF APRIL 26, 2021 REGULAR MEETING.**

**** COMMISSIONER PARKINGTON 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 April 2021. Total Income is \$7,557,651 versus \$7,802,592 for last year, a difference of (3.14%) which is a reflection of the PCA being lowered to zero. Total Expense is \$7,285,130 versus \$7,847,040 for last year, a difference of (7.16%). Net Income before Rate Stabilization is \$822,425 versus (\$30,265) from last year or a difference of 2817%. Net Income after Rate Stabilization is \$451,577 versus (\$170,828) for last year, a difference of 364%.

Total cash balance on hand is \$7,506,687. Of this, the Capital Improvement Fund is \$2,664,454. Current outstanding principal balance with CMEEC is \$3,114,189. Current Fiscal Year Capital additions to date is \$143,935.

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. The Norden Generators are back up and running and are available to run for the ISO market.

The P&L for the District is in very good shape and as a whole is under-budget. This is due largely in part to the pandemic which prohibited TTD from having summer concerts at the beach and the Christmas Tree lighting. The budget for the cemetery continues to be over-budget due to the tree clean-up from storm damage and the repair of the cemetery fence which was damaged in the Fall of 2020.

KPI's: They remain in good shape. Outstanding Receivables greater than 90 days is \$56,326, an increase from last year, which is a result of the pandemic.

RSF: The current balance of the RSF (Rate Stabilization Fund) is \$3,927,575, which is still above the target. It is expected to decrease approximately \$70,000 over the next two months, stay steady over the next year and start increasing again based on CMEEC's forecasting.

Accounts Receivable Analysis: The receivables continue to be in good shape. The balance of A/R which is greater than 90 days is currently \$56,326 which is still considered to be good considering the effects from the pandemic over the past year. Staff is continually working with customers to make payment arrangements or assist them in seeking outside help with their electric bills, i.e., Operation Fuel, Person-to-Person, Allianz CT and UniteCT.

PATRIOT BANK – LINE OF CREDIT RENEWAL

Mr. Barber reviewed the history of the Line of Credit (LOC) that Third Taxing District holds at Patriot Bank in the amount of \$500,000. It was for the purpose of having access to funds during the construction of the Fitch Street Substation and Cervalis projects. The original LOC had an

FINAL

expiration date of July 1, 2016. The LOC has been renewed multiple times with the last renewal having an expiration date of March 31, 2021.

Third Taxing District has not utilized this LOC since July 2015. There is no cost to maintain the LOC with Patriot Bank and the current interest rate is 3.25%. It is Mr. Barber's recommendation to the Commission to approve the extension of the LOC with Patriot Bank. This will provide Third Taxing District with access to funds in case of extenuating or emergency situations.

**** COMMISSIONER PARKINGTON MOVED TO AUTHORIZE KEVIN BARBER, GENERAL MANAGER OF THE THIRD TAXIND DISTRICT, TO RENEW FOR AND ON BEHALF OF THE THIRD TAXING DISTRICT THE LINE OF CREDIT WITH PATRIOT BANK IN THE AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000) ON THE TERMS SET OUT IN THE LOAN DOCUMENTS PREPARED BY PATRIOT BANK AND FURTHER REQUIRE KEVIN BARBER, BEFORE ACCESSING ANY FUNDS FROM THE LINE OF CREDIT, MUST RECEIVE AUTHORIZATION FROM THE DISTRICT COMMISSION AT A DULY CONVENED COMMISSION MEETING.**

**** COMMISSIONER SWEENEY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

GENERAL MANAGER'S REPORT

Concerts

Mr. Barber informed the Commission that Mr. Scofield was informed by the City of Norwalk that Third Taxing District could move ahead with scheduling the concerts for the summer at Calf Pasture Beach. Mr. Scofield said that he is planning on holding six concerts this year and is currently working on scheduling the bands.

Operating & Capital Budgets

Mr. Barber said that he would like to hold a Special Commission meeting during the month of June for the presentation and review of the budget to the Commission. This would allow for him to bring back any changes to the Commission at the regularly scheduled June meeting if need be.

District Commission Meetings

Mr. Barber asked the Commission their thoughts about starting to meet again in-person. The Commission was in agreement to begin meeting in-person. Starting with the June 28, 2021, the Commission and staff will begin meeting in-person at the Third Taxing District office. If any public joins the meeting, masks will be required.

FINAL

EXECUTIVE SESSION

- **REAL ESTATE – 213 EAST AVENUE – CGS-1-200(6)(B) & CGS-1-200(6)(D)**

**** COMMISSIONER SWEENEY MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS 213 EAST AVENUE REAL ESTATE.**

**** COMMISSIONER WELDON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Atty. Steve Studer, and Messrs. Barber and Scofield entered into Executive Session at 7:00 p.m.

**** COMMISSIONER SWEENEY MOVED TO EXIT EXECUTIVE SESSION.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Atty. Steve Studer, and Messrs. Barber and Scofield returned to public session at 7:37 p.m.

**** COMMISSIONER PARKINGTON MOVED TO AUTHORIZE GENERAL MANAGER, KEVIN BARBER, TO WORK WITH THE STATE OF CONNECTICUT ON THE ACQUISITION OF 213 EAST AVENUE AND TO TAKE THE APPROPRIATE STEPS NECESSARY IN NEGOTIATING WITH THE STATE OF CONNECTICUT, INCLUDING THE HIRING OF AN APPRAISER ON BEHALF OF THE DISTRICT.**

**** COMMISSIONER SWEENEY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

ADJOURNMENT

**** COMMISSIONER PARKINGTON MOVED TO ADJOURN.**

**** COMMISSIONER SWEENEY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 7:44 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

Third Taxing District
of the City of Norwalk
May 24, 2021