

FINAL

THIRD TAXING DISTRICT
of the City of Norwalk
Commission Meeting
January 24, 2022

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

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

OTHERS: Peter Johnson, CMEEC Ratepayer Representative

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

November 22, 2021 Regular Meeting

**** COMMISSIONER SWEENEY MOVED TO APPROVE THE MINUTES OF
NOVEMBER 22, 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 December 2021. Total Income is \$4,750,067 versus \$4,288,004 for last year, a difference of 10.78%. Total Expense is \$5,012,173 versus \$4,543,167 for last year, a difference of 10.32%. Net Income before Rate Stabilization is (\$162,788) versus \$186,766 from last year or a difference of (187%). Net Income after Rate Stabilization is (\$13,019) versus \$38,168 for last year, a difference of (134%).

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Total cash balance on hand is \$8,372,903. Of this, the Capital Improvement Fund is \$2,705,955. Current outstanding principal balance with CMEEC is \$3,784,844. Current Fiscal Year Capital additions to date is \$190,476.

Mr. Barber reviewed the P&L for the Electric Department. Income for the month of December 2021 is \$752,547.13 which is 7.24% over budget. Purchased Power (555-00) for the month of December 2021 is \$443,052.40 and over-budget by \$13,037.40 for the month. Operating Expenses for the month is \$404,823.86, which is \$100,845.46 under budget.

The P&L for the District continues to be in good shape. Mr. Barber did point out that the overage in the Parks Maintenance is due to the repair of the Seawall at Edgewater Park and the overage for the Cemetery is due to emergency tree work.

KPI's: They remain in good shape.

RSF: The current balance of the RSF (Rate Stabilization Fund) is \$4,098,553, which is still above the target. The five-year projection has the RSF at \$3,290,623, which is slightly higher than TTD's target.

Accounts Receivable: Overall, TTD is doing very well. The greater than 90 days open balances is \$37,690 which is 7.1% of the overall balance and are more in line with the pre-COVID numbers.

PENSION COMMITTEE REPORT

The Pension Committee met with Hooker and Holcombe on January 19, 2022. Mr. Meisner (Hooker and Holcombe) reviewed various reports and TTD's portfolio in detail and indicated that overall they were really pleased with its performance over the last year. The portfolio performance was up 11.15%.

LIBRARY BUDGET PRESENTATION

Mr. Barber presented the Library budget to the Commission that had been approved by the Library's Board. Mr. Barber reformatted the budget and matched it up with last year's budget for comparison purposes.

One question about the Security line item came up. Mr. Barber said he reached out to the Library on this to see why there was such a large increase. He was informed that the large increase is due to the contract hiring of someone as Library security and is at the Library when it is opened.

Mr. Barber also provided an analysis of the Library Association dating back five years. All information was taken directly from the financial audits. Fiscal Years 2017-18 through 2020-21

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are actual audited figures. Mr. Barber pointed out that the excess revenue for years 2018-19 through 2020-21 seems to match up with the District's matching fund to the Library. The Library's Fund Balance has increased year over year and they appear to be in good financial shape.

After a lengthy discussion, the Commission believes it is time to phase out the Matching Funds Program as discussed in years past and would like to see this happen beginning in Fiscal Year 2023-24. Staff will draft a letter for the Commission to review and sign explaining the phasing out of this program. If the Library needs funds for an additional Capital project in the future, they can come back to the Commission for a special request.

DISTRICT BUDGET PRESENTATION

Mr. Barber presented the draft District Budget to the Commission and reviewed each line item to the Commission.

Highlights included under Capital Expenditures:

<u>Park Improvements</u> – Increase from \$30,000 to \$50,000	
Ludlow Park – New Tree	\$ 7,000
Constitution Park – Phase II of Updates	\$10,000
Edgewater Park – Replace hedge w/fence	\$ 8,000
Edgewater Park – Repair 2 more sections of Seawall	\$25,000
<u>Cemetery</u> – Replace trees and tree work	\$10,000
Six trees being removed; ten new trees being planted	

The Commission began an in-depth discussion on the Seawall repairs and the updates to Ludlow Park. The Commission would like to have the Seawall repairs completed over the next year or two. In addition, they would like to have the tree in Ludlow Park replaced and some other landscaping done to enhance the park. It was suggested that staff look into hiring a landscape architect to assist with the Ludlow Park improvements. Per the Commission, the Park Improvements was adjusted from \$50,000 to \$125,000.

**** COMMISSIONER PARKINGTON MOVED TO RECOMMEND TO THE RATEPAYERS THE PROPOSED DISTRICT BUDGET TO THE ELECTORS WITH THE AMENDMENT OF AN INCREASE TO THE PARK IMPROVEMENTS LINE FROM \$50,000 TO \$125,000 WHICH MAKES THE TRANSFER FROM THE ELECTRIC COMPANY \$395,000, LEAVING AN ENDING DISTRICT FUND BALANCE OF \$30,017.**

**** COMMISSIONER SWEENEY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

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ANNUAL MEETING DISCUSSION

Mr. Barber told the Commission that staff has been in touch with The Marvin about using their facility for the Annual Meeting. Unfortunately, they declined the use of their facility. Staff has reserved a room at the Norwalk Inn & Conference Center for the Annual Meeting which will be held on Wednesday, March 2, 2022 at 7:00 p.m.

Mr. Barber ran through the Agenda with the Commission and said that they would proceed the same as last year's meeting unless the Commission wanted any changes, to which they indicated to keep everything the same. Staff is working on getting all the materials together for the meeting.

GENERAL MANAGER'S REPORT

Upcoming Union Negotiations

Mr. Barber informed the Commission that Management has officially received notification from the Union about the upcoming contract negotiations. Mr. Barber asked if any of the Commissioners would like to sit in on the negotiations and Commissioner Parkington agreed to join.

213 East Avenue

Mr. Barber has reached out to the State of Connecticut for any updates on the sale of the property. To date, there is no new information.

ADJOURNMENT

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

The meeting adjourned at 8:04 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

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of the City of Norwalk
January 24, 2022