

FINAL

**THIRD TAXING DISTRICT**  
of the City of Norwalk  
Commission Meeting  
May 23, 2022

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

\*Commissioner Sweeney attended via phone. She could hear and be heard.

**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 6:37 p.m. A quorum was present.

**PUBLIC COMMENT**

No one from the public was in attendance to comment.

**MARVIN ELEMENTARY SCHOOL PTA DONATION REQUEST**

The Marvin Elementary School PTA donation request is in the amount of \$5,000 for the fiscal year 2022/2023. The request, written by Jenn McMurrer, was reviewed by the Commission and includes two programs for the students:

- Maritime Center Stream Tables for the Fourth Grade
- CT Science Center Trip for the Fifth Grade

**\*\* COMMISSIONER SWEENEY MOVED TO APPROVE THE MARVIN PTA DONATION REQUEST AS PRESENTED IN THE PACKET FOR \$5,000 FOR FISCAL YEAR 22/23.**

**\*\* COMMISSIONER PARKINGTON SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

**MINUTES OF MEETING**

April 25, 2022 Regular Meeting

**\*\* COMMISSIONER PARKINGTON MOVED TO APPROVE THE MINUTES OF APRIL 25, 2022 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 April 2022. Total Income is \$8,243,797 versus \$7,557,651 for last year, a difference of 9.08%. Total Expense is \$8,472,233 versus \$7,285,130 for last year, a difference of (184%). Net Income before Rate Stabilization is (\$287,187) versus \$822,425 from last year or a difference of (135%). Net Income after Rate Stabilization is (\$811,234) versus \$451,577 for last year, a difference of (280%).

Total cash balance on hand is \$7,716,620. Of this, the Capital Improvement Fund is \$2,487,644. Current outstanding principal balance with CMEEC is \$3,541,097. Current Fiscal Year Capital additions to date is \$329,499.

Mr. Barber reviewed the P&L for the Electric Department. Income for the month of April 2022 is \$834,921.03 which is \$22,641.03 over budget. Purchased Power (555-00) for the month of April 2022 is \$377,789.35 and over budget by \$54,595.35 for the month. Operating Expenses for the month is \$432,4486.36, which is \$23,923.30 over budget.

Mr. Barber pointed out to the Commission that the budget is based on CMEEC's forecast and has just been determined the forecast does not include Cervalis which is in a separate forecast. This has had an impact on TTD's budget, but will be rectified for the future budgets.

The P&L for the District continues to be in good shape. Parks Maintenance is over budget due to tree maintenance and unexpected work. As the year continues, the variance is expected to decrease.

KPI's: They remain in good shape.

RSF: The current balance of the RSF (Rate Stabilization Fund) is \$3,472,914. As Mr. Barber has mentioned in past meetings, the RSF is continuing on a downward trend due to the price of Purchased Power being high.

Mr. Barber open a discussion with the Commission about the RSF's projection over the next five years. As the cost of purchased power is increasing, this is having a major impact on the RSF.

FINAL

Mr. Barber explained to the Commission that in order to help rectify this problem, TTD will need to adjust both the billable rate with CMEEC and the Power Cost Adjustment (PCA) in the future. It is his recommendation that the billable rate with CMEEC be raised from \$80/MWh to \$110/MWh and the PCA be raised from \$0.0065 to \$0.04 for the upcoming budget for FY22/23. This will be discussed in greater detail at an upcoming meeting when the budget is up for review and approval.

Accounts Receivable: Overall, TTD is doing very well. The greater than 90 days open balances is \$39,789 which is 5.4% of the overall balance.

### **PENSION COMMITTEE REPORT**

The TTD Pension Committee met with Hooker & Holcombe on April 20, 2022 to review Third Taxing District's account. Considering all the uncertainty in the market, TTD's portfolio has done well due to its diversification. The next meeting will be held on July 19, 2022.

### **CMEEC EQUITY DISTRIBUTION**

On Thursday, May 5, 2022, the CMEEC Member Delegation voted unanimously to distribute the 2021 Distribution Eligible Equity to the member utilities. The total equity distribution for 2021 is \$5,023,261 of which TTD's portion is \$346,474.

Mr. Barber reviewed the options with the Commission and is recommending that they apply the Equity Distribution to the Rate Stabilization Fund.

**\*\* COMMISSIONER PARKINGTON MOVED TO DIRECT KEVIN BARBER, GENERAL MANAGER, TO TAKE THE GROSS CMEEC EQUITY DISTRIBUTION IN THE AMOUNT OF \$346,474 AND DEPOSIT IT INTO THIRD TAXING DISTRICT'S RATE STABILIZATION FUND HELD AT CMEEC.**

**\*\* COMMISSIONER SWEENEY SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

### **GENERAL MANAGER'S REPORT**

East Norwalk Firehouse – Messrs. Barber and Scofield met with Captain Hines with regard to a capital expenditure the firehouse is planning to request for FY23/24. Additional modifications to the building will be necessary for the new firetruck the station is expecting. Further discussion on this will take place in the future once the official request is made.

Union Negotiations – Mr. Barber informed the Commission that Management and the Union has reached a tentative agreement. They are waiting for the contract to be updated to reflect the changes and new verbiage.

FINAL

Audit – Mr. Barber informed the Commission that they are waiting for the Engagement Letter from Hope & Hernandez for the upcoming audit and will present it to the Commission once received.

Operating/Capital Budget – The budget is just about finalized and should be going out to the Commission later in the week.

Special Meeting Request – Mr. Barber requested a Special Commission Meeting for June 6, 2022 for the following items: Operating/Capital Budget, Audit Engagement Letter, and Ratification of the Union contract. All Commission members are available. The meeting will be scheduled for Monday, June 6, 2022 at 6:30 p.m.

### **ADJOURNMENT**

**\*\* COMMISSIONER SWEENEY MOVED TO ADJOURN.**

**\*\* COMMISSIONER PARKINGTON SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 7:28: p.m.

Respectfully submitted,

Cynthia Tenney  
Executive Assistant  
Third Taxing District