

FINAL

THIRD TAXING DISTRICT
of the City of Norwalk
Commission Meeting
January 22, 2024

ATTENDANCE: Commissioners: Pamela Parkington, Acting Chair; Michele Sweeney; Read Auerbach, Treasurer

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

OTHERS: Sylvia Archibald, Director, East Norwalk Library
Roberta Bauchner, East Norwalk Improvement Association

CALL TO ORDER

Acting Chair Commissioner Parkington 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

December 19, 2023 Regular Meeting

**** COMMISSIONER SWEENEY MOVED TO APPROVE THE MINUTES OF DECEMBER 19, 2023 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 2023. Total Income is \$5,284,339 versus \$5,521,471 for last year, a difference of (4.14%). Total Expense is \$5,587,276 versus \$6,293,720 for last year, a difference of (11.22%). Net Income before Rate Stabilization is (\$539,156) versus (\$149,405) from last year or a difference

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of (261%). Net Income after Rate Stabilization is (\$548,298) versus \$394,812 for last year, a difference of (239%).

The total local cash balance on hand is \$8,857,735. Of this, the Capital Improvement Fund is \$2,579,106. The current outstanding principal balance with CMEEC is \$2,609,617*. Current Fiscal Year Capital additions to date is \$213,973.

Funds held at CMEEC include:

- Rate Stabilization Fund (RSF)	\$3,810,430
- Municipal Competitive Trust	\$2,175,754*
- Economic Development Fund	\$ 159,309*
- Conservation & Load Management	\$ 487,299*
- Regional Greenhouse Gas Initiative	\$ 215,389*
- Renewable Resource Investment Fund	\$ 35,176*

*CMEEC numbers from November 2023. December numbers were not available at the time of the report.

Mr. Barber reviewed the P&L for the Electric Department. Income for the month of December 2023 is \$907,112.53. Purchased Power (555-00) for the month of December 2023 is \$454,185.71 and Purchased Power for Cervalis is \$68,745.46. Operating Expenses for the month is \$415,788.18.

The P&L for the District continues to be in good shape. Parks Maintenance, East Norwalk, Cemetery and East Norwalk Library are still over budget to due timing of invoices from the District's landscaper but are beginning to even out. Christmas Tree Lighting is over budget because due to the rental of a stage and lighting in place of the Showmobile.

KPI's: They remain in good shape.

RSF: The current balance of the RSF (Rate Stabilization Fund) is \$3,810,430. The five-year projection currently shows the RSF increasing and going just above the targeted balance.

Accounts Receivable: Overall, TTD is doing very well. The greater than 90 days open balance is \$40,882 which is 9.1% of the overall balance.

LIBRARY BUDGET PRESENTATION

Mr. Barber presented the East Norwalk Library budget for FY24-25 to the Commission. The Library's funding request is \$170,000 from the District which is the same amount as FY23-24.

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After a discussion between the Commission and Ms. Archibald, the Commission would like to increase the funding of the Library to \$180,000. The additional \$10,000 is to be used for Programs (both Children and Adult) and Books (both Children and Adult).

The Commission requested that Ms. Archibald revise the Library's budget and submit it back to Third Taxing District by Friday, February 16, 2024.

Mr. Barber added that in addition to the yearly funding of the Library, there is going to be two Capital Expenditures: 1) Oil Tank Removal from the Property (\$50,000) and 2) Capital request to paint the downstairs of the Library (\$10,000).

DISTRICT BUDGET PRESENTATION

Mr. Barber reviewed the proposed District Budget to the Commission. He went through each section and highlighted the changes from last year's budget. The total funding for the upcoming District Budget is \$495,870 and the Transfer from Electric request is \$480,000.

Highlights included:

- Christmas Tree Lighting increase due to rental of staging and lighting.
- Firehouse Rental Income increased per the lease with the City of Norwalk.
- Library Capital projects include removal of old oil tank and painting the downstairs.
- Park Improvements – Next phase of the Roger Ludlow Park upgrade.

**** COMMISSIONER SWEENEY MOVED TO RECOMMEND THE PROPOSED DISTRICT BUDGET WITH THE FOLLOWING ADDENDUM TO THE ELECTORS FOR APPROVAL AT THE ANNUAL MEETING TO BE HELD ON WEDNESDAY, MARCH 6, 2024. AN ADDITIONAL \$10,000 TO THE LIBRARY MAKING THE TRANSFER FROM THE ELECTRIC TO \$480,000.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

ANNUAL MEETING DISCUSSION

Mr. Barber informed the Commission that the Annual Meeting has been scheduled at the Norwalk Inn & Conference Center. He will be using the same approach as the previous year, as well as the same format for the Agenda. One item Mr. Barber plans to touch upon with the Ratepayers is rate changes that will be coming in the near future.

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GENERAL MANAGER'S EPORT

Cost of Service Study

Mr. Barber informed the Commission that he has had a preliminary conversation with Dawn Lund of UFS (Utility Financial Services) with regard to conducting a Cost of Service Study for Third Taxing District. The study would be an analysis of TTD's financial position over the last few years.

TTD's financial position has declined over the last few years and even though there was some revenue which was not anticipated, it will not be enough to offset the future. In addition to changing the rate structure, TTD will need to take a look at instituting rates for Electric Vehicles (EV), Solar and Private Lighting.

Once completed, a full study will be presented to the Commission for their review and input. Mr. Barber is expecting the cost of the study and rate design to be \$27,500, with additional options raising the cost to approximately \$40,000.

ADJOURNMENT

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

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 7:31 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District