



Third Taxing District

Annual Meeting, March 6, 2024

Johnnie Mae Weldon, Commission Chairperson

Pamela Parkington, Commissioner

Michele Sweeney, Commissioner

Read Auerbach, Treasurer

Kevin Barber, General Manager

Ronald Scofield, District Clerk

Annual Meeting Agenda



The Annual Meeting of the Electors of the Third Taxing District of the City of Norwalk, Wednesday, March 6, 2024, at 7:00 p.m., at the Norwalk Inn & Conference Center, 99 East Avenue, Norwalk, Connecticut.

1. ***Welcome and call to order***
2. ***Introductions***
3. ***Reading and Acceptance of the Notice of the Annual Meeting***
4. ***Election of Annual Meeting Chairperson***
5. ***Election of Annual Meeting Secretary***
6. ***Reading & Acceptance of Annual Meeting Minutes of March 1, 2023***
7. ***Report of the operation of the Electric Department for the fiscal year July 1, 2022 through June 30, 2023 followed by Q&A from the public.***
8. ***Presentation of District Budget, followed by Q&A from the public.***
9. ***Authorization to approve the District Budget and transfer funds from the Electric Department to the District account to cover the budget requirements for the fiscal year July 1, 2024 through June 30, 2025.***
10. ***Adjourn***

Annual Meeting



- 1. Welcome and call to order*
- 2. Introductions*

Annual Meeting



3. Reading and Acceptance of the Notice of the Annual Meeting

I, (insert name) , move to waive the Reading of the Notice of the Annual Meeting and Accept it as is.

Second By: _____



Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271
Fax: (203) 866-9856

NOTICE

The legal voters of the Third Taxing District of the City of Norwalk are hereby notified and warned that a meeting of said District will be held at the Norwalk Inn & Conference Center, 99 East Avenue, Norwalk, Connecticut, on Wednesday, March 6, 2024 at 7:00 P.M. for the following purposes:

To receive the financial report of the District for the fiscal year July 1, 2022 through June 30, 2023, and the report of the operation of the Electric Department for the fiscal year July 1, 2022 through June 30, 2023.

To act on the District budget for the fiscal year July 1, 2024 through June 30, 2025, including the appropriation of funds to cover the budget requirements of the District for care and use of parks owned by the District, care of the East Norwalk Firehouse, care of the East Norwalk Historical Cemetery, support of the East Norwalk Improvement Association Public Library, and stipends of District Officials for the fiscal year July 1, 2024 through June 30, 2025.

To approve the District budget and the transfer of funds from the Electric Department to the Third Taxing District account to cover the budget requirements for the fiscal year July 1, 2024 through June 30, 2025.

Ronald Scofield
District Clerk
February 16, 2024

M:\Commission Meeting Information\Annual Meetings\Annual Meeting 2021\Annual Meeting Notice – 5-19-2021

District Commissioners

Johnnie Mae Weldon
Pamela Parkinson
Michele Sweeney

203-216-2652
203-858-4261
203-820-3107

Chairperson
Commissioner
Commissioner

Kevin Barber
Ron Scofield
Read Auerbach

203-866-9271
203-866-9271
203-451-7047

General Manager
Assistant General Manager
Treasurer

Annual Meeting



4. Election of Annual Meeting Chairperson

***I, (insert name) , move to Nominate _____
as Annual Meeting Chairperson.***

Second By: _____

Annual Meeting



5. Election of Annual Meeting Secretary

***I, (insert name) , move to Nominate _____
as Secretary of the Annual Meeting.***

Second By: _____

Annual Meeting



6. Reading & Acceptance of Annual Meeting Minutes of March 1, 2023

I, (insert name) , move to Waive the Reading of the Minutes of March 1, 2023 and Accept them as is.

Second By: _____



Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271
Fax: (203) 866-9856

**MINUTES OF
ANNUAL MEETING OF THE
THIRD TAXING DISTRICT OF THE CITY OF NORWALK
WEDNESDAY, MARCH 1, 2023 AT 7:00 P.M.
NORWALK INN & CONFERENCE CENTER, 99 EAST AVENUE NORWALK, CT**

Attendance: See attached sheet

The meeting was called to order at 7:06 p.m. by Chairperson Weldon.

Chairperson Weldon introduced the Commission and staff to the attendees.

Motion was made by Peter Johnson, seconded by Pamela Parkington, to waive the reading of the Notice of the Annual Meeting and accept it as is.
Motion passed unanimously.

Motion was made by Michele Sweeney, seconded by Emily Kelting, to nominate Johnnie Mae Weldon as Annual Meeting Chairperson. There were no other nominations.
Motion passed unanimously.

Motion was made by Pamela Parkington, seconded by Michele Sweeney, to nominate Beth Siegelbaum for Secretary. There were no other nominations.
Motion passed unanimously.

Motion was made by Beth Siegelbaum seconded by Peter Johnson, to waive the reading of the Minutes of March 2, 2022 and accept them as is.
Motion passed unanimously.

Mr. Barber, General Manager, presented the financial report of the operation of the Electric Department for the fiscal year July 1, 2021 through June 30, 2022, followed by Q&A from the public.

Mr. Barber presented the District Budget followed by Q&A from the public.

District Commissioners

Johnnie Mae Weldon 203-216-2652
Pamela Parkington 203-858-4261
Michele Sweeney 203-820-3107

Chairperson
Commissioner
Commissioner

Kevin Barber 203-866-9271
Ron Scofield 203-866-9271
Read Auerbach 203-451-7047

General Manager
Assistant General Manager
Treasurer

Motion was made by Emily Kelting, seconded by Peter Johnson, to approve the District Budget in the amount of \$438,470 and authorize the transfer of funds in the amount of \$395,000 from the Electric Department to the District.
Motion passed unanimously.

Motion was made by Peter Johnson, seconded by Pamela Parkington, to adjourn.
Motion passed unanimously.

The meeting adjourned at 8:25 p.m.

Respectfully submitted,

Cynthia Tenney
Recording Secretary

ATTENDANCE SHEET

TTD Ratepayers:

Cole, Sarita A.
Debellis, Marlene
Duryea, Albert J.
Holowinko, Edward M.
Johnson, Peter M.
Keltng, Emily G.
Mele, Dawn
Parkington, Pamela M.
Siegelbaum, Beth M.
Stoyanov, Konstantin V.
Sweeney, Michele M.
Toussaint, Kendall R.
Trani, Giovanna (TTD Staff)
Weldon, Johnnie M.

Others:

Kevin Barber, General Manager, TTD
Ron Scofield, Asst. General Mgr., TTD
Cynthia Tenney, TTD Staff
Rachel Garcia, TTD Staff
Matt Allred, TTD Accountant
Atty. Steve Studer, Berchem Moses
Mark Conte, Assistant Fire Chief



Third Taxing District

7. Report to Electors



Agenda

a. Financial Position of Electric Department

b. Rates Comparison

c. Cost of Service Study



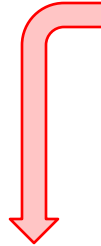
a. Financial Position of Electric Department

Electric Department Income Statement



Operating Revenues

| | <u>June 30, 2023</u> | <u>June 30, 2022</u> |
|---------------------------------------|----------------------|----------------------|
| Sales Revenues | \$11,860,718 | \$10,383,853 |
| Sales for Resales – Norden Generators | \$248,434 | \$301,166 |
| Misc. Service Revenues | \$12,603 | \$10,830 |
| Total Operating Revenues | \$12,121,755 | \$10,695,849 |



| <u>Sales Revenues</u> | <u>June 30, 2023</u> | <u>% of Sales</u> | <u>June 30, 2022</u> | <u>% of Sales</u> |
|---------------------------------|----------------------|-------------------|----------------------|-------------------|
| Residential Sales | \$5,402,967 | 45.6% | \$4,634,265 | 44.6% |
| Commercial/Industrial Sales | \$4,060,415 | 34.2% | \$3,607,344 | 34.8% |
| Cervalis Data Center | \$924,966 | 7.8% | \$844,321 | 8.1% |
| Water Pollution Control Plant | \$1,378,808 | 11.6% | \$1,196,037 | 11.5% |
| Private Lighting | \$93,862 | .8% | \$101,886 | 1.0% |
| Total Operating Revenues | \$11,860,718 | | \$10,383,853 | |

Electric Department Income Statement



| | <u>June 30, 2023</u> | <u>June 30, 2022</u> |
|--|----------------------|----------------------|
| <i>Operating Revenues</i> | | |
| Sales Revenues | \$11,860,718 | \$10,383,853 |
| Sales for Resales – Norden Generators | \$248,434 | \$301,166 |
| Misc. Service Revenues | \$12,603 | \$10,830 |
| <i>Total Operating Revenues</i> | \$12,121,755 | \$10,695,849 |
| <i>Operating Expenses</i> | | |
| Purchased Power Cost | \$7,219,698 | \$5,480,589 |
| Operating Expenses | \$5,162,896 | \$4,994,459 |
| <i>Total Operating Expenses</i> | \$12,382,594 | \$10,475,048 |
| Net Operating Income/(Loss) | (\$260,839) | \$220,801 |
| Other Income/(Expense) | \$907,434 | (\$130,199) |
| Net Income | 646,595 | \$90,602 |
| Transfers Out to District | (\$395,000) | (\$280,000) |
| Change in Net Position | \$251,595 | (\$189,398) |

Electric Department Balance Sheet



| | <u>June 30, 2023</u> | <u>June 30, 2022</u> |
|---|----------------------|----------------------|
| Assets | | |
| Current Assets | \$10,966,524 | \$10,029,479 |
| Net Utility Plant | \$12,626,410 | \$13,180,542 |
| Other Assets | \$7,134,581 | \$6,579,848 |
| Total Assets | \$30,727,515 | \$29,789,869 |
| Liabilities | | |
| Current Liabilities | \$1,658,929 | \$1,438,384 |
| Non-Current Liabilities | \$13,333,033 | \$13,026,438 |
| Total Liabilities | \$14,991,962 | \$14,466,822 |
| <i>Net Deferred Inflows/Outflows of Resources</i> | <i>(\$651,790)</i> | <i>(\$490,879)</i> |
| Net Position (Retained Earnings) | \$15,083,763 | \$14,832,168 |



b. Rates Comparison



TTD's Current Rate Structure

Residential Rate

Monthly Electric Bill

(Based on 700 kWh of usage)

| | | |
|---|--------------------------|----------------------------------|
| Service Charge | \$ 8.00 per month | \$ 8.00 |
| kWh Charge | \$ 0.1424 per kWh | (700 x 0.1424) = \$ 99.68 |
| Power Cost Adjustment (PCA) Charge | \$ 0.035 per kWh | (700 x 0.035) = \$ 24.50 |
| Energy Conservation Fund Charge | \$ 0.0025 per kWh | (700 x 0.0025) = \$ 1.75 |

Monthly Total = \$ 133.93

Notes:

- Current rates were established in 2014 following an in-depth rate study
- PCA was modified in July 2018 to \$0.013/kWh
- In May 2020, the PCA was temporarily reduced to \$0.00/kWh to provide rate relief to customers during the COVID-19 pandemic
- In July 2021, the PCA was reset to \$0.0065/kWh
- In July 2022, the PCA was increased to \$0.04/kWh to reflect increase cost of electricity
- In July 2023, the PCA was decreased to \$0.035/kWh



Current Rate Comparison

TTD Rate Comparison vs. Eversource
Residential
Based on 700 kWh
(As of January 2024)

| <u>TTD – Residential Rate</u> | |
|-------------------------------|----------------------------|
| \$ 8.00 | Residential Service Charge |
| \$ 99.68 | Residential kWh Charge |
| \$ 24.50 | Power Cost Adjustment *** |
| \$ 1.75 | Energy Conservation Fund |
| <u>\$133.93</u> | TOTAL |

| <u>Eversource – Residential Rate 1 with Standard Generation Service</u> | |
|---|---------------------------------|
| \$ 9.62 | Distribution Customer Svc. Chg. |
| \$ 103.00 | Generation Service Charge |
| \$ 40.91 | Distribution Charge |
| \$ 8.53 | Electric Serv. Improvement Chg. |
| \$ 0.00 | Revenue Adjustment Mechanism |
| \$ 28.80 | Transmission Charge |
| \$ 10.45 | Combined Public Benefits Chg. |
| \$ -0.32 | CTA per kWh |
| \$ 2.29 | FMCC Delivery Charge |
| <u>\$203.28</u> | TOTAL |

\$832.20 per year in savings

The TTD monthly bill is \$69.35 (or 34.1%) less than Eversource based on 700 kWh usage.



c. Cost of Service Study



Cost of Service Study

Analysis performed to determine the revenue requirements for a utility and to assign each customer class the proportionate share of the utility's total cost of service.

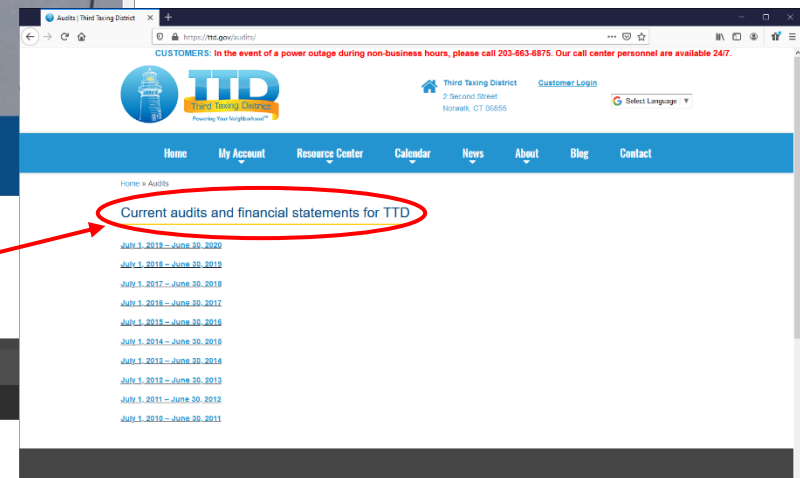
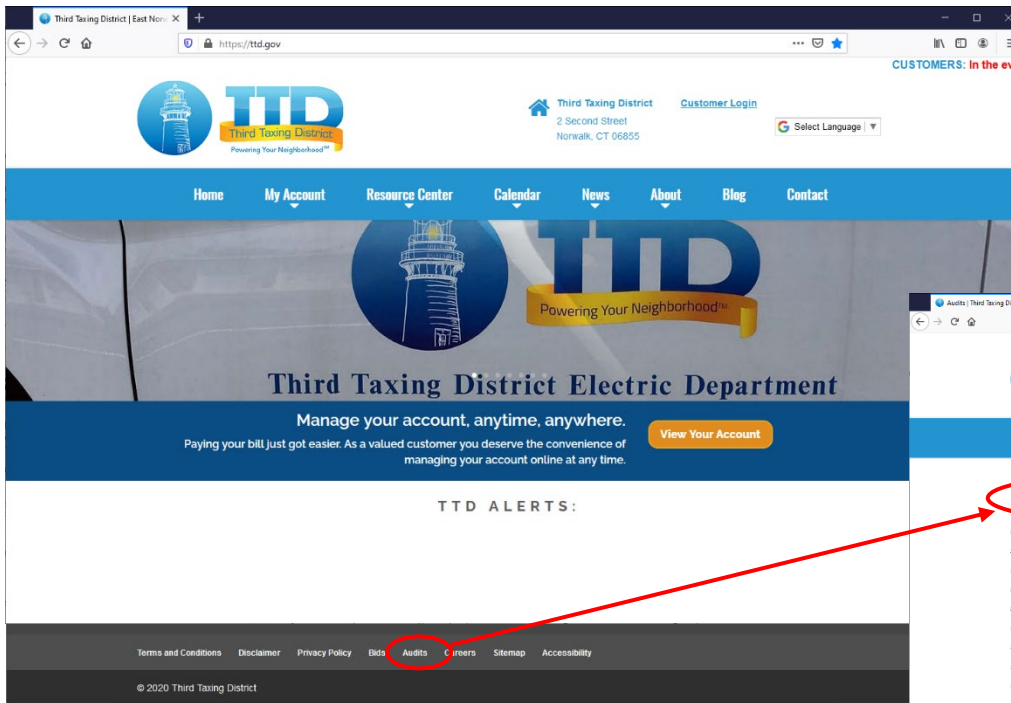
TTD's last full Cost of Service Study: 2013-2014 – included minor adjustments to base electric rates.

A subsequent cost of service study was scheduled for 2019-2020. The study and planned rate adjustments were deferred following the onset of the COVID-19 pandemic.

TTD has engaged Utility Financial Solutions, LLC to perform a full cost of service study and rate redesign. The project is expected to be completed by summer of 2024.



More financial information can be found on TTD's website





Questions?



Third Taxing District

8. Proposed Budget Fiscal Year 2024-2025

Budget Recommended by the Third Taxing District Commission to the Electors on January 22, 2024

Third Taxing District

Proposed Budget – Fiscal Year 2024-2025



| | <u>Proposed Budget FY 2024-2025</u> | <u>Budget FY 2023-2024</u> | <u>Budget FY 2022-2023</u> | <u>Actual FY 2022-2023</u> | <u>FY2023-24 to FY2024-25 % Change</u> |
|---------------------------------------|---|--------------------------------|--------------------------------|--------------------------------|--|
| <i>DISTRICT REVENUES</i> | | | | | |
| Rental Income – Firehouse | \$55,330 | \$53,718 | \$49,255 | \$49,255 | 3.00% |
| Interest | \$350 | \$325 | \$325 | \$181 | 7.69% |
| Other Income | | | | | |
| <i>Total District Revenues</i> | \$55,680 | \$54,043 | \$49,580 | \$49,436 | 3.03% |

Third Taxing District Proposed Budget - Continued



| | <u>Proposed Budget FY 2024-2025</u> | <u>Budget FY 2023-2024</u> | <u>Budget FY 2022-2023</u> | <u>Actual FY 2022-2023</u> | <u>FY2023-24 to FY2024-25 % Change</u> |
|--|---|--------------------------------|--------------------------------|--------------------------------|--|
| <i>District Operations</i> | | | | | |
| Commission Stipend | \$10,500 | \$10,500 | \$10,500 | \$10,500 | 0.00% |
| Treasurer Stipend | \$1,800 | \$1,800 | \$1,800 | \$1,800 | 0.00% |
| Clerk Stipend | \$1,800 | \$1,800 | \$1,800 | \$1,800 | 0.00% |
| Ratepayer Representative Stipend | \$1,800 | \$1,800 | \$1,800 | \$1,800 | 0.00% |
| Payroll Tax Expenses | \$1,300 | \$1,300 | \$1,300 | \$1,105 | 0.00% |
| <i>District Events</i> | | | | | |
| Holiday Events (Tree Lighting) | \$10,350 | \$6,800 | \$6,000 | \$4,986 | 52.21% |
| Summer Concert Series | \$31,000 | \$33,900 | \$35,150 | \$30,350 | -8.55% |
| Annual Electors Meeting | \$3,000 | \$3,000 | \$3,700 | \$2,117 | 0.00% |
| <i>Maintenance of District Assets</i> | | | | | |
| Parks – Maintenance | \$38,800 | \$42,800 | \$32,000 | \$137,427 | -9.35% |
| Firehouse Building | \$1,500 | \$1,500 | \$1,500 | \$2,660 | 0.00% |
| East Norwalk Library Building | \$9,200 | \$8,100 | \$9,900 | \$10,267 | 13.58% |
| East Norwalk Historical Cemetery | \$35,500 | \$31,700 | \$27,500 | \$40,061 | 11.99% |
| <i>Other Expenses</i> | | | | | |
| Other District Services | \$10,000 | \$10,000 | \$10,000 | \$8,000 | 0.00% |
| Contingencies | \$30,000 | \$30,000 | \$30,000 | \$0 | 0.00% |
| <i>East Norwalk Library</i> | | | | | |
| Library – Operations | \$180,000 | \$170,000 | \$170,000 | \$170,000 | 5.88% |
| Library – Contingent Matching Funds | \$0 | \$0 | \$11,000 | \$11,000 | |
| TOTAL DISTRICT EXPENSES | \$366,550 | \$355,000 | \$353,050 | \$435,847 | 3.25% |

Third Taxing District Proposed Budget - Continued



| | <u>Proposed Budget FY 2024-2025</u> | <u>Budget FY 2023-2024</u> | <u>Budget FY 2022-2023</u> | <u>Actual FY 2022-2023</u> | <u>FY2023-24 to FY2024-25 % Change</u> |
|-----------------------------------|---|--------------------------------|--------------------------------|--------------------------------|--|
| CAPITAL EXPENDITURES | | | | | |
| Park Improvements | \$125,000 | \$150,000 | \$125,000 | \$25,918 | -16.67% |
| Firehouse Building | \$0 | \$400,000 | \$0 | \$0 | |
| East Norwalk Library Building | \$60,000 | \$0 | \$0 | \$0 | |
| East Norwalk Historical Cemetery | \$0 | \$0 | \$10,000 | \$10,205 | |
| TOTAL CAPITAL EXPENDITURES | \$185,000 | \$550,000 | \$135,000 | \$36,123 | -66.36% |

Park Improvements: \$125,000
Ludlow Park Improvements – Phase III

East Norwalk Library Building: \$60,000
Removal of Underground Storage Tank and
Painting of Downstairs Community Room

Third Taxing District Proposed Budget - Continued



| | Proposed Budget FY 2024-2025 | <u>Budget</u> FY 2023-2024 | <u>Budget</u> FY 2022-2023 | <u>Actual</u> FY 2022-2023 | <u>FY2023-24</u> <u>to</u> <u>FY2024-25</u> <u>% Change</u> |
|---|---------------------------------|-------------------------------|-------------------------------|-------------------------------|--|
| District Revenues | \$55,680 | \$54,043 | \$49,580 | \$49,436 | 3.03% |
| District Expenses | \$366,550 | \$355,000 | \$353,050 | \$435,847 | 3.25% |
| Net Operating Income (Revenues - Expenses) | (\$310,870) | (\$30,957) | (\$303,470) | (\$386,411) | 3.29% |
| Capital Expenditures | \$185,000 | \$550,000 | \$125,000 | \$36,123 | -66.36% |
| TOTAL FUNDING REQUIRED (Expenses + Capital Expenditures - Revenues) | 495,870 | \$850,957 | \$438,470 | \$422,534 | -41.73% |
| Opening District Fund Balance | \$46,132 | \$70,117 | \$73,487 | \$106,898 | |
| TRANSFER FROM ELECTRIC → | \$480,000 | \$815,000 | \$395,000 | \$395,000 | -41.10% |
| Ending District Fund Balance | \$30,262 | \$34,160 | \$30,017 | \$79,364 | |

Budget Recommended by the Third Taxing District Commission to the Electors on January 22, 2024



Questions?

Third Taxing District Proposed Budget - Continued



BUDGET SUMMARY

| | Proposed Budget FY 2024-2025 | <u>FY 2023-2024</u> | <u>% Change</u> |
|---|---------------------------------|---------------------|-----------------|
| District Revenues | \$54,043 | \$54,043 | 3.03% |
| District Expenses | \$366,550 | \$355,000 | 3.25% |
| Net Operating Income (Revenues - Expenses) | (\$310,870) | (\$300,957) | 3.29% |
| <i>Capital Expenditures</i> | \$185,000 | \$550,000 | -66.36% |
| TOTAL FUNDING REQUIRED (Expenses + Capital Expenditures - Revenues) | \$495,870 | \$850,957 | -41.73% |
| | | | |
| <i>Opening District Fund Balance</i> | \$46,132 | \$70,117 | |
| TRANSFER FROM ELECTRIC | \$480,000 | \$815,000 | -41.10% |
| <i>Ending District Fund Balance</i> | \$30,262 | \$34,160 | |

Budget Recommended by the Third Taxing District Commission to the Electors on January 22, 2024

Annual Meeting



9. Authorization to Approve the District Budget and transfer funds from the Electric Department to the District account to cover the budget requirements for the fiscal year July 1, 2024 through June 30, 2025.

I, (insert name) , move to Approve the District Budget in the amount of \$495,870 and Authorize the transfer of funds in the amount of \$480,000 from the Electric Department to the District.

Second by: _____:

Annual Meeting



10. Adjournment

I, (insert name) , move to Adjourn.

Second By: _____



Thank You!