

MINUTES OF THE  
SPECIAL MEETING OF THE  
  
JOINT BUDGET AND FINANCE COMMITTEE  
OF THE  
BOARDS OF DIRECTORS OF  
  
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE  
AND  
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE

April 24, 2024

A Special Hybrid Meeting of the Joint Budget and Finance Committee of the Boards of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC” dba Transco) was held at 30 Stott Avenue, Norwich, CT in person and via Zoom on Wednesday, April 24, 2024 at 1:30 p.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all proceedings and actions hereafter recorded occurred during the publicly open portions of the meeting.

**The following Committee Members participated via Zoom:**

Bozrah Light & Power: William Ballinger  
Groton Utilities: Ronald Gaudet, Yi Xiang (GU Non-Board Member)  
Groton Municipal Representative: Mark Oefinger  
Norwich Public Utilities: Christopher LaRose  
Norwich Municipal Representative: David Eggleston  
South Norwalk Electric & Water: David Westmoreland  
Third Taxing District: Kevin Barber

**The following Non-Voting Members participated via Zoom:**

Jewett City Department of Public Utilities: Louis Demicco, James Derusha  
Jewett City Municipal Representative: George Kennedy  
South Norwalk Electric & Water: Alan Huth

**The following CMEEC Staff members participated in person:**

Dave Meisinger, CMEEC CEO  
Patricia Meek, CMEEC Director of Finance & Accounting  
Joanne Menard, CMEEC Controller  
Candice DiVita, CMEEC Financial Analyst  
Margaret Job, CMEEC Paralegal and Compliance Manager  
Heidi Winnick, CMEEC Financial and Treasury Analyst

Ms. Job recorded.

Committee Chair Christopher LaRose called the meeting to order at 1:30 p.m. noting for the record that today's meeting is being held in person at 30 Stott Avenue, Norwich, CT and via Zoom. He explained that all participants' devices should remain on mute unless speaking to eliminate confusion and background noise. He requested participants state their names before speaking for clarity of the record.

### **Specific Agenda Items**

#### **A Public Comment Period**

No public comment was made.

#### **B Roll Call**

Ms. Job conducted roll call. Committee Chair LaRose confirmed a quorum of the Committee was present.

#### **C Approve the Minutes of the April 2, 2024 Special Hybrid Meeting of the CMEEC / CTMEEC Budget & Finance Committee**

**A motion was made by Committee Member Oefinger, seconded by Committee Member Gaudet to Approve the Minutes of the April 2, 2024 Special Meeting of the CMEEC / CTMEEC Budget & Finance Committee.**

**Motion passed unanimously.**

#### **D Review of First Quarter 2024 Financial Results (via Master Dashboard)**

Ms. Meek walked the Committee through the First Quarter Financial Results using the Master Dashboard PowerBI file. Ms. Meek continued to provide a high-level review of first quarter results in connection with Non-Fuel Operating and Board and Governance Expenses. Discussion followed.

#### **E Review of Capital Project Status**

Ms. Meek explained that the two Capital Projects highlighted in the material provided in advance of today's meeting are projects carried over from previous budget years. She noted that the Waste Water Treatment Plant project has been delayed with an expected completion date to occur in the second quarter of 2025. Ms. Meek noted that the Computer Room Fire Suppression System is expected to be completed in the second quarter of 2024.

Ms. Meek then provided a high-level review of the All In Forecast for both the Total CMEEC View and Rate 9 View highlighting the first quarter results for each.

## **F CMEEC 5-Year Financial Plan Discussion**

Ms. Meek explained that the 5-Year Financial Plan (the “Plan”) was posted to SharePoint with the Committee materials in advance of today’s meeting. She added that the only change made since this Committee reviewed this Plan at its meeting on January 16, 2024 was that projected values for each metric had been added, based on the 2024 Budget & Five-Year Forecast.

Ms. Meek informed the Committee that Mr. Silverstone provided comments to the materials related to the Plan for today’s meeting explaining that he would not be in attendance. Discussion followed in connection with whether a maximum cap on municipal rate stabilization funds (RSF) or minimum or maximum balances for the Municipal Competitive Trust (MCT) funds should be included in the Plan. The Committee agreed with the minimum balance requirement for the RSF included in the Plan, and that absent any savings targets for strategic purposes, no minimum or maximum cap should be imposed for the MCT funds. Both of these funds would continue to be managed at the discretion of the Member Utility and its Commission/Board.

After lengthy discussion, the Committee agreed that the Plan would remain a task of this Committee to review and monitor on an ongoing basis as well as use it as a tool during the budget process. The Committee also agreed that the Plan should be shared with the entire Board, but not until the Committee works to carve out portions of the Plan to create a policy (which would be subject to Board approval) focusing on metrics that impact CMEEC’s financial status.

Ms. Meek stated that she will create a draft policy based on today’s discussion to review at the July 24, 2024 Regular meeting of this Committee. Ms. Meek also informed the Committee that she is scheduling PFM Asset Management to present at that meeting. She stated that she will ask the MEUs to invite staff to talk about MCT funds and how to manage them.

## **G Update on the Renewal of the Bank of America Line of Credit with Possible Vote to Recommend to the Board for Approval**

Ms. Meek explained that the Special April 2, 2024 meeting of this Committee was to discuss a preview of the terms. She added that a resolution has been developed to go to the Board at its meeting on April 25, 2024 which will provide Mr. Meisinger with the authority to sign the renewal by April 30, 2024. Ms. Meek further explained that a Letter of Credit capability has been added to the Line of Credit to be used if the need arose. She further explained that a Promissory Note was added to the Letter of Credit as assurance that monies borrowed would be paid back. CMEEC’s bond counsel has reviewed the terms and has approved the language.

Because new terms have been added to the Line of Credit since this Committee last voted on April 2, 2024 to recommend approval of the resolution renewing the Line of Credit, the Committee agreed it would vote to recommend approval of the renewal of the Line of Credit with the amendments discussed today.

**A motion was made by Committee Member Oefinger, seconded by Committee Member Barber to recommend approval of the Bank of America Line of Credit as amended after the April 2, 2024 meeting.**

**Motion passed unanimously.**

## **H Adjourn**

**A motion was made by Committee Member Barber, seconded by Committee Member Oefinger to adjourn.**

**Motion passed unanimously.**

**The meeting was adjourned at 2:16 p.m.**