

MINUTES OF THE
REGULAR 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

October 15, 2021

A Regular 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” d/b/a “Transco”) was held via Zoom and telephonically on Friday, October 15, 2021 at 10:00 a.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 telephonically or via Zoom:

Groton Municipal Representative: Mark Oefinger
Norwich Public Utilities: Christopher LaRose, Stewart Peil, Robert Staley
Third Taxing District, East Norwalk: Kevin Barber

The following Non-Voting Members participated telephonically or via Zoom:

Bozrah Municipal Representative: Joseph Cirrito
Jewett City Department of Public Utilities: Louis Demicco
South Norwalk Electric and Water: Dawn DelGreco

The following CMEEC staff participated telephonically or via Zoom:

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire CMEEC General Counsel
Patricia Meek, CMEEC Director of Finance & Accounting
Joanne Menard, CMEEC Controller
Michael Rall, CMEEC Director of Asset Management
Margaret Job, CMEEC Paralegal and Compliance Specialist

Others participating telephonically or via Zoom:

David Silverstone, Esquire, Municipal Electric Consumer Advocate

Ms. Job recorded.

Committee Chair Christopher LaRose called the meeting to order at 10:01 a.m. noting for the record that the meeting is being held telephonically 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 was present.

C Approve Minutes of the October 1, 2021 Regular Meeting of the Joint CMEEC / CTMEEC Budget & Finance Committee

A motion was made by Committee Member Mark Oefinger, seconded by Committee Member Kevin Barber to Approve the Minutes of the October 1, 2021 Regular Meeting of the Joint Budget & Finance Committee.

Motion passed unanimously.

D Review Proposed 2022 CMEEC Budget for Salary and Benefits

Ms. Meek explained that the presentation before the Committee today is the same as was presented at the October 1, 2021 Regular Meeting of this Committee except that the amounts for Potential Wage Increases and Incentive Program were edited. Ms. Meek proceeded to explain the adjustments made.

E Review Proposed 2022 CMEEC Budget for Non-Fuel Operating Expenses

Ms. Meek explained that the Non-Fuel Operating Expense budget (NFO) includes operating and maintenance expenses for projects, administrative and general expenses and depreciation and amortization for items not purchased with bond proceeds. She added that although CMEEC is not within the jurisdiction of FERC, CMEEC does consider the FERC Uniform System of Accounts in its accounting practices.

Ms. Meek then highlighted that the Proposed 2022 CMEEC NFO is 18% below 2021 Budget and 8% below projected year end 2021. She then highlighted the factors that make up these decreases in budget and projected year end. Ms. Meek walked the Committee through the breakdown of the proposed budgets of each of the components that make up the Proposed 2022 CMEEC NFO budget as well as the Assumptions, Five Year Forecast and Appendix material.

Discussion followed.

F Proposed vote to Enter Executive Session Pursuant to C.G.S. §§ 1-210(b)(5)(A) and 1-210(b)(5)(B)

Ms. Kipnis explained that the information being discussed in Executive Session contains project statements and energy market analysis which contains proprietary information of CMEEC containing projections on what the market will do and that those projections are exclusive CMEEC formulas used to predict the market.

Committee Chair LaRose entertained a motion to enter Executive Session.

A motion was made by Committee Member Kevin Barber, seconded by Committee Member Robert Staley to enter Executive Session.

Motion passed unanimously.

The basis for entering Executive Session is as stated above. Members of the Committee, Messrs. Meisinger, Rall, Silverstone, Demicco, Cirrito and Ms. Kipnis, DelGreco, Meek, Menard and Job remained.

The Committee entered Executive Session at 10:34 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Committee re-entered Public Session at 11:05 a.m.

G New Business

Ms. Meek stated that there is a meeting of this Committee on October 29, 2021 and November 4, 2021. She explained that today's meeting covered the remainder of the proposed 2022 budget in anticipation of voting to recommend that the full Board approve it at their Annual and Regular Meeting, on November 18, 2021. The Committee agreed that it would be better to vote to recommend the proposed budget to the full Board at its meeting on October 29, 2021 to provide more Board members the opportunity to attend the Committee meeting and gain more insight into the proposed budgets.

Ms. Meek then proposed, and the Committee agreed, that the November 4, 2021 Regular meeting of this Committee be canceled, as review of all budget materials should be completed at the October 29th meeting.

H Adjourn

There being no further business to come before this Committee, Committee Chair LaRose entertained a motion to adjourn.

A motion was made by Committee Member Kevin Barber, seconded by Committee Member Stewart Peil to adjourn.

Motion passed unanimously.

The meeting was adjourned at 11:10 a.m.