

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 1, 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 1, 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 Utilities: Christopher LaRose; Robert Staley
Bozrah Light & Power: Scott Barber
South Norwalk Electric & Water: Scott Murphy
East Norwalk, Third Taxing District: Kevin Barber

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

Jewett City Department of Public Utilities: Louis Demicco
South Norwalk Electric & Water: Alan Huth

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
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 10:02 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 Action Items

A Public Comment Period

No public comment was made.

B Roll Call

Ms. Job conducted roll call with each participant responding individually as their names were called. Committee Chair LaRose confirmed a quorum was present.

C Approve Minutes of the September 17, 2021 Regular Meeting of the Joint Budget & Finance Committee

A motion was made by Committee Member Kevin Barber, seconded by Committee Member Mark Oefinger to Approve the Minutes of the September 17, 2021 Regular Meeting of the Joint Budget & Finance Committee.

Motion passed unanimously.

D Review Proposed 2022 Transco Budget

Ms. Meek provided an overview of the Proposed 2022 Transco Budget explaining the flow of funds between CMEEC and Transco. She then provided a deeper explanation of highlights of the proposed 2022 budget and presented different views of the information for the benefit of the Committee and members of the Board in attendance to see the detail of the Proposed 2022 budget. She highlighted differences between the 2021 approved budget and 2021 projected year end versus the Proposed 2022 budget.

Ms. Meek also discussed the five-year projection for Transco. She highlighted key budget assumptions and discussed next steps.

Upon Ms. Meek's inquiry, the Committee agreed that the summary of the Proposed 2022 Transco Budget in the form presented today will be presented to the Transco Board at its meeting on October 28, 2021 for approval.

Committee Chair LaRose then entertained a vote to recommend that the Transco Board approve the Proposed 2022 Transco Budget as presented to this Committee.

A motion was made by Committee Member Kevin Barber, seconded by Committee Member Robert Staley to Recommend the Approval of the Proposed 2022 Transco Budget to the Transco Board of Directors at its meeting on October 28, 2021.

Motion passed unanimously.

E Review of Proposed 2022 CMEEC Budget for Salary and Benefits

Ms. Meek walked the Committee through the presentation entitled CMEEC Proposed Salary and Benefits Budget 2022. She explained highlights of the proposed budget stating that both the salary and benefits expenses were 5% lower than the 2021 budget. She explained the factors contributing to that result.

Ms. Meek then reviewed the CMEEC Salaries by Position Proposed 2022 Budget. She identified the positions that have been re-assigned to different departments as a result of the elimination of one CMEEC department. She also highlighted the two departments with budgets for one additional FTE each. Committee Member Oefinger requested additional information to compare the proposed 2022 annual salaries versus the adopted and adjusted 2021 salaries.

Mr. Meisinger provided an overview of the 2021 Compensation Study which was the result of the Strategic Plan identifying it as an organizational development goal. He explained that an RFP was sent to several consulting firms. CMEEC chose Intandem, LLC which provided the lowest bid and was also the most highly recommended of all the RFP respondents. He explained the methodology followed for the study to develop pay grades for each job description that reflect internal equity and external competitiveness.

Part of the study included review and updating of all existing job descriptions by all staff and their supervisors. The management team then reviewed and evaluated these along with Human Resources and allocated points to all the positions using a proprietary point factor evaluation system. Mr. Meisinger added that the goal was to rank the relative importance of each job description at CMEEC and to group them into appropriate salary grades.

The next step was to determine salary ranges for each grade which the consultant helped define. Mr. Meisinger walked through the theory of how employee compensation evolves within the salary range in each grade, and also explained that the results of the Compensation Study are meant to be a guide in salary decisions for existing and new staff, rather than a rigid tool requiring any specific outcome for individual salary decisions

Lengthy discussion followed.

F Review Proposed 2022 CMEEC Capital Budget

Ms. Meek walked the Committee through the Proposed 2022 CMEEC Capital Budget slide deck. She also provided an update on the status of projects from the 2021 Capital Budget. Discussion followed.

Ms. Meek reminded the Committee that their next meeting will be on Friday, October 15, 2022 to discuss the Proposed 2022 Non-Fuel Operating Budget and Project statements.

G New Business

There was no new business.

H Adjourn

A motion was made by Committee Member Oefinger, seconded by Committee Member Kevin Barber to adjourn the meeting.

Motion passed unanimously.

The meeting was adjourned at 11:36 a.m.