

MINUTES OF THE
REGULAR HYBRID MEETING OF THE
JOINT BUDGET AND FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS OF
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE
AND
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE

April 22, 2025

A Regular Hybrid Meeting of the Joint Budget and Finance Committee of the Board of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC” dba Transco) was held in person at 30 Stott Avenue, Norwich, CT and via Zoom on Tuesday, April 22, 2025 at 10:00 a.m.

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

The following Committee Members participated via Zoom unless otherwise noted:

Bozrah Light & Power: William Ballinger
East Norwalk, Third Taxing District: Kevin Barber
East Norwalk Municipal Representative: Pete Johnson
Groton Utilities: Ronald Gaudet, Yi Xiang (Non-Board Committee Member)
Groton Municipal Representative: Mark Oefinger
Norwich Public Utilities: Christopher LaRose (in person), Robert Staley
Norwich Municipal Representative: David Eggleston
South Norwalk Electric & Water: David Westmoreland (left at 10:40 a.m.)

The following Non-Voting Members participated via Zoom:

Bozrah Light & Power: Scott Barber
Jewett City Department of Public Utilities: Elier Alvarado
Jewett City Municipal Representative: George Kennedy

The following CMEEC Staff participated in person unless otherwise noted:

Candice DiVita, CMEEC Financial Analyst
Lauren Gaudet, CMEEC Administrative & Sustainability Specialist
Chantal Maxwell, CMEEC Administrative Services Coordinator
Patricia Meek, CMEEC Director of Finance & Accounting
Dave Meisinger, CMEEC CEO (via Zoom)
Joanne Menard, CMEEC Controller

The following CMEEC staff participated in person unless otherwise noted (Cont'd):

Heidi Winnick, CMEEC Financial & Treasury Analyst (via Zoom)

Others participated via Zoom:

David Silverstone, Municipal Electric Consumer Advocate

Ms. Gaudet recorded.

Committee Chair Christopher LaRose called the meeting to order at 10:00 a.m. noting for the record that today's meeting is being held in person at 30 Stott Avenue, Norwich, CT and via Zoom. He reminded participants to keep their devices on mute unless speaking to eliminate background noise and to state their names when speaking for clarity of the record.

Specific Agenda Item

A Public Comment Period

No public comment was made.

B Roll Call

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

C Select 2025 Joint Budget & Finance Committee Chair

Committee Chair LaRose invited nominations for the position of 2025 Joint Budget & Finance Committee Chair. Both Committee Member Ballinger and Committee Member Xiang expressed interest.

Following some discussion, Committee Member Oefinger suggested that Committee Chair LaRose continue serving as Committee Chair in 2025 while mentoring Committee Members Ballinger and Xiang to ensure a seamless transition and to provide the Committee some succession planning options, given Committee Chair LaRose's upcoming retirement planned for January 1, 2026. Committee Member Gaudet nominated Committee Chair LaRose to continue to serve as Chair in 2025. No other nominations were made.

A motion was made by Committee Member Gaudet, seconded by Committee Member Johnson, to appoint Committee Member LaRose as Chair of the Joint Budget & Finance Committee for 2025. Committee Chair LaRose and Committee Member Xiang abstained.

Motion passed.

D Approve the Minutes of the November 1, 2024 Regular Hybrid Meeting of the Joint Budget & Finance Committee

A motion was made by Committee Member Oefinger, seconded by Committee Member Ballinger, to Approve the Minutes of the November 1, 2024 Regular Hybrid Meeting of the Joint Budget & Finance Committee. Committee Member Xiang abstained.

Motion passed.

E Review the Results of the Joint Budget & Finance Committee Self-Evaluation

Committee Chair LaRose thanked the Committee for their exceptional 100% response rate to their annual self-evaluation. He suggested that the lowest scoring questions could be turned into goals to be addressed at meetings with lighter agendas during the budget process.

Committee Chair LaRose then explained that Ms. Meek would be presenting the results of the Committee's self-evaluation.

Ms. Meek guided the Committee through the findings of its self-evaluation. She summarized which topics received high scores, mixed scores, and low scores.

F Discuss 2025 Committee Goals

Ms. Meek outlined the potential 2025 goals suggested in the Committee's self-evaluation. Committee Chair LaRose added that the proposal of any additional goals is welcome.

Extensive discussion followed.

In response to Mr. Silverstone's inquiry about the next steps for addressing the equity distribution calculation issue, Ms. Meek clarified that this matter would be discussed during the Joint CMEEC / CTMEEC Member Delegation meeting on May 1, 2025. She added that it will likely be referred to the Ad Hoc Charter Review Committee before possibly returning to this Committee to discuss any budget implications.

G Review the Joint Budget & Finance Committee Charter

Ms. Meek led the Committee through the proposed minor language clarification changes in the redline version of the Committee Charter that was provided in advance of the present meeting.

In response to Committee Member Ballinger's inquiry about the voting rights and possible positions, such as Committee Chair, that could be held by Committee Members not appointed to the Board, Mr. Meisinger explained that the matter will be explored and may be more explicitly defined by the Ad Hoc Charter Review Committee during the charter review process. The Committee agreed that further discussion could take place during the meetings of Ad Hoc Charter Review Committee.

At this time, Committee Chair LaRose entertained a motion to recommend the adoption of the amended Charter as presented at today's meeting by the Joint Board of Directors.

A motion was made by Committee Member Gaudet, seconded by Committee Member Oefinger, to recommend the adoption of the amended Budget & Finance Committee Charter as presented at today's meeting by the Joint Board of Directors. Committee Member Westmoreland abstained.

Motion passed.

Ms. Meek then outlined the meeting schedule for the 2026 budget. She emphasized that the meeting scheduled for October 24, 2025 is from 1:00 – 3:00 p.m. rather than 10:00 a.m. – 12:00 p.m. like the other meetings for the 2026 budget process.

H Review of 1st Quarter 2025 Operating Results

Ms. Meek walked the Committee through the CMEEC first quarter operating results using the Master Dashboard, leveraging the opportunity to provide further training on how to navigate the file.

Ms. Meek reviewed the power costs, project performance, CMEEC margin, and non-fuel operating costs for the first quarter, noting any significant variances.

Ms. Meek then reviewed the Transco Statement of Revenues, Expenses, and Changes in Net Position for the Month Ending March 31, 2025. She noted that everything was on budget for the first quarter.

Finally, Ms. Meek presented an overview of the CMEEC All In Forecast and the status of CMEEC 2025 Capital Projects.

I Review of 2024 Board Stipend Expense

Noting that this Committee is tasked with setting the rate of Board Compensation, Ms. Meek guided the Committee through the detail of the 2024 Board Stipend expense so they could evaluate whether any changes should be made for the 2026 budget. She reviewed the number of directors who were eligible for stipends and summarized the total stipends paid by the type of meeting, including the average cost per meeting. Ms. Meek also provided the total payments made to the Municipal Electric Consumer Advocate for 2024.

Committee Member Barber noted that he appreciated this data and thanked Ms. Meek and her team for their efforts in collecting and presenting it.

Discussion followed as to whether CMEEC should continue to pay stipends to Board and Committee members who are not employed by an MEU, with some Committee members indicating that their receipt of a stipend is not a significant factor in their decision to serve in this capacity.

The Committee agreed that staff should conduct an anonymous survey of Board Members to obtain a better understanding of how the Directors feel about the current stipend rates as well as the need for stipends generally. Ms. Meek added that the survey would be completed to allow for the results to be assessed by this Committee and/or the Ad Hoc Charter Review Committee.

Mr. Meisinger offered to contact the APPA to learn what amount of compensation other Boards of Directors in the industry receive for their meetings.

J CMEEC Finance & Accounting Department and Board Succession Planning

Ms. Meek explained that the Finance & Accounting Department has two retirements planned within the next two years. She further explained that two new hires will be made in the department at more “entry-level” positions, while more tenured staff will have re-assigned responsibilities once new staff members have been trained. Ms. Meek noted that one of the two new hires is scheduled to begin employment with CMEEC two days after the present meeting.

Ms. Meek added that the current Finance & Accounting Department will be broken in two, with one department continuing with accounting, reporting, budgeting, and year-end audit responsibilities, while another will continue with treasury and financial responsibilities and add an internal audit function.

K New Business

There was no new business.

I Adjourn

A motion was made by Committee Member Ballinger, seconded by Committee Member Johnson, to adjourn.

Motion passed unanimously.

The meeting was adjourned at 11:24 a.m.