

CITY OF GROTON UTILITIES COMMISSION

Minutes of **SPECIAL** Meeting

April 28, 2014

1. CALL TO ORDER

Chairperson Galbraith called the meeting to order at 1:35 p.m.

ROLL CALL

Present: Chairperson Mayor Marian K. Galbraith

Commissioners: Edward E. DeMuzzio, Paul A. Duarte, Shirleyann Dunbar-Rose, Bruce J. Fafard

Staff present: Director of Utilities Paul Yatcko
General Manager - IT Susan G. Blanchette-Gergen
General Manager - Utility Finance David F. Collard
General Manager - Electric Herbert D. Cummings
General Manager - Customer Service Tina M. Daniels
General Manager - Key Accounts Richard A. DeLorenze
Manager - Water / PAF Richard M. Stevens
Executive Assistant Deborah J. Gaudette

2. OLD BUSINESS

Agenda Item 2A – GUC-14-04-06: Consideration of and Action to approve the Operating and Capital Budgets for the Electric Division for Fiscal Year 2014-2015 as presented by Management

Commissioner Dunbar-Rose moved, **Commissioner Fafard** seconded to approve the Operating and Capital Budgets for the Electric Division for Fiscal Year 2014-2015 as presented by Management.

Director Yatcko outlined the change made to the Electric Division budgets due to a double entry of funds on the cash flow spreadsheet. The change improves the Electric Division net cash flow to \$624,000. General Manager Collard stated \$100,000 was added back to the Vehicle Replacement fund.

Mayor Galbraith asked if non-bonded capital projects funds remaining at the end of the fiscal year were included in a capital carry over account. General Manager Collard stated they were not as the funds are in the utility “checkbook” and not specifically earmarked for something else. The Commission discussed the differences between the accounts in the City of Groton budget (i.e. capital carry-over) and the Utilities budgets.

Director Yatcko and General Manager Collard responded to questions regarding rent from the Connecticut Municipal Electric Energy Cooperative’s MicroGen Project, and from Thames Valley Communications.

Motion carried.

Agenda Item 2B – GUC-14-04-07: Consideration of and Action to approve the Operating and Capital Budgets for the Water Division for Fiscal Year 2014-2015 as presented by Management

Commissioner DeMuzzio moved, **Commissioner Fafard** seconded to approve the Operating and Capital Budgets for the Water Division for Fiscal Year 2014-2015 as presented by Management.

Director Yatcko reviewed the changes made to the Water Division budget as directed by the Commission at its April 23rd meeting. Anticipated funds from the proposed rate increase have been added to the reserve account for the Water Treatment Plant Upgrade project. The Commission discussed reserve and restricted accounts, the cash flow balance, and whether balances in restricted amounts are carried over to the next fiscal year. There was some discussion on how the City Finance Director determines the reserve funds amounts based on cash flow needs at the end of the year and total utility cash needs, not just those of the Water Division.

The Commission requested \$250,000 be added as a line item for part of the Water Main Rehabilitation Project.

Motion carried.

Agenda Item 2C - Commission Governance Discussion – Commission Fafard commented on a summary of the book *Getting Started with Policy Governance: Bringing Purpose, Integrity and Efficiency to your Board's Work* by Caroline Oliver that was sent to the Commissioners. Commissioner Fafard's intent for this discussion was to set the stage of what policy governance is, how it functions, and what the implications are. If the Commission is serious in pursuing looking into policy governance, Commission Fafard recommended purchasing copies of the book for each Commissioner, and working through the chapters and worksheets together. Director Yatcko offered to purchase the copies and have them delivered to the Commission. The Commission agreed to add a policy governance discussion to the monthly meeting agendas.

3. ADJOURNMENT

There being no further business, at 2:56 p.m., **Commissioner Fafard** moved, **Commissioner Duarte** this meeting adjourn. **Motion carried.**

Attest:

Paul Duarte
Clerk