

REPRESENTATIVE POLICY BOARD

JANUARY 26, 2023

MEETING TRANSCRIPTION

Mario:

Okay, recording has started. The first item on the agenda is the safety moment, the snow shoveling safety. Don't eat and smoke and shovel. Make sure you stretch. Shovel the light stuff. And push it, don't lift it. And actually find a neighbor to do it for you, that's the most important part. Help the economy along, find some kid to do your snow shoveling for you.

So please read through that in detail. And anyone who's over the age of 40 should really pay attention to this. Fortunately, none of us are in this group. I will call to see if there's anyone from the public who wishes to make a public comment. Is there anyone from the public? Anyone from the public?

Tara:

Mario, there's one person from the public.

Mario:

Okay.

Tara:

Her name is Holly.

Mario:

Holly?

Tara:

Yes.

Mario:

Okay. Holly, did you wish to make a comment? This is if you wish to address the board on any issues. Okay, hearing none, I will move on.

The next item of business is the approval of the minutes of December 15th, 2022.

Tom:

So moved.

Jamie:

Seconded.

Mario:

Okay, we have a motion. Who was that?

Representative Policy Board

January 26, 2023

Tom:

Tom Clifford.

Mario:

Tom, thank you very much. A second?

Jamie:

Jamie, second.

Greg:

Second. This is Greg.

Mario:

Okay, Greg seconded. Any addition, corrections or amendments to the minutes? Okay, hearing none. I'll try your minds. All those in favor say aye.

Board:

Aye.

Mario:

Anyone opposed? Anyone abstaining? Okay, the minutes have been approved. Thank you very much.

That brings us to communications. A standard mileage rate, effective January 1, has increased by 3 cents per mile, which is 65.50 cents. All right? And the mileage reimbursement forms are included, so please complete the mileage reimbursement form through the end of 2022, and the mileage rates are on that form. If you don't have one, please either email Tara or Jennifer and get those in hopefully by the end of the week. Okay, that's a standard mileage.

RPB quarterly dashboard report, there is a report in your package for information. We'll be talking about that under items for consideration and action. As you recall, the Finance Committee looks at this in detail, and this includes some revisions that were recommended. So please take a look at that.

Also in your packet was an organizational chart. This is something that the RPB is always interested in as to who's on first, who's on second. And just a clarification for everyone, you will see, for example, Rochelle and Dennis are both kind of in the same column. That's to fit them on the same sheet and fit all these people on the sheet. So Rochelle, Dennis, Elizabeth, Sonny, Jim Hill, Phil Vece, Prem, and Tara, all report up to Larry. So hopefully you're reading it in that way. And then the people underneath them are reporting up to them. So that's the current org chart.

I will ask, if you do have a question for someone on staff, if you would please run those through either Jennifer, or if Jennifer hits the lottery through Tara. And this way they will follow up with whoever it is on staff that really needs to get you the answer. I find it efficient, I think David finds it efficient. And then you're not trying to figure out who it is that you need to talk to in the note, the right person will end up calling you back.

Hybrid meetings is the next item of business. We met as the Executive Committee and we decided that for the month of February, and the COVID numbers are down, and hospitalizations are down this week, which is good. We've been on a downward trend this month. So hybrid meetings will begin with the RPB

January 26, 2023

meeting in February. So next month, I believe it's the 23rd of February, we have an in-person and virtual meeting, so you have your choice as to which one you wish to attend or how you wish to attend.

We do ask that you let Jennifer know if you will be attending in-person. This way she doesn't order some food that people aren't going to eat, and we know how to arrange the room. Because we're going to try and keep the seats as far apart as possible for the meeting. Also, staff will mostly be virtual, so they'll be on the hybrid side, other than perhaps a couple of people who may be providing a report.

So good news, all the committees will be discussing how they wish to proceed moving forward with hybrid or in-person meetings, or just sticking with the virtual. So as you have your committee meetings, that will be going on. Okay?

Greg:

Mario. This is Greg.

Mario:

Yes, sir.

Greg:

Are you going to require masks?

Mario:

Greg, a mask is always an option, but it wasn't going to be a requirement.

Greg:

Okay.

Mario:

Okay?

Greg:

Yes, thank you.

Mario:

I think with the numbers kind of being down, didn't see any reason to require it at this point. If anyone feels that they're uncomfortable and they wish to come in-person, not a problem with a mask. And that's another reason to know how many people, so we could keep people as far apart as possible. Okay?

Greg:

Yep. Thank you.

Mario:

No problem. Any other communications, Tara or Jennifer?

Jennifer:

No. [Inaudible 00:07:40].

Mario:

Okay. Thank you very much. Items for consideration and action. We have a Finance Committee recommendation about the issuance test rate application. Mr. Slocum, has a proposed resolution?

Tim:

Here we go. Mr. Chairman, there is a proposed resolution. Well, it was proposed by us, but I guess now it's a resolution.

Whereas the South Central Connecticut Regional Water Authority on December 27th, 2022, filed an issuance rate test application to the Representative Policy Board. And whereas the Finance Committee of the Representative Policy Board reviewed the application and recommends that it be accepted by the RPB as complete. And whereas the Finance Committee recommends the public hearing be conducted by a presiding member. And whereas the Representative Policy Board is desirous of accepting said application is complete, then scheduling said application for public hearing in accordance with Special Act 77-98, as amended RPB bylaws and the RPB description of organization rules of practice and procedures for consumer complaints.

Now, therefore, be it resolved that the RPB hereby accepts the authority's issuance rate test application as a completed application, substantially in the form submitted to this meeting and determines to hold a public hearing on the application conducted by a presiding member on February 23rd, 2023, at 7:00 PM via hybrid meeting. And resolved further that the chairperson is hereby directed to give notice of said hearing in accordance with section 11 of the rules of practice as amended. Here ends the resolution.

Mario:

That is in the form of a motion, sir?

Tim:

It is indeed.

Mario:

And is there a second, please?

Jamie:

I will second it. This is Jamie.

Mario:

Thank you, Jamie. Discussion, Tim?

Tim:

Representative Policy Board

January 26, 2023

Well, it's a fairly straightforward perfunctory act that we must do. Obviously, they have to advance this for public hearing. We have to make review of the application, and therefore we have done so. And this sets in motion what has to come next at a public hearing, as mentioned, on February 23rd, 2023.

Mario:

I had a question for Mr. Donofrio if I may. Jeff, you good with that timeframe?

Jeff:

Yes, sir.

Mario:

Okay. Just confirming, thank you very much.

Jeff:

Yes, that's okay.

Mario:

Vin Marino has agreed to be the presiding member, if anyone is interested.

Tim:

I was going to say.

Mario:

Okay. Any other discussion on the motion? Hearing none. All those in favor say aye.

Board:

Aye.

Mario:

Anyone opposed? Anyone abstaining? Okay, thank you very much, Tim.

Tim:

Thank you.

Mario:

The next item is Consumer Affairs Committee's possible recommendation regarding revisions to the RWA Rules and Regulations for Water Service. Mr. Mongillo.

Stephen:

Good evening. Thank you, Mario. At our meeting on Monday, Prem went over some updates to the rules and regulations for water service. They needed to be updated because of changes in policy and also because of the monthly billing and the new rate case. So these were all kind of minor changes, there's nothing substantial.

Representative Policy Board

January 26, 2023

He went through them individually and the committee voted to approve and recommend these changes in the form of the proposed resolution that sits here, dated January 26th.

Whereas the South Central Connecticut Regional Water Authority submitted proposed revisions to its rules and regulations for water service, and its rules, regulations, and rates governing the extension of water mains to the Representative Policy Board, RPB, for its consideration and approval.

And whereas the Representative Policy Board Consumer Affairs Committee reviewed the proposed revisions at its January 23rd, 2023, meeting and recommended changes to the RPB for approval. Now, therefore, be it resolved that the proposed revisions to the South Central Connecticut Regional Water Authority's rules and regulations for water service, and its rules, regulations, and rates governing the extension of water mains be and hereby are approved substantially in the form submitted to the meeting.

Mario:

And that is in the form of a motion, Steve?

Stephen:

Yes.

Mario:

And is there a second?

Tim:

I will second.

Mario:

Okay. Tim, second. Discussion?

Brian:

This is Brian Eitzer.

Mario:

Yes, Brian.

Brian:

Quick question. These were submitted to the Consumer Affairs, but were they submitted to us as well?

Stephen:

No.

Brian:

No, okay.

Stephen:

Representative Policy Board
January 26, 2023

It was up to our committee to approve those changes.

Brian:

Okay. And if you think that they're good, I'm fine with it. I just wanted to make sure that I hadn't missed something.

Stephen:

No, and as I said, we've done this several times before, as sort of things change within the organization as to procedures and billing and rates. So the book needs to get updated to reflect what the current standards are. It's basically housekeeping.

Mario:

Other questions? All right, hearing none. All those in favor say aye.

Board:

Aye.

Mario:

Anyone opposed? Anyone abstaining? Okay, that passes. Thank you very much, Steve.

Stephen:

Yes.

Mario:

Next item of business is the Finance Committee's possible recommendations regarding the RPB Dashboard updates. Mr. Slocum?

Tim:

This will be in the form of a motion. This is dated January 26th, 2023. Whereas on December 12th, 2022 and January 9th, 2023, management reviewed updates to the Representative Policy Board dashboard report with the RPB Finance Committee.

And whereas after review, it was the consensus of the RPB Finance Committee to accept the updated report made by management, and recommends the updated report to the RPB. Now, therefore, be it resolved that based on the recommendation the Finance Committee, the RPB hereby adopts the updated report as presented.

Mario:

Thank you very much, Tim. Is there a second?

Jay:

I'll second it. Mr. Chairman.

Mario:

Thank you, Jay. Any comments?

Tim:

Yes. I know included in our, quote unquote, packages tonight, packets, whatever we want to call them, indicated as a draft was the dashboard metric. And it's been revised to some extent, included really note four on the bottom of the second page is really new and we felt very important. And there's some lack of information within that because it was sort of not ready to be ready for this meeting.

But it sort of fine-tuned some of the asks that we thought were more meaningful for the policy ward as a whole, than some of the information provided in the past. So this sort of focuses on some of our maybe more important requirements, knowing about bad receivables, things like that. Things that we may have concerns about in a more immediacy of life and operations, pension value accounts, the draw requirements, the coverage, all of those things that we have been seeing.

But some of these additions, which I think most of us will find more valuable. And management will be really... They think it would also be more useful to us. So that's in essence what it was all about. Required some conversation borne out of concerns expressed earlier in the past year. So here we go, that's the conclusion of our efforts.

Mario:

Any questions? I want to thank management for making the revisions, as was discussed, and adding to some water quality information, and some information on continuation of service to service disruptions, that type of thing. Which is all good to know and gives people an idea of what's going on at a glance. Okay, hearing none. We have a motion and a second. All those in favor say aye.

Board:

Aye.

Mario:

Anyone opposed? Anyone abstaining? Okay, thank you very much. Next item is the Representative Policy Board fourth quarter 2022 compensation, is there a motion to accept this substantially correct?

Stephen:

So moved.

Mario:

Thank you, Steve. A second, please?

Greg:

Second.

Mario:

Second. I believe that was Greg?

Greg:

Yes.

Mario:

Any discussion? If you do see a meeting that you think you attended, please give Jennifer a call, and do it this week, and she will double-check the records. Okay. And if you see a meeting you didn't attend, give Jennifer two calls just to make sure she gets it recorded accordingly. All right, any discussion? All those in favor say aye.

Board:

Aye.

Mario:

Opposed? Abstaining? Okay, thank you very much. That brings us to the reports. And the first one up is Finance Committee, Mr. Slocum.

Tim:

Thank you, Mr. Chairman. Well, essentially our report is reflected in the two motions there were advanced tonight and approved, that is much of what our activity had been about at that meeting and prior, as a matter of fact.

We also did have the quarterly financial reports for the second quarter, which included updates for the balance sheet, the revenues, the expenses, operating maintenance, and the variances thereof.

And then assignments were made for committee members to attend authority meetings for the next four months. And that was essentially the composition of that last meeting. That meeting was January 9th. And our next meeting is February 13th. And that's more or less my report.

Mario:

Thank you very much, Tim. Any questions? All right, thank you. Next is the Land Use Committee. And live and in-person is Mr. Betkoski.

Peter:

Thank you, Mr. Chairman. Can you hear me loud and clear?

Mario:

Loud and clear.

Peter:

Okay, great. At our monthly meeting in January 11th, it was virtual, obviously. Went to our safety moment, approval minutes. A big part of our meeting was Lisa DiFrancesco from the Whitney Water Center. She went over the outreach program that we offered to the children and the students in our districts. It was a phenomenal report.

And I will, when I speak with Larry on my own, she can use a little help, like an assistant, we come to that conclusion. But her report is in my minutes. And I'm sure it's in a email to Jennifer, so take a look at that. But that program... I'm so proud to be part of Regional Water when you hear about that kind of program, it's an amazing opportunity for the young kids.

Representative Policy Board

January 26, 2023

Other items were John Triana gave us our invasive procedure update and property rentals. That's also in the minutes. And our meetings are pretty long. And Sunny was also there for [inaudible 00:21:20], I believe.

Today, Greg, I believe sat in the Authority meeting. So thank you, Greg.

Greg:

Thank you.

Peter:

Yes. And our next regular meeting is February 8th at 5:30. And do we have any questions?

Mario:

Any questions for Peter?

Stephen:

Hey Peter, I have a question. This is Steve.

Peter:

Yes.

Stephen:

I was just... How did they do... They had virtual meetings for students during the COVID period.

Peter:

Exactly, yes.

Stephen:

So that program was able to go on and continue?

Peter:

It sure was, yep. She did a phenomenal job. And I think the COVID benefited the program. And if anyone wants to chime in from Land Use? Because of the virtual part of it, and it helped the teachers with getting it through to the kids.

But yes, they did have it going. And it has the pre-COVID average of the students in the school years, et cetera. It's all in our minutes, Steve.

Stephen:

Okay. I also noticed that there was a problem with dumping a lot of tires on the Skiff Street property in Hamden. I mean, that's such a busy area, it's hard to imagine anyone could get away with doing that, but.

Peter:

Representative Policy Board
January 26, 2023

They're on it, I believe. Is the police [inaudible 00:22:56] close by there? The Town Hall? One or the other is close, Steve.

Stephen:

That's been resolved now? As far as cleaning the property?

Peter:

Well, yeah. Well, we've cleaned it. And the police and Regional Water is on it to hopefully catch whoever's doing it. Because, like you said, it's almost right in the open.

Stephen:

I know. Also there was an article on the front page of The Register about the Ives Street house. And they're finally redoing that house, so it's nice to see that property getting updated.

Peter:

Correct, yep. So they're on the tire [inaudible 00:23:38]. We're really upset about that.

Tim:

I had a question, Peter, if I may? If you're done, Steve?

Stephen:

Yes.

Tim:

I too did see that article, it was very nice to see the beautiful job they're doing on that Hamden house. That's going to be really something else.

Peter, in the report... And I know this comes from management, so they can chime in if they choose. I'm just looking for a little clarity on the reservoir levels. The December 31st, 2022, that's the previous year or the current year? I guess it would be the current year.

Peter:

Well, yeah-

Tim:

Is that correct? Okay. So that states that they're 80% full.

Peter:

Correct.

Tim:

What about the rainfall numbers? Because it says fiscal year to date, which is June 1st, '22, with a dash to where? Date they reported? That's the end of the year.

Representative Policy Board

January 26, 2023

I mean, it seems like there's nothing but rain coming down, and I was just wondering. I mean, maybe it's just me and I'm depressed with all the gray weather like everybody else, and I really don't get that depressed. But to see all the water gushing over the Whitney Dam coming out of the Haven today... Of course I know that's past this report, but I just was surprised at those numbers.

Larry:

Tim, this is Larry. Interestingly enough, fiscal year '23 to date, so this is through January 15th, total rainfall totaled 25.25 inches. And that was three and a half inches lower than the long term average of 28.82 inches.

Tim:

That's really amazing. That's interesting.

Larry:

But it's probably a matter of pattern too.

Tim:

Sure.

Larry:

Because at this time of the year we're usually getting snow. Instead we're getting rain, so.

Tim:

Yeah. Absent a hurricane maybe. Yeah, who knows? Interesting. I'm not overly concerned, there's plenty of puddles around. Okay. Well, thank you.

Peter:

Thanks for the update there, Larry. Bailing me out. Tim, I hope he gave you your answers.

Tim:

Oh, no. I didn't want to put you on the spot, that's why I chimed in.

Peter:

That's okay.

Tim:

I know we're the working class, they're the professional class. That's their job, but...

Mario:

Any other questions for Peter? Okay, thank you very much, Peter.

Peter:

Thank you.

Mario:

Consumer Affairs Committee, Mr. Mongillo?

Stephen:

Good evening. Consumer Affairs has met twice since our last meeting. In December, we had a joint meeting with finance, and the main topic for the meeting was an update on the accounts receivable strategy. That discussion was held in executive session, so I'm not able to report on it in detail.

What I can tell the board is that we got a lot of good information. There is a well-developed, I think, reasonable and well thought out strategy. It is robust. And I'll leave it at that. We got a good update on that particular subject.

This past Monday, our January meeting, we had another executive session as our main meeting topic, because it was an update on security on RWA Lance. And the reason that Consumer Affairs asked for that update was that we just had some questions and concerns, as a follow-up to the previous presentation that was given to us late last year. So Sonny was there, Prem, and Paul Ruggiero from the police department provided a lot of information. We had a pretty long discussion and an explanation of what was happening.

We just wanted to understand the extent of the issue, which was very well explained. It is a serious issue and illegal trespassing is very potentially harmful to both the property and the infrastructure. As you know, with our recreation program we have strict limits on how people can be there. So it controls kind of the use of that land. But otherwise it's an issue. So hopefully the approach, all the different ideas and proposals to resolve some of those issues, will work because it's important.

Prem also went through the rules and regulations updates, as I mentioned, at our meeting. Went through them in detail so that we would know what was there. And it resulted in the proposal that we had tonight.

Jeff, first we looked at the OCA budget with regard to the 2023 budget. He has proposed 50,000, which has been the same amount for 15 years. And we approved that budget for 2023. There's another issue with regard to rates that the OCA charges, because that rate change has only occurred once. It occurred in 2018, since he's been there since in that 15 year time. So we decided that at our next meeting we were going to have a little discussion about the rate and what that might be currently. Jeff's been basically looking at the new rate case, no major consumer issues to report.

And you already talked about how we would conduct meetings in the future. And I brought the issue to Consumer Affairs and they were able to weigh in. Consumer Affairs members seem to the idea of a hybrid meeting, or the option of that for the future. There are legitimate reasons, either other close meetings that you might be able to attend if you're not feeling well, long distances to travel, away on business. And ways that you could still be part of the meeting. So it's really good to have that, the electronic option available. And that was pretty much it for Consumer Affairs.

Mario:

Okay. Thank you for bringing that up in your meeting, Steve, appreciate it.

Stephen:

Yes.

Mario:

Representative Policy Board
January 26, 2023

Any questions for Steve and Consumer Affairs? Okay, thank you for that thorough report.

Stephen:

Thank you.

Mario:

The Executive Committee met on January 18th. This year we actually scheduled four meetings, so we would have regular meetings instead of each one being a special meeting. So that, as issues come up, we can discuss them.

Our biggest reason for scheduling the meeting was to talk about virtual hybrid and public hearings, and that kind of thing. So you've got the report, come February the RPB will be meeting in a hybrid situation. And the thought is that we probably will continue in that manner for some foreseeable future, and maybe into the future.

We also talked about the organization chart, just to make sure we got that update, which you've all received. We discussed some of the meetings coming up, and making sure that all the committees have information they need, they're getting support that they need.

We'll be meeting again in April, April 20th, right after the meetings on the budget that are scheduled, the special meetings. So that'll be coming up. And we'll be putting together a nominating committee probably in April for officers for the RPB in next year.

I did bring up, and I wanted to thank, Jennifer has been very good at following up with questions about freedom of information that came out. Different towns send out different information, and so she's been bird dogging, getting responses. And reached out to our attorneys, and both of them were very helpful with their responses. So I want to thank you. I know Jeff is here, I'm not sure if anyone's here from Murtha, but thank you all for providing input.

Also on February 14th, I believe, Jim, is a meeting at the Lake Whitney Treatment Plant, which is the annual meeting for that. Or is that not correct?

Stephen:

No, it's not at the plant, Mario. If you're talking about the update on the Whitney plan?

Mario:

Yes.

Stephen:

Yeah. It's going to be held at the Education Center.

Mario:

Okay. So it's at the Education Center across the street?

Stephen:

Yeah. It's across the street, yeah.

Mario:

Representative Policy Board
January 26, 2023

I'll ask if Jennifer or Tara could send out that meeting notice to everyone?

Stephen:

She already did, Mario. I believe.

Jamie:

She did.

Brian:

She did.

Mario:

Okay, I apologize. Wow.

Jennifer:

I can resend it, if you want me to. I'll resend it.

Mario:

Please.

Peter:

Yeah. I like that idea, Jen.

Mario:

Thank you. Because now we're getting closer. And this way you can give something to your Valentine, take them out for the evening.

Stephen:

Yeah. I would suggest closer to the meeting, so it's a reminder to everybody.

Mario:

Yes, a few days before. And that was pretty much it. If there's any questions about the Executive Committee meeting? Okay, thank you very much. Authority and Management. David, Larry?

David:

Good evening everybody. Thank you, Mario. Appreciate the introduction. We had a robust meeting this afternoon. And we started out with the Pension and Benefits Committee. And Suzanne, as always, will have an exciting report about our numbers.

Suzanne:

Good evening, everyone. Can you hear me okay?

David:

January 26, 2023

Yes.

Suzanne:

Okay, great. So we discussed, as always, the quarterly performance and review of the Viba and the pension plans. The key discussion points for us today were that Morgan Stanley took us through and provided their perspective on the market environment, and reviewed our asset allocation of the portfolio, and the performance of the pension and the Viba plans.

The combined pension and VEBA plan return for the quarter ending December 31st, 2022, was 6.78%. Which is 5.09% higher than the actuarial return for that quarter, which is 1.69%. The return for the combined pension and Viva plans for the 12-month period that ended in December 31st, or the calendar year, was a negative 12.85%. 19.6 points lower than the actuarial return for that same period of positive 6.75%. It should be noted that this does reflect a small improvement from the quarter ending September 30th, 2022.

For the period May 31st, 2022, through December 31st, 2022, or our fiscal year to date, the return for the combined pension and Viva plans was a negative 3.70, or 7.64% lower than the actuarial return of a positive 3.94% for that same seven-month period.

As an additional comparison over the last five years, December 31st, 2017, to December 31st, 2022, the combined return of the plan was reported at a positive 3.82%. For an additional point of reference, the trailing five years ending in December 31st, 2021, the combined return was 9.86. This demonstrates how the market environment has changed from one year ago.

So those are all of our return numbers for the various periods that we look at each time, each quarter. Does anybody have any questions?

Mario:

Questions for Suzanne?

Suzanne:

Yes, Mario?

Mario:

No, no, thank you. I was just asking.

Suzanne:

Oh, thank you.

Mario:

Thank you very much.

Suzanne:

Thank you very much. I'll turn it back to David.

David:

Oh, Mr. Slocum, did you have a...?

Tim:

Yeah, I did. Yeah, I had a little quick question. That 12% off down type of thing, how consistent, unless I just overlooked your commentary, is that with the market in general? I mean, is that better than the market as a whole? I realize we have more conservative investments and things of that nature, but is it better than most? Comparable to most? About as bad as it gets?

Suzanne:

Yeah. That's an important question to ask every single time we report out on earnings for our plans. So generally as a rule... And no one period is more important than another, but generally as a rule, our asset allocation and our professional money management does help us perform better than what is called the investment benchmark that you would compare it to.

So there are various benchmarks that we look at that give us an indication of what the, quote unquote, market is doing. And we almost always, in all cases, exceed that.

But what's really important for us, for funding and for payment of our liabilities, is to make our benchmark that the actuarial folks put together. And that, in this particular period, was less than, but the quarter was positive.

So at the end of the day, generally we outperform our investment benchmarks, which is good. But we'd like to see us do better against our actuarial benchmarks.

Tim:

Mm-hm. Thank you for that. Not surprised by the response, but-

Suzanne:

And in the ways that we should.

Tim:

Right.

Suzanne:

Say again?

Tim:

Not surprised by your assessment. But comforted by the fact that it's not a disaster, obviously.

Suzanne:

Yeah. And it's not at market, it's not below market. So we can take comfort in the fact that we did not go down as low as the market itself went.

Tim:

Right.

Suzanne:

Measured by these benchmarks.

Tim:

Right. Thank you.

Suzanne:

Yep. Anything else from anybody else? Well, thank you very much. And I'll turn it back to you, David.

David:

Yes. Thank you, Suzanne. Appreciate that. We also met as a Compensation Committee, and I will pinch it for Tony DiSalvo, Chairman of that. We had the CEO performance review. We are in the process of reviewing a different format to use, which we hope is going to be considered more interactive, more comprehensive, more contemporary, and participatory for the CEO performance. Which we will use in the summer when we do his year-end evaluation. But we started talking about it now, so we're prepared with the right format that we're going to use.

We also reviewed the CEO personal priorities, which we're at the six-month point now. So we reviewed that for the six-month status. And the CEO added three key fiscal 2023 metrics and priorities to his list, so now we have seven priorities of the CEO for the fiscal year; financial health, commercial growth, water system needs, workplace culture, leadership development, community engagement, and board relations. So those are going to be priorities that we have for him to lead the staff, lead the organization, to make sure that we are very strong in those categories, in addition to the daily operations of the business.

So with that, I'll ask if there's any questions anybody would like to know? All right. With that, I'll hand it over to Larry for the business portion of the meeting.

Larry:

Thank you very much, Mr. Borowy. And before I go into some of my overview on the finances, I'll ask Mrs. Calo to provide an update on COVID-19 at the RWA.

Liz:

Sure, sure. So from the last reporting, we had three new cases that were reported. We are now at a total of 127. We have no work trends or anything that's alarming. Our vaccine rate still is 85%. Connecticut COVID positivity rate is 15.56. So nothing really to report on, it's still pretty much status quo. We continue to follow the CDC guidelines. Any questions for me?

Mario:

Thank you, Liz.

Larry:

Thank you, Liz. So after seven months of actual results through December 31st, our operating revenues are over budget by about \$2.8 million. And that's due to our total water revenues being over budget by about \$2.5 million. And that's primarily due to higher than anticipated consumption. So I think we're still seeing some of the effects of employees staying home and using more water.

And the increase in revenues is also due to our other revenues being over budget by about \$260,000. And these are things like jobbing, our backflow device tests, our outside lab services, and pipe safety.

The operating and maintenance expenses are under budget by about \$4.1 million. And we're looking at that as probably only \$1 million at this point it's probably permanent savings. The other \$3 million we think may be timing, but that'll be subject to further adjustment as we move through the fiscal year.

When you do all the puts and takes, we are projecting coverage about one point higher than it was last month, and that's now currently projected at 124% with no shortfall. And that compares of course to our budget of 114% coverage with no shortfall.

So the higher projected coverage reflects the higher than anticipated interest earnings and water revenue. So clearly the higher interest rate environment, while it's more expensive to finance things, we're also making more money with the funds that we have in the various funds that we're required to put that money into.

Also contributing to the higher coverage is a lower pilot than we had budgeted, and debt service expense being related to the DWSRF timing is a little bit later in the fiscal year than we had planned on. And of course, we're always ever mindful about the overall economic environment, including the economy and our customer's ability to pay.

So now here's the real information that you're looking for. The storage, as of January 17th, was at 84% compared to a long-term average of 75% for the same period. So with that, I'd be glad to take any questions you might have.

Mario:

Questions for Larry, David? Are those audited reservoir levels, Larry? Or is that preliminary?

Larry:

Those are preliminary by our natural resource analyst. And she's very, very capable of measuring those, so I would put money on it even though they're not audited.

Mario:

Okay, thank you. All right, thank you.

Jamie:

I have a question. And I don't know if it goes to David or Larry. But I think David said that board relations was added to the CEO, Larry's, priorities. So what brought that on? Or can you talk about the plan or what you're thinking?

Larry:

Sure.

David:

Well, it's always been a priority... Oh.

Jay:

Go ahead. No, please, David, go ahead.

David:

January 26, 2023

Well, I'll start it. It's always been a priority that Larry have a positive working relationship with both boards, because it is unusual that there are two boards to work with. And we believe he does, I think most of you seem to agree, because you feel that there's open and transparency, and ability to work together.

But it's always been a priority that that stay that way. Because I will tell you, as one who's been here about 20 years now, that wasn't necessarily always the case before Larry got here. And so it's been a priority. And as far as I'm concerned, it always will be.

Larry:

Absolutely. So, Jamie, that last year, I think it was, I met with most of the Authority members to get their perspective on how management was interacting with them, and if we were providing enough information sufficiently in advance of meetings, to make sure that they were informed of items prior to the RPB knowing about it because of their [inaudible 00:47:05] responsibilities.

And then I'm meeting with the RPB committee chair, so I met with Tim Slocum. And it's essentially a discussion about, is management providing all the information that they need? Do they feel like there's transparency? Are we being responsive to their requests? Is there anything they'd like to see us do different?

So I've met with Tim. Meetings either have been, are in the process of being, scheduled with Steve Mongillo for Consumer Affairs, and of course Peter Betkoski for the Land Use Committee. And we'll also schedule one with Justin [inaudible 00:47:41], OCA, to [inaudible 00:47:44] in his view [inaudible 00:47:49].

Jamie:

Thank you. I, for one, think you're doing an excellent job. And I've been on the board for over three years now, and I think you do an excellent job communicating with RPB and with the individuals, certainly finance and at Land Use.

And you've always been responsive, your team is responsive, you're proactive. I know you've met with all of our members, and even our first selectmen. So kudos to you and your team for what you do.

Larry:

Thank you very much, Jamie. We appreciate that. We're always looking for continuous improvement, so we welcome ideas and thoughts. But thank you very much.

Tim:

If I could chime in, since my name came up in Larry's disclosure. We did have a very excellent meeting. And for me personally, it was an opportunity to have a really frank conversation. He could do the same. It was a good opportunity. So I'd encourage any of us, when asked, to get it over with, because it was very good. And you walk away with a lot in both doorways, so it was good. And yes, kudos to you, Larry. So far, so good.

Larry:

Thank you, Tim.

Mario:

Representative Policy Board

January 26, 2023

Any other questions, comments? Anything else, David?

David:

No, that's it.

Mario:

All right.

David:

Thank you.

Mario:

Thank you very much. Appreciate that, appreciate the input.

A couple of items. One, I know a couple of people reached out to me, and I wanted to thank Tara for getting the information out. Tara is Jennifer's backup, in case you were not aware. So when she does hit the lottery, then we can continue to meet in an appropriate fashion. And I think you've done a very good job, Tara. I know you were getting a little nervous at the beginning, but you've done well, so thank you very much.

Tara:

Thank you.

Mario:

February 23rd is our next meeting. That will be in-person or virtual, your choice. It will be a hybrid meeting. It is a public hearing on the rate case. So if you have questions or interrogatories, if you want to be very formal, please get those in as soon as possible to give Rochelle as much time to come up with the appropriate response. And this way you can digest it beforehand.

I know Jeff is working hard on it, and he will have his usual set of comments slash questions. But please do it... You don't have to create a 20-page document. If you have some questions, just put them in an email. And I would suggest send them to Jennifer, who will forward them on, and this way there'll be a record of them. Okay?

And with that, Mr. Donofrio, did you have any items?

Greg:

Mario, if I could just very quickly...?

Mario:

Yes, Greg?

Greg:

I'm sorry. I think, did we announce a guest as being Holly?

Mario:

Representative Policy Board

January 26, 2023

There was at the beginning a guest, Holly?

Greg:

Yeah. Well, I think that's because I had a house guest use my Zoom account and she left her name on here. I'm just noticing I'm listed as Holly, so that solves that mystery.

Mario:

Which is why Holly did not have any comment at the beginning. Okay. I thought that was you, but I didn't want to...

Greg:

I can see my face and I don't look like a Holly, but I just noticed my name is Holly, so I apologize.

Mario:

Not a problem. Tell Holly we all said hi and we enjoyed having her attend our meeting. Mr. Donofrio.

Jeff:

As I was saying-

Greg:

Sorry, Jeff.

Jeff:

Following up on your comment about the issuance test rate application and the hearing on February 23rd, I did submit a couple interrogatories this afternoon. So I've completed my review of it and I'm ready to start writing, once I get those couple of items from the authority.

Mario:

Okay, thank you very much.

Jeff:

That's it.

Mario:

All right. Any other business that we have before us? Hearing none. That's 7:23.

Jay:

I'll make a motion to adjourn, Mr. Chairman.

Mario:

Thank you. Jay. Is there a second?

Greg:

Representative Policy Board
January 26, 2023

Second.

Mario:

Thank you. I think that was Greg again.

Tim:

Yeah.

Greg:

Yes, it was. It was Greg.

Mario:

All right. I want to thank the Authority members for joining us and all of management team members. And I look forward to seeing many of you next month in-person.

Greg:

Thank you.

Larry:

[inaudible 00:52:45].

Stephen:

Thank you.

Tom:

Thanks, folks.

Mario:

Thank you. All those in favor?

Board:

Aye.

Mario:

Okay. We stand adjourned.