

SECOND TAXING DISTRICT COMMISSIONERS

Special Electors' Annual Meeting Minutes

November 20, 2012

Electors Present:	Mary Burgess Mary Geake Sherelle Harris Mary Mann Michael Geake Sharon Stewart Ernest Dumas Martha Welton-Dumas Sonya Merrill	Carvin Hilliard Darlene Young Alicia Ayme Robert Burgess Wayne Williams Joe Newell Phaedrel Bowman Travis Simms Sandra Stokes
Also Present:	John M. Hiscock Lisa G. Roland Kevin Barber Frank Zullo, Esq. Bob Bailey Vivian Rodriguez	General Manager District Clerk Director of Administration & Customer Service Hope & Hernandez Hope & Hernandez
Public Present:	Amanda Brown Anna Duleep Gwendolyn Gonzalez	David Watts John Mosby Guy Moseley

(There were a total of 18 Electors present for the Annual Meeting)

Call To Order:

Commissioner Burgess called the Special Electors' Annual Meeting of The Second Taxing District Commissioners to order at 8:14 p.m. on Tuesday, November 20, 2012. The meeting was held at South Norwalk Electric and Water, One State Street, Norwalk, Connecticut.

Acceptance of the Minutes:

Commissioner Burgess: "I will call the meeting of the Second Taxing District Electors to order at 8:14 p.m. on Tuesday, November 20, 2012. And ask the Clerk to read the Legal Call of the meeting."

Frank Zullo: "Can we have your attention please?"

(Lisa Roland read the Legal Notice for the record)

Commissioner Burgess: "Ok, can I have a motion to accept the Legal Call and would you state your name please for the record when you speak."

Robert Burgess: "Robert Burgess will make a motion, 37 Brooklawn Avenue, to accept the Legal Call."

Frank Zullo: "A motion has been made to accept the Legal Call of the meeting. Is there a second to the motion?"

Carvin Hilliard: "Second, Carvin Hilliard."

Frank Zullo: "Motion seconded. Ok, all those in favor?"

Electors Unanimously: "Aye."

Frank Zullo: "All those opposed, so ordered."

[None Opposed]

The Election of Electors to the Ethics Committee

Frank Zullo: "Now, we were going into the election of the electors Ethics Committee but we barely have a quorum here, we are just a little over a quorum but the problem is we don't have enough minority representation present. In other words, most of the people here are registered Democrats. The Ethics Committee regulation requires that no more than four members of the seven members of the Ethics Committee be of the same political party. So we need three persons who are not members of the Democratic Party. We don't have them yet. We hope to have them before the meeting is over. So, I suggest we move Item 3 which is 'Election of Electors to Ethics Committee' to the end of the Agenda and hopefully we will get a few more people to attend the meeting at that time. If we don't get the minority representation that is required by the Charter, we then are going to have to recess the meeting only for the purpose of the election of electors of the Ethics Committee to a certain date. We hopefully will get a quorum and get some minority members besides Democrats to attend the electors meeting. With that we are going to skip 'The Election of Electors to the Ethics Committee' and we are going to jump right to item 4, which is to Receive and Approve the Audit

Report (the Comprehensive Annual Financial Report) of the Second Taxing District for the fiscal year.

Receive and Approve the Audit Report (the Comprehensive Annual Financial Report) of the Second Taxing District for the Fiscal Year July 1, 2011 – June 30, 2012

Commissioner Burgess: "Can I have a motion to place the item on the floor?"

Frank Zullo: "Will someone move the..."

Carvin Hilliard: "So moved."

Frank Zullo: "Ok and is there a second? Carvin Hilliard moved."

Alice Ayme: "Second."

Frank Zullo: "Name?"

Alice Ayme: "Alice Ayme."

Frank Zullo: "Alice Ayme seconded. All those in favor?"

Electors Unanimously: "Aye."

Frank Zullo: "All those opposed?"

[None Opposed]

Frank Zullo: "So ordered? Ok John you've got it."

Modify the 2012-2013 District Budget

John Hiscock: "Ok, when you came in this evening you were given a copy of the Annual Audit or some of you may have picked it up in advance of this meeting to review. I think most of you routinely come to this meeting and have seen this document before, in the same format. I am going to skip all of what we call the 'boiler plate' and get right into the numbers so we can quickly go over those numbers and I am going to start off with page 5, which probably is about 15 pages into the report and it looks like this. [John Hiscock displays the page to the electors]. In the upper right hand corner it says MDA Table 1. I will give you a chance to get to it. On this

table it speaks to the District's net assets. There are two columns, one is for Governmental Activities, that is the actual District and the other column is Business-Type Activities, which is the water and the electric utility and you can see there is a column for Totals and finally Percent Change is the right-hand most column. I am going to briefly go over this and point out to you that if you look at the Governmental Activities at the bottom of the page, Total Net Assets in 2011 and this in terms of thousands of dollars so its \$2,802,000 and in 2012 it dropped to \$2,789,000, which was a decrease. And we get to Business-Type Activities and in 2011 it was \$46,913,000 and dropped in 2012 to \$46,259,000. And you can see the next column the totals showing a decline also. So a total percent change of a negative 1.34%. The assets include current assets which is cash and things similar to cash. Capital Assets are buildings, property, pump stations, wires, pipes, and like physical components that make up our two utility systems and a District building. We also list Short and Long-Term Debt Outstanding under Business Activities. You will see at \$20,706,000 for 2012. Most of that debt is the safe drinking water loan on the filtration plant that was built in the mid 2005/2006/2007 range. Any questions on this page? [No questions] I am going to pass page 6 because it is a similar representation and I am going to move to page 9. Page 9 gives you a more detailed breakdown of the information and pretty much lets you know where the various components are. If we start at the top of the page, we have the Current Assets and we again have three columns. One is the Governmental Activities; the other is the Business-Type Activities and a Total column. To just quickly highlight, the Current Assets of the governmental portion of the District, in the amount of \$1,069,887 for the District Fund is cash. We have some Prepaid Expenses. We have cash in a restricted Rowan Fund for a Total Current Assets of \$1,116,206. So you can see that the actual government is small in relationship to the business activities. If you move over the middle column you will see that Cash Equivalents is \$14.6 million, Receivables Net Allowance for Doubtful Accounts is \$2.6 million, we have a Grant Receivable for \$183,000, Interest Receivable of \$18,000, Unbilled Revenue of \$1.3 million and that has to do with the timing of the bills as they go out because we end the year on June 30th and some of the bills are quarterly bills and they line up with customers so that we don't have an exact number other than in the billing system so we calculate the accrued unbilled revenue. We have an Accounts Receivables of \$435,000. We have Inventory of \$836,000 and Prepaid Expenses and Preliminary Surveys of \$99,000. We might pay insurance in advance; we might pay some things in advance and Preliminary Surveys are investigations into projects to make a determination if we are going forward with a project and in fact if we go forward with a project it becomes part of the capital cost of that project. So, the Total Current Assets of Business Activities for water and electric is just over \$20 million. Non-Current Assets, if you move half way down the page, we have some investments in the Business-Type Activities, we have \$581,000, we have \$178,000 invested in CMEEC. CMEEC is the Connecticut Municipal Electrical Energy Cooperative of which we are a member. The \$178,000 represents the initial payment that we made to CMEEC when we became a member in about 1985 or 1987, I can't remember the year. We have Deferred Preliminary Survey Charges, investigation charges of \$513,000. Utility Plant In-Service after depreciation, we have in the Governmental Activities column we have \$1.6 million. Mainly the improvements to the library

that were completed four or five or six years ago now and for the Business-Type Activities we have \$47.5 million which is again our wires, transformers, pumps, pump stations, water mains, filtration plants and other hard assets that we use to supply electric and water to all of our customers. We have Construction Work in Progress of \$2.9 million. That is work that is ongoing and hasn't been completed as of this date and eventually will become Plant In-Service. Total Assets of the District, Governmental Activities \$2.7 million, almost \$2.8 million and Business-Type Activities \$71.9 million for a total of \$74.7 million. Those are the assets of the District. I am going to stop here to see if there are any questions about these assets. [No questions] I am going to move onto Liabilities. The Current Liabilities in the District; \$1,498 in Accounts Payable and in the Business Activities, Accounts Payable, a little over \$1 million dollars. Customer Deposits and Advances, mostly in the electric utility we take customer's deposits, this is customer money, \$1.9 million in customer funds which we owe to customers and which we pay interest on. We have Accrued Compensated Absences of \$100,000. We have Reserve for Sales Discounts. You know that we provide discounts to our customers of \$44,000 and we have a current year's payment on the water filtration loan of just over \$1 million. So, we have \$4,175,000 in Current Liabilities under Business-Type Activities then we have the Non-Current Liabilities, Accrued Compensated Absences, Non-Current of \$475,000, Net OPEB, (Other Post Employment Obligations) those are benefits for retirees of \$1.4 million. And the loan payable on the water filtration plant of \$19.6 million for \$21.5 million Total Non-Current Liabilities in business activities. Any questions about this section? [No questions] Alright, if we move to page 11, this is just a breakdown of the Governmental Funds which is the District. You see Cash and Cash Equivalents of just over \$1 million. I previously mentioned all of these numbers but will go over them again. \$45,000 in Prepaid Expenses and Preliminary Survey and Cash in the Restricted Rowan Fund of \$978.00. The Rowan Fund is money that was given to the District long before anybody who has or is currently involved in this organization can remember. I believe about \$1,000 was put up and the interest on the money was supposed to be paid over to the library and certainly when it was first put up, a thousand dollars and interest on it was a reasonable amount of money, today it is not. We just simply pay this over to the library every four, five or six years when it starts to accumulate a little bit of additional money. Liabilities of Accounts Payable of \$1,498; Fund Balance, Non-Spendable of \$46,319 and Unassigned of \$1,068,389. So the Total Fund Balance of \$1,114,708. Any questions on this section? Yes mam?"

Darlene Young: "Unassigned, it's just uses; it's not assigned to anything?"

John Hiscock: "It's not reserved in anyway. It is available cash."

Darlene Young: "Available cash, ok."

John Hiscock: "Moving on to page 15. For the General Fund you will see a reconciliation of budget amounts. We have an Original and a Final column, on the left and then the next one over to the right and the Original and the Final are the same because the Budgeted Amounts

were not changed during the year. We have an Actual column of what was spent and probably the best place to look at this is the Excess of Revenues over Expenditures. Probably a good place to look at the comparison, we had \$184,800 in the budget; we expended \$151,744 for a positive variance of \$33,056. If you look up one line you will see Total Expenditures has a slightly different number. Again, we had approved expenditures of \$188,450, we actually spent \$153,892 so there was \$34,558 unspent. The other notable item on this page is Other Financing Sources and Operating Transfers in the amount of \$186,000 and you can see that the budgeted amount and the actual amount are the same. The \$186,000 is a contribution from the water and the electric utility in equal amounts to cover the expenses of the District because we do not do a District tax. We have the right to do a District tax, we do not. We use the funds from the water and electric utility to take care of the General Fund's expenses. Any question on that page? [No questions] Ok, we are going to move over to page 16. This is the business type of activities in more detail. There is a column for water, for electric and a column for total. This is just a breakdown of the information we previously have gone over and we have seen previously in the audit. This is the detail for you to take a look at, at your leisure and it gives you a significant amount of additional information. I am not going to go over this page in detail. If there are any questions you have about the page, let me know, I would be happy to answer them."

Robert Burgess: "One question."

John Hiscock: "Yes?"

Robert Burgess: "Grant Receivable of \$183,000."

John Hiscock: "Correct."

Robert Burgess: "What is the possibility of correcting that?"

John Hiscock: "Oh it is assured. It will come to us. It is simply a timing issue, it's the amount that we have, at this point, calculated and billed and haven't received. This is an ARRA stimulus grant for the Advanced Meter Infrastructure project that we have been working on now for about three years. If you go to page 45 for the water utility, we have detail on the Budget versus Actual. I am only going to go over the totals and you can discuss detail if you like. Total Income Budgeted of \$6.8 million, actual was \$7.8 million. There was a water rate increase between when the budget was approved and during that year and that is why there is such a large difference between those two numbers. Expenses, if you go to Total Operating Expenses three-quarters of the way down the page, we budgeted to spend \$5.1 million and we spent \$4.8 million, so we were \$370,000 in expenditures less than budget. And if you look at Total Expenses also at the bottom of the page, you will see that we budgeted \$6,097,943 and we spent \$5,697,017, so we spent \$400,000 less than budget, almost \$401,000. At the bottom of the page you see the transfer to the General Fund of \$93,000 from the water utility. That is the

water utility information. Anybody have any questions on that page? [No questions] If we go to page 47 you can see the same information for the electric utility. If we go to Total Operating Income, we budgeted \$15.5 million and we received \$14.948 million, an unfavorable variance. We collected less than we anticipated by \$563,000. Electric is something that is hard to predict because electric use is related to how cold it is in the winter and how warm it is in the summer. So, we don't control what the customers use so we obviously we don't control the actual revenue, we can't and we came reasonably close. If we move down to Total Operating Expenses further down the page, you will see that the Total Operating Expenses were budgeted at \$16.9 million, we spent \$15.1 million for a positive or a favorable variance of \$1.7 million. So we spent \$1.7 million less than we actually had budgeted. And that is a combination of several things. One is purchased electricity. We buy electricity from Connecticut Municipal Electrical Energy Cooperative of which we are a member. We budgeted \$11 million and we only purchased \$10.5 million. And again that has to do with the fact that people happen to use less electricity, so it all relates to one another. Another interesting note about the electric utility is you can see that out of the Total Operating Expenses of \$15.2 million, \$10.4 million is for purchased electricity. So, the remaining amount of money is what we use to operate the department. Two-thirds of the amount of money that we collect from customers goes to our whole sale supplier. And again you will see the transfer to the General Fund of \$93,000 on the bottom. Any questions about the electric utility? [No questions] I am going to move to page 56. This is an interesting table to look at. I am not going to go over it in much detail but it's the Operating Revenues and Expenses of the water utility for ten years, 2003 – 2012. And you can go down and look through and see how the revenues and the expenses have changed over the years and most of its inflationary pressure and other issues, but you can see that the Operating Revenues for the water utility were \$4.5 million in 2003 and \$7.8 million in 2012. And, also if you look at the Operating Expense, \$4.26 million in 2003 and \$7.9 million in 2012. The interesting thing from this table that you can see is the Operating Revenues and the Operating Expenses are very similar and they go in lock step because we obviously adjust our rates to match our costs. Any questions about this page? And the final page I am going to call your attention to.”

Frank Zullo: “There is a question, I believe.”

John Hiscock: “Yes?”

Robert Burgess: “Can we go back to page 47?”

John Hiscock: “Page 47.”

Robert Burgess: “Yes, to the line item Customer Assistance Program.”

John Hiscock: “Ah, yes.”

Robert Burgess: "\$25,000 versus \$36,000."

John Hiscock: "Yes, ok, that was discussed last Tuesday night at our Commission Meeting, after looking at the unfavorable variance for that particular line item, because of the way we dispersed funds, we knew that we didn't spend \$36,536 on the Customer Assistance Program. I asked Kevin Barber to go into the accounting system and see what happened. We issued a memo to the Commission explaining what happened. We simply miscoded expenses in that account and the expenses that we miscoded were a bill to the American Public Power Association of which we are a member and the New England Public Power Association which we are also a member and the reason it happened is they both fall under FERC, that is the accounting system that we use, account number 930. And the Trade Association I assigned to 9301 and I shouldn't have. I should have assigned it to 930. And for the last several years the staff has been catching that and reversing my entry but they didn't catch it this year and change my entry. The long and the short of the deal is that (1) I made the mistake when I was paying the bills and coding it and (2) it also showed that we only spent \$15,000 on the Customer Assistance Program because that was all that NEON needed in that particular year. We historically budgeted \$25,000 for that and in 2009 and 2012 we only transferred \$15,000 to NEON to run the program for us and in the other years it was \$25,000. We account for there is a running balance and if the account gets low we move more money over. That is the answer to your question, ok? [Directed to Robert Burgess] Alright, last page I want you to look at is page 59. And, page 59 is again the Operating Revenues and Expenses Ten Year Table for the electric utility. And again you can see that in 2003 the revenues for the electric utility were \$10 million and in 2012 they were \$15 million and the Total Operating Expenses in 2003 were \$9.9 million and in 2012 they were \$15 million. And you can see them on average they track each other again because as it gets more expensive to operate the utility, we change the rates accordingly. Any questions on this page? If anybody has any questions, get a hold of us after you take this home and look at it. Call us, we would be happy to answer any of your questions about it after you look at it in more detail if you haven't previously done so."

Frank Zullo: "If there are no further questions of the staff and no discussion contemplated by the Electors a motion would be in order to approve and receive the audit report as it was just given to you by John and as it was passed out to you prior to the meeting. So, a motion would be in order to accept and approve the audit report."

Michael Geake: "So moved."

Frank Zullo: "A motion was made, who made the motion?"

Michael Geake: "Michael Geake."

Frank Zullo: "Is there a second?"

Robert Burgess: "Second."

Frank Zullo: "Bob Burgess seconded. Any discussion on the motion?"

John Hiscock: "They will need to hold their cards up for this."

Frank Zullo: "Ok, would you hold your cards up for the Board, please. All those in favor?"

[John Hiscock/Kevin Barber counting voter cards]

Frank Zullo: "Hold your cards all the way up if you are in favor."

Sandra Stokes: "I have a question. You want us to approve it before reviewing it?"

Frank Zullo: "We just reviewed it."

John Hiscock: "That was the purpose of this was to review it and ask questions. This has been available to the Electors..."

Sandra Stokes: "Oh, I thought you said after we go home and have questions."

Frank Zullo: "Afterwards you can ask questions."

John Hiscock: "If you have additional questions for the staff."

Sandra Stokes: "Ok, understood."

John Hiscock: "Ok? Thank you."

Frank Zullo: "Again, all those in favor if there was some confusion?"

John Hiscock: "Kevin has a count also. Ok."

[15 in Favor]

Frank Zullo: "All those opposed?"

[None opposed]

Frank Zullo: "Any abstentions?"

John Hiscock: "Abstentions?"

[3 Abstentions]

Frank Zullo: "Ok, the motion carries."

Modify the 2012-2013 District Budget

Frank Zullo: "Ok, now we are going to Item 5 on the Agenda, Modify the 2012-2013 District Budget and a motion would be in order to accept the motion to modify the 2012-2013 district budget. Is there a motion to that affect, to put this matter on the table before you."

Mary Geake: "So moved."

Frank Zullo: "Motion made."

John Hiscock: "Commissioner Mary Geake."

Frank Zullo: "And seconded?"

Joe Newell: "Joe Newell seconded."

Frank Zullo: "All those in favor of the motion?"

John Hiscock: "Nope, hold on, we are going to do a quick... oh, to place it on the table."

Frank Zullo: "yes, all those in favor of the motion?"

John Hiscock: "To place it on the table."

Electors Unanimously: "Aye."

Frank Zullo: "All those opposed?"

[None Opposed]

Frank Zullo: "So ordered, the motion is now on the table and will be presented by staff and explained to you by staff."

John Hiscock: "Do you have the packet that you received on the way in? It is the smaller of the packet. It starts off with... yes mam?"

Sandra Stokes: "I didn't get a copy of the Agenda."

John Hiscock: "Do you have a copy of this?"

Sandra Stokes: "Yes."

John Hiscock: "And if anybody doesn't have a copy, we have plenty of them available. Ok, the document that you have starts off with a 'Resolution, Appropriation of Funds for an Improvement to the Substation Control Room and Building'

'WHEREAS, the Commissioners of the Second Taxing District at their regular meeting of November 13, 2012 approved a modification of the District's 2012-2013 Budget to approve an additional \$350,000 from the Electric Reserve to fund improvements to the Substation Control Room and Building.'

Now, this is the substantive part.

'NOW THEREFORE, BE IT RESOLVED that the Electors of the Second Taxing District approve an additional amount of \$350,000 from the Electric Reserve to fund an improvement to the Substation Control Room and Building.'

After that, you will find three pages of the modified 2012-2013 Proposed Budget Revision. This is the current year's budget that we are in. Ok, if you move to page 14; and that just happened to come out of our budget because it is more detailed. You will see under Capital Projects, right here in the first grouping, that we added Substation Control Room Modifications of \$350,000. The Substation Control Room is in the old power plant building and we are installing a wall to separate the Control Room from the abandoned power plant because, as most of you know, we have abandoned the power plant, the older engines."

Sandra Stokes: "I don't even know where it is? Is it right outside here?"

John Hiscock: "It is right there, as you came in to the garage, right there on the right-hand side, the old brick building. We are putting a wall up for separation for security reasons because we have a whole series of what they call NERC, National Electric Reliability Corporation's regulations with respect to controlling spaces because the control room controls the entire electric circuitry for the system. We are replacing the old single paned windows that are in very bad condition with a translucent, sort of a plastic composite

material with a very high R factor for insulation purposes to eliminate the waste of energy. We are replacing the electric heating and air conditioning system in the building. We have installed a lot of very expensive new relays in the building and we need better climate control. So that is being accomplished. And we are replacing the roof. If you go to the next page, it gives you a little bit more detail on what we need to do. And you can see that the Total Estimated Cost is \$600,774.00. We currently have appropriated in Capital Project 2011-19CE is \$256,640.00. So this is to provide an additional \$350,000 to complete the \$600,000 project. On the next page it just shows information that I had previously provided to the Commission that was discussed last Tuesday night and approved by the Commission, unanimously. And at the back of the packet are the minutes of that section of the meeting. So, that is what is in the packet. Yes mam?"

Sandra Stokes: "I have a question. For the cost estimate, you have different bids from different companies and these were the most cost effective?"

John Hiscock: "No, these are the estimates for what it is going to cost. These will go out to bid at a future date. This is to appropriate the funds so that we can go out to bid. So, if you look at the construction costs estimates, interior, windows, mechanical, electrical, plumbing, structural and roof, it will all go out to bid to a general contractor in a bid package and we will require the standard customary three bids and go through that process."

Sandra Stokes: "Who are the companies? I see the different items and what the estimated costs, but who are the companies?"

John Hiscock: "Ok, we have four companies at the top. They are all design consultants that we have utilized. And those did not go out to bid. Those were based on discussions. Nicolas Pacella is the lead architect and the three other firms, the roofing consultant, the HVAC designer and the structural engineer, are the individuals that the architect works with to design the actual project. These are all time and material contracts, none of them are flat fees. These are all what you would call up set values. These are the maximum amounts we would spend for those services. In all likelihood we will spend less. Each one of them is supported by a proposal and an acceptance."

Sandra Stokes: "Oh, so these companies have submitted proposals and stuff?"

John Hiscock: "That is correct."

Sandra Stokes: "Ok."

John Hiscock: "And there are scopes and schedules of payments. Yes."

Commissioner Burgess: "Excuse me John, would you please state your name when you speak for the record."

Sandra Stokes: "Do you want me to say my name?"

John Hiscock: "No, we are all set. Any other questions with respect to the proposal to modify the current year budget?"

Frank Zullo: "If there are no further discussions or questions of the staff, a motion would be in order to accept and approve the modification as presented of the 2012-2013 District Budget. Would someone move that motion?"

Carvin Hilliard: "I will make a motion."

Frank Zullo: "A question, did you say or a motion?"

John Hiscock: "No, a motion."

Frank Zullo: "Motion made, is there a second?"

Michael Geake: "Second."

Frank Zullo: "Mike Geake second. Any discussion on the motion to approve and accept the motion to modify the 2012/2013 district budget as presented. Ok, no other further discussion. All those in favor? The cards please."

[John Hiscock/Kevin Barber count voter cards]

Frank Zullo: "Hold your hands up high please so they can get a correct count."

John Hiscock: "Fourteen, ok."

Frank Zullo: "And those opposed? None opposed. The abstentions, please."

John Hiscock: "Four."

Frank Zullo: "Four abstentions. The motion carries."

Set the Compensation for Elected Officials of the Second Taxing District

Commissioners:

Frank Zullo: "Ok, now we are going to set the compensation for the elected officials of the Second Taxing District and right at the beginning you will see on the Agenda is to accept the motion to set the compensation for the commissioners. Would someone move that motion, please."

Robert Burgess: "I will make a motion."

Frank Zullo: "A motion is made by Mr. Burgess. Is there a second?"

Carvin Hilliard: "Second."

Frank Zullo: "Second by Mr. Hilliard. All those in favor?"

Electors Unanimously: "Aye."

Frank Zullo: "All those opposed."

[None Opposed]

Frank Zullo: "So ordered. I don't think we need the cards on that, right John?"

[Directed to John Hiscock]

John Hiscock: "No, not to put it on the floor."

Frank Zullo: "Now to put it on the floor. Now the discussion among the Electors. Any questions to staff, and questions to the Chairman? Any questions at all relative to this issue?"

Darlene Young: "Ok, so we are talking about compensation, correct?"

Frank Zullo: "Yes, of the Commissioners."

Darlene Young: "So what is the compensation of the Commissioners?"

John Hiscock: "The current compensation of the Commissioners is \$3,250 per year, for each of the seven commissioners."

Lisa Roland: "Excuse me John, could she state her name please?"

Commissioner Burgess: "Would you state your name please?"

John Hiscock: "Darlene Young."

Commissioner Burgess: "And are you an elector?"

John Hiscock: "Yes, she is. She has a card so I presume she is."

Frank Zullo: "There is another question here. Bobby, yes?"

Robert Burgess: "It says the compensation for the last four or five years has remained the same and the times are not getting any better, I would move that the compensation remain the same for another year."

Frank Zullo: "Motion made that the compensation remain the same for the seven Commissioners. Is there a second to that motion?"

Martha Dumas: "Second."

Frank Zullo: "Motion is made and seconded. Name please, I am sorry."

Martha Dumas: "Martha Dumas."

John Hiscock: "Martha Dumas."

Frank Zullo: "Ok, discussion on the motion that the compensation remains the same for the seven Commissioners."

[No discussion]

Frank Zullo: "Ok, since there is no discussion, I will try your minds. All those in favor?"

Electors Unanimously: "Aye."

John Hiscock: "Raise your cards please."

Frank Zullo: "Raise your cards high."

[John Hiscock counts voter cards]

John Hiscock: "Eighteen."

Frank Zullo: "All those opposed?"

[None Opposed]

Frank Zullo: "Any abstentions?"

[No Abstentions]

Treasurer:

Frank Zullo: "Ok, the motion passes. Now we are going to the Treasurer and here we have to set the compensation of the Treasurer. So I will accept the motion to set the compensation for the Treasurer. Will someone so move?"

Michael Geake: "So moved."

Frank Zullo: "Motion made. Is there a second?"

Joe Newell: "Second."

Frank Zullo: "We know the names of the people at this point right?" [Directed to District Clerk]

Lisa Roland: "I am sorry, who seconded?"

Frank Zullo: "Mr. Newell seconded it. Ok, all those in favor of putting that motion on the table."

Electors Unanimously: "Aye."

Frank Zullo: "All those opposed?"

[None Opposed]

Frank Zullo: "Perhaps before discussion you might indicate what the compensation for the Treasurer is John." [Directed to John Hiscock]

John Hiscock: "The current compensation for the Treasurer is \$2,000 per year."

Frank Zullo: "And it has been that way for a few years hasn't it?"

John Hiscock: "Yes it has. Prior to that it was quite a ways back and it was \$1,500, I believe. But in recent times it has been \$2,000."

Frank Zullo: "Yes, a question?"

Darlene Young: "Is there any reason why it is not the same as the Commissioners?"

John Hiscock: "It is simply the choice of the Electors?"

Frank Zullo: "I don't think everyone heard that question though John."

John Hiscock: "The question is, why is it different than the Commissioners themselves. And it is something that is by Charter just as the Commissioners' compensation is set by the Electors so is the Treasurer's and historically it has been different and the variance between the two has been different but I have no real explanation. It is what this body accepts from year-to-year."

Frank Zullo: "Another question, Mr. Burgess."

Robert Burgess: "I would like to make a motion that the Treasurer's salary be increased by \$200.00."

Frank Zullo: "Motion made that the Treasurer's compensation be increased by \$200.00 to go to a total of \$2,200 from \$2,000. Is there a second to that motion?"

Darlene Young: "Second."

Frank Zullo: "The motion has been made and seconded. I am sorry, now a discussion on the motion."

Travis Simms: "What is the budget for the Treasurer?"

John Hiscock: "The budget in the current year is \$2,000. It is budgeted at \$2,000 for this year and the Commission is budgeted at \$3,250. I am sorry, I might not have understood?"

Travis Simms: "No, no, that is fine."

Sandra Stokes: "I am sorry, I missed the point. You said that it is different because we just voted it that way?"

John Hiscock: "That is correct."

Sandra Stokes: "And there is no other reason why it is different between the Commissioners and the Treasurer."

John Hiscock: "No, at some point maybe the body felt that the workload was different. I don't really know. I can simply tell you that the current Treasurer comes in almost every single week and signs checks. So there is a significant amount of time that the Treasurer comes into our office. I don't think she misses five or six weeks out of the whole year. And checks are signed by two out of four individuals, the Treasurer being one and the Treasurer almost always comes in."

Frank Zullo: "Now, there is... I am sorry, go ahead if you have a question go ahead."

Sandra Stokes: "I don't know what the right terms to say or what the language is but if I can I would like to vote to have it equally the same."

Frank Zullo: "Well, there is a motion on the floor now, let me explain the process. There is a motion on the floor now to increase the salary from \$2,000 to \$2,200. That is on the floor and that is what we are discussing. Now, if you want to have a motion on the floor to increase it to the \$3,250 that the Commissioners are getting, you would have to wait to see if this motion that is on the floor passes or not. If it fails, you can offer another motion, if it passes, that sort of closes the issue."

Sandra Stokes: "I got it. Sorry."

Frank Zullo: "Any further discussion on the motion for the \$2,200 as new compensation for the Treasurer? Carvin, you have some doubt on your face. [Directed to Carvin Hilliard] What have I said that has confused you?"

Carvin Hilliard: "No, no, no... I am just thinking."

Frank Zullo: "So, there is a motion on the floor for \$2,200 salary for the Treasurer which is an increase of \$200. I will try your minds, if there are no further discussions or questions. All those in favor of that motion by show of cards. Again, we are increasing the salary by \$200.00. All those in favor by show of cards."

[John Hiscock counts voting cards]

John Hiscock: "Ok, seven."

Frank Zullo: "Ok, seven are for. All those opposed to that motion?"

[John Hiscock counts voting cards]

John Hiscock: "Nine."

Frank Zullo: "Any abstentions? Well, the motion fails. I believe I counted it was seven to nine."

John Hiscock: "Seven to nine, failure."

Frank Zullo: "The motion fails. Now, if you have a motion to put on the floor, you can feel free to do it."

Sandra Stokes: "I would like a motion to put it up equally."

Frank Zullo: "So, you would like to move that the Treasurer's compensation be increased to \$3,250, which is the same as the Commissioner's compensation."

Sandra Stokes: "Yes."

Carvin Hilliard: "I second that."

Frank Zullo: "Ok, there is a motion made and a second. Now we are going to have a discussion of that motion. Now, the motion before us, remember the Treasurer's compensation is now \$2,000, the motion is to raise it to \$3,250, the same as the Commissioners. Any discussion on that motion? Yes?"

Martha Dumas: "Not so much a discussion but if we didn't feel that the Commissioners should get a little increase but we are going to jump a thousand to increase the Treasurer. It doesn't make sense."

Frank Zullo: "Well, it is a discussion you have to have with your Electors because as John indicated it's your decision. That is what this meeting is about. All of you set these compensation levels. So, you question why we didn't increase the Commissioners, why are we increasing the Treasurer's."

Martha Dumas: "Because we are still in the same economy."

Frank Zullo: "Are there any other questions or discussions relative to this matter? Ok, I will try your minds. Now keep in mind the motion now is that the compensation of the Treasurer be raised from \$2,000 to \$3,250. That is the motion. That is the Commissioner's salary \$3,250, I am correct right?"

John Hiscock: "Yes."

Frank Zullo: "All those in favor of that motion, please raise your cards."

[John Hiscock counts voting cards]

John Hiscock: "Fifteen."

Frank Zullo: "All those opposed to that motion."

John Hiscock: "One."

Frank Zullo: "Any abstentions?"

John Hiscock: "Two abstentions."

Frank Zullo: "Well, your motion carried. I say you won. Ok. You don't believe me?"

[Laughter]

Election of Electors to Ethics Committee

Frank Zullo: "Now, we have to see, the Chairman and the General Manager just told me that we don't have enough minority representation here, what I mean by minority, I mean Republicans and Independents, to be able to vote on the Ethics Commission members. The Ethics Commission ordinance requires that no more than four individuals be from the same political party. The Ethics Commission is made up of seven individuals, which means you can have four of one political party and three of another. But most of the people here are Democrats. So, there are not enough persons from the other parties to be here to be able to hold an election. So we are going to have to have a motion to simply recess this meeting until a date certain when the item on the Agenda will be among other things."

John Hiscock: "In two weeks."

Frank Zullo: [Directed to John Hiscock] "Is that going to be a regular meeting or a special meeting just for this?"

John Hiscock: "We we are going to have to notice it tomorrow because it takes 10 days."

Frank Zullo: "So it will be special for this or a regular meeting of the Commission?"

John Hiscock: "No, a special meeting, a special Electors meeting."

Frank Zullo: "Right. John is suggesting that the Special Electors Meeting be held on December 4th at what time, 7:30 or 8:00 p.m.?"

John Hiscock: "8 p.m. Two weeks from tonight."

Frank Zullo: "It will be held right here. So it is going to be a motion to recess this meeting solely for the purpose electing an Ethics Committee. Recessing the meeting until December 4th at 8:00 p.m., here. There will be a notice in the paper. A motion is required to do that. A motion is made?"

Joe Newell: "So moved."

Frank Zullo: "Is there a second?"

Carvin Hillard: "Second."

Frank Zullo: "Carvin seconds. Any discussion on the motion."

Mary Geake: "Just for the record, we were at a meeting last night with the redevelopment project with NEON and they are going to be having a meeting at the Police Station on the same day and the same time. So, that could be a problem and I just wanted it noted on the record."

Frank Zullo: "So, December 4th at 8:00 p.m.? Well that is an interesting issue, because what they are talking about is going to be of interest to the Second Taxing District and a lot of our people might be at the meeting. So let John get to his computer here."

John Hiscock: "Yes, I can't do the 11th. I will be in Florida. I don't have to be here. We can do a Thursday night the 13th. We don't want to go too late in the year. Does anybody know of a conflicting problem with the 13th of December, a Thursday night?"

Frank Zullo: "Any problem with the 13th of December?"

Joe Newell: "Just a question, there is a zoning commission meeting on the 12th?"

Frank Zullo: "Is the 12th a Wednesday or a Thursday?"

Kevin Barber: "The 12th is a Wednesday."

Frank Zullo: "Ok, then the zoning commission meeting will most likely be the 12th because it is the third Wednesday of the month."

Kevin Barber: "The third Wednesday would be the 19th."

Frank Zullo: "They moved them up because of Christmas, than it would be the second."

John Hiscock: "We could do the fifth, which is a Wednesday night."

Sherelle Harris: "I won't be able to be here."

John Hiscock: "Wednesday the 12th."

Frank Zullo: "Wednesday the 12th is a problem there is an important meeting of the zoning commission that I think a lot of people here might want to attend."

John Hiscock: "Oh that is right, sorry."

Sherelle Harris: "We should probably go back to the 13th because there are only two of us and we might be able to, our meetings are usually quick, so we might still be able to come."

John Hiscock: "And you are both Commission members so you would not be eligible anyway to be on the Ethics Commission."

Mary Mann: "That's right."

Mary Geake: "That is a good point."

Commissioner Burgess: "Right."

John Hiscock: "Does the 13th work for everybody else?"

Frank Zullo: "The 13th is a Tuesday; no, a Thursday, I am sorry. I am looking at the wrong month."

John Hiscock: "It is a Thursday."

Frank Zullo: "You are absolutely correct, the 13th is a Thursday. Ok, so the motion now is to continue the election of the Ethics Commission to December 13th at 8:00 p.m. here. Would someone move that motion?"

Travis Simms: "So moved."

Frank Zullo: "Motion made, is there a second?"

Sherelle Harris: "Second."

Frank Zullo: "Do we know the names of the people who made the motion?"

Sherelle Harris: "Sherelle Harris."

John Hiscock: "Sherelle Harris and Travis Simms."

Frank Zullo: "Ok, all those in favor of that motion, well let's have a show of cards on this because this is important."

[John Hiscock counts voting cards]

Frank Zullo: "The Ethics Commission is an important commission."

John Hiscock: "Seventeen."

Frank Zullo: "All those opposed?"

[None opposed]

Frank Zullo: "Any abstentions?"

John Hiscock: "One. That is it."

Frank Zullo: "The motion carries."

Mary Geake: "What time?"

Frank Zullo: "8 o'clock."

Commissioner Burgess: "Ok, before that meeting I suggest that if any of you have any Republican or Independent friends that you get a couple of them here. Now, I would like a motion to adjourn."

Robert Burgess: "So moved."

Frank Zullo: "Is there a second?"

Carvin Hilliard: "Second."

Frank Zullo: "All those in favor?"

Electors Unanimously: "Aye."

[Some Electors held up voting cards]

Frank Zullo: "You don't need the cards. All those opposed?"

[None opposed]

Frank Zullo: "Ok, so ordered."

Commissioner Burgess: "We are adjourned now."

Adjournment:

The meeting adjourned at 9:10 p.m.

Attest:

Lisa Roland
District Clerk