## THE MATTABASSETT DISTRICT

## Memorandum

Date: December 9, 2024 Subject: Finance Committee December 5,

2024, Meeting Minutes

To: Board of Directors From: Finance Committee, and Arthur

G. Simonian, Executive Director

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# Finance Committee December 5, 2024 Meeting Minutes

The Finance Committee met Thursday, December 5, 2024, at The District Offices at 245 Main Street, Cromwell, Connecticut.

Executive Director, Art Simonian, called the Committee meeting to order at 5:10 PM. Committee Members, Doug Sienna, Joe Corlis, and Rick Healey (remotely) were present. There was a quorum. Also, present was Executive Director – Arthur Simonian. Guest: Board members Liam Mitchell and John Dunham were in attendance. Carl Erlacher was absent.

The following is a summary of the December 5, 2024, Finance meeting:

1. Audit: Mr. Simonian discussed the reasons for the delay in starting the audit due to staffing issues. An extension is being requested until February 2025. The current auditor has been with us for several years and more challenging to work with recently. The committee agreed to send out proposal requests for FY2026.

Keynotes: Review and considering switching to a new auditing firm to the 2025-2026 fiscal year. Prepare a draft audit report for review and approval at the February meeting

2. Budget: The budget for fiscal year 2026 was reviewed, highlighting key points such as a 15% increase in medical costs, a 23% allocation for employee retirement funds, and a \$1.1 million budget sludge income. Significant capital project will require using \$2 million from reserves, and credits for Middletown's buy-in were discussed. The meeting discussed significant increases in electricity costs, up 160% over 13 months, translating to \$60,000-\$70,000 monthly, primarily due to the Millstone nuclear power plant and electric charging stations (public benefits). Capital expenditures are increasing from \$3.6 to \$5.9 million dollars next year, with major projects including odor control, trunk line repairs, and dewatering unit replacements. The operating budget increased by \$1.3 million, with electricity and salaries being key factors.

Keynotes: Review the budget numbers and try to find areas to trim or defer costs before finalizing the budget in January. Provide an update on the odor

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control study and recommendations at the upcoming engineering committee meeting. Update the November flow data and incorporate it into the assessment calculations.

- 3. Other Finances/ACH Wire Payments: A memo from May 2022 detailed state statutes on bank protections and investment strategies. The discussion included the benefits of wire payments over checks for security and the need for two signatures for approval. The District will develop an investing strategy document to help decide on when and where to diversify.
- 4. Acceptable Banking Institutions: Review and recommend approval to the Board of Directors of the Banking Resolution date December 5<sup>th</sup>, 2024. (Item #4):

**MOTION:** Mr. Sienna moved to recommend approval to the Board of Directors for the December 5<sup>th</sup>, 2024, Banking Resolution.

Mr. Corlis seconded the motion.

**RESOLVED:** The motion was approved unanimously.

5. Other business and related matters: Upcoming Board meeting is scheduled for December 16th and Cromwell Public Information Session on odors on December 10th at 7p.m.

## 6. Adjournment:

Mr. Sienna moved, no second required, and the committee approved unanimously to adjourn at 5:52 PM.