

**MINUTES OF THE
MEETING OF THE**

**JOINT BUDGET & FINANCE COMMITTEE
OF THE
BOARDS OF DIRECTORS OF**

**CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE and
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE**

November 2, 2018

The Joint Budget & Finance Committee of the Board of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC”) met at the CMEEC office on Friday, November 2, 2018.

The following Committee Members participated:

Bozrah Light & Power – David Collard, Ralph Winslow
Jewett City Dept. Public Utilities – Louis Demicco (by phone at 10:02 a.m.)
Norwich Public Utilities – Stewart Peil
Groton Utilities – Ronald Gaudet
Third Taxing District – Kevin Barber (Committee Chairman)

The following individuals from CMEEC management participated:

Drew Rankin, Chief Executive Officer (by phone)
Robin Kipnis, CMEEC General Counsel
Michael Lane, Director, Finance & Accounting
Pat Meek, Financial Planning & Analysis Manager
Joanne Menard, Controller
Justin Connell, Director, Portfolio Management
Michael Rall, Director, Asset Management
Ellen Kachmar, Office & Facility Manager

Other Participants

Michael Boucher, Member of Public

Ms. Kachmar recorded.

Committee Chairman Barber called the Public Session of the meeting to order at 9:03 a.m. Mr. Lane named the persons at the meeting for those participating by phone. Mr. Lane began by pointing out the Chart of Accountability for CMEEC, which outlines the roles and responsibilities of staff and management.

Ms. Meek noted the Budget is required to be approved by the Board of Directors no later than 30 days prior to the ensuing year. She went on to state the 2019 CMEEC Budget operating expense breakdown is 81% Purchased Power and Generation Costs, 11% Transmission Costs, 6% Administrative and General Costs, and 2% Depreciation and Amortization Costs. Ms. Meek also reported the various components broken down within the Budget as: 1) Non-Fuel Operating, 2) Electric Products, 3) Transmission, 4) Projects, 5) Margin, and 6) Capital and Major Maintenance. Ms. Meek reported a new category within the Non-Fuel Operating expense category as the Board and Governance Expense. Mr. Rankin noted that beginning in 2019 the Chief Financial Officer would be producing a monthly report on this category to be included in the Board Package.

Ms. Meek continued to review each expense category and answered questions from the Committee as they arose.

Committee Member Collard moved, seconded by Mr. Winslow to move the meeting into Executive Session to discuss the Non-Public portion of CMEEC's proposed budget. The motion passed unanimously. The Budget and Finance Committee went into Executive Session at 9:32 a.m. All participants remained in the room except Mr. Boucher. The basis for entering Executive Session was C.G.S. sec. 1-210(b)(5)(A) and 1-210(b)(5)(B).

The Budget & Finance Committee came out of the Executive Session at 11:38 a.m.

There being no further business to come before the Budget & Finance Committee, the meeting was adjourned at 11:39 a.m.