



Memorandum

DATE: November 25, 2020

TO: Chairman and Members of the Board

FROM: Kevin H. Roche, CEO/General Manager

SUBJECT: Finance & Audit Committee Minutes – November 19, 2020

There was a **Finance & Audit Committee Meeting** held on the date noted above. The meeting was called to order by Bill Shane, Chair.

Present: Dennis Abbott, Anne Bilodeau, Linda Boudreau, Christopher Branch, Dave Durrell, Matthew Frank, Caleb Hemphill, Greg L'Heureux, Troy Moon, Rod Regier, Bill Shane & Mike Shaw

Approval of the Minutes:

Mike Shaw motioned to approve the minutes. The motion was second by Anne Bilodeau. All in Favor.

Cash Disbursements:

Bill Shane reported that he had reviewed cash disbursements with staff for the period of August 24th, 2020 – October 30th, 2020 and no issues or concerns were found to report.

Borrowing & Leasing Options/Opportunities

Don Hebert (Staff) provided a review of potential savings using borrowing & leasing for capital projects. The presentation covered leasing options in the amount of 2 Million over a 5 year or 10 year period. Leasing would allow for interest gains in our reserve accounts with a potential net gains of 3% to 4%.

He presented a list for the committees review and discussion of capital projects identified and approved in the FY 21 Budget. The projects identified have been delayed and are potential leasing possibilities. Projects with potential for leasing are the electric truck, wash bay etc.). The leasing if these projects will fall in FY 21 & FY 22.

Don reviewed **ecomaine** net operating expenses and available cash to cover our operating expenses to include projected leasing payments without using reserve funds. There was a Q&A session with the committee.

After a lengthy discussion Bill Shane asked Don to review the slide prepared on potential savings so that the committee had an understanding of the positive effects of keeping our money in our investment account and the possible net gains.

After review of the slide on Potential Savings, Bill Shane moved forward with inquires of each of the committee members and staff individually regarding the direction we are taking with leasing to ensure support or voice concerns. All members unanimously supported moving forward with additional discussion on borrowing & leasing at the Executive Committee in December.

Greg L'Heureux noted that our EBITA income needs to be leveled with capital expenditures. This needs to be a goal for the Finance & Audit Committee and a long-term goal for the Board. Additional discussions followed.

Financial Statements

Bill Shane recommended to the committee that we review Financial Statement during the Executive Committee Meeting scheduled for 4pm today.