

Pascoag Utility District Board of Commissioners

Finance Subcommittee Minutes-November 26, 2012

A meeting of the Pascoag Utility District Finance Subcommittee was held on Monday, November 26, 2012 at 5:15PM in the District Office at 253 Pascoag Main Street, Pascoag, RI 02859.

Members Present: Al Palmisciano and Wallace Lees

Members Absent:

Minutes

1. Action Item: 2013 Electric Budget Review and Approval

Ms. Allaire stated that there will be a decrease in sales due to DPI moving out of the District's territory. PUD's power costs have decreased. There is a fairly large cumulative over collection for 2012 and \$200,000 will be set aside as a rate stabilization fund. Total revenue of the District is 6.8 million dollars. Mr. Lees made a motion to make a recommendation to the full Board to approve the budget as submitted, seconded by Mr. Palmisciano. The vote in favor was unanimous.

2. Action Item: Debt Service Pay Down

Ms. Allaire stated that the District has a loan with USDA \$117,000 at 5% for the next 15 years for Well #3. If the District continues to pay it monthly it will incur \$67,000.00 in interest over the course of the loan. If the District pays the loan it could avoid those interest costs. Mr. Lees made a motion to recommend to the full Board to approve the payoff of the loan, seconded by Mr. Palmisciano. The vote in favor

was unanimous.

3. Adjournment

Mr. Lees made a motion to adjourn, seconded by Mr. Palmisciano.

The vote in favor was unanimous.

Wallace Lees, Secretary

Desarae Dolan, Recording Secretary