



Memorandum

DATE: November 10, 2016
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Agenda for the Joint Finance/ Audit Committee Meeting

There is an **ecomaine** Joint Finance/Audit Committee Meeting scheduled for **November 17, 2016@ 3PM**. The agenda for this meeting is as follows:

1. Approval of Minutes (*Attachment A – Audit Committee*) (*Attachment B – Finance Committee*)
2. Cash Disbursement Report – Mike Shaw
3. Insurance Overview (*Attachment C*)
 - **Presentation: Todd Jacobson, Sr. VP Commercial Insurance, USI Insurance**
4. Financial Statements FY 17 (*Provided under separate cover*)
 - Statement of Revenues and Expenses
 - Statistical Data
 - Balance Sheet
 - Statement of Cash Balances
 - Capital Expenditures
 - Status of Accounts Receivable
5. Other:

Future Meetings:

Executive Committee:	November 17, 2016 @ 4PM	Finance/Budget Workshop:	March 23, 2017 @ 4PM
Executive Committee:	December 15, 2016 @ 4PM	Audit Committee:	April 27, 2017 @ 3PM
Finance Committee:	January 19, 2017 @ 3PM	Full Board of Directors:	April 27, 2017 @ 4PM
Full Board of Directors:	January 19, 2017 @ 4PM	Finance Committee:	May 18, 2017 @ 3PM
Recycling Committee:	January 26, 2017 @ 4PM	Executive Committee:	May 18, 2017 @ 4PM
Executive Committee:	February 16, 2017 @ 4PM	Full Board of Directors:	March 16, 2017 @ 4PM
Full Board of Directors:	March 16, 2017 @ 4PM	Recycling Committee:	May 25, 2017 @ 4PM
Recycling Committee:	March 23, 2017 @ 3PM	Annual Meeting:	June 15, 2017 @ 11:30AM

Memorandum

DATE: November 10, 2016
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Audit Committee Minutes – October 20, 2016

There was an **Audit Committee Meeting** held on the date noted above. The meeting was called to order by Erik Street, Chairman @ 3:03PM.

Item #1: - Minutes

Linda Boudreau motioned to accept the minutes as written. The motion was seconded by Mike Shaw. All in favor

Item #2: - Review options for Selection of Auditors & Recommendations for FY 17

Erik Street introduced the options for selecting next year's auditor. Kevin Roche and Arthur Birt provided alternatives going forward. Discussion.

Dave Morton emphasized the importance of the committee having this discussion each year and to continue to consider options and alternative for the Audit each year. The Committee members were comfortable with the new team from RKO assigned to the ecomaine audit and agreed that moving forward with RKO for the FY 17 was the preferred direction.

Dave Morton motioned to accept RKO's proposal for the FY 17 Audit. The motion was seconded by Linda Boudreau. All in favor.

Linda Boudreau motioned to adjourn the meeting. The motion was seconded by Dave Morton. All in favor.

Present:

Linda Boudreau, Chris Branch, Dave Morton, Mike Shaw & Erik Street

Staff:

Arthur Birt, Kevin Roche

Memorandum

DATE: November 10, 2016
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Finance Committee Minutes – September 15, 2016

There was a **Finance Committee Meeting** held on the date noted above. The meeting was called to order by Mike Shaw, Chairman @ 4:03pm.

Item #1: - Minutes:

Dave Cole motioned to accept the minutes from May 19, 2016. The motion was seconded by Tony Plante. All in favor

Item #2: - Cash Disbursement Report:

Mike Shaw reported out that he reviewed the cash disbursements with no materials issues noted.

Item # 3: - Review of Financial Statements FY 2016:

Art Birt reviewed the financial statements from FY 16. Discussion followed.

Item # 4: - Review of Five Year Financial Plan:

Kevin Roche summarized the current financial position of ecomaine and provided a summary of the 5 year financial plan. Arthur Birt provided details of the 5 year cash flow projections. A lengthy discussion followed.

Len Van Gaasbeek motioned to recommend no change in the current tipping fee of \$70.50 per ton, no assessment, and no rebate for FY 18. The motion was seconded by Troy Moon. Discussion. Bill Shane suggested that the committee amend the motion as he would rather see small increases in the tipping fee each year rather than risk a large adjustment in the future. After discussion, Bill Shane withdrew his amendment. Vote on the motion was 9 in favor, 1 opposed (Bill Shane). Motioned passed.

Troy Moon moved that the Finance Committee recommend to the board that we move \$850,000 into the Discretionary Landfill reserve. The motion was seconded by Linda Boudreau. All in favor.

Bill Shane motioned that the Finance Committee recommend to the board that we eliminate the Recycling Reserve of \$500,000 in FY 18 (starting on July 1, 2017). The motion was seconded by Linda Boudreau. Discussion. It was noted that the Finance Committee is only

recommending that the Recycling Reserve be eliminated and suggested that the Executive Committee should consider whether or not to start charging a tipping fee on recyclables when the market is soft. Vote: 5 in favor (Rod Regier, Len Van Gaasbeek, Tony Plante, Bill Shane, Linda Boudreau) and 4 opposed (Dave Cole, Troy Moon, Mike Shaw, Matthew Frank). Motioned passed.

Rod Regier requested that staff project an estimate on what the recycling tipping fees would be for each community.

Matthew Frank motioned to adjourn at 5:50pm The motion was second by Linda Boudreau. All in favor.

Present:

Maxine Beecher, Linda Boudreau, Dave Cole, Matthew Frank, Troy Moon, Tony Plante, Rod Regier, Bill Shane, Mike Shaw & Len Van Gaasbeek

Staff:

Arthur Birt, Kevin Roche

ecomaine Insurance Overview

Policy Period	Carrier	Coverage	Premium - Annualized	Overall Limit	Attachment	
USI as Broker						
3/27/2016	3/27/2017	AIG	Property	\$ 158,900	\$150MM	A
7/1/2016	7/1/2017	Patriot	Inland Marine (Contractors Equip)	\$ 5,384	\$1.1MM	A
7/1/2016	7/1/2017	MEMIC	Workers Compensation	\$ 175,557	Statutory / \$1MM	B
7/1/2016	7/1/2017	Patriot	Automobile	\$ 11,424	\$1MM	B
10/27/2016	10/27/2017	AIG	General Liability & Pollution Legal Liability	\$ 58,907	\$1MM/\$2MM \$1MM/\$1MM	B
10/27/2016	10/27/2017	AIG	Excess Liability	\$ 42,394	\$10MM	B
1/9/2016	1/9/2017	Darwin	Public Officials & Employment Practices Liability	\$ 20,831	\$3MM	C
1/17/2016	1/17/2017	Travelers	Fiduciary	\$ 2,801	\$2MM	C
7/1/2016	7/1/2017	Travelers	Crime	\$ 1,779	\$1MM	C
11/1/2016	11/1/2017	UNUM	Supplemental Life & Accidental Death & Dismemberment - Non Union Employees	\$ 11,758	1.5X base wages capped at \$225k / \$225k	D
11/1/2016	11/1/2017	UNUM	Dependent Life - Non Union Employees	\$ 536	\$10k	D
11/1/2016	11/1/2017	UNUM	Long Term Disability - Non Union Employees	\$ 21,788	\$5k/month	D
			Total	\$ 512,059		

NOTE: WC - Subject to MEMIC BOD Approved Dividend Payout, Fiduciary & Crime - 3 Year Policies Expiring 2017

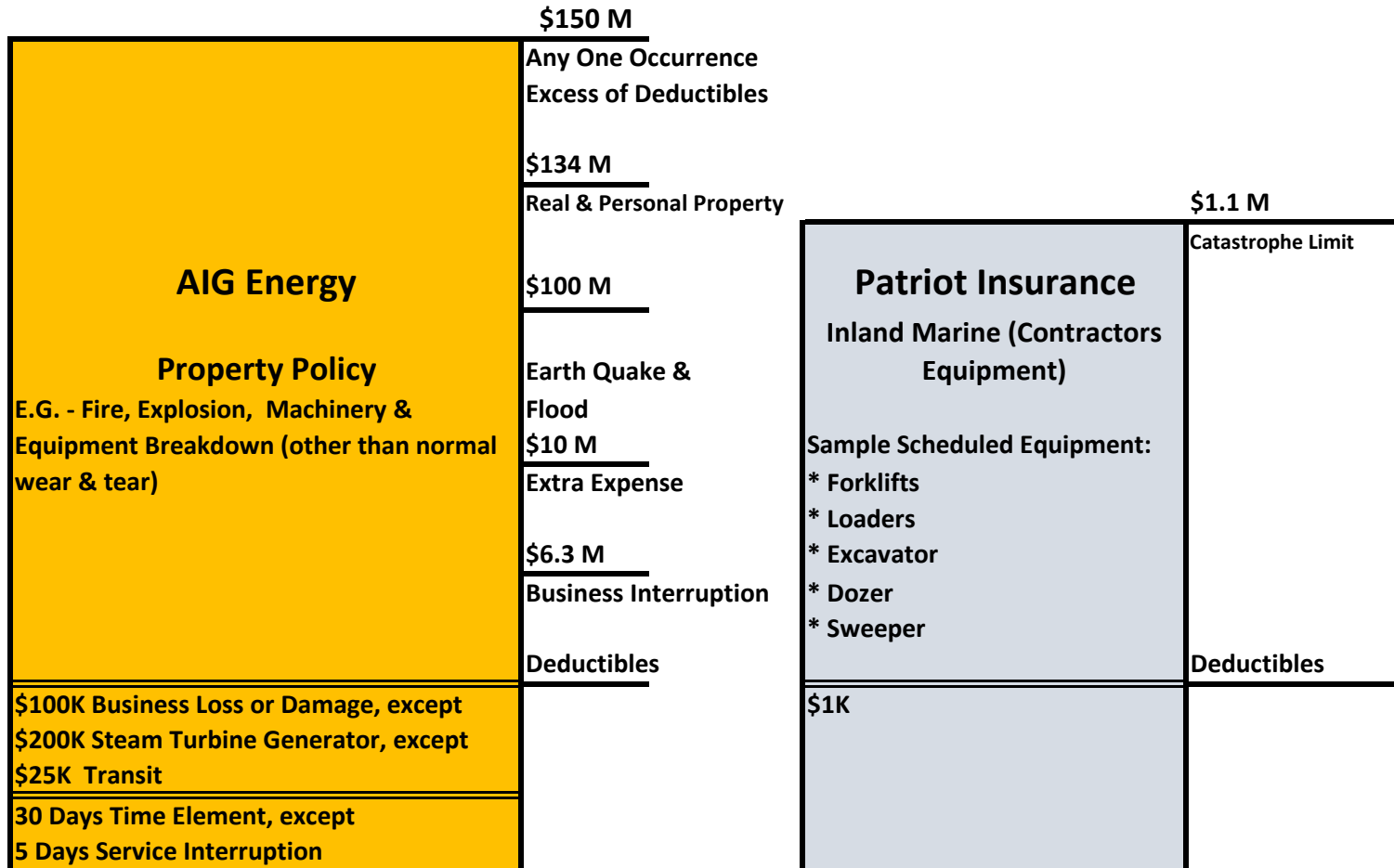
Via the Maine Municipal Employees Health Trust (MMEHT) & GP Dynamics						
1/1/2016	12/31/2016	Anthem	Medical	\$ 752,161	Unlimited Lifetime	D
1/1/2015	12/31/2015	GP Dynamics	HRA 1 - Deductible	\$ 80,463	\$2,500 / \$5,000	D
1/1/2015	12/31/2015	GP Dynamics	HRA II - Section 213	\$ 54,971	\$625 / \$1,250	D
1/1/2015	12/31/2015	GP Dynamics	HRA 1 & II Admin Cost	\$ 4,320	N/A	D
1/1/2016	12/31/2016	The Standard	Basic Life / Accidental Death & Dismemberment - for those without Medical	\$ 760	1 X Base Wages capped at \$100k/\$100k	D
1/1/2016	12/31/2016	UNUM	Short Term Disability (IPP)	\$ 33,379	\$1,000 Weekly	D
1/1/2016	12/31/2016	Vision Service Plan - VSP	Vision	\$ 1,356	N/A	D
1/1/2016	12/31/2016	Delta Dental	Dental	\$ 22,988	\$1,250	D
7/1/2015	6/30/2018	IUOE Locals 877 and 4	Long Term Disability Union Employees	\$ 37,965	\$3,000/month	D
			Total	\$ 988,364		

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Property Program Structure Chart

Property: March 27, 2016 to March 27, 2017

Inland Marine(Contractors Equipment): July 01, 2016 to July 01, 2017



This is a coverage summary, not a legal contract. This summary is provided to assist in your understanding of your insurance program. Please refer to actual policies for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

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Casualty Program Structure Chart

Workers Compensation & Employers Liability: July 01, 2016 to July 01, 2017

Automobile: July 01, 2016 to July 01, 2017

General Liability/Pollution Legal Liability: October 27, 2016 to October 27, 2017

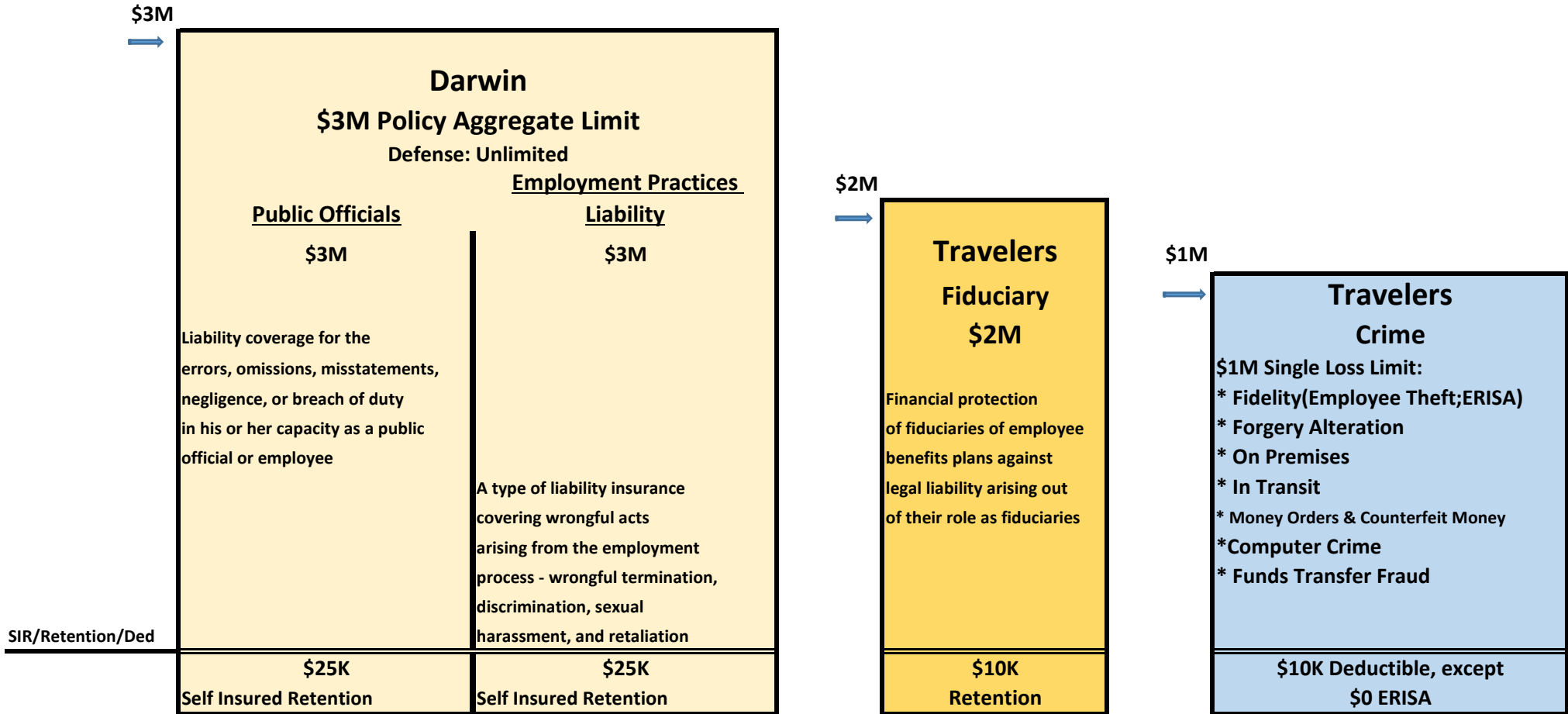
Excess Liability: October 27, 2016 to October 27, 2017

\$10M	MEMIC WC	AIG Excess Liability \$10M Each Occurrence & \$10M Policy Aggregate Excess of Underlying Coverages: * WC Employers Liability * Auto - Combined Single Limit of Liability(excludes physical damage cover) * General Liability & Pollution Legal Liability		
\$1M	Statutory Wages Medical Etc	MEMIC Workers Compensation Employers Liability \$1M/\$1M/\$1M	Patriot Insurance Auto \$1M CSL -Bodily Injury & Property Damage Physical Damage Comprehensive/Collision	General Liability \$1M Occurrence \$2M Aggregate
Deductible			Physical Damage Comprehensive/Collision Physical Damage Only \$1K/\$1K & \$1K/\$2K	AIG Pollution Legal Liability \$1M Each Loss \$1M Aggregate \$0 Deductible

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Management Professional Liability Program Structure Chart
 Public Officials Liability & Employment Practices Liability: January 09, 2016 to January 09, 2017
 Fiduciary: January 17, 2014 to January 17, 2017
 Crime: July 01, 2014 to July 01, 2017



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ecomaine Benefit Insurance

Medical & Life Insurance

Medical / Basic Life

- * PPO high deductible medical plan, In-network, deductibles (\$2,500/\$5,000), Co-insurance 80%/20%, Ded/Co-ins max out of pocket cost (\$3,500/\$7,000), Unlimited life time maximum, Out-of-network maximum/co-insurance higher,
- * Includes basic life and AD&D
Each 1 times base wage, capped at \$100k
Reduced to 50% at age 70,
- * Employee share of premiums depends on level of "active participation" in our wellness program from low of 12.5% to high of 15%, (based on Nov avg EE share is about 13%),
- * HRA Accounts - funded by ecomaine
HRA I for deductible (\$2,500/\$5,000) - utilization of 27%,
HRA II for sec. 213 items (\$625/\$1,250) - utilization of 86%,

Supplemental Life / AD&D

- * Employee Life
Non Union Employees only
Each 1.5 times base wage capped at \$225k,
Reduced to 65% at age 65 and to 50% at 70 -- 100% ecomaine funded,
- * Dependent Life
Non Union Employees only, \$10,000 on each,
100% employee funded

Dental & Vision

Dental

- * Preventable and diagnostic - 100% of allowed amounts,
- * Basic and restorative - 80% of allowed amounts after \$25 annual deductible,
- * Major/Prosthodontics - 50% of allowed amounts after \$25 annual deductible,
- * Orthodontic -- 50% to a life time maximum of \$1,250,
- * Basic/Restorative & Major/Prosthodontic Services subject to annual maximum of \$1,250 -- 100% employee paid,

Vision

- * Use Vision Service Plan (VSP) providers,
- * Co-pays for eye exams, glasses, contacts, diabetic eye care,
- * Discounts on laser vision correction,
- * Employee paid,

Disability Insurance

Long Term Disability

<ul style="list-style-type: none"> * Non bargaining unit employees, * 90 day elimination period, * 60% of base pay, * Capped at \$5k per month, * Pays to normal Social Security retirement age, * Coordinated with other sources of disability income, * ecomaine paid, 	<ul style="list-style-type: none"> * Bargaining unit employees, * 180 day elimination period, * 60% of monthly earnings, * Capped at \$3k per month, * Pays to normal Social Security retirement age, * Coordinate with Social Security Disability Income but not with Short Term Disability, * ecomaine paid - labor contract,
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Short Term Disability (IPP)

- * Coverage begins day 1 on accidents, day 8 on illness,
- * Options include 40%/55%/70% of base salary,
- * Offset by certain other disability payments,
- * Capped at \$1k per month,
- * Payment maximum of 52 weeks,
- * Employee paid,