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| <b>FY' 2011 Capital projects statement</b> |
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|  |                    |
|--|--------------------|
| FY 2010 Capital Improvement Project Yr end Balance   | \$1,672,592        |
| FY 2011 Capital Improvement Project Funding          | \$1,995,568        |
| FY 2010 Surplus Funds Transferred In                 | \$0                |
| FY 2011 Capital Improvement Project Balance 7/1/2010 | <u>\$3,668,160</u> |

| WTE Operations                                    | Remaining FY 2010 Projects        | FY 2011 Projects Budget        | FY 2011 Forecast        | Project Expenditures        | Project Status        |
|---|-----------------------------------|--------------------------------|-------------------------|-----------------------------|-----------------------|
| Double dump valves replacement                    |                                   | \$30,000                       | \$30,000                |                             | April Overhaul        |
| Reactor / scrubber conveyor replacement           |                                   | \$60,000                       | \$60,000                |                             | April Overhaul        |
| Superheater tubes replacement                     |                                   | \$250,000                      | \$250,000               |                             | April Overhaul        |
| Boiler inconel and water wall tubes               |                                   | \$300,000                      | \$300,000               |                             | April Overhaul        |
| Stack repairs / replacements                      |                                   | \$50,000                       | \$50,000                |                             | April Overhaul        |
| 1513 Construction of steel shell for scrubber "A" | \$400,000                         |                                | \$400,000               |                             | April Overhaul        |
| 1513 Construction of steel shell for scrubber "B" |                                   | \$400,000                      | \$400,000               |                             | April Overhaul        |
| 1535 Boiler "A" refractory replacement            | \$200,000                         |                                | \$200,000               |                             | April Overhaul        |
| 1535 Boiler "B" refractory replacement            |                                   | \$200,000                      | \$200,000               |                             | April Overhaul        |
| 1529 Boiler feed chute liner plate replacement    | \$120,000                         |                                | \$120,000               |                             |                       |
| 1592 RO System (water treatment)                  |                                   | \$150,000                      | \$94,000                | \$64,455                    | In progress           |
| 1512 Precipitator catwalks                        |                                   | \$50,000                       | \$59,246                | \$59,246                    | Complete              |
| Control room and lab upgrades                     |                                   | \$20,000                       | \$20,000                |                             | In progress           |
| Ash system controls replacement                   |                                   | \$120,000                      | \$120,000               |                             |                       |
| 1542 Induced Draft Fan VFR replacement            |                                   | \$40,000                       | \$40,000                | \$16,911                    | In progress           |
| Crane Controls Upgrade                            |                                   | \$120,000                      | \$120,000               |                             |                       |
| 1564 WTE roof replacement                         |                                   | \$75,000                       | \$45,778                | \$45,778                    | Complete              |
| Ferrous recovery upgrades                         |                                   | \$100,000                      | \$100,000               |                             | In progress           |
| 1593 HVAC controls upgrade                        |                                   | \$75,000                       | \$75,000                | \$8,201                     | in progress           |
| 1720 Admin building upgrade                       |                                   | \$0                            | \$130,000               | \$870                       | In progress           |
| 1520 Vibrating conveyor pan replacement           | \$60,000                          |                                | \$60,000                |                             |                       |
| 1547 Air compressor overhaul and rebuild          | \$50,000                          |                                | \$50,000                | \$6,245                     | In progress           |
| 1567 Tipping floor concrete resurfacing           | \$35,000                          |                                | \$35,000                |                             |                       |
| 1566 Miscellaneous building replacements          | \$50,000                          |                                | \$50,000                |                             | In progress           |
| <b>Recycling Operations</b>                       | <b>Remaining FY 2010 Projects</b> | <b>FY 2011 Projects Budget</b> | <b>FY 2011 Forecast</b> | <b>Project Expenditures</b> | <b>Project Status</b> |
| Facility entrance paving                          |                                   | \$12,000                       | \$12,000                |                             |                       |
| Overhead door replacement                         |                                   | \$20,000                       | \$20,000                |                             |                       |
| Toter tipper mixed plastics bunker                |                                   | \$8,500                        | \$8,500                 |                             |                       |
| 1723 Tipping hall sprinkler system                |                                   | \$26,300                       | \$26,300                |                             | In progress           |
| 1604 American baler reline                        |                                   | \$33,000                       | \$33,000                | \$23,276                    | In progress           |
| 1604 Harris baler reline                          |                                   | \$35,000                       | \$35,000                |                             | In progress           |
| Disc replacement on the star screen               |                                   | \$35,000                       | \$35,000                |                             | In Progress           |
| <b>Landfill Operations</b>                        | <b>Remaining FY 2010 Projects</b> | <b>FY 2011 Projects Budget</b> | <b>FY 2011 Forecast</b> | <b>Project Expenditures</b> | <b>Project Status</b> |
| Pick up truck                                     |                                   | \$7,000                        | \$6,134                 | \$6,134                     | Complete              |
| <b>Administration</b>                             | <b>Remaining FY 2010 Projects</b> | <b>FY 2011 Projects Budget</b> | <b>FY 2011 Forecast</b> | <b>Project Expenditures</b> | <b>Project Status</b> |
| 1502 Office equipment / IT upgrades               |                                   | \$25,000                       | \$25,000                |                             |                       |
| <b>Totals</b>                                     | \$915,000                         | \$2,241,800                    | \$3,209,958             | \$231,116                   |                       |
| <b>Fund Balance</b>                               |                                   |                                | \$458,202               | \$3,437,044                 |                       |

Statement of Revenues and Expenses - \$000's  
For Years Ended June 30, 2009 - 2016

Handout #2 (page 1 of 3)  
(replaces Attachment B of your Packet)

\$000's

|   | Actual<br>6/30/2009 | Actual<br>6/30/2010 | App Budget<br>6/30/2011 | Rev Budget<br>6/30/2011 | Projected<br>6/30/2012 | Projected<br>6/30/2013 | Projected<br>6/30/2014 | Projected<br>6/30/2015 | Projected<br>6/30/2016 | Notes |
|---|---------------------|---------------------|-------------------------|-------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------|
| Operating Revenues                      |                     |                     |                         |                         |                        |                        |                        |                        |                        |       |
| Municipal assessments                   | \$ 4,681            | \$ 4,679            | \$ 4,679                | \$ 4,679                | \$ 4,442               | \$ 4,442               | \$ 4,442               | \$ 4,442               | \$ 2,221               | A     |
| Municipal tipping fees                  | 4,787               | 4,513               | 4,156                   | 4,156                   | 4,156                  | 4,156                  | 4,156                  | 4,156                  | 4,156                  | 1     |
| Associate members                       | 865                 | 871                 | 985                     | 985                     | 985                    | 985                    | 985                    | 985                    | 985                    | 1     |
| Commercial tipping fees                 | 5,433               | 5,219               | 4,687                   | 4,687                   | 4,687                  | 4,687                  | 4,687                  | 4,687                  | 4,687                  | 1     |
| Spot market                             | 1,884               | 3,025               | 2,100                   | 2,100                   | 2,100                  | 2,100                  | 2,100                  | 2,100                  | 2,100                  | 1     |
| Electrical generation                   | 6,250               | 6,942               | 5,657                   | 5,657                   | 3,793                  | 3,793                  | 3,982                  | 4,181                  | 4,390                  | 2     |
| Sales of recycled goods                 | 2,034               | 2,784               | 2,250                   | 2,250                   | 2,318                  | 2,387                  | 2,459                  | 2,532                  | 2,608                  | 3     |
| Recycling tipping fees                  | 135                 | 32                  | 25                      | 25                      | 25                     | 25                     | 25                     | 25                     | 25                     | 1     |
| Gorham property                         | 142                 | 138                 | 110                     | 110                     | 110                    | 110                    | 110                    | -                      | -                      | 4     |
| Other                                   | 265                 | 369                 | 245                     | 245                     | 150                    | 150                    | 150                    | 150                    | 150                    |       |
| <b>Total operating revenues</b>         | <b>26,476</b>       | <b>28,572</b>       | <b>24,894</b>           | <b>24,894</b>           | <b>22,585</b>          | <b>22,835</b>          | <b>23,096</b>          | <b>23,259</b>          | <b>21,323</b>          |       |
| Operating expenses                      |                     |                     |                         |                         |                        |                        |                        |                        |                        |       |
| Administrative expenses                 | 1,878               | 1,882               | 1,926                   | 1,926                   | 1,984                  | 2,043                  | 2,105                  | 2,168                  | 2,233                  | 5     |
| WTE operating expenses                  | 8,441               | 8,469               | 8,761                   | 8,761                   | 9,024                  | 9,294                  | 9,573                  | 9,860                  | 10,156                 | 5     |
| Recycling operating expenses            | 1,509               | 1,637               | 1,578                   | 1,578                   | 1,625                  | 1,674                  | 1,724                  | 1,776                  | 1,829                  | 5     |
| Landfill operating expenses             | 1,690               | 1,532               | 1,551                   | 1,551                   | 1,598                  | 1,646                  | 1,695                  | 1,746                  | 1,798                  | 5     |
| Landfill closure and post-closure costs | 189                 | 304                 | -                       | -                       | -                      | -                      | -                      | -                      | -                      | 5     |
| Host communities                        | 515                 | 555                 | 555                     | 555                     | 572                    | 589                    | 606                    | 625                    | 643                    | 5     |
| Post Retirement Benefits                | 92                  | 101                 | -                       | -                       | -                      | -                      | -                      | -                      | -                      | 6     |
| Depreciation and amortization           | 4,015               | 3,887               | 4,000                   | 4,000                   | 4,000                  | 4,000                  | 4,000                  | 4,000                  | 4,000                  | 6     |
| Contingency                             | 28                  | -                   | 250                     | 250                     | 258                    | 265                    | 273                    | 281                    | 290                    | 5     |
| <b>Total operating expenses</b>         | <b>18,357</b>       | <b>18,367</b>       | <b>18,621</b>           | <b>18,621</b>           | <b>19,059</b>          | <b>19,511</b>          | <b>19,976</b>          | <b>20,456</b>          | <b>20,949</b>          |       |
| <b>Net operating income</b>             | <b>8,119</b>        | <b>10,205</b>       | <b>6,273</b>            | <b>6,273</b>            | <b>3,525</b>           | <b>3,324</b>           | <b>3,119</b>           | <b>2,803</b>           | <b>373</b>             |       |
| Non-operating income (expense)          |                     |                     |                         |                         |                        |                        |                        |                        |                        |       |
| Interest income                         | 204                 | 66                  | 50                      | 50                      | 42                     | 35                     | 39                     | 41                     | 33                     |       |
| Interest expense                        | (1,448)             | (892)               | (751)                   | (751)                   | (315)                  | (103)                  | (238)                  | (424)                  | (374)                  |       |
| <b>Net non-operating</b>                | <b>(1,244)</b>      | <b>(826)</b>        | <b>(701)</b>            | <b>(701)</b>            | <b>(273)</b>           | <b>(68)</b>            | <b>(199)</b>           | <b>(383)</b>           | <b>(341)</b>           |       |
| <b>Total revenue less expense</b>       | <b>\$ 6,875</b>     | <b>\$ 9,379</b>     | <b>\$ 5,572</b>         | <b>\$ 5,572</b>         | <b>\$ 3,252</b>        | <b>\$ 3,255</b>        | <b>\$ 2,921</b>        | <b>\$ 2,420</b>        | <b>\$ 32</b>           |       |

- 1 - Projected at 2011 Budget levels, no increase thru FY 13
- 2 - Projected prices to decrease 36% on average at contract renewal in February 2011, then increase by 5% per year beginning FY '13
- 3 - Projected to increase by 3% annually
- 4 - Assessment will end in FY 2014
- 5 - Projected to increase by 3% annually
- 6 - Non Cash Item - Pass on estimates - use FY 2011 Budget

|   |        |
|---|--------|
| Municipal assessments                   | 0.00%  |
| Municipal tipping fees                  | 0.00%  |
| Associate members                       | 0.00%  |
| Commercial tipping fees                 | 0.00%  |
| Spot market                             | 0.00%  |
| Electrical generation                   | -7.50% |
| Sales of recycled goods                 | 0.00%  |
| Recycling tipping fees                  | 0.00%  |
| Materials recovery assessment           | 0.00%  |
| Other                                   |        |
| Administrative expenses                 | 3.00%  |
| WTE operating expenses                  | 3.00%  |
| Recycling operating expenses            | 3.00%  |
| Landfill operating expenses             | 3.00%  |
| Landfill closure and post-closure costs | 0.00%  |
| Host communities                        | 3.00%  |
| Post Retirement Benefits                | 0.00%  |
| Depreciation and amortization           | 0.00%  |
| Contingency                             | 3.00%  |

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 Statement of Cash Flows - \$000's  
 For Years Ended June 30, 2009 - 2016

**Handout #2 (page 3 of 3)**  
**(replaces Attachment B of your Packet)**

| \$000's                                   | Actual<br>6/30/2009 | Actual<br>6/30/2010 | Approved Budget<br>6/30/2011 | Revised Budget<br>6/30/2011 | Projected<br>6/30/2012 | Projected<br>6/30/2013 | Projected<br>6/30/2014 | Projected<br>6/30/2015 | Projected<br>6/30/2016 |
|---|---------------------|---------------------|------------------------------|-----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Cash flows from operating activities:     |                     |                     |                              |                             |                        |                        |                        |                        |                        |
| Net operating income                      | \$ 8,119            | \$ 10,205           | \$ 6,273                     | \$ 6,273                    | \$ 3,525               | \$ 3,324               | \$ 3,119               | \$ 2,803               | \$ 373                 |
| Addback: depreciation                     | 4,015               | 3,887               | 4,000                        | 4,000                       | 4,000                  | 4,000                  | 4,000                  | 4,000                  | 4,000                  |
| Addback: landfill closure costs           | 189                 | 304                 | -                            | -                           | -                      | -                      | -                      | -                      | -                      |
| Addback: Post Retirement Benefits         | 92                  | 101                 | -                            | -                           | -                      | -                      | -                      | -                      | -                      |
| Other working capital changes             | (1,165)             | (263)               | -                            | -                           | -                      | -                      | -                      | -                      | -                      |
| Net cash provided by operating activities | 11,250              | 14,234              | 10,273                       | 10,273                      | 7,525                  | 7,324                  | 7,119                  | 6,803                  | 4,373                  |

Cash flows from capital and related financing activities:

|   |          |         |          |          |         |         |        |         |         |
|---|----------|---------|----------|----------|---------|---------|--------|---------|---------|
| Payment of interest                         | (1,448)  | (892)   | (751)    | (751)    | (451)   | (100)   | (24)   | (440)   | (396)   |
| Repayment of long-term debt                 | (10,415) | (8,135) | (10,450) | (10,450) | (6,630) | (3,975) | (285)  | (300)   | -       |
| Repayment of capital leases                 | (184)    | (177)   | (180)    | (180)    | (150)   | (120)   | (120)  | (120)   | (120)   |
| Bonding for capital projects                | -        | 750     | -        | -        | -       | -       | 11,000 | -       | -       |
| Repayment of new debt                       | -        | -       | -        | (750)    | -       | -       | -      | (1,100) | (1,100) |
| Net cash used in capital and related financ | (12,047) | (8,454) | (11,381) | (12,131) | (7,231) | (4,195) | 10,571 | (1,960) | (1,616) |

Cash flows from investing activities:

|                                |         |         |         |         |         |         |          |         |         |
|--------------------------------|---------|---------|---------|---------|---------|---------|----------|---------|---------|
| Receipts of interest           | 204     | 66      | 50      | 50      | 80      | 76      | 89       | 117     | 132     |
| Capital expenditures           | (2,704) | (1,300) | (2,241) | (3,234) | (2,920) | (6,435) | (2,786)  | (2,990) | (3,467) |
| Capital expenditures - Special | -       | -       | -       | -       | -       | -       | (11,000) | -       | -       |

Net cash used in investing activities

|                                       |         |         |         |         |         |         |          |         |         |
|---------------------------------------|---------|---------|---------|---------|---------|---------|----------|---------|---------|
| Net cash used in investing activities | (2,500) | (1,234) | (2,191) | (3,184) | (2,840) | (6,359) | (13,697) | (2,873) | (3,335) |
| Net increase (decrease) in cash       | (3,297) | 4,546   | (3,299) | (5,042) | (2,546) | (3,230) | 3,993    | 1,970   | (578)   |
| Cash Beginning of Period              | 21,726  | 18,429  | 19,524  | 22,975  | 17,933  | 15,388  | 12,157   | 16,151  | 18,121  |
| Cash End of Period                    | 18,429  | 22,975  | 16,225  | 17,933  | 15,388  | 12,157  | 16,151   | 18,121  | 17,543  |

Detail

|                            |           |           |           |           |           |           |           |           |           |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Operating Cash Reserve     | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      | \$ 2,000  | \$ 5,000  | \$ 5,000  |
| Short Term Capital Reserve | \$ 1,159  | \$ 1,673  | \$ 523    | \$ 435    | \$ 435    | \$ 435    | \$ 435    | \$ 435    | \$ 435    |
| Long Term Capital Reserve  | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      | \$ 3,000  | \$ 6,000  | \$ 8,000  |
| Landfill Closure reserve   | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      | \$ 712    | \$ 1,423  | \$ 2,135  |
| Bond Payment Reserves      | \$ 9,123  | \$ 11,324 | \$ 7,353  | \$ 4,403  | \$ 423    | \$ 300    | \$ -      | \$ -      | \$ -      |
| Debt Service Reserves      | \$ 3,296  | \$ 3,292  | \$ 3,292  | \$ 3,292  | \$ 3,292  | \$ -      | \$ -      | \$ -      | \$ -      |
| Other                      | \$ 4,851  | \$ 6,686  | \$ 5,057  | \$ 6,853  | \$ 7,258  | \$ 11,299 | \$ 9,704  | \$ 5,263  | \$ 1,973  |
| Total                      | \$ 18,429 | \$ 22,975 | \$ 16,225 | \$ 17,933 | \$ 15,388 | \$ 12,157 | \$ 16,151 | \$ 18,121 | \$ 17,543 |

Revenue Impact - Cash Balance Increase

Electrical -- FY 2010 is 4 mos act plus 8 mos projection (budget Gen with 36% reduction in rates effective 2/1). Increase total 5% annually beginning in FY2013  
 All Others - 4 months YTD is 16.5% overall ahead of budget -- assume same going forward for balance of FY 2011. Decrease Assessments by \$237k effective with FY 2012 and additional 50% effective with FY 2016

|  |      |          |          |          |           |           |           |
|--|------|----------|----------|----------|-----------|-----------|-----------|
| Revenue Impact - Cash Balance Increase | \$ - | \$ 2,938 | \$ 6,119 | \$ 9,232 | \$ 12,272 | \$ 15,349 | \$ 18,357 |
|--|------|----------|----------|----------|-----------|-----------|-----------|

| ecomaine |          |              |                    |            |            |                |       |    |           |
|----------|----------|--------------|--------------------|------------|------------|----------------|-------|----|-----------|
| Date     | Item     | No Customers | Age of Receivables |            |            |                |       |    |           |
|          |          |              | Current            | 31-60 Days | 61-90 Days | 91 & Over Days | Total |    |           |
| 07/31/10 | Balances | 171          | \$ 1,423,235       | \$ 58,380  | \$ 4,894   | \$ 1,486       | \$    | \$ | 1,487,995 |
|          | %        |              | 95.6%              | 3.9%       | 0.3%       | 0.1%           |       |    | 100.0%    |
| 08/31/10 | Balances |              | \$ 1,441,934       | \$ 146,931 | \$ 6,022   | \$ 3,827       | \$    | \$ | 1,598,714 |
|          | %        |              | 90.2%              | 9.2%       | 0.4%       | 0.2%           |       |    | 100.0%    |
| 09/30/10 | Balances |              | \$ 1,215,636       | \$ 199,231 | \$ 4,405   | \$ 5,232       | \$    | \$ | 1,424,505 |
|          | %        |              | 85.3%              | 14.0%      | 0.3%       | 0.4%           |       |    | 100.0%    |
| 10/31/10 | Balances |              | \$ 1,334,779       | \$ 211,628 | \$ 9,941   | \$ 4,757       | \$    | \$ | 1,561,105 |
|          | %        |              | 85.5%              | 13.6%      | 0.6%       | 0.3%           |       |    | 100.0%    |
| 11/30/10 | Balances |              | \$ 1,368,891       | \$ 149,882 | \$ 9,728   | \$ 12,973      | \$    | \$ | 1,541,474 |
|          | %        |              | 88.8%              | 9.7%       | 0.6%       | 0.8%           |       |    | 100.0%    |

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 Projected Statement of Cash Flows  
 For Years Ended June 30, 2009 - 2016

|   | Actual<br>6/30/2009 | Actual<br>6/30/2010 | Budget<br>6/30/2011 | Projected<br>6/30/2012 | Projected<br>6/30/2013 | Projected<br>6/30/2014 | Projected<br>6/30/2015 | Projected<br>6/30/2016 |
|---|---------------------|---------------------|---------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Cash flows from operating activities:                     |                     |                     |                     |                        |                        |                        |                        |                        |
| Net operating income                                      | \$ 8,211,882        | \$ 10,306,405       | \$ 6,273,159        | \$ 3,525,289           | \$ 3,323,634           | \$ 3,119,542           | \$ 2,803,120           | \$ 373,432             |
| Addback: depreciation                                     | 4,014,904           | 3,886,599           | 4,000,000           | 4,000,000              | 4,000,000              | 4,000,000              | 4,000,000              | 4,000,000              |
| Addback: landfill closure costs                           | 188,841             | -                   | -                   | -                      | -                      | -                      | -                      | -                      |
| Other working capital changes                             | (1,165,490)         | 41,744              | -                   | -                      | -                      | -                      | -                      | -                      |
| Net cash provided by operating activities                 | 11,250,137          | 14,234,748          | 10,273,159          | 7,525,289              | 7,323,634              | 7,119,542              | 6,803,120              | 4,373,432              |
| Cash flows from capital and related financing activities: |                     |                     |                     |                        |                        |                        |                        |                        |
| Payment of interest                                       | (1,448,289)         | (891,965)           | (751,096)           | (450,900)              | (100,000)              | (24,000)               | (440,000)              | (396,000)              |
| Repayment of long-term debt                               | (10,415,000)        | (8,135,000)         | (10,450,000)        | (6,630,000)            | (3,975,000)            | (285,000)              | (300,000)              | -                      |
| Repayment of capital leases                               | (183,990)           | (176,543)           | (180,000)           | (150,000)              | (120,000)              | (120,000)              | (120,000)              | (120,000)              |
| Bonding for capital projects                              | -                   | -                   | -                   | -                      | -                      | 11,000,000             | -                      | -                      |
| Repayment of new bonds                                    | -                   | -                   | -                   | -                      | -                      | -                      | (1,100,000)            | (1,100,000)            |
| Net cash used in capital and related financing            | (12,047,279)        | (9,203,508)         | (11,381,096)        | (7,230,900)            | (4,195,000)            | 10,571,000             | (1,960,000)            | (1,616,000)            |
| Cash flows from investing activities:                     |                     |                     |                     |                        |                        |                        |                        |                        |
| Receipts of interest                                      | 203,637             | 65,667              | 50,000              | 79,819                 | 76,439                 | 89,038                 | 117,389                | 131,827                |
| Capital expenditures                                      | (2,703,966)         | (1,300,322)         | (3,233,800)         | (2,920,000)            | (6,435,000)            | (2,786,000)            | (2,990,000)            | (3,467,000)            |
| Capital expenditures - bonded                             | -                   | -                   | -                   | -                      | -                      | (11,000,000)           | -                      | -                      |
| Proceeds from financing                                   | -                   | 750,000             | (750,000)           | -                      | -                      | -                      | -                      | -                      |
| Net cash used in investing activities                     | (2,500,329)         | (484,655)           | (3,933,800)         | (2,840,181)            | (6,358,561)            | (13,696,962)           | (2,872,611)            | (3,335,173)            |
| Net increase (decrease) in cash                           | (3,297,471)         | 4,546,585           | (5,041,737)         | (2,545,792)            | (3,229,927)            | 3,993,580              | 1,970,509              | (577,741)              |
| Cash, beginning of period                                 | 21,726,401          | 18,428,930          | 22,975,515          | 17,933,778             | 15,387,986             | 12,158,060             | 10,440,140             | 5,699,148              |
| Restricted Cash for Reserves:                             |                     |                     |                     |                        |                        |                        |                        |                        |
| Operating Cash Reserve                                    | -                   | -                   | -                   | -                      | -                      | (2,000,000)            | (3,000,000)            | -                      |
| Long-Term Capital Reserve                                 | -                   | -                   | -                   | -                      | -                      | (3,000,000)            | (3,000,000)            | (2,000,000)            |
| Landfill Closure Care Reserve                             | -                   | -                   | -                   | -                      | -                      | (711,500)              | (711,500)              | (711,500)              |
| Cash, end of period                                       | \$ 18,428,930       | \$ 22,975,515       | \$ 17,933,778       | \$ 15,387,986          | \$ 12,158,060          | \$ 10,440,140          | \$ 5,699,148           | \$ 2,409,908           |

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 Projected State of Revenues and Expenses  
 For Years Ended June 30, 2008 - 2016

|   | Actual<br>6/30/2008 | Actual<br>6/30/2009 | Actual<br>6/30/2010 | Budget<br>6/30/2011 | Projected<br>6/30/2012 | Projected<br>6/30/2013 | Projected<br>6/30/2014 | Projected<br>6/30/2015 | Projected<br>6/30/2016 | Notes |
|---|---------------------|---------------------|---------------------|---------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------|
| <b>Operating Revenues</b>               |                     |                     |                     |                     |                        |                        |                        |                        |                        |       |
| Municipal assessments                   | \$ 4,611,193        | \$ 4,678,702        | \$ 4,678,658        | \$ 4,678,658        | \$ 4,442,109           | \$ 4,442,109           | \$ 4,442,109           | \$ 4,442,109           | \$ 2,221,055           |       |
| Municipal tipping fees                  | 5,061,760           | 4,787,218           | 4,545,462           | 4,156,152           | 4,156,152              | 4,156,152              | 4,156,152              | 4,156,152              | 4,156,152              | 1     |
| Associate members                       | 851,433             | 864,095             | 870,587             | 985,088             | 985,088                | 985,088                | 985,088                | 985,088                | 985,088                | 1     |
| Commercial tipping fees                 | 6,256,666           | 5,433,109           | 5,219,023           | 4,686,760           | 4,686,760              | 4,686,760              | 4,686,760              | 4,686,760              | 4,686,760              | 1     |
| Spot market                             | 854,522             | 1,884,478           | 3,025,543           | 2,100,000           | 2,100,000              | 2,100,000              | 2,100,000              | 2,100,000              | 2,100,000              | 1     |
| Electrical generation                   | 4,745,063           | 6,250,476           | 6,941,594           | 5,657,198           | 3,611,998              | 3,792,598              | 3,982,228              | 4,181,339              | 4,390,406              | 2     |
| Sales of recycled goods                 | 3,112,437           | 2,034,325           | 2,783,735           | 2,250,000           | 2,317,500              | 2,387,025              | 2,458,636              | 2,532,395              | 2,608,367              | 3     |
| Recycling tipping fees                  | -                   | 136,587             | 31,744              | 25,000              | 25,000                 | 25,000                 | 25,000                 | 25,000                 | 25,000                 | 1     |
| Gotham property                         | 138,284             | 141,722             | 138,284             | 110,000             | 110,000                | 110,000                | 110,000                | -                      | -                      | 4     |
| Other                                   | 405,551             | 265,297             | 337,621             | 245,000             | 150,000                | 150,000                | 150,000                | 150,000                | 150,000                |       |
| <b>Total operating revenues</b>         | <b>26,036,909</b>   | <b>26,476,009</b>   | <b>28,572,251</b>   | <b>24,893,856</b>   | <b>22,584,607</b>      | <b>22,834,732</b>      | <b>23,095,973</b>      | <b>23,258,843</b>      | <b>21,322,827</b>      |       |
| <b>Operating expenses</b>               |                     |                     |                     |                     |                        |                        |                        |                        |                        |       |
| Administrative expenses                 | 2,267,986           | 2,420,593           | 2,436,755           | 2,731,104           | 2,813,037              | 2,897,428              | 2,984,351              | 3,073,882              | 3,166,098              | 5     |
| WTE operating expenses                  | 8,718,902           | 8,440,743           | 8,468,831           | 8,760,797           | 9,023,621              | 9,294,330              | 9,573,159              | 9,860,354              | 10,156,165             | 5     |
| Recycling operating expenses            | 1,636,370           | 1,508,877           | 1,637,156           | 1,577,585           | 1,624,913              | 1,673,660              | 1,723,870              | 1,775,586              | 1,828,853              | 5     |
| Landfill operating expenses             | 1,190,468           | 1,690,169           | 1,532,135           | 1,551,211           | 1,597,747              | 1,645,680              | 1,695,050              | 1,745,902              | 1,798,279              | 5     |
| Landfill closure and post-closure costs | 186,620             | 188,841             | 304,370             | -                   | -                      | -                      | -                      | -                      | -                      |       |
| Depreciation and amortization           | 5,200,630           | 4,014,904           | 3,886,599           | 4,000,000           | 4,000,000              | 4,000,000              | 4,000,000              | 4,000,000              | 4,000,000              |       |
| <b>Total operating expenses</b>         | <b>19,200,976</b>   | <b>18,264,127</b>   | <b>18,265,846</b>   | <b>18,620,697</b>   | <b>19,059,318</b>      | <b>19,511,097</b>      | <b>19,976,430</b>      | <b>20,455,723</b>      | <b>20,949,395</b>      |       |
| <b>Net operating income</b>             | <b>6,835,933</b>    | <b>8,211,882</b>    | <b>10,306,405</b>   | <b>6,273,159</b>    | <b>3,525,289</b>       | <b>3,323,634</b>       | <b>3,119,542</b>       | <b>2,803,120</b>       | <b>373,432</b>         |       |
| <b>Non-operating income (expense)</b>   |                     |                     |                     |                     |                        |                        |                        |                        |                        |       |
| Interest income                         | 589,266             | 203,637             | 65,667              | 50,000              | 79,819                 | 76,439                 | 89,038                 | 117,389                | 131,827                |       |
| Interest expense                        | (1,925,080)         | (1,448,289)         | (891,965)           | (751,096)           | (450,900)              | (100,000)              | (24,000)               | (440,000)              | (396,000)              |       |
| Post-retirement benefit                 | -                   | (92,220)            | (101,242)           | -                   | -                      | -                      | -                      | -                      | -                      |       |
| <b>Net non-operating</b>                | <b>(1,335,814)</b>  | <b>(1,336,872)</b>  | <b>(927,540)</b>    | <b>(701,096)</b>    | <b>(371,081)</b>       | <b>(23,561)</b>        | <b>65,038</b>          | <b>(322,611)</b>       | <b>(264,173)</b>       |       |
| <b>Total revenue less expense</b>       | <b>\$ 5,500,119</b> | <b>\$ 6,875,010</b> | <b>\$ 9,378,865</b> | <b>\$ 5,572,063</b> | <b>\$ 3,154,208</b>    | <b>\$ 3,300,073</b>    | <b>\$ 3,184,580</b>    | <b>\$ 2,480,509</b>    | <b>\$ 109,259</b>      |       |

**Assumptions**

- 1 - Projected at 2011 budget levels, no increase
- 2 - Projected prices to decrease significantly at contract renewal in February 2011, then increase by 5% per year beginning FY '13
- 3 - Projected to increase by 3% annually
- 4 - Assessment will end in FY 2014
- 5 - Projected to increase by 3% annually