

ecomaine

5 Year Plan for 2012 - 2016

Options

**Attachment A - Least Conservative Option**

- > Assessment go to zero in FY 2015-2016
- > Capital expenditures of \$17.9 million
- > No additional borrowing for new projects
- > No funding of landfill closure liability

**Attachment B - Less Conservative Option**

- > Assessment go to \$1,169,664 in FY 2015-2016
- > Capital expenditures of \$27.9 million
- > Additional bonding of \$10 million with 10 year amortization
- > No funding of landfill closure liability

**Attachment C - More Conservative Option**

- > Assessment go to \$2,339,327 in FY 2015-2016
- > Capital expenditures of \$38.9 million
- > Additional bonding of \$21 million with 10 year amortization
- > No funding of landfill closure liability

**Attachment D - Most Conservative Option**

- > Assessment go to \$2,339,327 in FY 2015-2016
- > Capital expenditures of \$38.9 million
- > Additional bonding of \$21 million with 10 year loan amortization
- > Include funding of landfill closure liability

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5 Year Plan for 2012 - 2016  
Key Financial Metrics

	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016	Totals 2012 - 2016
<b>Attachment A - Least Conservative Option</b>								
Cash generated from operations	12,680,879	10,273,155	9,249,836	9,122,582	8,996,609	8,762,213	3,961,054	40,092,294
Bond repayment	(8,135,000)	(10,450,000)	(6,630,000)	(3,975,000)	(285,000)	(300,000)	-	(11,190,000)
Capital expenditures	(2,204,173)	(2,241,800)	(2,620,000)	(5,835,000)	(2,786,000)	(2,990,000)	(3,667,000)	(17,898,000)
Cash, end of year	20,274,240	16,224,499	15,703,254	14,872,275	20,742,922	26,212,524	26,518,405	
<b>Attachment B - Less Conservative Option</b>								
Cash generated from operations	12,680,879	10,273,155	9,249,836	9,122,582	8,996,609	8,762,213	5,130,718	41,261,958
Bond repayment New bond	(8,135,000)	(10,450,000)	(6,630,000)	(3,975,000)	(285,000)	(1,300,000)	(1,000,000)	(13,190,000)
Capital expenditures New capital expenditures	(2,204,173)	(2,241,800)	(2,620,000)	(5,835,000)	(2,786,000)	(2,990,000)	(3,667,000)	(17,898,000)
Cash, end of year	20,274,240	16,224,499	15,703,254	14,872,275	20,742,922	25,210,017	25,680,963	(10,000,000)
<b>Attachment C - More Conservative Option</b>								
Cash generated from operations	12,680,879	10,273,155	9,249,836	9,122,582	8,996,609	8,762,213	6,300,381	42,431,621
Bond repayment New bond	(8,135,000)	(10,450,000)	(6,630,000)	(3,975,000)	(285,000)	(2,400,000)	(2,100,000)	(15,390,000)
Capital expenditures New capital expenditures	(2,204,173)	(2,241,800)	(2,620,000)	(5,835,000)	(2,786,000)	(2,990,000)	(3,667,000)	(17,898,000)
Cash, end of year	20,274,240	16,224,499	15,703,254	14,872,275	20,742,922	23,332,394	23,009,208	(21,000,000)
<b>Attachment D - Most Conservative Option</b>								
Cash generated from operations	12,680,879	10,273,155	9,249,836	9,122,582	8,996,609	8,762,213	6,300,381	42,431,621
Bond repayment New bond	(8,135,000)	(10,450,000)	(6,630,000)	(3,975,000)	(285,000)	(2,400,000)	(2,100,000)	(15,390,000)
Capital expenditures New capital expenditures	(2,204,173)	(2,241,800)	(2,620,000)	(5,835,000)	(2,786,000)	(2,990,000)	(3,667,000)	(17,898,000)
Cash, end of year	20,274,240	16,224,499	15,703,254	14,160,775	19,314,563	21,192,535	20,157,849	(21,000,000)

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

	Actual 6/30/2008	Actual 6/30/2009	Budget 6/30/2010	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016	Notes
<b>Operating Revenues</b>											
Municipal assessments	\$ 4,611,193	\$ 4,678,702	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	1
Municipal tipping fees	5,061,760	4,787,218	4,497,768	4,324,800	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	829,645	1,025,061	985,088	985,088	985,088	985,088	985,088	985,088	1
Commercial tipping fees	6,256,666	5,433,109	4,535,608	5,050,408	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	2,356,063	2,730,000	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	6,082,941	6,082,941	5,657,198	5,100,000	5,355,000	5,622,750	5,903,888	6,199,082	2
Sales of recycled goods	3,112,437	2,034,325	1,000,000	2,413,884	2,250,000	2,317,500	2,387,025	2,458,636	2,532,395	2,608,367	3
Recycling tipping fees	-	136,587	100,000	28,308	25,000	25,000	25,000	25,000	25,000	25,000	1
Gorham property	138,284	141,722	110,000	110,000	110,000	110,000	110,000	110,000	-	-	4
Other	405,551	265,297	325,000	237,019	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>24,515,679</b>	<b>26,681,075</b>	<b>24,893,852</b>	<b>24,309,154</b>	<b>24,633,679</b>	<b>24,973,040</b>	<b>25,217,936</b>	<b>20,910,449</b>	
<b>Operating expenses</b>											
Administrative expenses	2,267,986	2,420,593	2,847,231	2,446,380	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	8,553,469	8,598,794	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	1,521,182	1,462,465	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	1,479,751	1,492,557	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	-	-	-	-	-	-	-	-	
Depreciation and amortization	5,200,630	4,014,904	5,400,000	5,400,000	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>19,801,633</b>	<b>19,400,196</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>4,714,046</b>	<b>7,280,879</b>	<b>6,273,155</b>	<b>5,249,836</b>	<b>5,122,582</b>	<b>4,996,609</b>	<b>4,762,213</b>	<b>(38,946)</b>	
<b>Non-operating income (expense)</b>											
Interest income	589,266	203,637	192,500	61,296	50,000	79,819	76,439	89,038	117,389	131,827	
Interest expense	(1,925,080)	(1,448,289)	(1,544,900)	(1,127,692)	(751,096)	(450,900)	(100,000)	(24,000)	-	-	
Post-retirement benefit	-	(92,220)	-	-	-	-	-	-	-	-	
<b>Net non-operating</b>	<b>(1,335,814)</b>	<b>(1,336,872)</b>	<b>(1,352,400)</b>	<b>(1,066,396)</b>	<b>(701,096)</b>	<b>(371,081)</b>	<b>(23,561)</b>	<b>65,038</b>	<b>117,389</b>	<b>131,827</b>	
<b>Total revenue less expense</b>	<b>\$ 5,500,119</b>	<b>\$ 6,875,010</b>	<b>\$ 3,361,646</b>	<b>\$ 6,214,483</b>	<b>\$ 5,572,059</b>	<b>\$ 4,878,755</b>	<b>\$ 5,099,021</b>	<b>\$ 5,061,647</b>	<b>\$ 4,879,602</b>	<b>\$ 92,881</b>	

**Assumptions**

- 1 - Projected at 2011 budget levels, no increase
- 2 - Projected to 10% decrease 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

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

	Actual 6/30/2009	Budget 6/30/2010	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016
Cash flows from operating activities:									
Net operating income	\$ 8,211,882	\$ 4,714,046	\$ 7,280,879	\$ 6,273,155	\$ 5,249,836	\$ 5,122,582	\$ 4,996,609	\$ 4,762,213	\$ (38,946)
Addback: depreciation	4,014,904	5,400,000	5,400,000	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)	-	-	-	-	-	-	-	-
<b>Net cash provided by operating activities</b>	<b>11,250,137</b>	<b>10,114,046</b>	<b>12,680,879</b>	<b>10,273,155</b>	<b>9,249,836</b>	<b>9,122,582</b>	<b>8,996,609</b>	<b>8,762,213</b>	<b>3,961,054</b>
Cash flows from capital and related financing activities:									
Payment of interest	(1,448,289)	(1,544,900)	(1,127,692)	(751,096)	(450,900)	(100,000)	(24,000)	-	-
Repayment of long-term debt	(10,415,000)	(8,135,000)	(8,135,000)	(10,450,000)	(6,630,000)	(3,975,000)	(285,000)	(300,000)	-
Repayment of capital leases	(183,990)	(180,000)	(180,000)	(180,000)	(150,000)	(120,000)	(120,000)	(120,000)	(120,000)
Funding for landfill closure costs	-	-	-	-	-	-	-	-	-
Bonding for capital projects	-	-	-	-	-	-	-	-	-
Repayment of new bonds	-	-	-	-	-	-	-	-	-
<b>Net cash used in capital and related financing</b>	<b>(12,047,279)</b>	<b>(9,859,900)</b>	<b>(9,442,692)</b>	<b>(11,381,096)</b>	<b>(7,230,900)</b>	<b>(4,195,000)</b>	<b>(429,000)</b>	<b>(420,000)</b>	<b>(120,000)</b>
Cash flows from investing activities:									
Receipts of interest	203,637	192,500	61,296	50,000	79,819	76,439	89,038	117,389	131,827
Capital expenditures	(2,703,966)	(1,746,000)	(2,204,173)	(2,241,800)	(2,620,000)	(5,835,000)	(2,786,000)	(2,990,000)	(3,667,000)
Capital expenditures - bonded	-	-	-	-	-	-	-	-	-
Proceeds from financing	-	-	750,000	(750,000)	-	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(2,500,329)</b>	<b>(1,553,500)</b>	<b>(1,392,877)</b>	<b>(2,941,800)</b>	<b>(2,540,181)</b>	<b>(5,758,561)</b>	<b>(2,696,962)</b>	<b>(2,872,611)</b>	<b>(3,535,173)</b>
<b>Net increase (decrease) in cash</b>	<b>(3,297,471)</b>	<b>(1,299,354)</b>	<b>1,845,310</b>	<b>(4,049,741)</b>	<b>(521,245)</b>	<b>(830,979)</b>	<b>5,870,647</b>	<b>5,469,602</b>	<b>305,881</b>
<b>Cash, beginning of period</b>	<b>21,726,401</b>	<b>18,428,930</b>	<b>18,428,930</b>	<b>20,274,240</b>	<b>16,224,499</b>	<b>15,703,254</b>	<b>14,872,275</b>	<b>20,742,922</b>	<b>26,212,524</b>
<b>Cash, end of period</b>	<b>\$ 18,428,930</b>	<b>\$ 17,129,576</b>	<b>\$ 20,274,240</b>	<b>\$ 16,224,499</b>	<b>\$ 15,703,254</b>	<b>\$ 14,872,275</b>	<b>\$ 20,742,922</b>	<b>\$ 26,212,524</b>	<b>\$ 26,518,405</b>

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

	Actual 6/30/2008	Actual 6/30/2009	Budget 6/30/2010	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016	Notes
<b>Operating Revenues</b>											
Municipal assessments	\$ 4,611,193	\$ 4,678,702	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	1
Municipal tipping fees	5,061,760	4,787,218	4,497,768	4,324,800	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	829,645	1,025,061	985,088	985,088	985,088	985,088	985,088	985,088	1
Commercial tipping fees	6,256,666	5,433,109	4,535,608	5,050,408	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	2,356,063	2,730,000	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	6,082,941	6,082,941	5,657,198	5,100,000	5,355,000	5,622,750	5,903,888	6,199,082	2
Sales of recycled goods	3,112,437	2,034,325	1,000,000	2,413,884	2,250,000	2,317,500	2,387,025	2,458,636	2,532,395	2,608,367	3
Recycling tipping fees	-	136,587	100,000	28,308	25,000	25,000	25,000	25,000	25,000	25,000	1
Gorham property	138,284	141,722	110,000	110,000	110,000	110,000	110,000	110,000	-	-	4
Other	405,551	265,297	325,000	237,019	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>24,515,679</b>	<b>26,681,075</b>	<b>24,893,852</b>	<b>24,309,154</b>	<b>24,633,679</b>	<b>24,973,040</b>	<b>25,217,936</b>	<b>22,080,113</b>	
<b>Operating expenses</b>											
Administrative expenses	2,267,986	2,420,593	2,847,231	2,446,380	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	8,553,469	8,598,794	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	1,521,182	1,462,465	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	1,479,751	1,492,557	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	-	-	-	-	-	-	-	-	
Depreciation and amortization	5,200,630	4,014,904	5,400,000	5,400,000	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>19,801,633</b>	<b>19,400,196</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>4,714,046</b>	<b>7,280,879</b>	<b>6,273,155</b>	<b>5,249,836</b>	<b>5,122,582</b>	<b>4,996,609</b>	<b>4,762,213</b>	<b>1,130,718</b>	
<b>Non-operating income (expense)</b>											
Interest income	589,266	203,637	192,500	61,296	50,000	79,819	76,439	89,038	114,882	127,228	
Interest expense	(1,925,080)	(1,448,289)	(1,544,900)	(1,127,692)	(751,096)	(450,900)	(100,000)	(24,000)	(400,000)	(360,000)	
Post-retirement benefit	-	(92,220)	-	-	-	-	-	-	-	-	
<b>Net non-operating</b>	<b>(1,335,814)</b>	<b>(1,336,872)</b>	<b>(1,352,400)</b>	<b>(1,066,396)</b>	<b>(701,096)</b>	<b>(371,081)</b>	<b>(23,561)</b>	<b>65,038</b>	<b>(285,118)</b>	<b>(232,772)</b>	
<b>Total revenue less expense</b>	<b>\$ 5,500,119</b>	<b>\$ 6,875,010</b>	<b>\$ 3,361,646</b>	<b>\$ 6,214,483</b>	<b>\$ 5,572,059</b>	<b>\$ 4,878,755</b>	<b>\$ 5,099,021</b>	<b>\$ 5,061,647</b>	<b>\$ 4,477,095</b>	<b>\$ 897,946</b>	
<b>Assumptions</b>											
1 - Projected at 2011 budget levels, no increase											
2 - Projected to 10% decrease 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											

Less Conservative Option

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

	Actual 6/30/2009	Budget 6/30/2010	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016
Cash flows from operating activities:									
Net operating income	\$ 8,211,882	\$ 4,714,046	\$ 7,280,879	\$ 6,273,155	\$ 5,249,836	\$ 5,122,582	\$ 4,996,609	\$ 4,762,213	\$ 1,130,718
Addback: depreciation	4,014,904	5,400,000	5,400,000	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)	-	-	-	-	-	-	-	-
<b>Net cash provided by operating activities</b>	<b>11,250,137</b>	<b>10,114,046</b>	<b>12,680,879</b>	<b>10,273,155</b>	<b>9,249,836</b>	<b>9,122,582</b>	<b>8,996,609</b>	<b>8,762,213</b>	<b>5,130,718</b>
Cash flows from capital and related financing activities:									
Payment of interest	(1,448,289)	(1,544,900)	(1,127,692)	(751,096)	(450,900)	(100,000)	(24,000)	-	-
Repayment of long-term debt	(10,415,000)	(8,135,000)	(8,135,000)	(10,450,000)	(6,630,000)	(3,975,000)	(285,000)	(300,000)	-
Repayment of capital leases	(183,990)	(180,000)	(180,000)	(180,000)	(150,000)	(120,000)	(120,000)	(120,000)	(120,000)
Funding for landfill closure costs	-	-	-	-	-	-	-	-	-
Bonding for capital projects	-	-	-	-	-	-	10,000,000	-	-
Repayment of new bonds	-	-	-	-	-	-	-	(1,000,000)	(1,000,000)
<b>Net cash used in capital and related financing</b>	<b>(12,047,279)</b>	<b>(9,859,900)</b>	<b>(9,442,692)</b>	<b>(11,381,096)</b>	<b>(7,230,900)</b>	<b>(4,195,000)</b>	<b>9,571,000</b>	<b>(1,420,000)</b>	<b>(1,120,000)</b>
Cash flows from investing activities:									
Receipts of interest	203,637	192,500	61,296	50,000	79,819	76,439	89,038	114,882	127,228
Capital expenditures	(2,703,966)	(1,746,000)	(2,204,173)	(2,241,800)	(2,620,000)	(5,835,000)	(2,786,000)	(2,990,000)	(3,667,000)
Capital expenditures - bonded	-	-	-	-	-	-	(10,000,000)	-	-
Proceeds from financing	-	-	750,000	(750,000)	-	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(2,500,329)</b>	<b>(1,553,500)</b>	<b>(1,392,877)</b>	<b>(2,941,800)</b>	<b>(2,540,181)</b>	<b>(5,758,561)</b>	<b>(12,696,962)</b>	<b>(2,875,118)</b>	<b>(3,539,772)</b>
<b>Net increase (decrease) in cash</b>	<b>(3,297,471)</b>	<b>(1,299,354)</b>	<b>1,845,310</b>	<b>(4,049,741)</b>	<b>(521,245)</b>	<b>(830,979)</b>	<b>5,870,647</b>	<b>4,467,095</b>	<b>470,946</b>
<b>Cash, beginning of period</b>	<b>21,726,401</b>	<b>18,428,930</b>	<b>18,428,930</b>	<b>20,274,240</b>	<b>16,224,499</b>	<b>15,703,254</b>	<b>14,872,275</b>	<b>20,742,922</b>	<b>25,210,017</b>
<b>Cash, end of period</b>	<b>\$ 18,428,930</b>	<b>\$ 17,129,576</b>	<b>\$ 20,274,240</b>	<b>\$ 16,224,499</b>	<b>\$ 15,703,254</b>	<b>\$ 14,872,275</b>	<b>\$ 20,742,922</b>	<b>\$ 25,210,017</b>	<b>\$ 25,680,963</b>

More Conservative Option

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

	Actual 6/30/2008	Actual 6/30/2009	Budget 6/30/2010	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016	Notes
<b>Operating Revenues</b>											
Municipal assessments	\$ 4,611,193	\$ 4,678,702	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 2,339,327	1
Municipal tipping fees	5,061,760	4,787,218	4,497,768	4,324,800	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	829,645	1,025,061	985,088	985,088	985,088	985,088	985,088	985,088	1
Commercial tipping fees	6,256,666	5,433,109	4,535,608	5,050,408	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	2,356,063	2,730,000	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	6,082,941	6,082,941	5,657,198	5,100,000	5,355,000	5,622,750	5,903,888	6,199,082	2
Sales of recycled goods	3,112,437	2,034,325	1,000,000	2,413,884	2,250,000	2,317,500	2,387,025	2,458,636	2,532,395	2,608,367	3
Recycling tipping fees	-	136,587	100,000	28,308	25,000	25,000	25,000	25,000	25,000	25,000	1
Gorham property	138,284	141,722	110,000	110,000	110,000	110,000	110,000	110,000	110,000	150,000	4
Other	405,551	265,297	325,000	237,019	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>24,515,679</b>	<b>26,681,075</b>	<b>24,893,852</b>	<b>24,309,154</b>	<b>24,633,679</b>	<b>24,973,040</b>	<b>25,217,936</b>	<b>23,249,776</b>	
<b>Operating expenses</b>											
Administrative expenses	2,267,986	2,420,593	2,847,231	2,446,380	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	8,553,469	8,598,794	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	1,521,182	1,462,465	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	1,479,751	1,492,557	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	-	-	-	-	-	-	-	-	
Depreciation and amortization	5,200,650	4,014,904	5,400,000	5,400,000	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>19,801,633</b>	<b>19,400,196</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>4,714,046</b>	<b>7,280,879</b>	<b>6,273,155</b>	<b>5,249,836</b>	<b>5,122,582</b>	<b>4,996,609</b>	<b>4,762,213</b>	<b>2,300,381</b>	
Non-operating income (expense)											
Interest income	589,266	203,637	192,500	61,296	50,000	79,819	76,439	89,038	101,259	103,433	
Interest expense	(1,925,080)	(1,448,289)	(1,544,900)	(1,127,692)	(751,096)	(450,900)	(100,000)	(24,000)	(764,000)	(840,000)	
Post-retirement benefit	-	(92,220)	-	-	-	-	-	-	-	-	
<b>Net non-operating</b>	<b>(1,335,814)</b>	<b>(1,336,872)</b>	<b>(1,352,400)</b>	<b>(1,066,396)</b>	<b>(701,096)</b>	<b>(371,081)</b>	<b>(23,561)</b>	<b>65,038</b>	<b>(662,741)</b>	<b>(736,567)</b>	
<b>Total revenue less expense</b>	<b>\$ 5,500,119</b>	<b>\$ 6,875,010</b>	<b>\$ 3,361,646</b>	<b>\$ 6,214,483</b>	<b>\$ 5,572,059</b>	<b>\$ 4,878,755</b>	<b>\$ 5,099,021</b>	<b>\$ 5,061,647</b>	<b>\$ 4,099,472</b>	<b>\$ 1,563,814</b>	

**ASSUMPTIONS**  
 1 - Projected at 2011 budget levels, no increase  
 2 - Projected to 10% decrease 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

More Conservative Option

	Actual 6/30/2009	Budget 6/30/2010	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016
Cash flows from operating activities:									
Net operating income	\$ 8,211,882	\$ 4,714,046	\$ 7,280,879	\$ 6,273,155	\$ 5,249,836	\$ 5,122,582	\$ 4,996,609	\$ 4,762,213	\$ 2,300,381
Addback: depreciation	4,014,904	5,400,000	5,400,000	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)	-	-	-	-	-	-	-	-
Net cash provided by operating activities	11,250,137	10,114,046	12,680,879	10,273,155	9,249,836	9,122,582	8,996,609	8,762,213	6,300,381
Cash flows from capital and related financing activities:									
Payment of interest	(1,448,289)	(1,544,900)	(1,127,692)	(751,096)	(450,900)	(100,000)	(24,000)	(764,000)	(840,000)
Repayment of long-term debt	(10,415,000)	(8,135,000)	(8,135,000)	(10,450,000)	(6,630,000)	(3,975,000)	(285,000)	(300,000)	-
Repayment of capital leases	(183,990)	(180,000)	(180,000)	(180,000)	(150,000)	(120,000)	(120,000)	(120,000)	(120,000)
Funding for landfill closure costs	-	-	-	-	-	-	-	-	-
Bonding for capital projects	-	-	-	-	-	-	21,000,000	-	-
Repayment of new bonds	-	-	-	-	-	-	-	(2,100,000)	(2,100,000)
Net cash used in capital and related financing	(12,047,279)	(9,859,900)	(9,442,692)	(11,381,096)	(7,230,900)	(4,195,000)	20,571,000	(3,284,000)	(3,060,000)
Cash flows from investing activities:									
Receipts of interest	203,637	192,500	61,296	50,000	79,819	76,439	89,038	101,259	103,433
Capital expenditures	(2,703,966)	(1,746,000)	(2,204,173)	(2,241,800)	(2,620,000)	(5,835,000)	(2,786,000)	(2,990,000)	(3,667,000)
Capital expenditures - bonded	-	-	-	-	-	-	(21,000,000)	-	-
Proceeds from financing	-	-	750,000	(750,000)	-	-	-	-	-
Net cash used in investing activities	(2,500,329)	(1,553,500)	(1,392,877)	(2,941,800)	(2,540,181)	(5,758,561)	(23,696,962)	(2,888,741)	(3,563,567)
Net increase (decrease) in cash	(3,297,471)	(1,299,354)	1,845,310	(4,049,741)	(521,245)	(830,979)	5,870,647	2,589,472	(323,186)
Cash, beginning of period	21,726,401	18,428,930	18,428,930	20,274,240	16,224,499	15,703,254	14,872,275	20,742,922	23,332,394
Cash, end of period	\$ 18,428,930	\$ 17,129,576	\$ 20,274,240	\$ 16,224,499	\$ 15,703,254	\$ 14,872,275	\$ 20,742,922	\$ 23,332,394	\$ 23,009,208

Most Conservative Option

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

	Actual 6/30/2008	Actual 6/30/2009	Budget 6/30/2010	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016	Notes
Operating Revenues											
Municipal assessments	\$ 4,611,193	\$ 4,678,702	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 4,678,654	\$ 2,339,327	1
Municipal tipping fees	5,061,760	4,787,218	4,497,768	4,324,800	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	829,645	1,025,061	985,088	985,088	985,088	985,088	985,088	985,088	1
Commercial tipping fees	6,256,666	5,433,109	4,535,608	5,050,408	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	2,356,063	2,730,000	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	6,082,941	6,082,941	5,657,198	5,100,000	5,355,000	5,622,750	5,903,888	6,199,082	2
Sales of recycled goods	3,112,437	2,034,325	1,000,000	2,413,884	2,250,000	2,317,500	2,387,025	2,458,636	2,532,395	2,608,367	3
Recycling tipping fees	-	136,587	100,000	28,308	25,000	25,000	25,000	25,000	25,000	25,000	1
Gorham property	138,284	141,722	110,000	110,000	110,000	110,000	110,000	110,000	-	-	4
Other	405,551	265,297	325,000	237,019	245,000	150,000	150,000	150,000	150,000	150,000	
Total operating revenues	26,036,909	26,476,009	24,515,679	26,681,075	24,893,852	24,309,154	24,633,679	24,973,040	25,217,936	23,249,776	
Operating expenses											
Administrative expenses	2,267,986	2,420,593	2,847,231	2,446,380	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	8,553,469	8,598,794	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	1,521,182	1,462,465	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	1,479,751	1,492,557	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	-	-	-	-	-	-	-	-	
Depreciation and amortization	5,200,650	4,014,904	5,400,000	5,400,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	
Total operating expenses	19,200,976	18,264,127	19,801,633	19,400,196	18,620,697	19,059,318	19,511,097	19,976,430	20,455,723	20,949,395	
Net operating income	6,835,933	8,211,882	4,714,046	7,280,879	6,273,155	5,249,836	5,122,582	4,996,609	4,762,213	2,300,381	
Non-operating income (expense)											
Interest income	589,266	203,637	192,500	61,296	50,000	79,819	76,439	83,679	101,259	103,433	
Interest expense	(1,925,080)	(1,448,289)	(1,544,900)	(1,127,692)	(751,096)	(450,900)	(100,000)	(24,000)	(764,000)	(840,000)	
Post-retirement benefit	-	(92,220)	-	-	-	-	-	-	-	-	
Net non-operating	(1,335,814)	(1,336,872)	(1,352,400)	(1,066,396)	(701,096)	(371,081)	(23,561)	59,679	(662,741)	(736,567)	
Total revenue less expense	\$ 5,500,119	\$ 6,875,010	\$ 3,361,646	\$ 6,214,483	\$ 5,572,059	\$ 4,878,755	\$ 5,099,021	\$ 5,056,288	\$ 4,099,472	\$ 1,563,814	

ASSUMPTIONS

- 1 - Projected at 2011 budget levels, no increase
- 2 - Projected to 10% decrease 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

Most Conservative Option

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

	Actual 6/30/2009	Budget 6/30/2010	Forecast 6/30/2010	Budget 6/30/2011	Projected 6/30/2012	Projected 6/30/2013	Projected 6/30/2014	Projected 6/30/2015	Projected 6/30/2016
Cash flows from operating activities:									
Net operating income	\$ 8,211,882	\$ 4,714,046	\$ 7,280,879	\$ 6,273,155	\$ 5,249,836	\$ 5,122,582	\$ 4,996,609	\$ 4,762,213	\$ 2,300,381
Addback: depreciation	4,014,904	5,400,000	5,400,000	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)	-	-	-	-	-	-	-	-
<b>Net cash provided by operating activities</b>	<b>11,250,137</b>	<b>10,114,046</b>	<b>12,680,879</b>	<b>10,273,155</b>	<b>9,249,836</b>	<b>9,122,582</b>	<b>8,996,609</b>	<b>8,762,213</b>	<b>6,300,381</b>
Cash flows from capital and related financing activities:									
Payment of interest	(1,448,289)	(1,544,900)	(1,127,692)	(751,096)	(450,900)	(100,000)	(24,000)	(764,000)	(840,000)
Repayment of long-term debt	(10,415,000)	(8,135,000)	(8,135,000)	(10,450,000)	(6,630,000)	(3,975,000)	(285,000)	(300,000)	-
Repayment of capital leases	(183,990)	(180,000)	(180,000)	(180,000)	(150,000)	(120,000)	(120,000)	(120,000)	(120,000)
Funding for landfill closure costs	-	-	-	-	-	(711,500)	(711,500)	(711,500)	(711,500)
Bonding for capital projects	-	-	-	-	-	-	21,000,000	-	-
Repayment of new bonds	-	-	-	-	-	-	-	(2,100,000)	(2,100,000)
<b>Net cash used in capital and related financing</b>	<b>(12,047,279)</b>	<b>(9,859,900)</b>	<b>(9,442,692)</b>	<b>(11,381,096)</b>	<b>(7,230,900)</b>	<b>(4,906,500)</b>	<b>19,859,500</b>	<b>(3,995,500)</b>	<b>(3,771,500)</b>
Cash flows from investing activities:									
Receipts of interest	203,637	192,500	61,296	50,000	79,819	76,439	83,679	101,259	103,433
Capital expenditures	(2,703,966)	(1,746,000)	(2,204,173)	(2,241,800)	(2,620,000)	(5,835,000)	(2,786,000)	(2,990,000)	(3,667,000)
Capital expenditures - bonded	-	-	-	-	-	-	(21,000,000)	-	-
Proceeds from financing	-	-	750,000	(750,000)	-	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(2,500,329)</b>	<b>(1,553,500)</b>	<b>(1,392,877)</b>	<b>(2,941,800)</b>	<b>(2,540,181)</b>	<b>(5,758,561)</b>	<b>(23,702,321)</b>	<b>(2,888,741)</b>	<b>(3,563,567)</b>
<b>Net increase (decrease) in cash</b>	<b>(3,297,471)</b>	<b>(1,299,354)</b>	<b>1,845,310</b>	<b>(4,049,741)</b>	<b>(521,245)</b>	<b>(1,542,479)</b>	<b>5,153,788</b>	<b>1,877,972</b>	<b>(1,034,686)</b>
<b>Cash, beginning of period</b>	<b>21,726,401</b>	<b>18,428,930</b>	<b>18,428,930</b>	<b>20,274,240</b>	<b>16,224,499</b>	<b>15,703,254</b>	<b>14,160,775</b>	<b>19,314,563</b>	<b>21,192,535</b>
<b>Cash, end of period</b>	<b>\$ 18,428,930</b>	<b>\$ 17,129,576</b>	<b>\$ 20,274,240</b>	<b>\$ 16,224,499</b>	<b>\$ 15,703,254</b>	<b>\$ 14,160,775</b>	<b>\$ 19,314,563</b>	<b>\$ 21,192,535</b>	<b>\$ 20,157,849</b>

Handout 2

ecomaine  
Unrestricted Net Assets

	Balance <u>6/30/2009</u>	<u>Recommendation</u>	Balance <u>6/30/2010</u>	Balance <u>6/30/2016</u>
<b>Current Designated Unrestricted:</b>				
Capital replacement	\$ 1,158,761	Continue	\$ 768,741	\$ 1,000,000
Long-term maintenance fees	500,000	Merge into Landfill closure	-	
Landfill expansion	129,969	Eliminate	-	
Regulatory penalites	84,082	Eliminate	-	
Debt stabilization	1,777,654	Merge into Rate stabilization	-	
Electrical revenue	484,589	Eliminate	-	
Bond interest	428,709	Eliminate	-	
Tipping fees	3,091,372	Merge into Rate stabilization	-	
 <b>Recommended Additional Designated Unrestricted:</b>				
Contingent capital	-			6,500,000
Landfill closure and post-closure	-			2,846,000
Rate stabilization	-			4,700,000
<b>Total</b>	<u>\$ 7,655,136</u>		<u>\$ 768,741</u>	<u>\$ 15,046,000</u>

ecomaine  
Statement of Revenue and Expenses  
For the Ten Months Ending April 30, 2010

	Actual	YTD Budget	Variance
Operating revenues			
Municipal assessments	\$3,899,218.99	\$3,898,878.20	\$340.79
Owners tipping fees	3,763,080.09	3,748,140.00	14,940.09
Associate tipping fees	726,560.19	691,370.80	35,189.39
Commercial tipping fees	4,323,736.85	3,779,673.30	544,063.55
Spot market tipping fees	2,572,448.35	1,963,385.80	609,062.55
Electrical generating revenues	5,905,975.01	5,293,803.00	612,172.01
Sales of recycled goods	2,251,628.15	833,333.30	1,418,294.85
Recycling tipping fees	27,729.84	83,333.30	(55,603.46)
Gorham property assessments	115,237.35	91,666.70	23,570.65
Other operating income	211,395.66	270,833.40	(59,437.74)
<b>Total operating revenues</b>	<b>23,797,010.48</b>	<b>20,654,417.80</b>	<b>3,142,592.68</b>
Operating expenses			
Administrative expenses	2,041,813.78	2,057,692.40	(15,878.62)
Waste-to-energy operating expenses	6,431,980.01	7,231,702.70	(799,722.69)
Recycling operating expenses	1,203,485.61	1,270,984.90	(67,499.29)
Landfill/ashfill operating expenses	1,197,098.72	1,199,475.56	(2,376.84)
Contingency	(8,903.50)	312,500.00	(321,403.50)
Landfill closure and postclosure care costs	0.00	0.00	0.00
Post-retirement benefit	0.00	0.00	0.00
Depreciation & amortization	4,482,218.30	4,500,000.00	(17,781.70)
<b>Total operating expenses</b>	<b>15,347,692.92</b>	<b>16,572,355.56</b>	<b>(1,224,662.64)</b>
<b>Net operating income</b>	<b>8,449,317.56</b>	<b>4,082,062.24</b>	<b>4,367,255.32</b>
Non-operating income (expense)			
Interest income	58,637.59	160,416.70	(101,779.11)
Interest expense	(875,795.33)	(1,287,416.60)	411,621.27
<b>Net non-operating</b>	<b>(817,157.74)</b>	<b>(1,126,999.90)</b>	<b>309,842.16</b>
<b>Total revenue less expenses</b>	<b>7,632,159.82</b>	<b>2,955,062.34</b>	<b>4,677,097.48</b>

ecomaine  
Statement of Revenue and Expenses  
For the Month ended April 30, 2010

	<u>Actual</u>	<u>April Budget</u>	<u>Variance</u>
Operating revenues			
Municipal assessments	\$389,943.53	\$389,887.82	\$55.71
Owners tipping fees	357,081.12	374,814.00	(17,732.88)
Associate tipping fees	70,310.98	69,137.08	1,173.90
Commercial tipping fees	436,083.09	377,967.33	58,115.76
Spot market tipping fees	182,142.94	196,338.58	(14,195.64)
Electrical generating revenues	445,239.97	290,147.00	155,092.97
Sales of recycled goods	283,305.22	83,333.33	199,971.89
Recycling tipping fees	0.00	8,333.33	(8,333.33)
Gorham property assessments	11,523.32	9,166.67	2,356.65
Other operating income	19,910.24	27,083.34	(7,173.10)
	<u>2,195,540.41</u>	<u>1,826,208.48</u>	<u>369,331.93</u>
Operating expenses			
Administrative expenses	221,363.84	202,769.24	18,594.60
Waste-to-energy operating expenses	1,084,707.89	1,455,317.59	(370,609.70)
Recycling operating expenses	137,412.41	127,098.49	10,313.92
Landfill/ashfill operating expenses	69,944.98	99,552.99	(29,608.01)
Contingency	(9,214.00)	31,250.00	(40,464.00)
Landfill closure and postclosure care costs	0.00	0.00	0.00
Post-retirement benefit	0.00	0.00	0.00
Depreciation & amortization	432,218.30	450,000.00	(17,781.70)
	<u>1,936,433.42</u>	<u>2,365,988.31</u>	<u>(429,554.89)</u>
Net operating income	<u>259,106.99</u>	<u>(539,779.83)</u>	<u>798,886.82</u>
Non-operating income (expense)			
Interest income	4,850.84	16,041.67	(11,190.83)
Interest expense	(87,691.36)	(128,741.66)	41,050.30
	<u>(82,840.52)</u>	<u>(112,699.99)</u>	<u>29,859.47</u>
Total revenue less expenses	<u><u>176,266.47</u></u>	<u><u>(652,479.82)</u></u>	<u><u>828,746.29</u></u>

ECOMAINE

For the Ten Months Ending April 30, 2010

	<u>2010</u> <u>YTD</u>
ASSETS	
Current assets:	
Cash, operating	\$7,406,795.44
Cash, capital reserve fund	2,533,641.04
Cash, held by trustee for bond payments	9,147,582.26
Accounts receivable - customers	1,552,545.88
Accounts receivable - other	1,015,716.63
Inventory	1,854,424.63
Prepaid expenses	400,596.56
Total current assets	<u>23,911,302.44</u>
Property, plant and equipment:	
Property, plant and equipment	120,253,535.66
Less: accumulated depreciation	<u>86,919,285.92</u>
Net property, plant and equipment	<u>33,334,249.74</u>
Restricted cash and cash equivalents:	
Restricted cash, debt reserve fund	<u>3,293,882.85</u>
Other assets:	
Gorham materials recovery facility	<u>2,230,000.00</u>
Total other assets	<u>2,230,000.00</u>
Total assets	<u><u>\$62,769,435.03</u></u>

ECOMAINE

For the Ten Months Ending April 30, 2010

	<u>2010 YTD</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$650,890.97
Accrued expenses	1,413,717.45
Accrued compensated absences	582,916.49
Current portion of long-term debt	10,450,000.00
Current portion of capital leases	180,000.00
Bank term loan	<u>750,000.00</u>
Total current liabilities	<u>14,027,524.91</u>
Other liabilities:	
Long-term debt, bonds	11,190,000.00
Capital leases	1,410,368.70
Unamortized premium on bonds	109,222.14
Accrued landfill closure and postclosure costs	14,834,131.92
Accrued post-retirement benefit	92,220.00
Total liabilities	<u><u>41,663,467.67</u></u>

ECOMAINE

For the Ten Months Ending April 30, 2010

	<u>2010</u> <u>YTD</u>
NET ASSETS (EQUITY)	
Invested in capital assets, net of related debt	<u>\$5,216,714.32</u>
Restricted reserves:	
Restricted - debt service reserve	3,291,443.00
Restricted - construction funds	<u>4,528.00</u>
Total restricted reserves	<u>3,295,971.00</u>
Designated reserves:	
Capital reserve	2,972,914.00
Reserve of long-term maintenance	500,000.00
Reserve for landfill expansion	129,969.33
Reserve regulatory penalties	84,082.00
Debt stabilization reserve	1,777,654.00
Reserve for electrical revenue	484,589.00
Reserve for bond interest	428,709.00
Reserve for tipping fees	<u>3,091,372.00</u>
Total designated reserves	<u>9,469,289.33</u>
Other unrestricted reserves:	
Fund balance	(7,889,244.92)
Due to / from other funds	3,381,077.81
Revenue less expenses, current year	<u>7,632,159.82</u>
Subtotal unrestricted reserves	<u>3,123,992.71</u>
Total designated and unrestricted	<u>12,593,282.04</u>
Total net assets	<u><u>21,105,967.36</u></u>

**ecomaine**  
**Statement of Cash Balances**  
**April 2010**

	Actual Year Ended <u>6/30/2009</u>	Budget Year Ended <u>6/30/2010</u>	Actual Ten Months Ended <u>4/30/2010</u>
Cash flows from operating activities:			
Net operating income	\$ 8,211,882	\$ 4,714,046	\$ 8,449,318
Add back: depreciation	4,014,904	5,400,000	4,482,218
Add back: landfill closure costs	188,841	-	-
Other working capital changes	(1,165,490)	-	(283,995)
Net cash provided by operating activities	<u>11,250,137</u>	<u>10,114,046</u>	<u>12,647,541</u>
Cash flows from capital and related financing activities:			
Bank loan	-	-	750,000
Payment of interest	(1,448,289)	(1,544,900)	(649,168)
Repayment of long-term debt	(10,415,000)	(10,260,000)	(8,135,000)
Repayment of capital leases	(183,990)	(175,650)	(165,865)
Net cash used in capital and related financing	<u>(12,047,279)</u>	<u>(11,980,550)</u>	<u>(8,200,033)</u>
Cash flows from investing activities:			
Receipts of interest	203,637	192,500	58,638
Capital expenditures	(2,703,966)	(1,746,000)	(553,175)
Net cash used in investing activities	<u>(2,500,329)</u>	<u>(1,553,500)</u>	<u>(494,537)</u>
Net increase (decrease) in cash	(3,297,471)	(3,420,004)	3,952,971
Cash, beginning of period	21,726,401	18,428,930	18,428,930
Cash, end of period	<u>\$ 18,428,930</u>	<u>\$ 15,008,926</u>	<u>\$ 22,381,901</u>

**FY 2010 Capital projects budget**

FY 2009 Capital Improvement Project Fund Balance \$4,136  
 FY 2010 Capital Improvement Project Funding \$1,814,153  
 FY 2009 Surplus Funds Transferred In \$1,154,625  
 FY 2010 Capital Improvement Project Fund Balance \$2,972,914

WTE Operations	Remaining FY 2009 Projects	FY 2010 Projects Budget	FY 2010 Forecast	FY 2010 costs	Project Status
1550 Inbound truck scale replacement		\$110,000	\$99,050	\$99,050	Complete
1513 Construction of steel shell for scrubber		\$400,000	\$400,000		In progress
1519 Economizer screw conveyor replacement		\$60,000	\$60,000	\$22,547	In progress
1520 Vibrating conveyor pan replacement		\$60,000	\$60,000		In progress
1531 Superheater tube replacement		\$250,000	\$250,000		In progress
1532 Boiler water wall tube replacement		\$300,000	\$300,000		In progress
1535 Boiler refractory replacement		\$200,000	\$200,000		In progress
1529 Boiler feed chute liner plate replacement		\$120,000	\$120,000		In progress
1548 Air compressor overhaul and rebuild		\$50,000	\$50,000		In progress
1564 Boiler building roof replacement		\$78,000	\$78,000	\$77,249	Complete
1567 Tipping floor concrete resurfacing		\$35,000	\$35,000		In progress
1566 Miscellaneous building replacements		\$50,000	\$50,000	\$15,668	In progress
1512 Electrostatic precipitator controls replacement	\$100,000		\$150,000	\$79,505	In progress
1591 Mixer conditioner	\$350,000		\$80,000	\$57,693	In progress
1580 Grate drive controls	\$95,000		\$7,223	\$7,223	Complete
1550 Outbound Truck scale replacement	\$110,000		\$92,821	\$92,928	Complete
1581 Continuous emission monitors CO2		\$0	\$30,000		In progress
<b>Recycling Operations</b>	<b>Remaining FY 2009 Projects</b>	<b>FY 2010 Projects Budget</b>	<b>FY 2010 Forecast</b>	<b>FY 2010 costs</b>	<b>Project Status</b>
1705 Recycling baler improvements		\$33,000	\$33,000		In progress
1501 Recycling equipment (trommel screen)		\$0	\$70,000	\$32,020	In progress
<b>Landfill Operations</b>	<b>Remaining FY 2009 Projects</b>	<b>FY 2010 Projects Budget</b>	<b>FY 2010 Forecast</b>	<b>FY 2010 costs</b>	<b>Project Status</b>
Mac Truck dump body replacement		\$0	\$20,000	\$0	In progress
2006 Volvo truck		\$0	\$59,832	\$59,832	In progress
<b>Administration</b>	<b>Remaining FY 2009 Projects</b>	<b>FY 2010 Projects Budget</b>	<b>FY 2010 Forecast</b>	<b>FY 2010 costs</b>	<b>Project Status</b>
1502 Office equipment / IT upgrades	\$655,000	\$0	\$40,000	\$9,461	In progress
<b>Totals</b>		\$1,746,000	\$2,284,926	\$553,175	
<b>Fund Balance</b>			\$687,988	\$2,419,739	

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Accounts Receivable

January 2010

	<u>Current</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>91 and Over</u>	<u>Total</u>
Balance per A/R aging report	1,200,240	225,731	8,963	2,051	1,436,985
Percent of total	83.52%	15.71%	0.62%	0.14%	

April 2010

	<u>Current</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>91 and Over</u>	<u>Total</u>
Balance per A/R aging report	1,305,585	244,243	1,323	1,395	1,552,546
Percent of total	84.09%	15.73%	0.09%	0.09%	



Designated Net Assets As of June 30,	2004	2005	2006	2007	2008	2009
Capital replacement	1,211,070	2,481,069	1,727,581	3,490,581	606,227	1,158,761
Long-term maintenance fees	-	-	500,000	500,000	500,000	500,000
Landfill closure / expansion	1,209,823	1,209,823	1,830,485	129,969	129,969	129,969
Long-term maintenance	500,000	500,000	-	-	-	-
Rate stabilization	1,176,144	1,176,144	-	-	-	-
Revenue shortfall	736,466	736,466	-	-	-	-
Landfill expansion	-	1,094,019	-	-	-	-
Regulatory penalties	-	44,775	59,775	74,775	84,082	84,082
Debt stabilization	-	274,062	900,000	1,447,654	1,777,654	1,777,654
Electrical revenue	-	-	484,589	484,589	484,589	484,589
Bond interest	-	-	428,709	428,709	428,709	428,709
Tipping fees	-	-	2,094,675	2,986,651	3,091,372	3,091,372
Recycling sort line	-	-	1,904,619	-	-	-
Recycling Facility Electrical Connection	-	-	230,000	230,000	230,000	-
Other long-term maintenance	-	-	30,000	60,000	109,277	-
	<u>4,833,503</u>	<u>7,516,358</u>	<u>10,190,433</u>	<u>9,832,928</u>	<u>7,441,879</u>	<u>7,655,136</u>

Recommendation: Review all the above, determine if need still exists. Try to reduce number of reserves to 4 or 5 broader categories, giving future boards more flexibility, less confusion. Likely candidates for cash reserves might be: Capital, Landfill closure, and stabilization reserves.  
 Often stabilization reserves are based on a % of operating expenses - 10 - 15%.

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As of June 30,	2004	2005	2006	2007	2008	2009
Cash & Invest	23,194,702	25,330,780	26,200,620	22,182,572	21,726,401	18,428,930
less: held for DS	(11,479,417)	(11,518,943)	(11,854,656)	(12,719,041)	(13,067,898)	(12,414,350)
Net Cash & Invest	11,715,285	13,811,837	14,345,964	9,463,531	8,658,503	6,014,580
"Designated" Net Assets	4,833,503	7,516,358	10,190,433	9,832,928	7,441,879	7,655,136