

**ecomaine**  
**Statement of Cash Balances**  
**September 2010**

***Handout #1***  
***(Cash Flows)***

	Actual Year Ended <u>6/30/2010</u>	Budget Year Ended <u>6/30/2011</u>	Actual Three Months Ended <u>9/30/2010</u>
Cash flows from operating activities:			
Net operating income	\$ 9,480,107	\$ 6,273,155	\$ 3,101,002
Add back: depreciation	3,886,599	4,000,000	975,000
Add back: landfill closure costs	304,370	-	-
Other working capital changes	563,672	-	96,876
Net cash provided by operating activities	<u>14,234,748</u>	<u>10,273,155</u>	<u>4,172,878</u>
Cash flows from capital and related financing activities:			
Bank loan	750,000	-	(750,000)
Payment of interest	(891,965)	(751,096)	(140,141)
Repayment of long-term debt	(8,135,000)	(10,450,000)	(10,450,000)
Repayment of capital leases	(176,543)	(180,000)	(16,214)
Net cash used in capital and related financing	<u>(8,453,508)</u>	<u>(11,381,096)</u>	<u>(11,356,355)</u>
Cash flows from investing activities:			
Receipts of interest	65,667	50,000	10,059
Capital expenditures	(1,300,322)	(2,241,800)	(115,835)
Net cash used in investing activities	<u>(1,234,655)</u>	<u>(2,191,800)</u>	<u>(105,776)</u>
Net increase (decrease) in cash	4,546,585	(3,299,741)	(7,289,253)
Cash, beginning of period	18,428,930	22,975,515	22,975,515
Cash, end of period	<u><u>\$22,975,515</u></u>	<u><u>\$19,675,774</u></u>	<u><u>\$15,686,262</u></u>

**Handout #2**  
**(Status of Accounts Receivable)**

		ecomaine				
		Aged Trial Balance - Accounts Receivable 9/30/10				
	No Customers	Current	31-60 Days	61-90 Days	91 and Over Days	Total
Totals	171	\$ 1,215,636	\$ 199,232	\$ 4,405	\$ 5,232	\$ 1,424,505
% of Total		85.3%	14.0%	0.3%	0.4%	100.0%

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

**Handout #3  
(5-Year Plan)  
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	Actual 6/30/2008	Actual 6/30/2009	Actual 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	\$ 4,678,658	\$ 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
Gorham 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	-	-	-	-	-	-	5
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

	Actual 6/30/2009	Actual 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	\$ 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	-	-	-	-	-	-
<b>Net cash provided by operating activities</b>	<b>11,250,137</b>	<b>14,234,748</b>	<b>10,273,159</b>	<b>7,525,289</b>	<b>7,323,634</b>	<b>7,119,542</b>	<b>6,803,120</b>	<b>4,373,432</b>
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)
<b>Net cash used in capital and related financing</b>	<b>(12,047,279)</b>	<b>(9,203,508)</b>	<b>(11,381,096)</b>	<b>(7,230,900)</b>	<b>(4,195,000)</b>	<b>10,571,000</b>	<b>(1,960,000)</b>	<b>(1,616,000)</b>
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)	-	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(2,500,329)</b>	<b>(484,655)</b>	<b>(3,933,800)</b>	<b>(2,840,181)</b>	<b>(6,358,561)</b>	<b>(13,696,962)</b>	<b>(2,872,611)</b>	<b>(3,335,173)</b>
<b>Net increase (decrease) in cash</b>	<b>(3,297,471)</b>	<b>4,546,585</b>	<b>(5,041,737)</b>	<b>(2,545,792)</b>	<b>(3,229,927)</b>	<b>3,993,580</b>	<b>1,970,509</b>	<b>(577,741)</b>
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
<b>Restricted Cash for Reserves:</b>								
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)
<b>Cash, end of period</b>	<b>\$ 18,428,930</b>	<b>\$ 22,975,515</b>	<b>\$ 17,933,778</b>	<b>\$ 15,387,986</b>	<b>\$ 12,158,060</b>	<b>\$ 10,440,140</b>	<b>\$ 5,699,148</b>	<b>\$ 2,409,908</b>