



Memorandum

DATE: March 15, 2012
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, General Manager
SUBJECT: Agenda for the March 22, 2012 Finance Committee Meeting

There is a **Budget Workshop/Finance Committee Meeting** scheduled for **Thursday, March 22, 2012 @ 4:00PM, first floor at ecomaine's Waste-to-Energy facility.** The agenda for this meeting is as follows:

1. Approval of the February 23, 2012 Finance Committee Meeting Minutes (*Attachment A*)
2. Review the proposed FY '13 budget (*Attachment B*)
3. Review of proposed early payoff of long-term debt (**Handout #1**)
4. Review of Financial Statements (*review only if time permits*)
 - Statement of Revenues and Expenses – Month & YTD (*Attachment C*)
 - Statistical Data (*Attachments D-1, D-2, D-3*)
 - Balance Sheet (*Attachment E*)
 - Cash Flows (*Attachment F*)
 - Status of Accounts Receivable (*Attachment G*)
5. Other Items
6. Future Meetings:
 - Full Board Meeting: April 19th (Thursday) @ 4:00PM.
 - Recycling Committee Meeting: April 25th (Wednesday) @ 4:00PM.
 - Finance Committee Meeting: May 17th (Thursday) @ 2:30PM.
 - Executive Committee Meeting: May 17th (Thursday) @ 4:00PM.
 - Recycling Committee Meeting: May 23rd (Wednesday) @ 4:00PM.
 - Annual Meeting: June 14th (Thursday) @ 11:30AM.
 - Recycling Committee Meeting: June 25th (Wednesday) @ 4:00PM.

The Finance Committee may wish to go into Executive Session for any of the above items under Section 405 of Title 1 of the Maine Revised Statutes ([per the following legislative website: http://janus.state.me.us/legis/statutes/1/title1ch13sec0.html](http://janus.state.me.us/legis/statutes/1/title1ch13sec0.html)).

Long Term Debt - Early Payoff													
Date	Act	Gen Rev Fund	Rebate Fund	Series N		Series R		Series S		Series U		DSR	Total All Accounts
		1082247938	1082247947	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal		
2/29/12	Bal	244,866	83,733	3,858	183,351	2,573	1,266,788	13,951	88	7,117	145	2,000,132	3,806,602
March	Dep			1,091	676,649	2,000	158,333	6,750					844,823
	W/D	(244,866)		(1,091)		(1,678)				(7,117)	(145)	(200,220)	(455,116)
April	Dep			1,091		954	158,333	6,750					167,128
	W/D			(1,091)		(1,678)							(2,769)
May	Dep			505		954	158,333	6,750					166,542
	W/D			(1,091)		(1,678)							(2,769)
June	Dep					954	158,212	5,849					165,015
	W/D			(1,091)		(1,678)							(2,769)
July	Dep					954			1,799,912			(1,799,912)	954
	W/D			(1,091)	(275,000)	(1,678)	(1,900,000)	(40,050)	(1,800,000)				(4,017,819)
Aug	Dep			-									-
	W/D			(1,091)	(585,000)								(586,091)
	Bal	-	83,733	-	-	-	-	-	-	-	-	-	83,733

Gen Rev Fund - Balance is generally Zero -- timing on transfers

Rebate Fund - Balance should be available for use with early redemption of Series N - proof of final arbitrage report and release. Needs more work so will assume not available.

Series N - Principal balance on 7/1/11 is \$860,000 with \$275,000 payment due 7/1/12 and balance due in 2013 (\$285,000) and 2014 (\$300,000). Interest (variable rate) is due 1st of each month. Subject to redemption on any Interest Payment Date, notice of redemption needs to be given, through the Trustee, to bondholders by first class mail not more than 60 days nor less than 30 days prior to redemption. Cash must be in hands of trustee 123 days in advance to preference proof the funds in the case of Bankruptcy. To be safe we should have the funds for early redemption (\$585,000) with the trustee on March 28.

Series R - To be paid off July 1, under terms of Bonds

Series S - To be paid off July 1, under terms of Bonds. Cash to come from DSR Account

Series U - Paid off in July 2011 -- use balances to offset early redemption of Series N

DSR Account - Balance is to cover payment of Series S Bonds and early redemption of Series N

Cost Benefit - Current rate for the Series N bonds is about 1.6%, Bayern (bond liquidity) charges 30 BP, Barclays (remarketing agent) charges 7 BP and Huntington Trust also has fees (??). In the end it looks to me like we will save about \$10,000 by calling the remaining bonds effective Aug 1st. This will simplify ecomaine's banking relationship with TD Bank as well and thereby providing additional cost savings at TD Bank and internally here at ecomaine.