



## Memorandum

**DATE:** March 8, 2018  
**TO:** Chairman and Members of the Board  
**FROM:** Kevin H. Roche, CEO/General Manager  
**SUBJECT:** **Agenda for the Board of Directors Meeting**

There is an ecomaine Board of Directors Meeting scheduled for **March 15, 2018 @ 4PM**.  
The agenda for this meeting is as follows:

1. Approval of the Minutes (*Attachment A*)
2. Outreach & Recycling Committee Report – Caleb Hemphill, Chair
3. Finance & Audit Committee Report – Mike Shaw, Chair
  - **Amendment:** - 2<sup>nd</sup> Reading of the Cash Reserve & Investment Policy to remove investment limitations of equities (1/3 of total investments) from the policy (*Attachment B*)
4. **Presentation: BUDGET - FY 19**
5. Managers' Report
  - Update – Building Renovations and Remodeling
  - Update – Regionalization Project
  - Review of Financial Statements FY 18
    - Financial Summary (*Attachment C1*)
    - Tonnage Graph (*Attachment C2*)
    - Statement of Revenue & Expenses (*Attachment C3*)
    - Statistical Data (*Attachment C4*)
    - Statement of Cash Balances (*Attachment C5*)
    - Analysis of All Tons by Community (*Attachment C6*)
    - Electric Generation Summary (*Attachment C7*)
6. Other Business:

### Future Meetings:

Finance/Audit Committee /Budget Workshop

March 22, 2018 @ 4PM

Outreach & Recycling Committee

April 5, 2018 @ 4pm

**Finance/Audit Committee**

**April 26, 2018 @ 3pm (Canceled)**

**Full Board Meeting**

**April 26, 2018 @ 4pm (Canceled)**

Finance/Audit Committee

May 17, 2018 @ 3PM @ Maine Turnpike Authority, Portland Maine

Full Board Meeting

May 17, 2018 @ 4PM @ Maine Turnpike Authority, Portland Maine

Annual Board Meeting

June 14, 2018 @ 11:30AM @ Thompson's Point, Portland Maine

The Board of Directors 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).)

3/9/2018 4:00 PM

# ecomaine

Memorandum

**DATE:** March 5, 2018  
**TO:** Chairman and Members of the Board  
**FROM:** Kevin H. Roche, CEO/General Manager  
**SUBJECT:** Board of Directors Minutes – February 15, 2018

There was a **Full Board of Directors Meeting** held on the date noted above. The meeting was called to order by Troy Moon, Chairman @ 4:01pm.

## **Item #1: Minutes**

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

## **Item #2: Presentation: Ted Siegler, Economist – DSM Environmental Services**

Ted Siegler provided a summary of his research into the analysis of costs associated with residential collection of food waste from ecomaine member municipalities, and a review of opportunities to regionalize collection.

There was a lengthy discussion that followed the presentation.

Linda Boudreau recommended a sub-committee to determine options to communicate the regionalization opportunities to each town and what would be customary and reasonable. There was further discussion regarding polling town representative.

Tony Plante shared the need to move forward with the exploration process. Staff should make contact with individual communities, Town Manager, public works etc.

Jamie Garvin noted that this would be a challenge for Cape Elizabeth and a difficult position. There is no curbside or PAYT program.

As a first step, the board recommended that staff begin discussions regarding the regionalization effort (and food waste recovery) with owner communities. Staff will report back to the board with this feedback.

## **Item #7: Update on Power Purchase Agreement**

Kevin Roche provided an update on the Power Purchase Agreement with Constellation. Based on new regulations, ecomaine is not eligible for Connecticut REC's. Therefore, the contact has been renegotiated and will be for 1 year in duration.

Due to time constraints the Chair Reports and Managers Report were postponed.

Caleb Hemphill reminded the board of the upcoming eco-Excellence ceremony scheduled for March 6, 2018 @ 11:30am. All are welcome.

Len Van Gaasbeek motioned to adjourn. The motion was seconded by Maxine Beecher. All in favor.

**Present:**

Maxine Beecher, Sherrie Benner, Anne Bilodeau, Linda Boudreau, Christopher Branch, Deborah Cabana, Jamie Garvin, Caleb Hemphill, Jessica Maloy, Troy Moon, Maureen McDevitt, Ephrem Paraschak, Tony Plante, Nathan Poore, Bill Shane, Mike Shaw, Erik Street, Matthew Sturgis & Len Van Gaasbeek

**Staff:**

Arthur Birt, Anne Hewes, Cal Joiner, Denise Mungen, Kevin Roche, Kevin Trytek & Katrina Venhuizen

DRAFT



## **CASH RESERVE & INVESTMENT POLICY**

### **RESERVES**

As part of strengthening **ecomaine's** financial position, we will establish and fund the reserves outlined below with the knowledge that general economic conditions and other **ecomaine** needs may impact on the timing of the funding of these reserves. There may also be conditions that arise requiring the **ecomaine** board to authorize the use of a reserve in a manner not originally intended for unanticipated financial issues. Therefore, with Board approval, funds from a reserve (with the exception of the Required Landfill Closure / Post Closure Reserve) could be used to cover other areas.

#### **FAVORABLE CASH FLOW**

**Objective:** To provide financial relief to owner communities when the financial position of **ecomaine** permits it.

#### **OPERATING CASH RESERVE**

**Objective:** To provide routine operating cash and financial security for extraordinary events that could cause a significant decrease in operating revenues or increase in operating expenses. These would be used to fund operations until any necessary adjustments can be made to provide sufficient cash flow to maintain operations.

**Goal:** We will build and maintain a balance of six months of cash operating expenses.

#### **SHORT TERM CAPITAL RESERVE**

**Objective:** To reserve funds for routine capital projects in the event of unanticipated circumstances.

**Goal:** We will establish a reserve equal to approximately 12 months of short term capital spending.

#### **LONG TERM CAPITAL RESERVE**

**Objective:** To reserve funds for new capital projects which have not been provided for in the annual capital plan. New capital projects are large projects in which the necessity and timing is not known at the present time. These could be projects to upgrade the current facilities or add additional capacity or functionality. It is our intent to fund these projects with internal cash flow to the extent possible but economic conditions and necessity may dictate that we issue some long term debt.

**Goal:** We will establish a reserve equal to the greater of \$3 million or the next year's long term capital spending.

## DISCRETIONARY LANDFILL CLOSURE / POST CLOSURE RESERVE

**Objective:** To fund from internal cash flow a discretionary amount periodically for the landfill closure and post closure care costs during the remaining useful life of the landfill. Regulation, technology and other factors will impact the cost and life but as of June 30, 2015, this liability is estimated to be \$22.4 million in today's dollars and it is expected that the landfill will need to be closed in steps with final closing in 2044 and continued maintenance for 30 years thereafter.

**Goal:** We will establish a reserve that will fully fund this liability by the time the landfill is closed.

## REQUIRED LANDFILL CLOSURE / POST CLOSURE RESERVE

**Objective:** To provide funding for a Landfill Closure / Post Closure Reserve account as required by section 8 of the Interlocal Solid Waste Agreement dated December 1, 2005.

**Goal:** We will immediately establish a reserve for \$300,000 to meet the terms of this agreement.

## INCOME EARNED

Income earned on reserve accounts shall accrue to the respective reserve account.

## RECORD KEEPING

These funded reserves may be maintained in separate accounts at financial institutions or may simply be reported separately in the **ecomaine** financial statements whatever is most efficient for **ecomaine**.

## PERIODIC REVIEW

Five year cash flow projections and reserve funding requirements will be reviewed annually with the **ecomaine** board.

## INVESTMENTS

### SCOPE

This policy shall apply to the investment management of all **ecomaine** cash accounts including demand deposits and any reserve funds that are established under this policy. At all times, investments will be managed in accordance with Title 30-A, Sections 5706 through 5719 of the Maine Revised Statutes (see attached) and any revisions to these Statutes will become part of this policy immediately upon being enacted. Board responsibilities as identified in this policy may be delegated to the appropriate committee or staff member.

### OBJECTIVES

The principal investment objectives for **ecomaine** are:

- **Safety** – to avoid unreasonable risk while preserving both the capital and the purchasing power of that capital. It is understood that no investment is totally free of risk, and occasional measured losses are inevitable in a diversified portfolio. Risk may include the

quality of the investment, the qualifications of the institutions and advisors we deal with, the diversification of the portfolio, the movement of interest rates, inflation and the general state of the economy.

- **Liquidity** – to maintain sufficient liquidity to meet all operating requirements as may reasonably be anticipated by structuring the portfolio with investments that mature as the need for cash occurs.
- **Returns** – to generate a long-term rate of return in the portfolios that is commensurate with the appropriate blended benchmark returns that coincide with the asset allocation for each portfolio over an economic cycle, taking into account risk and liquidity needs.

Each of these factors will be weighted depending on the objective and goal for each reserve account.

### **PRUDENCE & RESPONSIBILITIES**

The standard of prudence to be used for managing our investments shall be Title 30-A, Section 5718 of the Maine Revised Statutes which, in general, states that investments shall be made with the judgment and care that persons of prudence, discretion and intelligence, under circumstances then prevailing, exercise in the management of their own affairs, not for speculation but for investment, considering safety, income and maintenance of liquidity.

Authorized **ecomaine** employees acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion.

### **ETHICS AND CONFLICTS OF INTEREST**

**ecomaine** personnel involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair or create the appearance of an impairment of their ability to make impartial investment decisions. These individuals shall disclose to **ecomaine** any material financial interests they have in financial institutions that conduct business with **ecomaine** and they shall subordinate their personal investment transactions to those of **ecomaine**.

### **DELEGATION OF AUTHORITY & INTERNAL CONTROLS**

Under the Maine Revised Statutes and the **ecomaine** bylaws, responsibility for the investment of **ecomaine** funds covered by this Policy resides with **ecomaine**. Staff will assist the Board in developing policies and procedures and will implement these policies and procedures after approval by the **ecomaine** board. No person may engage in an investment transaction except as expressly provided under the terms of this Policy.

Staff will develop written procedures designed to prevent losses of **ecomaine** funds arising from fraud, employee error, and misrepresentation by third parties, or imprudent actions by **ecomaine** employees. Proper documentation for all investment transactions shall be prepared and maintained for an appropriate amount of time.

Staff may engage the support services of outside professionals in regard to its investment program, so long as it can be demonstrated that these services are advantageous or that they provide necessary financial protection of **ecomaine's** financial resources.

## SELECTION OF ADVISORS

Management will, at least every five years, issue an RFP seeking investment services for **ecomaine** pursuant to 30-A M.R.S.A. § 5706(4). Services are to consist of advice, the safekeeping of the funds, collection of interest and dividends, and any other fiscal service that is normally covered in an advisory agreement. Other than Demand Deposit amounts (see below) all **ecomaine** investment activities as addressed in this Policy are to be provided by the selected firm. The Board will approve this selected firm.

All Advisors who desire to become qualified for **ecomaine** investment management must meet all requirements set forth in Section 5706(4) and supply the following as appropriate:

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
- Proof of FINRA (Financial Industry Regulatory Authority) certification (not applicable to certificate of deposit counterparties)
- Proof of registration to buy and sell securities in the State of Maine
- Certification of having read understood and agreed to comply with **ecomaine's** Cash Reserve and Investment Policy.
- Evidence of adequate insurance coverage (FDIC, SIPC, or other appropriate collateral)

When selecting Advisors, consideration will be given to local or regional firms as long as they meet the standards set forth in this policy. The selection of Advisors will be on the basis of their expertise in institutional cash management and their ability to provide services for **ecomaine** along with their fee structure.

Once selected the firm shall be required to resubmit the above on an annual basis and **ecomaine** may review the financial condition and registration annually for the selected firm.

### AUTHORIZED SECURITIES AND TRANSACTIONS FOR ALL INVESTMENTS FAVORING LOWER RISK AND HIGHER LIQUIDITY

Monies to be invested under this investment philosophy (of lower risk and higher liquidity) include any cash in excess of the reserves as defined above, 100% of the Operating Reserve, 100% of the Short Term Capital Reserve, 100% of the Required Landfill Closure / Post Closure Reserve, ~~100% of the Recycling Revenue & Cost Sharing Reserve~~, and any Fixed Income Investments associated with the remaining reserves (see below).

As noted above the investment philosophy for these funds favors lower risk and higher liquidity. The need for the funds will be "near term" and the asset allocation in the portfolio should be flexible depending upon the outlook for the economy, the securities markets, and the anticipated cash flow needs. Income received from these funds is to be re-invested in these reserves. The investment of these funds will be in the types of securities and transactions listed below and all are to be guaranteed by the Federal Government or one of its agencies backed by the Federal Government.

1. Demand Accounts & Time Certificates of Deposit: To be provided by institutions insured by the Federal Deposit Insurance Corporation (FDIC), The National Credit Union Share Insurance Fund (NCUSIF), or the successors to these federal agencies. If the amount



deposited exceeds the insurable levels the excess must be collateralized by securities authorized by the Federal Home Loan Bank (FHLB). Time Certificates of Deposit will have maturities not exceeding three years.

2. U.S. Treasury Obligations: Treasury Bills, Treasury Notes and Treasury Bonds with maturities not exceeding three years from the date of trade settlement.
3. Federal Instrumentality Securities: Debentures, discount notes and callable securities, with maturities not exceeding three years from the date of trade settlement, issued by the following only: Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB), Federal Home Loan Mortgage Corporation (FHLMC) and Student Loan Marketing Association (SLMA).
4. Money Market Mutual Funds: registered under the Investment Company Act of 1940 which (1) are “no-load” (meaning no commission or fee shall be charged on purchases or sales of shares); (2) have a constant daily net asset value per share of \$1.00; (3) limit assets of the fund to U.S. Treasury Obligations, Federal Instrumentality or Agency Securities or repurchase agreements collateralized by such securities; and (4) have a maximum stated maturity and weighted average maturity in accordance with Federal Securities Regulation 2a-7.

It is the intent of the **ecomaine** board that the foregoing list of authorized securities be strictly interpreted. Any deviation from this list must be preapproved by the Board.

**ecomaine** investment performance will be reviewed periodically by management with the Board. Fixed income investments will be compared to the appropriate bond index (e.g. Barclays Aggregate, Barclays U.S. Treasury, etc.) based upon bond maturity length. The goal of the fund will be to maintain over a normal market cycle (5 years) an annual rate of return on a comparable aforementioned index portfolio.

#### **AUTHORIZED SECURITIES AND TRANSACTIONS FOR INVESTMENTS FAVORING REDUCED LIQUIDITY, AND GREATER RETURNS.**

As detailed in this policy, **ecomaine** maintains reserves for Long Term Capital needs and for the funding of the Discretionary Landfill Closure / Post Closure Reserve. A portion of these “longer term funds”, due to their nature, are invested under a longer-term investment perspective to include a conservative and balanced portfolio of equity and fixed income investments. There is less interest in liquidity and more interest in returns with safety as the primary focus. Income received from these funds is to be re-invested in these reserves.

The Long Term Capital Reserve and the Discretionary Landfill Closure / Post Closure Reserves are to hold no less than 50% nor more than 80% of each accounts value in equities ~~while the total value of equities held in these two accounts is not to exceed 1/3 of the total value of investments in all reserve funds managed under this policy~~ without consent of the ecomaine board. Such consent shall not be given until it has been read on two separate days by the ecomaine Board prior to voting. -To the extent the Reserve Funds listed in this paragraph are managed by a financial institution or investment advisor pursuant to Section 5706(4), “Equities” shall include, but not be limited to, individual equities, equity mutual funds, bond mutual funds, or other investments that 1) may risk loss of principal, and 2) are subject to Maine law and the Prudent Investor Rule. No single fixed income security will comprise more



than 10% of the total value of each of the reserves, unless fully backed by the federal government or its agencies and instrumentalities.

The balance of each of these reserves (non equity portion) will be in investments as described under **AUTHORIZED SECURITIES AND TRANSACTIONS FOR ALL INVESTMENTS FAVORING LOWER RISK AND HIGHER LIQUIDITY.**

All reserve funds must be invested in accordance with 30-A M.R.S.A. §§ 5706-5719 or managed by a qualified financial institution or investment advisor pursuant to Section 5706(4).

**ecomaine** investment performance will be reviewed periodically by management with the Board. Equity investments are to be measured against the asset class bench mark (e.g. S&P 500 Index, Russell Midcap Index, MSCI Emerging Markets Index, etc.). The goal of the fund will be to maintain over a normal market cycle (5 years) an annual rate of return on a comparable aforementioned index portfolio.

### **POLICY REVISIONS**

This policy shall be reviewed periodically by the Board and may be amended as conditions warrant. ~~Any amendment to this policy that would have the effect of changing the overall allocation of all reserve funds managed under this policy from 1/3 equities and 2/3 fixed income shall not be passed until it has been read on two separate days by the **ecomaine** Board prior to voting.~~

<u>Revenues YTD- Compared to Budget and Last Year</u>								
	Compared to Budget			Compared to Prior Year				
	Revenue YTD	Units	Revenue \$/Units	Revenue YTD	Units	Revenue \$/Units		
Owner	↑	\$84,923	↑ 4%	↓ 1%	↑	\$78,455	↑ 4%	↓ 1%
Associate	↑	\$32,549	↑ 4%	↑ 1%	↑	\$36,313	↑ 4%	↑ 1%
Contract	↑	\$13,330	↑ 4%	↑ 1%	↑	\$4,493	↑ 1%	↑ 1%
Commercial	↑	\$258,226	↑ 6%	↑ 1%	↓	\$24,635	↑ 1%	↓ 2%
Spot	↓	\$69,150	↓ 14%	↑ 8%	↓	\$165,302	↓ 14%	↓ 1%
Recycling	↑	\$168,112	↑ 3%	↓ 3%	↓	\$483,592	↑ 3%	↓ 29%
Assessments/Rebates		\$0				\$0		
Electrical	↑	\$572,776	↓ 4%	↑ 28%	↑	\$442,766	↓ 2%	↑ 19%
Overall	↑	\$1,061,430			↓	\$110,332		

<u>Cash Expenses YTD</u>			
Expense	Status	% of Annual Budget	Notable Items Affecting Expenses YTD
Total Departmental Costs	↓	\$429,460	63%
<b>Unfavorable</b> * Recycle Material (\$68k) - cardboard markets remains strong through Feb. * Temporary Labor (\$66k) - employee vacancies (laborers, special projects) * Building & Grounds (\$35k) - pest control, tree planting, heating pipe repair * Food Waste Processing (\$31k) - More volume * Permits (\$28k) - Catchup for past bills			
<b>Favorable</b> * Major Repairs (\$225k) - timing of project start vs how cost budgeted * Chemicals (\$91k) - carbon & urea, usage & pricing * Shutdown Labor (\$72k) - timing, feed chute wall fab done in fy17 ahead of schedule * Outside Services (\$70k) - favorable operations * Payroll & Benefits (\$64k) - vacant positions and favorable worker comp experience * Industrial Cleaning (\$60k) - favorable operations * Computer Maintenance (\$34k) - timing, more capital work			

<u>Revenue Less Expenses</u>	YTD vs. Budget YTD		YTD vs. Prior YTD	
	Rev. - Exp.	%	Rev. - Exp.	%
	↑ \$2,749,213	120%	↓ \$752,950	↓ 164%

<u>Cash Flow</u>		
Current Position		Notes
Cash on 7/1/2017	\$30,861,320	
Cash Generated	\$2,822,401	
Investments	\$1,077,606	
Capital Expenditures	-\$2,080,696	
Current Cash Position	\$32,680,631	Increased by \$1,819,311

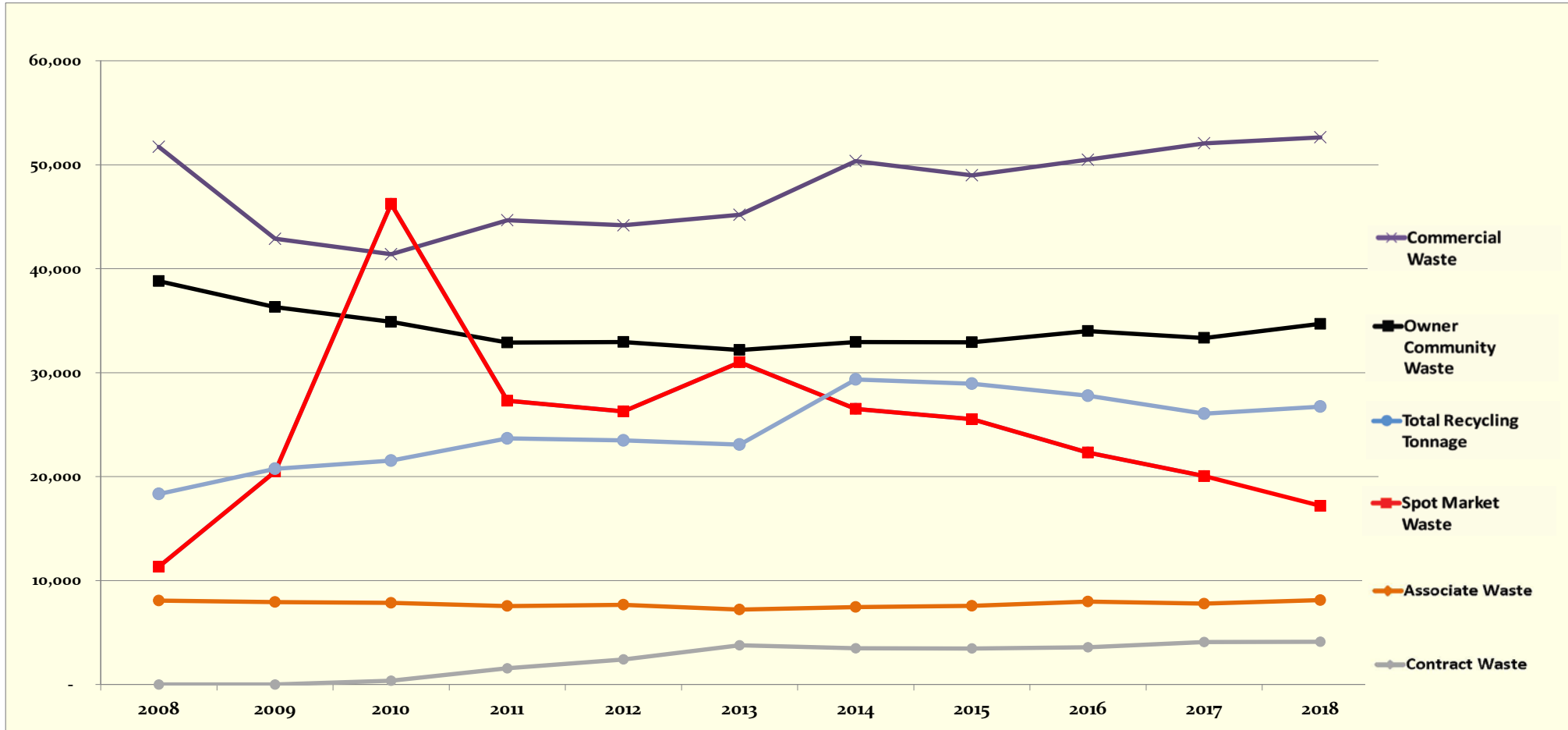
<u>Average WTE Operations</u>				
Month	Pwr Sold % Capacity	Avg. Boiler Availability %	Sales-MWHrs	Notes
January	83%	98%	7,481	Downtime
February	85%	99%	6,874	

<u>Food Waste YTD Tonnage</u>			
Food Waste In	Food Waste Out	Food Waste Contaminates	
Food Waste Tonnes	3,208	3,084	947

<u>Recycling Markets</u>						
Materials	FY17 YTD Average	FY18 YTD Average	Variance			Current Prices
Cardboard	\$121	\$140	↑ 16%			\$102
Paper	\$98	\$26	↓ -73%			-\$24 to -\$35
Cans	\$110	\$160	↑ 45%			\$182
#2 Natural Plastic	\$593	\$654	↑ 10%			-
#2 Colored Plastic	\$339	\$350	↑ 3%			-
#1 PET Plastic	\$181	\$271	↑ 49%			\$257
Post Burn Metal	\$43	\$70	↑ 65%			\$95



February Year to Date Tonnage - FY18



2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
38,808	36,310	34,884	32,896	32,950	32,177	32,945	32,914	34,001	33,339	34,692	Owner Community Waste
8,068	7,929	7,848	7,556	7,673	7,210	7,459	7,558	7,980	7,773	8,115	Associate Waste
-	-	365	1,556	2,418	3,773	3,487	3,467	3,576	4,094	4,116	Contract Waste
51,724	42,874	41,385	44,665	44,171	45,184	50,358	48,989	50,485	52,066	52,638	Commercial Waste
11,331	20,490	46,229	27,297	26,265	31,008	26,514	25,515	22,316	20,043	17,191	Spot Market Waste
109,931	107,603	130,711	113,970	113,477	119,352	120,763	118,444	118,358	117,315	116,752	Total Waste
18,333	20,752	21,533	23,667	23,475	23,084	29,351	28,935	27,776	26,053	26,732	Recycling (Inbound)

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Statement of Revenue & Expenses February, 2018 (FY18)							
	Actual - Prior Years YTD			Current Year To Date			FY18 to FY17
	2015	2016	2017	Actual	Budget	Variance	Variance
<b>Operating revenues</b>							
Municipal assessments & rebates	(\$1,000,003)	\$0	\$0	\$0	\$0	\$0	\$0
Owners tipping fees	2,291,459	2,378,731	2,340,674	2,419,129	2,334,207	84,923	78,455
Assoc tipping fees	625,295	657,469	648,256	684,569	652,020	32,549	36,313
Contract tipping fees	198,500	204,530	236,842	241,335	228,006	13,330	4,493
Commercial tipping fees	3,365,070	3,439,225	3,655,457	3,630,822	3,372,596	258,226	(24,635)
Spot market tipping fees	1,330,769	1,185,695	1,124,673	959,371	1,028,521	(69,150)	(165,302)
Electrical generating revenues	3,754,495	3,096,377	2,632,383	3,075,149	2,502,373	572,776	442,766
Sales of recycled goods	2,049,579	1,511,840	2,479,664	1,897,270	1,781,455	115,815	(582,394)
Recycling tipping fees	66,915	105,562	23,433	122,235	69,939	52,297	98,802
Other operating income	63,767	69,468	67,464	68,634	67,970	664	1,169
<b>Total operating revenues</b>	<b>\$12,745,847</b>	<b>\$12,648,896</b>	<b>\$13,208,847</b>	<b>\$13,098,515</b>	<b>\$12,037,086</b>	<b>\$1,061,430</b>	<b>(\$110,332)</b>
<b>Operating expenses</b>							
Administrative expenses	1,786,915	1,682,000	1,658,052	1,742,735	1,809,796	67,061	(84,683)
Waste-to-energy operating expenses	5,485,492	5,695,352	5,746,446	6,055,475	6,492,653	437,179	(309,029)
Recycling operating expenses	1,382,305	1,342,640	1,387,380	1,652,254	1,606,044	(46,210)	(264,875)
Landfill/ashfill operating expenses	1,079,248	1,096,936	1,037,162	1,182,385	1,153,815	(28,570)	(145,223)
Contingency	0	0	0	0	133,333	133,333	0
Landfill closure & postclosure care costs	159,802	173,291	196,989	176,942	200,000	23,058	20,047
Post-retirement benefit- Health Care	34,586	46,972	46,972	46,972	56,667	9,695	0
Depreciation & amortization	2,459,843	2,732,464	2,770,083	2,864,932	2,898,742	33,810	(94,849)
<b>Total operating expenses</b>	<b>\$12,388,190</b>	<b>\$12,769,655</b>	<b>\$12,843,084</b>	<b>\$13,721,694</b>	<b>\$14,351,051</b>	<b>\$629,356</b>	<b>(\$878,611)</b>
<b>Net operating income</b>	<b>\$357,657</b>	<b>(\$120,759)</b>	<b>\$365,763</b>	<b>(\$623,179)</b>	<b>(\$2,313,965)</b>	<b>\$1,690,786</b>	<b>(\$988,943)</b>
<b>Non-operating income (expense)</b>							
Non Investment Interest	44,858	26,594	23,992	33,124	22,547	10,578	9,132
Investment Income Net of Expenses	(2,556)	(294,087)	819,049	1,044,482	0	1,044,482	225,433
Misc. Income / (Expenses)	376	3,472	1,939	3,367	0	3,367	1,428
<b>Net non-operating</b>	<b>\$42,678</b>	<b>(\$264,020)</b>	<b>\$844,980</b>	<b>\$1,080,973</b>	<b>\$22,547</b>	<b>\$1,058,427</b>	<b>\$235,993</b>
<b>Total Revenue Less Expenses</b>	<b>\$400,335</b>	<b>(\$384,780)</b>	<b>\$1,210,744</b>	<b>\$457,794</b>	<b>(\$2,291,418)</b>	<b>\$2,749,213</b>	<b>(\$752,950)</b>

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Statistical Data February, 2018 (FY18)									
	Actual - YTD			Year to Date 2018				Year to Date Vs. Last Yr	
	2015	2016	2017	Actual	Budget	Var - Fav / (Unfav)		Var-Fav / (Unfav)	
						Units	%	Units	%
<b>MSW - Tons</b>									
Owner	32,914	34,001	33,339	34,692	33,289	1,403	4.2%	1,353	4.1%
Associate	7,558	7,980	7,773	8,115	7,824	291	3.7%	341	4.4%
Contract	3,467	3,576	4,094	4,116	3,940	176	4.5%	23	0.6%
Commercial	48,989	50,485	52,066	52,638	49,597	3,041	6.1%	572	1.1%
Spot	25,515	22,316	20,043	17,191	19,921	(2,730)	-13.7%	(2,851)	-14.2%
Total MSW	118,444	118,358	117,315	116,752	114,571	2,181	1.9%	(562)	-0.5%
<b>Recycle - Tons</b>									
Inbound - MRF only	28,935	27,776	26,053	26,732	26,330	402	1.5%	678	2.6%
Outbound- MRF only including glass	25,440	23,977	23,298	23,938	23,336	602	2.6%	640	2.7%
Outbound- Post Burn	2,327	3,127	3,053	2,810	3,030	(220)	-7.3%	(243)	-8.0%
Outbound- Landfill Metal Mining	6,313	(24)	-	-	-	0		0	
Outbound Total	34,080	27,080	26,351	26,748	26,366	382	1.4%	397	1.5%
<b>MSW - Revenue \$/Ton</b>									
Owner	\$69.62	\$69.96	\$70.21	\$69.73	\$70.12	(\$0.39)	-0.6%	(\$0.48)	-0.7%
Associate	82.73	82.39	83.39	84.36	83.34	1.02	1.2%	0.97	1.2%
Contract	57.26	57.19	57.86	58.63	57.87	0.76	1.3%	0.77	1.3%
Commercial	68.69	68.12	70.21	68.98	68.00	0.98	1.4%	(1.23)	-1.8%
Spot	52.16	53.13	56.11	55.81	51.63	4.18	8.1%	(0.31)	-0.5%
Total MSW	65.95	66.46	68.24	67.97	66.47	1.50	2.3%	(0.28)	-0.4%
<b>Recycle - Revenue \$/Ton</b>									
\$/Ton Outbound (Includes glass/metals)	\$62.10	\$59.73	\$94.99	\$75.50	\$70.20	\$5.30	7.6%	(\$19.49)	-20.5%
<b>Energy</b>									
MWH's Sold	59,351	62,199	58,362	57,084	59,590	(2,506)	-4.2%	(1,278)	-2.2%
\$/MWH	\$63.26	\$49.78	\$45.10	\$53.87	\$41.99	\$11.88	28.3%	\$8.77	19.4%
Steam Plant Capacity Factor %	89.9%	92.9%	91.0%	93.9%					
Average Boiler Availability %	95.4%	94.9%	94.6%	93.6%	91.3%				
Steam Plant Capacity Utilization %	94.0%	98.0%	96.2%	100.3%					
Power Capacity Factor %	84.0%	87.0%	82.3%	80.1%					
Power Sold - % of Capacity to Sell	84.0%	88.1%	82.7%	80.9%	84.4%				

**Steam Plant Capacity Factor %** - Steam from the two boilers as a % of the total unadjusted capacity (144,000 lbs/hour for time in period with no down time)

**Average Boiler Availability %** - Percent of hours that boilers are available to burn MSW during period - reflects time out of service for boilers due to equipment problems

**Steam Plant Capacity Utilization %** - Steam from the two boilers as a % of the adjusted capacity (144,000 lbs/hour for time in period less time not on MSW)

**Power Capacity Factor %** - Actual power produced (MWH's) by the turbine as a % of the rated capacity (14.1 MW's) for all hours in the period

**Power Sold - % of Capacity to Sell** - Power sold (MWH's) on grid as a % of the power available to sell (generation net of internal load -- 12.1 MW's) for the given time period

ecomaine							
Statement of Cash Balances February, 2018 (FY18)							
	12 Month Actuals @ 6/30			Bud FY 2018 @ 6/30/18	Act FY 18 @ 2/28/18	Reserves per policy	Reserve Target
	2015	2016	2017				
Cash & Reserves - beginning of period	29,317,000	26,510,251	28,538,043	\$28,131,027	30,861,320		
Cash flows from operating activities:							
Net operating income	(1,238,109)	(1,232,895)	1,802,380	(3,768,567)	(623,179)		
Add back: depreciation	3,804,881	4,201,984	4,177,307	4,348,113	2,864,932		
Add back: landfill closure costs	259,936	295,483	(2,182,480)	300,000	176,942		
Add back: Post Retirement Benefit	49,730	70,458	60,244	85,000	46,972		
Other working capital changes	(41,673)	(859,134)	388,720		356,734		
Net cash provided by operating activities	2,834,765	2,475,896	4,246,170	964,546	2,822,401		
Cash flows from capital and related financing activities:							
Payment of interest	427	1,983	-	0	0		
Repayment of long-term debt	-	-	-	0	0		
Repayment of capital leases	-	-	-	0	0		
Net cash used in capital and related financing	427	1,983	-	0	0		
Cash flows from investing activities:							
Receipts of interest	48,352	35,662	36,584	33,820	33,124		
Investment income	71,167	141,924	1,164,205	0	1,044,482		
Capital expenditures	(5,761,460)	(2,147,288)	(3,123,683)	(4,512,950)	(2,080,696)		
Sale of Gorham Property		1,519,615					
Net cash used in investing activities	(5,641,941)	(450,087)	(1,922,894)	(4,479,130)	(1,003,090)		
Net increase (decrease) in cash	(2,806,749)	2,027,792	2,323,277	(3,514,584)	1,819,311		
Cash & Reserves - end of period	26,510,251	28,538,043	30,861,320	24,616,443	32,680,631		
Cash Reserve Detail							
Operating Cash Reserve	8,174,000	8,249,690	8,290,518	8,244,555	8,257,889	8,257,889	8,257,889
Landfill Closure Reserve	300,151	300,941	301,736	300,223	300,893	300,893	300,893
Descretionary Landfill Closure Reserve	3,922,780	6,214,445	7,712,419	8,138,790	9,720,076	9,720,076	22,217,000
Long Term Capital Reserve	4,049,713	4,057,653	4,520,183	4,225,641	4,951,389	4,951,389	4,951,389
Recycling Revenue & Cost Sharing	500,294	502,516	502,847	0	0	0	0
Short Term Capital Reserve	3,265,183	3,298,492	3,310,239	3,290,504	3,302,178	3,302,178	3,302,178
Bond Payment Reserves							
Debt Service Reserves							
Balance Operating Cash	6,298,130	5,914,305	6,223,377	416,730	6,148,206		
Total	\$26,510,251	\$28,538,043	\$30,861,320	\$24,616,443	\$32,680,631	\$26,532,425	\$39,029,349

July 1, 2017 to February 28, 2018

Community	Waste/Bulky/Other				Recycle		
	FY17	FY18	over/(under)		FY17	FY18	over/(under)
BRIDGTON	1,633.28	1,670.54	37.26		380.85	366.59	(14.26)
CAPE ELIZABETH	1,530.14	1,600.15	70.01		744.40	699.29	(45.11)
CASCO	635.51	658.43	22.92		289.01	295.99	6.98
CUMBERLAND	980.37	1,008.97	28.60		586.56	625.75	39.19
FALMOUTH	1,426.35	1,431.85	5.50		938.21	1,011.79	73.58
FREEPORT	1,024.93	1,032.18	7.25		495.68	546.20	50.52
GORHAM	1,789.58	1,769.82	(19.76)		753.99	806.10	52.11
GRAY	1,786.50	1,837.27	50.77		-	-	-
HARRISON	621.25	624.96	3.71		132.59	130.14	(2.45)
HOLLIS	716.64	739.31	22.67		188.65	196.61	7.96
LIMINGTON	1,114.36	1,118.97	4.61		58.24	67.32	9.08
LYMAN	923.80	958.20	34.40		169.70	158.76	(10.94)
NORTH YARMOUTH	441.35	435.95	(5.40)		259.31	280.32	21.01
PORTLAND	5,861.43	6,201.43	340.01		3,791.25	3,751.86	(39.39)
POWNAI	151.84	155.20	3.36		96.99	97.54	.55
SCARBOROUGH	3,888.38	3,709.49	(178.89)		1,632.24	1,609.57	(22.68)
SOUTH PORTLAND	4,302.61	4,717.82	415.21		1,523.56	1,519.53	(4.03)
WATERBORO	1,462.87	1,684.27	221.40		309.91	316.29	6.38
WINDHAM	1,554.15	1,629.79	75.64		1,007.57	993.31	(14.26)
YARMOUTH	1,493.81	1,665.89	172.08		742.32	713.86	(28.46)
<b>Owner Member Total</b>	<b>33,339.13</b>	<b>34,650.49</b>	<b>1,311.35</b>		<b>14,101.03</b>	<b>14,186.81</b>	<b>85.78</b>
NAPLES	735.65	785.66	50.01		-	-	-
PARSONFIELD	470.55	513.40	42.85		50.35	50.99	.64
SACO	3,528.25	3,577.99	49.74		1,125.29	1,143.20	17.91
STANDISH	1,960.41	2,060.36	99.95		386.10	300.08	(86.02)
TRI-TOWN	1,078.57	1,177.44	98.87		124.90	109.28	(15.62)
<b>Associate Member Total</b>	<b>7,773.43</b>	<b>8,114.85</b>	<b>341.41</b>		<b>1,686.64</b>	<b>1,603.55</b>	<b>(83.09)</b>
ANDOVER	-	-	-		30.84	36.18	5.34
AUGUSTA	-	-	-		251.05	248.75	(2.30)
BROWNFIELD	-	-	-		62.77	63.68	.91
CARMEL	-	-	-		28.44	39.31	10.87
CHEBEAGUE ISLAND	167.50	167.03	(.47)		39.92	37.65	(2.27)
CHELSEA	-	-	-		-	2.60	2.60
CORNISH	-	-	-		31.25	30.57	(.68)
ELIOT	341.22	361.69	20.47		-	-	-
ETNA	-	-	-		36.17	8.37	(27.80)
FRYEBURG	-	-	-		250.47	240.50	(9.97)
GLENBURN	-	-	-		70.62	59.21	(11.41)
GREENLAND, NH	10.99	-	(10.99)		258.07	252.99	(5.08)
HAMPTON	-	-	-		-	-	-
JAY	-	-	-		181.15	148.35	(32.80)
KITTERY	1,309.92	1,272.31	(37.61)		-	-	-
LIMERICK	947.86	1,013.49	65.63		74.46	71.66	(2.80)
LIVERMORE FALLS	362.48	355.18	(7.30)		106.27	73.88	(32.39)
MANCHESTER	-	-	-		83.18	80.44	(2.74)
MONMOUTH	-	-	-		183.32	172.54	(10.78)
NEWBURGH	-	-	-		27.04	39.58	12.54
NEWINGTON	-	-	-		70.62	58.89	(11.73)
NORTH HAVEN	142.39	141.51	(.88)		60.78	50.71	(10.07)
OLD ORCHARD	-	-	-		496.29	472.48	(23.81)
OTISFIELD	-	-	-		-	16.70	16.70
POLAND	-	-	-		231.62	213.45	(18.17)
READFIELD/WAYN	-	-	-		206.23	203.92	(2.31)
SANFORD	239.24	210.54	(28.70)		1,289.99	1,222.80	(67.20)
SHAPLEIGH	-	-	-		17.90	90.44	72.54
STETSON	-	-	-		18.31	19.76	1.45
STOCKTON SPRINGS	-	-	-		31.62	8.09	(23.53)
SWANS ISLAND	-	-	-		23.62	45.41	21.79
WATERVILLE	-	-	-		311.32	273.50	(37.82)
WOOLWICH	571.97	594.53	22.56		162.23	160.60	(1.63)
<b>Contract Member Total</b>	<b>4,093.57</b>	<b>4,116.28</b>	<b>22.71</b>		<b>4,635.55</b>	<b>4,443.01</b>	<b>(192.54)</b>
<b>Commercial Total</b>	<b>50,224.37</b>	<b>48,522.10</b>	<b>(1,702.27)</b>		<b>5,630.12</b>	<b>6,498.18</b>	<b>868.06</b>
<b>Spot Market Total</b>	<b>20,042.74</b>	<b>17,191.29</b>	<b>(2,851.45)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Totals</b>	<b>115,473.24</b>	<b>112,595.00</b>	<b>(2,878.24)</b>		<b>26,053.33</b>	<b>26,731.55</b>	<b>678.22</b>



Historical Generation Summary

Attachment C7

Month / Year	Facility Availability	On Peak KWHs	Off Peak KWHs	Total KWHs	On Peak Rate	Off Peak Rate	Electricity Revenues	ISONE Market Revenues
Feb-16	93%	3,198,514	3,678,398	6,876,912	\$0.05727	\$0.04417	\$376,643	\$217,340
Mar-16	90%	3,573,157	3,938,165	7,511,322	\$0.04353	\$0.03441	\$322,003	\$180,968
Apr-16	80%	3,264,643	3,304,967	6,569,610	\$0.03873	\$0.02437	\$237,933	\$207,687
May-16	100%	3,906,050	4,820,151	8,726,201	\$0.03490	\$0.02084	\$367,771	\$312,583
Jun-16	95%	3,914,443	3,968,292	7,882,735	\$0.03791	\$0.02397	\$272,401	\$211,241
Jul-16	93%	3,318,253	4,567,320	7,885,573	\$0.04774	\$0.02917	\$320,526	\$261,675
Aug-16	100%	4,112,891	4,298,937	8,411,828	\$0.04456	\$0.02726	\$329,344	\$317,529
Sep-16	97%	3,785,053	4,113,944	7,898,997	\$0.03851	\$0.02131	\$260,177	\$255,462
Oct-16	86%	3,266,909	3,705,698	6,972,607	\$0.03768	\$0.02712	\$250,342	\$181,060
Nov-16	91%	3,446,625	3,753,281	7,199,906	\$0.04217	\$0.03289	\$294,422	\$205,078
Dec-16	97%	3,310,435	4,033,021	7,343,456	\$0.04895	\$0.03806	\$341,175	\$415,306
Jan-17	96%	2,955,408	3,727,043	6,682,451	\$0.06833	\$0.05408	\$444,232	\$307,056
Feb-17	97%	2,789,835	3,055,834	5,845,669	\$0.06429	\$0.05131	\$372,331	\$206,816
Mar-17	91%	3,244,869	3,779,313	7,024,182	\$0.04843	\$0.03790	\$338,381	\$283,567
Apr-17	83%	2,824,082	3,954,688	6,418,770	\$0.03558	\$0.02618	\$231,780	\$202,464
May-17	93%	3,598,629	3,852,465	7,451,094	\$0.03023	\$0.02120	\$229,274	\$224,200
Jun-17	96%	3,651,175	3,797,778	7,448,953	\$0.03207	\$0.02129	\$284,508	\$270,207
Jul-17	93%	3,188,959	4,288,568	7,477,527	\$0.04147	\$0.02431	\$323,111	\$288,452
Aug-17	100%	3,842,246	4,205,082	8,047,328	\$0.03860	\$0.02194	\$328,177	\$282,647
Sep-17	100%	3,273,470	4,296,437	7,569,907	\$0.03700	\$0.01969	\$274,814	\$248,563
Oct-17	81%	2,754,238	3,508,041	6,262,279	\$0.03920	\$0.02151	\$242,520	\$242,336
Nov-17	94%	3,302,535	3,777,658	7,080,193	\$0.03620	\$0.02706	\$305,108	\$326,146
Dec-17	84%	2,562,192	3,747,691	6,309,883	\$0.05211	\$0.04169	\$371,530	\$538,471
Jan-18	98%	3,547,121	3,934,352	7,481,473	\$0.07706	\$0.05839	\$590,632	\$857,337
Feb-18	99%	3,193,218	3,680,503	6,873,721	\$0.08393	\$0.06922	\$603,125	\$346,139
Mar-18					\$0.05411	\$0.04482		
Total for contract period							\$603,125	\$346,139