



Memorandum

DATE: January 11, 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 January 18, 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. Audit Committee Report – Erik Street, Chair
4. Finance Committee Report – Mike Shaw, Chair
5. Resolution - First Reading to Amend the Cash Reserve & Investment Policy (Change Current Equity Limits) (Attachment D)
6. Resolution – Provider change for ecomaine Retirement Plan – (Attachment E)
7. Update - Power Purchase Agreement (Handout )
8. Managers’ Report
9. Other Business:

Future Meetings:

Table with 4 columns: Meeting Name, Date, Time, and Committee. Rows include Full Board Meeting, Recycling Committee, Executive Committee, etc.

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.)

**ecomaine**  
Memorandum

**DATE:** October 24, 2017  
**TO:** Chairman and Members of the Board  
**FROM:** Kevin H. Roche, CEO/General Manager  
**SUBJECT:** Board of Directors Minutes – October 19, 2017

There was a **Full Board of Directors Meeting** held on the date noted above. The meeting was called to order by Troy Moon, Chairman @ 4:03pm.

**Item #1: Minutes**

Dave Morton motioned to accept the minutes from the June 15, 2017, Annual Meeting. The motion was seconded by Bill Shane. All in favor

**Item #2: Audit Committee Report, Erik Street Chair**

The Audit Committee last met on September 21, 2017 with RKO to review the draft Audit Report. The following items were discussed:

- The Committee Reviewed the Draft Audit Report with RKO.
- RKO provided a “clean opinion” for FY 17, noting that there were no adjusting entries.
- RKO provided a letter to management with the following comments:

**RKO Comments:**

- RKO noted that the fixed Asset Ledger and the General Ledger were “not communicating well causing inconsistencies between the two ledgers. RKO recommended working with the software provider (Tidestone) to develop better options for integration. Management agreed and has begun discussions with Tidestone.
- RKO noted that in order to insure the accuracy of the financial statement that reconciliations of the general ledger accounts must be performed monthly and that we should have a procedure in place to document this happening. RKO also noted that there should be analytical review of transaction to eliminate misclassification or errors. Management agrees with both of these recommendations and taking steps to address these issues.
- Staff reviewed the historical Audit RFP process and noted that RKO has proposed holding fees flat for FY 18 work at \$21,500. After discussion, the committee agreed that RKO will be retained for the FY 18 Audit.

The next Audit Meeting is scheduled for January 18, 2018 and will be a joint meeting with the Finance Committee to discuss the pros and cons of merging the two committees together.

Linda Boudreau motioned to accept the Audit Report for FY 17. Motion seconded by Dave Morton. All in favor.

### **Item # 3: Finance Committee Report, Mike Shaw, Chair**

Mike Shaw provided a summary of the September 14, 2017 Finance Committee Meeting as follows:

- Discussed the Cash Disbursement Review and no issues were noted.
- Reviewed of the financial statements for FY2017.
- Reviewed and discussed the 5 year plan and cash flow projections.

The committee made the following recommendations:

1. That the Cash Reserve and Investment Policy be amended to reflect the board approved elimination of the Recycle Revenue and Cost Sharing Reserve.
2. That the owner community and commercial tipping fees remain unchanged for FY 19 and be reviewed again in September of 2018.
3. That an additional \$850,000 be transferred to the Landfill Discretionary Reserve Account in October 2017.
4. That the board have discussions involving the share of total fund balances that are permitted to be invested in equities vs. fixed income as reflected in the current Cash Reserve and Investment Policy.

Staff also reviewed the recently completed RFP process for providing Insurance Broker services for ecomaine and Post Employments Benefits.

The next committee meeting is scheduled for November 16<sup>th</sup> at which time we will review our Cash Disbursements October FY 18 Financials and HM Payson will provide us with and update of our Investments to include discussions on equity investments as they relate to the Cash Reserve and Investment Policy. As indicated in my letter, we encourage all board to attend.

### **Executive Committee Recommendations, Troy Moon, Chair**

Troy Moon briefed the Board on the Executive Committee Meeting of September 21, 2017 and the recommendations made by the Finance Committee to the Executive Committee for review and approval by the Full Board of Directors at this meeting. They are as follows:

#### **Approving of Rates for FY 19 (No change in in tip fee and no assessment)**

Motion made by Bill Shane to accept the recommendation of no change in the current tipping fee and no assessment for FY 19. The motion was seconded by Dave Morton. All in favor.

#### **Amendment to the Cash Reserve Policy removal of the Recycling Revenue & Cost Sharing Reserve (Attachment C)**

Linda Boudreau motioned amend the Cash Reserve Policy as redlined in Attachment C. The motion was seconded by Bill Shane. All in favor

#### **Approval of Landfill Discretionary Reserve Funding – Increase reserve by \$850,000 (Administrative Update)**

There was a brief Question and Answer period regarding our landfill long term liability with responses from staff. Bill Shane recommended that we consider funding the landfill sooner than later.

Linda Boudreau motioned Approval of the Landfill Discretionary Reserve Funding (Increase reserve by \$850,000). The motion was seconded by Dave Morton. All in favor

**Approval to Amend the Capital Budget to proceed with Improvements to the WTE Facility including addressing leaks and water damage, siding, plumbing and remodeling (estimated at \$3MM).**

Kevin Roche discussed the plans for repairing the building leaks and remodeling in the next budget year. After a professional evaluation, the cost for all repairs would range somewhere around \$3 MM. Staff requested the capital budget be amended this year by \$1.5 MM and \$1.5 MM estimated for FY 19 (for estimated project total of \$3MM).

There was discussion by the board on what the impact would be on the budget, alternative construction management, longer extended scheduling for better pricing and recommendation that staff contact the Bond Council.

Chris Branch motioned to amend the Capital Budget to proceed with repairs and improvements to the administrative building to include renovations to 2R & 3R in the amount of \$3MM. The motion was seconded by Linda Boudreau. All in favor

**Item # 3: - Outreach & Recycling Committee Report, Caleb Hemphill, Chair**

Caleb Hemphill gave a summary of the September 14, 2017 meeting of the Outreach & Recycling Committee Meeting. The committee discussed the following:

- FY 17 school grants program deadline October 31, 2017

The next Outreach & Recycling Committee meeting is November 09, 2017.

**Item #6 – Presentation of the Annual Report - Kevin Roche, CEO**

Kevin Roche presented the Annual Report for FY 17. The report focused on the current trends in the market reflecting on past years developments.

**Item #7: Other Business**

Kevin provided the board with an update on the current rodent extermination efforts.

Linda Boudreau motioned to adjourn. The motion was seconded by Len Van Gaasbeek. All in favor.

**Present:**

Dennis Abbott, Anne Bilodeau, Linda Boudreau, Christopher Branch, Deborah Cabana, William Donovan, Matthew Frank, Caleb Hemphill, Troy Moon, Maureen McDevitt, Dave Morton, Sherrie Benner, Bob Randall, Rod Regier, Bill Shane, Mike Shaw, Erik Street, Matthew Sturgis, Len Van Gaasbeek & Rob Wood

**Staff:**

Arthur Birt, Denise Mungen, Kevin Roche, Kevin Trytek, Lisa Wolff, Cal Joiner, Wei Po Huang, Brian Delcamp and Lynn Michaels



**Memorandum**

**DATE:** January 08, 2018

**TO:** Finance & Audit Committee Members

**FROM:** Kevin H. Roche, CEO/General Manager & Arthur Birt, Director of Finance & Administration

**SUBJECT:** Combining the Audit Committee and the Finance Committee together

We have prepared a review of combining the Finance Committee and the Audit Committee into one committee (called the Finance and Audit Committee). During this review, we identified both pros and cons to creating one committee to handle the responsibilities of both committees. In the end, we feel that the benefits of having one committee outweigh the status quo (having separate committees).

We've attached letters from both RKO and JBGH that describes their perspective on transitioning to one committee. Neither party opposes the change or raised significant issues.

Outlined below are the details included in our review:

**Role of the Finance Committee**

The role of the finance committee is primarily to provide financial oversight for the organization. Typical task areas include budgeting and financial planning, financial reporting, and the creation and monitoring of internal controls and accountability policies. Although the entire board carries fiduciary responsibility for the organization, the finance committee serves a leadership role in this area, making sure appropriate internal control procedures are in place and are also often charged with ensuring compliance and/or developing other policies that further serve to protect the organization and manage its exposure to risk.

Depending on many factors including the size of the board, the size of the budget and the magnitude and complexity of existing financial assets, the finance committee may be called upon to perform the roles of two other committees that are sometimes separate in larger organizations. the audit committee and the investment committee.

**Role of the Audit Committee**

The primary purpose of the audit committee is to provide oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations. An understanding of how management develops internal financial information is necessary to assess whether reports are complete and accurate. The audit committee is responsible for the appointment, compensation and oversight of the work of the auditor. As such, CPAs report directly to the audit committee, not management. The committee reviews the results

of the audit with management and external auditors, including matters required to be communicated to the committee under generally accepted auditing standards.

### **Role of the Investment Committee**

The primary purpose of an investment committee is to draft an investment policy detailing the objectives of the investment portfolio, guidelines on the asset allocation of the portfolio based on a predetermined level of risk tolerance, authorizations for executing transactions, disposition of earned income, etc., updating the policy as necessary, ensuring compliance and to hire and evaluate the investment managers/advisors. At ecomaine, the Finance Committee already performs the Investment Committee function.

### **Pros of Merging Into One Committee**

1. More board members will hear directly from the Auditors.
2. Take advantage of the synergies between the two committees.
3. There will be fewer committees requiring less time on meeting coordination and preparation.
4. Finance Committee Members are engaged with the Audit process.
5. There is often overlap between the committees.
6. The two committees have held joint committee meetings in the past.

### **Cons of Merging Into One Committee**

1. Separation of duties from a committee perspective.
2. Focus on just the Audit

There is already some overlap of committee membership on both committees. The current Audit Committee members and Finance Committee members could all serve on the Finance Committee & Audit Committee. Both committees have held several joint meetings in order to keep both committees informed on issues. Our recommendation is to combine these two committees into one. To do this, the bylaws would need to be amended and we've attached a redline version of the by-laws for your consideration.



## MEMORANDUM

TO: Kevin Roche, CEO

FROM: Mark A. Bower, Esq.

RE: Committee Structure

DATE: January 3, 2018

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You have asked me to analyze a proposal to merge the Audit Committee with the Finance Committee. I have divided this memorandum into three issues as discussed below. Please note that this analysis is limited to legal issues, and any audit-related questions should be directed to your audit firm.

By way of background, it is not uncommon for a finance committee to also serve as the audit committee. Many municipalities (including **ecomaine** members) have the finance committee also serve as the audit committee (Portland, Gray, Cumberland). However, some municipalities and nonprofits have separate audit committees (Auburn, Presque Isle, Brunswick).

### 1. Is there any legal requirement to have an audit committee?

As you know, **ecomaine** is organized under the Maine Nonprofit Corporation Act, which is Title 13-B of the Maine Revised Statutes. That set of laws does not require a nonprofit corporation to have an audit committee. (This is in contrast to publicly-traded corporations, which are required to have an audit committee in order to be listed on a stock exchange.) However, Section 709 of Title 13-B authorizes a board of directors to form an executive committee and any other committees that the board deems necessary.

I have also reviewed **ecomaine's** corporate documents, including the Interlocal Agreement, which does not contain any mention any committees or the annual audit. The Articles of Incorporation are similarly silent on the question of committees and the audit. However, **ecomaine's** current bylaws, which are adopted by the Board, establishes four separate committees: Executive, Finance, Audit and Recycling. Therefore, the bylaws are the source of legal authority for **ecomaine's** current committee structure.

## **Finance Committee**

Article VI of **ecomaine's** current bylaws describe the Finance Committee as follows: "The Finance Committee shall be responsible for preparation of the annual budget for review by the Executive Committee and for oversight of the Corporation's financial matters at the direction of the Executive Committee." Although not expressly stated in the bylaws, the Finance Committee is also responsible for reviewing and ensuring the accuracy of financial reports, as well as overseeing reserve funds and investments, in accordance with the Cash Reserve & Investment Policy.

## **Audit Committee**

Article VIII of **ecomaine's** current bylaws describe the Audit Committee as follows:

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities related to corporate accounting, financial reporting practices, quality and integrity of financial reports as well as legal compliance and business ethics. Key components of fulfilling this charge include:

- (a) Facilitating and maintaining an open avenue of communication among the Board, the Audit Committee, senior management and the independent external accountants;
- (b) Serving as an independent and objective party to monitor the Corporation's financial reporting process and internal control system; and
- (c) Engaging, reviewing and appraising the efforts of the independent accountants.

In a nutshell, the Finance Committee is responsible for overseeing the organization's financial practices, while the Audit Committee monitors the process through which the financial practices are carried out.<sup>1</sup> The Audit Committee is not

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<sup>1</sup> Attached to the end of this memorandum is a useful table prepared by the National Council of Nonprofits, which draws the general differences between the two committees.



required by law other than **ecomaine's** bylaws, which can be amended by the Board with a two-thirds majority vote.

**2. What are the pros and cons of combining the Audit Committee's functions with the Finance Committee?**

The ultimate question is whether it is a good idea to combine the two committees, or whether leaving the structure as is would be best. This is ultimately a policy judgment for the Board of Directors to make in its sole discretion. However, based on my research into the issue, combining the two committees could result in the following advantages:

- Because the Finance Committee is larger than the Audit Committee, there would be more Board members involved the audit process—working with the auditors, reviewing the audit report, and receiving the auditor's recommendations. In other words, there would be more “eyes” on the audit.
- With one committee handling all finance-related matters, rather than splitting the duties between two committees, there would be somewhat less “bureaucracy,” which could allow for more consistency. As you have noted, there is already some overlap in the membership of the two committees; currently, 3 of the 5 members of the Audit Committee also serve on the Finance Committee.
- Some Board members come from municipalities with finance committees that also serve as audit committees, so they would be familiar and comfortable with this structure.

On the other hand, there are some potential disadvantages that would be associated with combining the two committees, including:

- If the two committees are consolidated, fewer total Board members will be actively involved in some aspect of financial oversight of the organization (11 Board members instead of 16), meaning fewer “eyes” on the organization's finances.
- Combining the two committees would result in a larger workload for the Finance Committee, meaning that more work would be required from its members than if the workload were divided between two committees (*i.e.*, Finance and Audit). A larger workload could make the Finance Committee a less appealing role for Board members.

- The Audit Committee has a much narrower scope, allowing it to focus its attention on the annual audit, while the Finance Committee has a broader role with several other matters to attend to (including annual budgeting, financial reports, and investments).
- The smaller size of the Audit Committee could allow it to interface with the auditor in a more efficient manner than the larger Finance Committee.

Again, these are the pros and cons that resulted from my research and analysis of this issue. As there is no legal requirement to have an independent Audit Committee, this is entirely a policy decision for the Board to make.

### **3. What are the options going forward?**

It is the Board of Directors that bears the ultimate fiduciary responsibility to ensure that the financial reports of the organization are accurate. The Board has the authority to delegate this function to a committee, as it sees fit. With that in mind, I see a few options going forward.

1. **Status quo.** The Finance Committee and Audit Committee remain as two separate committees with their respective duties as outlined in the existing bylaws. In other words, there would be no change to existing operations.
2. **Merger.** The Finance Committee assumes the duties of the Audit Committee, which will cease to exist.
3. **Merger, but subcommittee.** The Finance Committee assumes the duties of the Audit Committee, but a subcommittee of the Finance Committee takes on the duties that the Audit Committee previously filled.

Note that if the Board were to adopt either of the last two options above, there would need to be an amendment to the bylaws to specify that the Finance Committee will serve as the Audit Committee or to give the Board authority to specify who will serve in that role.

Source: National Council of Nonprofits, available at:  
<https://www.councilofnonprofits.org/nonprofit-audit-guide/audit-finance-committee>

<b>Audit Committee</b>	<b>Finance Committee</b>
(a) Reviews the organization’s financial statements and other official financial information provided to the public;	(a) Oversees the preparation of the annual budget and financial statements. The finance committee ensures that budgets and interim financial statements are prepared;
(b) Ensures that reports are received, monitored, and distributed correctly;	(b) Oversees the administration, collection, and disbursement of the organization’s financial resources, in addition to the related policies and procedures;
(c) Oversees the organization’s internal controls, including management’s compliance with applicable policies and procedures and risk management (for example, for organizations that are part of a national network, annually reviewing whether the organization meets the re-chartering requirements of its national organization);	(c) Advises the board with respect to making significant financial decisions, such as correcting or restructuring the organization's books and accounting procedures when fiscal problems arise;
(d) Usually oversees the annual independent audit process, including engaging the independent auditor and receiving all reports and management letters from the auditor;	N/A
(e) Reviews the annual information returns (IRS Form 990, related schedules, and forms) and recommends it for approval, signature, and submission by the appropriate officer. The audit committee also transmits the returns to the board for its review before signing and submitting it. The audit committee engages (on the board’s behalf) and interacts with the independent auditor or auditing firm. Many audit firms also prepare the	(e) Oversees the preparation and implementation of the governance policies referenced in the Form 990: conflict of interest, document retention, whistle-blower, review of executive compensation, etc.;

federal and state tax returns for their nonprofit audit clients;	
(f) Reviews the organization's procedures for reporting problems. The audit committee may exercise primary responsibility to review the whistle-blower policy and process, anti-fraud policies, and policy and procedures related to the discovery of errors or illegal acts, whistle-blower hotline, and other communication methods and determine the process for "special investigations" (whistle-blower allegations, anti-fraud compliance, discovery of errors or illegal acts).	(f) Should ensure that joint membership between the audit committee and the finance committee meets local laws and regulations (if an organization has both committees).

December 15, 2017

Art Birt, Director Finance and Administration  
ecomaine  
64 Blueberry Road  
Portland, ME 04102

Dear Art:

Currently, ecomaine has an audit committee and a finance committee, both of which provide financial oversight to the Board of Directors of ecomaine. The audit committee, which is made up of six members meets approximately two times per year. The finance committee, which is made up of ten members meets quarterly or on an as needed basis. Each of these committees have overlap where an audit committee member sits on the finance committee and vice versa.

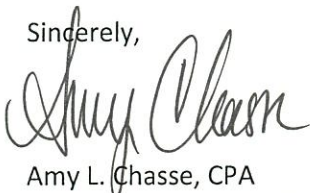
Given the size of ecomaine, management's financial knowledge, the management structure within the finance office, and the controls that are currently in place, I do not see a reason why ecomaine's audit and finance committees could not be merged into one committee. If these committees were merged, it may allow better participation as committee members would be able to work around their schedules and avoid meeting conflicts. In addition, current audit committee members who are not involved with the finance committee would get an understanding of what the finance committees roles are about and would be involved with the audit process.

As ecomaine's auditor, we can continue to provide a brief entrance meeting with the finance committee in the spring to go over the audit plan and then present the audit results to the finance committee upon completion of the audit. The finance committee would then report to ecomaine's Board of Directors of their approval of the audit. Although there are various methods of presenting audit results to the Board, it is common practice for an auditor to present the audit to the finance committee (when one is in place) and not present to the Board. This was done at ecomaine for the FY17 audit. We as auditors presented to the audit committee who then presented their approval of the audit results to the Board of Directors. This allows for the Board to focus on higher level items that may not necessarily be financially focused.

The finance committee's function is to primarily provide financial oversight for ecomaine, review internal control policies, management prepared budgets and financial reports. I feel that the finance committee at ecomaine would be able to support the roles of the audit committee and the merging of both committees would not pose a problem.

If I can be of further assistance, please feel free to reach out to me.

Sincerely,



Amy L. Chasse, CPA  
Runyon Kersteen Ouellette

**BY-LAWS**

**OF**

**ecomaine**

**ARTICLE I**

**Name, Principal Office, Corporate Seal**

Section 1. Name. The name of the Corporation shall be ECO Maine (hereinafter referred to as the “Corporation”). The Corporation may do business in the name of “**ecomaine**.”

Section 2. Principal Office. The location and principal office of the Corporation shall be in the City of Portland, State of Maine, but the Corporation may also maintain other offices in such places, either within or without the State of Maine, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

Section 3. Registered Office. The registered office of the Corporation in the State of Maine may be (but need not be) the same as the principal office.

Section 4. Seal. The seal of the Corporation shall have inscribed thereon the name of the Corporation, the year of its organization, and the word “Maine.”

**ARTICLE II**

**Definitions**

Section 1. Associate Member Municipalities. “Associate Member Municipalities” means such municipalities which may become party to an Associate Member Waste Handling Agreement and be accepted by the Board of Directors as an Associate Member Municipality. Any municipality shall cease to be an Associate Member Municipality upon the date of termination of its Associate Member Waste Handling Agreement.

Section 2. Board. “Board” refers to the Corporation’s Board of Directors.

Section 3. Interlocal Agreement. “Interlocal Agreement” means the ECO Maine Interlocal Solid Waste Agreement, by and between the Cities of Portland and South Portland, and the Towns of Bridgton, Cape Elizabeth, Casco, Cumberland, Falmouth, Freeport, Gorham, Gray, Harrison, Hollis, Limington, Lyman, North Yarmouth, Pownal, Scarborough, Windham,

Waterboro and Yarmouth, dated as of December 1, 2005, as supplemented by an Addendum dated April 13, 2006, and by an Addendum dated June 30, 2006, and as further amended or supplemented by addendum from time to time.

Section 4. Participating Member Municipalities. “Participating Member Municipalities” means any municipalities which are or may later become a party to the Interlocal Agreement and be accepted by the Board of Directors as a Participating Member Municipality. Any municipality shall cease to be a Participating Member Municipality upon the effective date of its withdrawal from the Interlocal Agreement.

### **ARTICLE III** **Members**

The Corporation shall have no members and shall be a non-membership Corporation.

### **ARTICLE IV** **Board of Directors**

Section 1. Number and Qualifications. The business and affairs of the Corporation shall be managed by a Board of Directors elected in accordance with the procedures set forth in the Bylaws of the Corporation.

Section 2. Term of Office. Each Director shall serve for a term of three (3) years or until his or her successor is appointed and qualified. Directors shall be appointed prior to the annual meeting of the Board.

Section 3. Election of Directors. Each Participating Member Municipality shall appoint a minimum of one (1) Director to represent and vote the Voting Interest held by such Participating Member Municipality. In addition, a Participating Member Municipality whose Voting Interest is greater than five percent (5%) may appoint an additional Director for each increment of five percent (5%) or portion thereof, provided that the Voting Interest of such Municipality shall be allocated among the Directors representing such Municipality in such proportions as specified by the Municipal Officers of such Municipality, provided, however, in the event that a Participating Member Municipality is represented by more than one Director, unless

otherwise provided by the Municipal Officers of such Municipality, the Voting Interest of such Municipality shall be divided equally between and voted by the Directors representing such Municipality who are actually present at such meeting.

The Municipal Officers of each Participating Member Municipality shall have the right to appoint an alternate Director or Directors who may vote the interest of the Participating Member Municipality on the Board in the absence of its appointed representative(s) to the Board.

Section 4. Vacancies. A vacancy in the Board may occur by the following means: death, resignation, or forfeiture. A member of the Board shall forfeit his/her membership if at any time during his/her term he/she lacks any qualifications of membership prescribed by these By-Laws. If he/she fails to attend at least one-half of the meetings of the Board subsequent to the preceding annual meeting of the Board, or if he/she fails to attend two (2) consecutive meetings of the Board without having provided at least one (1) day's prior notice of such absence to the Chairman, Secretary or Chief Executive Officer, the Participating Member Municipality from which the member was appointed shall be so notified by the Chair.

Section 5. Filling of Vacancies. If a vacancy in the membership of the Board should occur, his/her successor shall be elected in accordance with the procedure set forth in Section 3.

Section 6. Powers and Functions. The Board shall be the policy making body of the Corporation, and may exercise on behalf of the Corporation those powers and functions which are necessary or convenient to the accomplishment of the purposes stated in the Interlocal Agreement. Its functions and duties shall include:

- (a) election of officers;
- (b) adoption of the annual budget;
- (c) adoption and amendment of these By-laws;
- (d) election of members and alternate members of the Executive Committee;
- (e) election of members and alternate members of the Finance Committee;
- (f) election of members and alternate members of the Audit Committee;
- (g) election of members and alternate members of the Recycling and Outreach

Committee;



(h) employment and termination of employment of the Chief Executive Officer.

Section 7. Annual Meeting. The Board shall meet annually at a time and place to be determined by the Chair, notice thereof being given to each Director at least five (5) days prior to the meeting. Elections of officers shall be held at the annual meeting.

Section 8. Other Meetings. Special meetings of the Board may be held at any time and place upon call by or at the request of the Chair, by a majority vote of the Executive Committee, by call of the Incorporator in the case of the first meeting of the Directors, or by request of Directors representing twenty-five per cent (25%) of the total Voting Interests of the Corporation, notice thereof being given to each Director at least five (5) days prior to the meeting.

Section 9. Notice. Notice of a meeting may be given by the Chair, Secretary, Chief Executive Officer or by any one (1) of the Directors, and shall be given by written notice delivered personally or sent by mail or ~~telegram e-mail~~ to each Director at his or her physical address or e-mail address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If ~~notice be given by telegrams mailed~~, such notice shall be deemed to be delivered when the ~~telegram e-mail~~ is delivered to the ~~telegraph company~~common carrier or Internet service provider.

Section 10. Voting Interest. Each Participating Member Municipality shall have a Voting Interest expressed as a percentage. The Voting Interest of each Participating Member Municipality shall be rounded off to the nearest hundredth of a per cent, and the Voting Interests of all Participating Member Municipalities shall total one hundred percent (100%). The Voting Interest for each Participating Member Municipality shall be calculated at the end of each fiscal year based on a five-year rolling average of Municipal Solid Waste (excluding Recyclable Waste) delivered to the facility by the Participating Member Municipality or its agent and processed by **ecomaine**.

Section 11. Alternates. The Board may appoint one or more alternate members of the Executive Committee, Finance Committee and Audit Committee and any other committee that is created, and may specify their order of preference, provided that alternate members of the

Executive Committee may be designated only from among members of the Board. Each such alternate member may attend all meetings of the committee, but shall be without vote unless one or more of the regularly designated members of such committee fails to attend a meeting. In the absence of one or more of the regular members of the committee, such alternate member or members may be counted toward a quorum and may vote as though they were regular members of the committee. In the event that there are more alternate committee members present than there are absent regular committee members, the alternate members shall have the right to vote in the order of preference specified by the Directors in designating them or, if no order of preference was specified, in the order of their appointment or their listing in a single appointment.

Section 12. Voting. A simple majority, determined by the Voting Interests of Directors, shall constitute a quorum, and, except as otherwise provided in these By-Laws, action of the Board shall be by the majority of Voting Interests cast by those Directors present and voting at any duly called meeting. Except as otherwise provided in these By-Laws, each Director shall be entitled to vote the Voting Interest of the Participating Member Municipality represented by such Director or Directors.

Section 13. Restriction on Certain Expenditures. Action of the Board to approve making, financing or refinancing of any expenditure, the cost of which in the opinion of the Board is too great to be met from annual revenues, shall be by a vote of three-fourths (3/4) of the total Voting Interests of the Directors. Notice of any meeting called for the purpose of determining whether to incur the cost of such an expenditure and acting thereon shall be given to each Director at least thirty (30) days prior to the meeting.

Section 14. Rules and Regulations. The Board may adopt rules and regulations not inconsistent with these By-Laws. Except as otherwise provided in these By-Laws or in such rules and regulations, all business at meetings of the Board shall be conducted in accordance with Robert's Rules of Order.

**ARTICLE V**  
Executive Committee

Section 1. Composition and Eligibility.

- (a) There shall be an Executive Committee consisting of the following nine (9) Directors (“Municipal Directors”): two (2) members from Portland, one (1) member from South Portland, one (1) member from Scarborough and one (1) member from each of the five (5) Executive Committee Districts selected by the Directors representing the Participating Municipalities of such District. In addition, the Committee shall include the Chair, Vice-Chair, Secretary and Treasurer of the Corporation (the “Officers”); provided that, in the event an Officer(s) is not included among the Municipal Directors, the membership of the Committee shall be increased accordingly; and further provided that whenever the Committee votes on any action which directly affects property owned by the Corporation and located in Gorham, and the Director representing Gorham is not a member of the Committee, the membership of the Committee will be increased to add one (1) member from Gorham solely for the purpose of participating in such vote ; and further provided that the immediate past Chair, if a member of the Board, shall be a member of the Committee, without vote. In the event that the Directors representing the Participating Municipalities of any Executive Committee District are unable to agree on the selection of a Director to serve as the District’s member on the Committee, the Chair will select a Director to be appointed by the Board to serve as such District’s member on the Committee.
- (b) The representatives to the Executive Committee shall be appointed by the Board at the Annual Meeting.
- (c) The Executive Committee Districts shall be composed of the following Participating Member Municipalities:
- (i) District 1: Bridgton; Casco; Gray; Harrison
  - (ii) District 2: Hollis; Limington; Lyman; Waterboro

- (iii) District 3: Gorham; Windham
  - (iv) District 4: Cumberland; Freeport; North Yarmouth; Pownal; Yarmouth
  - (v) District 5: Cape Elizabeth; Falmouth
- (d) Each member of the Executive Committee shall serve for a term of three (3) years or until his or her successor is appointed and qualified.

Section 2. Officers, Vacancies, Filling of Vacancies.

- (a) Officers. Officers of the Executive Committee shall include the Chair and President, Vice-Chair, Secretary and Treasurer of the Corporation, and such other officers as the Board of Directors may elect or desire. Only persons who are members of the Board of Directors shall be eligible to be officers of the Executive Committee.
- (b) Vacancies. A vacancy in the Executive Committee may occur by the following means: death, resignation, or forfeiture. A member of the Executive Committee shall forfeit his/her office if at any time during his/her term of office he/she lacks any qualifications of the office prescribed by these By-Laws. If he/she fails to attend at least one-half of the meetings of the Executive Committee subsequent to the preceding annual meeting of the Board, or if he/she fails to attend two (2) consecutive meetings of the Executive Committee without having provided at least one (1) day's prior notice of such absence to the Chair, Secretary or Chief Executive Officer, the Participating Municipality from which the member was appointed shall be so notified by the Chair.
- (c) Filling of Vacancies. If a vacancy in the Executive Committee should occur more than one hundred twenty (120) days prior to the next annual meeting of the Board, the Executive Committee shall call a meeting of the Board for the purpose of filling said vacancy. The Executive Committee may fill any other vacancy at any regular or special meeting from the membership of the Board, subject to the requirements of Section 1.

Section 3. Function and Powers. Except as may otherwise be provided by the Board, the Executive Committee shall have the following functions and powers:

- (a) To conduct the business of the Corporation within the policy guidelines of the Board.
- (b) To propose an annual budget.
- (c) To provide for an annual audit.

- (d) To appoint ad hoc or special committees.
- (e) To receive, hold and disburse funds, set fees for services, seek and accept grants, and enter into necessary contracts for the Corporation.
- (f) To review requests for membership to the Corporation and to make a recommendation to the Board concerning such requests.
- (g) To direct the Chief Executive Officer to employ or contract for the employment of a staff, including fixing of salary and benefits in accordance with policies established by the Executive Committee, except that the employment and termination of employment of the Chief Executive Officer shall be the responsibility of the Board in accordance with Article IV, Section 6.
- (h) To review and evaluate annually the performance of the Chief Executive Officer.
- (i) To exercise such municipal powers as may be delegated to the Corporation by any Participating Municipality.

Section 4. Procedure.

- (a) Meetings. The Executive Committee shall meet monthly or on the call of the Chair or Vice-Chair, or at the direction of the Board.
- (b) Voting Interest. Each member of the Committee shall have a voting interest equal to one (1) vote, except as otherwise provided in this subsection (“Executive Committee Voting Interest”). Whenever pursuant to Section 1(a) of this Article V, the size of the Committee exceeds nine (9) members as a result of the addition of Officer(s), the Executive Committee Voting Interest of such Officer(s) and the Executive Committee Voting Interest of the Municipal Director(s), who represent the same municipality or a different municipality that is in the same Executive Committee District as the municipality represented by the Officer, shall be equal to a proportion of the total Executive Committee Voting Interest of such municipality or District. By way of example, if an Officer and an Executive Committee District representative are from the same Municipality, the Executive Committee Voting Interest of each would equal 1/2 (one half) vote. Notwithstanding any provisions in these By-Laws to the contrary, whenever, pursuant to Section 1(a) of this Article V, the size of the Committee is increased to add one (1) member from Gorham for the purpose of participating in votes on any action directly affecting property owned by the Corporation and located in Gorham, the Executive Committee Voting Interest of the member from Gorham and the member from Executive Committee District 3

shall each equal 1/2 (one-half) vote.

- (c) Voting. A simple majority, determined by Executive Committee Voting Interests of the members of the Executive Committee, shall constitute a quorum. Action of the Executive Committee shall be by an affirmative vote of a majority of the Executive Committee Voting Interests of those members of the Executive Committee present and voting at any duly called meeting.
- (d) Rules. The Executive Committee may adopt rules and regulations not inconsistent with these By-Laws. Except as otherwise provided in these By-Laws or in such rules and regulations, all business at meetings of the Executive Committee shall be conducted in accordance with Robert's Rules of Order.

## **ARTICLE VI** **Finance Committee**

Section 1. Membership. There shall be a Finance Committee of the Treasurer, as Chair, and four (4) or more other persons appointed by the Board, provided that no more than two (2) persons who are not Directors shall be members.

Section 2. Filling of Vacancies. If a vacancy in the membership of the Committee should occur, his/her successor shall be appointed by the Chair of the Corporation to serve until the next annual meeting of the Board.

Section 3. Function and Powers. The Finance Committee shall be responsible for preparation of the annual budget for review by the Executive Committee, ~~and~~ for oversight of the Corporation's financial matters at the direction of the Executive Committee, and for any other duties assigned to the Committee by the Board of Directors.

Section 4. Meetings. The Finance Committee shall meet semi-annually and upon call of the Chair or a majority of its members. Notice of the time and place of the meetings shall be provided to each member of the Committee, in the same manner as prescribed in Article IV, Section 9, at least five (5) days prior to the meeting.

Section 5. Voting. Each member of the Finance Committee shall have one vote, and a simple majority of the members of the Finance Committee shall constitute a quorum. No action of the Finance Committee shall be valid, or binding, unless adopted by an affirmative vote of a majority of the voting members of the Finance Committee present and voting at any duly called meeting.

**ARTICLE VII**  
Recycling and Outreach Committee

Section 1. Membership. There shall be a Recycling and Outreach Committee of four (4) or more persons appointed by the Board at the Annual Meeting, provided that no more than two (2) persons who are not Directors shall be members.

Section 2. Filling of Vacancies. If a vacancy in the membership of the Recycling and Outreach Committee should occur, his/her successor shall be appointed by the Chair of the Corporation to serve until the next annual meeting of the Board.

Section 3. Function and Powers. The Recycling and Outreach Committee shall be responsible for the Corporation's recycling activities for review by the Executive Committee and oversight of other matters at the direction of the Executive Committee.

Section 4. Meetings. The Recycling and Outreach Committee shall meet semi-annually and upon call of the Chair or a majority of its members. Notice of the time and place of the meetings shall be provided to each member of the Committee, in the same manner as prescribed in Article IV, Section 9, at least five (5) days prior to the meeting.

Section 5. Voting. Each member of the Recycling and Outreach Committee shall have one vote, and a simple majority of the members of the Recycling and Outreach Committee shall constitute a quorum. No action of the Recycling and Outreach Committee shall be valid, or binding, unless adopted by an affirmative vote of a majority of the voting members of the Recycling and Outreach Committee present and voting at any duly called meeting.

**ARTICLE VIII**  
Audit Committee

Section 1. Membership. Except as otherwise provided in these By-Laws, There there shall be an Audit Committee of three (3) or more Directors appointed by the Board.

Section 2. Filling of Vacancies. If a vacancy in the membership of the Audit Committee should occur, his/her successor shall be appointed by the Chair of the Corporation to serve until the next annual meeting of the Board.

Section 3. Function and Powers. The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities related to corporate accounting, financial reporting practices, quality and integrity of financial reports as well as legal compliance and business ethics. Key components of fulfilling this charge include:

- (a) Facilitating and maintaining an open avenue of communication among the Board, the Audit Committee, senior management and the independent external accountants;
- (b) Serving as an independent and objective party to monitor the Corporation's financial reporting process and internal control system; and
- (c) Engaging, reviewing and appraising the efforts of the independent accountants.

Section 4. Meetings. The Audit Committee shall meet semi-annually and upon call of the Chair or a majority of its members. Notice of the time and place of the meetings shall be provided to each member of the Committee, in the same manner as prescribed in Article IV, Section 9, at least five (5) days prior to the meeting. All meetings will focus primarily on audit/financial issues but will also devote time to ethics and business conduct issues. The Committee will request legal updates from the Corporation's legal counsel and/or outside legal resources as they determine the need exists. The Committee members will have sole discretion in determining the meeting attendees and agenda.

- (a) Voting. Each member of the Audit Committee shall have one (1) vote, and a simple majority of the members of the Audit Committee shall constitute a quorum. No action of the Audit Committee shall be valid, or binding, unless adopted by an affirmative vote of a majority of the members of the Committee present and voting at any duly called meeting.
- (b) Rules and Regulations. The Audit Committee may adopt rules and regulations, not inconsistent with these By-Laws, which permit the Committee to remain flexible in order to best react to changing conditions and provide reasonable assurance to the Board that the accounting and reporting practices of the Corporation are in compliance with all legal requirements.

Section 5. Transfer of Duties. At the discretion of the Board of Directors, the function and powers of the Committee, as set forth in Article VIII, Section 3, may be delegated to the Finance Committee in lieu of the Audit Committee. Such transfer of duties must be authorized by



an affirmative vote of the majority of the Voting Interests of the Directors present and voting at any duly called meeting.

**ARTICLE IX**  
Officers, Elections and Vacancies

Section 1. Officers. The officers of the Corporation shall consist of a Chair and President, a Vice-Chair, a Secretary and a Treasurer. Only persons who are members of the Board shall be eligible to be officers.

Section 2. Nominations. The Chair shall appoint a nominating committee of four (4) Directors. The nominating committee shall recommend a slate of officers for election at the annual meeting of the Board. Nominations may also be made from the floor by any Director present.

Section 3. Elections. Elections shall be held at the annual meeting of the Board. A majority of the Voting Interests of the Directors present is required for election to any office.

Section 4. Vacancies, Filling of Vacancies.

- (a) Vacancies. A vacancy may occur by the following means: death, resignation, or forfeiture. An officer forfeits his office if at any time during his term he lacks the qualifications of his office as determined by these By-Laws.
- (b) Filling of Vacancies. Should a vacancy occur in the office of Chair and President, it shall be filled temporarily by the Vice-Chair. If the vacancy in the office of Chair and President should occur more than one hundred twenty (120) days prior to the annual meeting of the Board, then a special meeting shall be called by the Vice-Chair or Secretary for the purpose of electing a new Chair and President. The Board may fill any other vacancy.

Section 5. Powers and Duties of the Chair. The Chair shall preside over all meetings of the Board and in his or her absence, the Vice-Chair shall preside. In the absence of the Vice-Chair, the Secretary or Treasurer may preside at such meetings.

Section 6. Powers and Duties of the Secretary and Treasurer. The Secretary shall record or shall cause to be recorded all the votes and proceedings of the Board meetings in books kept for that purpose. The Secretary and the Treasurer shall also perform such further duties as the Board and/or the Executive Committee may from time to time direct. The Treasurer shall chair the Finance Committee. The Treasurer may be required to give bond for the faithful discharge of

his/her duties, in such sum and with such sureties as the Board may require and approve.

## **ARTICLE X**

### **Finances**

Section 1. Disbursements of Funds. Funds which accrue to the Corporation for its use in furthering the aims and purposes of the Corporation shall be controlled, disbursed, and accounted for in a manner prescribed by the Executive Committee for general purposes.

Section 2. Fiscal Year. The Corporation's fiscal year shall be from July 1<sup>st</sup> through June 30<sup>th</sup>.

Section 3. Payment In Lieu of Taxes. In partial consideration for the obligations of the Participating Member Municipalities resulting from provisions of the Interlocal Agreement and the applicable waste handling agreements, the Corporation shall pay in lieu of taxes a sum not less than Five Hundred Thousand Dollars (\$500,000.00) annually, based upon the 1987 annual waste tonnage of Regional Waste Systems, which amount shall be increased in proportion to the waste tonnage increase from all sources, other than municipal waste, from the Participating Member Municipalities, and excluding all spot market waste, for the term of the waste handling agreements with Participating Member Municipalities, to be apportioned as follows: five-sevenths (5/7) to Portland; one-seventh (1/7) to South Portland; and one-seventh (1/7) to Scarborough. The Corporation may pay in lieu of taxes additional amounts to any Participating or Associate Member Municipality in which any portion of the realty of the Corporation is located.

## **ARTICLE XI**

### **Indemnification**

To the extent permitted by the laws of the State of Maine as they may now or hereafter exist, the Corporation shall indemnify any officer, director, employee or agent of the Corporation who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, by reason of the fact that he or she is or was an officer, director, employee or agent of the Corporation, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; provided that no indemnification shall be provided with respect to any matter as to which he or she shall have been finally adjudicated in any civil proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Corporation or, in any criminal proceeding, to have had reasonable cause to believe that his or

her conduct was unlawful. To the extent permitted by law, the Corporation may purchase and maintain insurance against the liability of its officers, directors, employees or agents.

**ARTICLE XII**  
Amendments to By-Laws

These By-Laws may be amended or altered at any meeting of the Board, provided that a written notice shall be sent to each Director, in the same manner as prescribed in Article IV, Section 9, no less than five (5) days before the date of such meeting, which notice shall state the proposed amendments. A two-thirds (2/3) vote of the Voting Interests of the Directors present at a duly called meeting is necessary for passage of amendments.

(Adopted 4/13/06)  
(Amended 6/30/06)  
(Amended 9/21/06)  
(Amended 10/18/07)  
(Amended 01/20/11)  
(Amended 10/16/14)  
(Amended \_\_\_\_\_)



## **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.~~

**ecomaine**

**BOARD OF DIRECTORS**

(Resolutions relating to the termination of the Code Section 403(b) Retirement Plan of ecomaine and the Code Section 457(b) (Management) Deferred Compensation Plan and the adoption of governmental Plans under Code Section 401(a) and 457(b) in their place.)

**WHEREAS: ecomaine** maintains a Code Section 403(b) Tax-deferred Annuity Plan, known as the Retirement Plan of **ecomaine** (the “Retirement Plan”);

**WHEREAS: ecomaine** maintains a Code Section 457(b) Deferred Compensation Plan for the benefit of the Chief Executive Officer (the “Management Plan”);

**WHEREAS: ecomaine** desires to terminate the Retirement Plan and the Management Plan;

**WHEREAS: ecomaine**, a quasi-governmental organization, desires to establish a governmental Money Purchase Pension Plan and a governmental Code Section 457(b) Deferred Compensation Plan for the purpose of providing retirement and savings benefits for its in lieu of the Retirement Plan and the Management Plan; and

**WHEREAS: ICMA Retirement Corporation** administers governmental retirement and deferred compensation plans and VantageTrust provides for the collective investment of funds held for investment under the retirement and deferred compensation plans maintained by governmental employers.

**NOW THEREFORE**, the Directors of the above-named corporation hereby consent to the taking of and hereby take the following actions:

**RESOLVED:** To terminate the Retirement Plan and the Management Plan, effective March 31, 2018, or as soon thereafter as administratively feasible;

**RESOLVED:** To adopt the ICMA Retirement Corporation Governmental Money Purchase Pension Plan and Trust effective April 1, 2018 (or as soon thereafter as administratively feasible and as necessary to coincide with the termination of the Retirement Plan and the Management Plan), on terms generally consistent with the terminating Retirement Plan, for the benefit of regular full time non-bargaining unit employees, excluding active employees who do not rollover their Retirement Plan account balances to the ICMA Retirement Corporation Deferred Compensation Plan;

**RESOLVED:** To make employer contributions to the Money Purchase Pension Plan at the rate in effect under the current Retirement Plan on behalf of regular full time, non-bargaining unit employees and as established by agreement with the Chief Executive Officer;

**RESOLVED:** To adopt the ICMA Retirement Corporation Deferred Compensation Plan and Trust and Roth Amendment, both to be effective April 1, 2018 (or as

soon thereafter as administratively feasible and as necessary to coincide with the termination of the Retirement Plan and the Management Plan), and to offer participation to all full-time employees including bargaining unit employees;

**RESOLVED:** To adopt the Declaration of Trust of VantageTrust to be operative with respect to any retirement or deferred compensation plan subsequently established by **ecomaine**, if assets of such plan are to be invested in VantageTrust;

**RESOLVED:** That these plans shall be maintained for the exclusive benefit of eligible employees and their beneficiaries;

**RESOLVED:** That the chief executive officer of **ecomaine** shall appoint one or more individuals to serve as Trustee (or Trustees) of the Plans;

**RESOLVED:** That the Trustee(s) shall invest funds to be held under the Plans in VantageTrust;

**RESOLVED:** That the Director of Finance and Administration shall be the coordinator for the Plans, shall receive reports, notices, etc., from ICMA Retirement Corporation or VantageTrust; shall cast, on behalf of **ecomaine**, any required votes under VantageTrust, and may delegate any administrative duties relating to the Plans to appropriate departments; and

**RESOLVED:** That the CEO/General Manager, or the Director of Finance and Administration in the event of his absence or other inability to act, is hereby authorized to take or direct the taking of any action and to execute and deliver any documents necessary or convenient to the termination of the 403(b) Plan and the adoption of the ICMA Plans.

Revenues YTD- Compared to Budget and Last Year								
Compared to Budget					Compared to Prior Year			
	Revenue YTD	Units	Revenue \$/Units		Revenue YTD	Units	Revenue \$/Units	
Owner	↑ \$73,813	↑ 5%	↓ 1%		↑ \$73,818	↑ 5%	↓ 1%	
Associate	↑ \$35,460	↑ 6%	↑ 1%		↑ \$35,419	↑ 6%	↑ 1%	
Contract	↑ \$6,202	↑ 2%	↑ 1%		↑ \$6,213	↑ 2%	↑ 2%	
Commercial	↑ \$119,766	↑ 4%	↑ 1%		↓ \$41,575	↑ 0%	↓ 2%	
Spot	↑ \$11,612	↓ 7%	↑ 9%		↓ \$75,193	↓ 7%	↓ 2%	
Recycling	↑ \$170,598	↓ 0%	↑ 4%		↓ \$217,216	↓ 0%	↓ 20%	
Assessments/Rebates	\$0				\$0			
Electrical	↑ \$206,522	↓ 7%	↑ 20%		↑ \$79,066	↓ 7%	↑ 12%	
Overall	↑ \$624,471				↓ \$138,464			

Cash Expenses YTD			
Expense	Status	% of Annual Budget	Notable Items Affecting Expenses YTD
			<b>Unfavorable</b> * Temporary Labor (\$60k) - employee vacancies (Laborers, Utility op, special projects) * Permits (\$17k) - reporting fees * Recycle Material (\$89k) - cardboard markets remains strong * Water Quality (25k) - timing vs budget * Building & Grounds (\$23k) pest control, tree planting, heating pipe repair * Vehicle Main. (\$19k) - unexpected vehicle & equip repairs * Painting (\$22k) timing vs budget * Spare Parts (\$27k) Inventory adjust for purchase system go live & inverter failure repairs
Total Departmental Costs	↓	\$346,080	47%
			<b>Favorable</b> * Baling Wire (\$32k) - Timing of usage vs how cost budgeted * Legal Fees (\$23k) - favorable usage * Shutdown Labor (\$85k) - feed chute wall fab done in fy17 ahead of schedule * Outside Services (\$72k) - favorable operations * Major Repairs (\$170k) - Timing of project start vs how cost budgeted * Hauling (\$20k) - fewer back hauls due to plant shutdowns * Industrial Cleaning (\$30k) - favorable operations

Revenue Less Expenses	YTD vs. Budget YTD		YTD vs. Prior YTD	
	Rev. - Exp.	%	Rev. - Exp.	%
	↑ \$1,992,425	126%	↓ \$258,429	↓ 64%

Cash Flow		
Current Position		Notes
Cash on 7/1/2017	\$30,861,320	
Cash Generated	\$2,267,910	
Investments	\$846,417	
Capital Expenditures	-\$1,651,239	
Current Cash Position	\$32,324,407	Increased by \$1,463,087

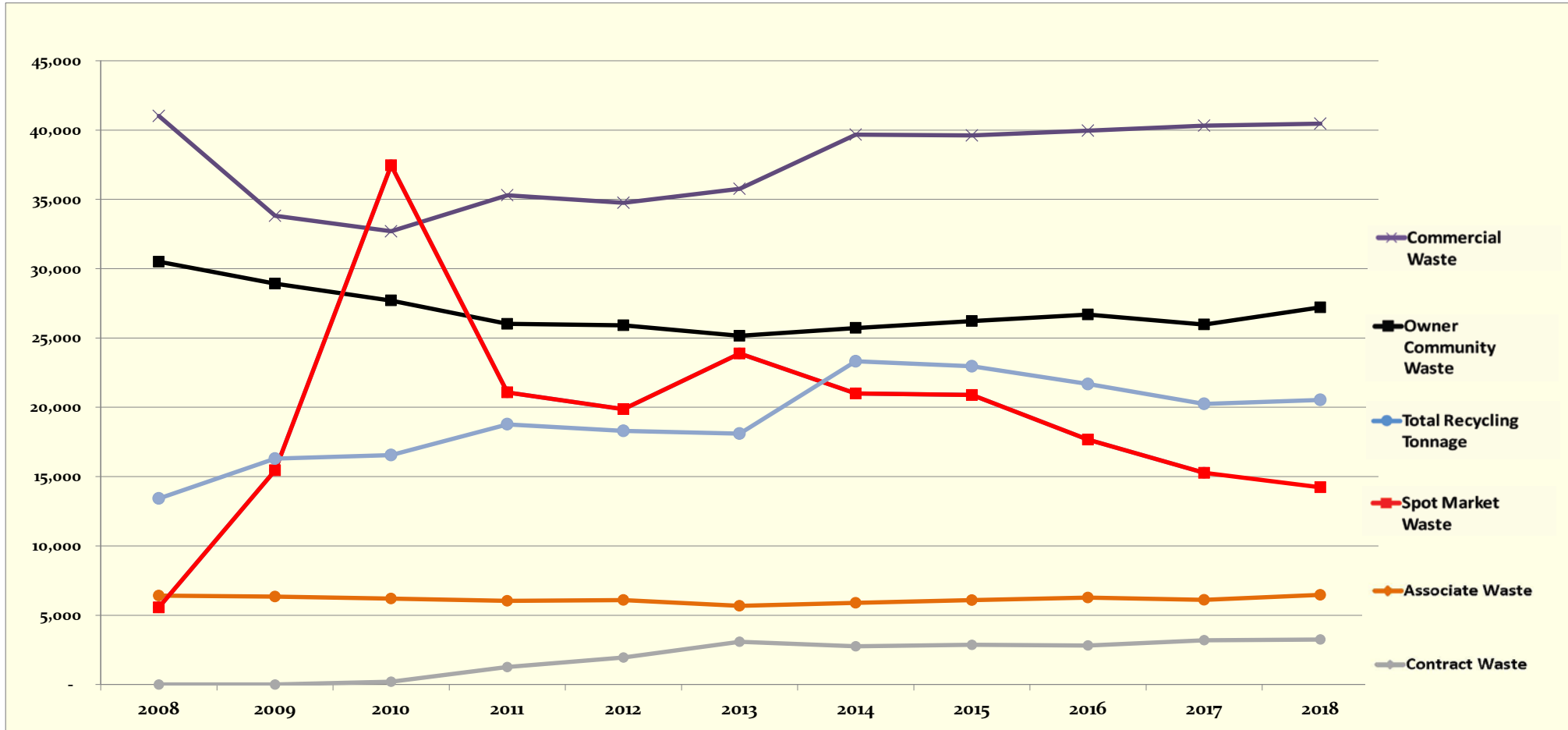
Average WTE Operations				
Month	Pwr Sold % Capacity	Avg. Boiler Availability %	Sales-MWHrs	Notes
November	81%	94%	7,080	Maintenance Outage
December	70%	84%	6,292	

Food Waste YTD Tonnage		
Food Waste In	Food Waste Out	Food Waste Contaminates
Food Waste Tonnages	2486	2356
		799

Recycling Markets						
Materials	FY17 YTD Average		FY18 YTD Average		Variance	
Cardboard	\$114		\$152		↑	33%
Paper	\$93		\$37		↓	-60%
Cans	\$100		\$150		↑	51%
#2 Natural Plastic	\$616		\$619		↑	0%
#2 Colored Plastic	\$339		\$350		↑	3%
#1 PET Plastic	\$178		\$284		↑	59%
Post Burn Metal	\$27		\$61		↑	129%



December Year to Date Tonnage - FY18



2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
30,502	28,915	27,705	26,018	25,917	25,152	25,723	26,221	26,696	25,970	27,208	Owner Community Waste
6,408	6,344	6,194	6,035	6,096	5,672	5,893	6,083	6,266	6,109	6,461	Associate Waste
-	-	203	1,265	1,951	3,088	2,754	2,863	2,822	3,199	3,250	Contract Waste
41,023	33,817	32,699	35,303	34,760	35,761	39,675	39,617	39,962	40,325	40,461	Commercial Waste
5,561	15,452	37,458	21,077	19,865	23,878	20,999	20,887	17,668	15,273	14,232	Spot Market Waste
83,494	84,528	104,259	89,698	88,589	93,551	95,044	95,671	93,412	90,876	91,612	Total Waste
13,424	16,295	16,553	18,775	18,298	18,101	23,316	22,956	21,676	20,248	20,538	Recycling (Inbound)

## Attachment F3

ecomaine							
Statement of Revenue & Expenses December, 2017 (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	1,821,828	1,866,067	1,821,979	1,895,797	1,821,984	73,813	73,818
Assoc tipping fees	503,115	515,415	509,139	544,559	509,099	35,460	35,419
Contract tipping fees	159,370	161,398	184,361	190,574	184,372	6,202	6,213
Commercial tipping fees	2,719,919	2,695,103	2,818,372	2,776,798	2,657,032	119,766	(41,575)
Spot market tipping fees	1,105,639	952,612	875,350	800,157	788,545	11,612	(75,193)
Electrical generating revenues	2,567,021	2,045,180	1,813,485	1,892,551	1,686,029	206,522	79,066
Sales of recycled goods	1,681,700	1,229,206	1,801,642	1,535,777	1,380,856	154,921	(265,865)
Recycling tipping fees	50,422	81,828	19,482	68,131	52,454	15,677	48,649
Other operating income	47,540	52,101	50,473	51,475	50,978	498	1,002
<b>Total operating revenues</b>	<b>\$9,656,552</b>	<b>\$9,598,909</b>	<b>\$9,894,283</b>	<b>\$9,755,819</b>	<b>\$9,131,348</b>	<b>\$624,471</b>	<b>(\$138,464)</b>
<b>Operating expenses</b>							
Administrative expenses	1,343,998	1,318,006	1,259,223	1,327,806	1,359,228	31,423	(68,583)
Waste-to-energy operating expenses	4,120,549	4,406,010	4,387,518	4,584,510	4,927,815	343,305	(196,992)
Recycling operating expenses	984,646	1,029,992	1,019,374	1,178,877	1,190,408	11,531	(159,503)
Landfill/ashfill operating expenses	800,690	783,330	710,810	830,065	789,886	(40,178)	(119,255)
Contingency	0	0	0	0	100,000	100,000	0
Landfill closure & postclosure care costs	119,852	129,968	147,741	132,707	150,000	17,294	15,035
Post-retirement benefit- Health Care	27,047	35,229	35,229	35,229	42,500	7,271	0
Depreciation & amortization	1,836,015	2,045,867	2,085,069	2,109,621	2,174,057	64,435	(24,552)
<b>Total operating expenses</b>	<b>\$9,232,796</b>	<b>\$9,748,402</b>	<b>\$9,644,964</b>	<b>\$10,198,814</b>	<b>\$10,733,894</b>	<b>\$535,080</b>	<b>(\$553,850)</b>
<b>Net operating income</b>	<b>\$423,755</b>	<b>(\$149,492)</b>	<b>\$249,318</b>	<b>(\$442,996)</b>	<b>(\$1,602,546)</b>	<b>\$1,159,551</b>	<b>(\$692,314)</b>
<b>Non-operating income (expense)</b>							
Non Investment Interest	30,402	20,936	21,994	22,589	16,910	5,679	595
Investment Income Net of Expenses	0	(251,326)	377,149	823,828	0	823,828	446,679
Misc. Income / (Expenses)	(711)	5,025	16,756	3,367	0	3,367	(13,389)
<b>Net non-operating</b>	<b>\$29,691</b>	<b>(\$225,365)</b>	<b>\$415,899</b>	<b>\$849,784</b>	<b>\$16,910</b>	<b>\$832,874</b>	<b>\$433,885</b>
<b>Total Revenue Less Expenses</b>	<b>\$453,446</b>	<b>(\$374,857)</b>	<b>\$665,217</b>	<b>\$406,788</b>	<b>(\$1,585,636)</b>	<b>\$1,992,425</b>	<b>(\$258,429)</b>

# Attachment F4

ecomaine									
Statistical Data December, 2017 (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	26,221	26,696	25,970	27,208	25,984	1,224	4.7%	1,238	4.8%
Associate	6,083	6,266	6,109	6,461	6,109	352	5.8%	353	5.8%
Contract	2,863	2,822	3,199	3,250	3,186	64	2.0%	51	1.6%
Commercial	39,617	39,962	40,325	40,461	39,074	1,387	3.6%	136	0.3%
Spot	20,887	17,668	15,273	14,232	15,273	(1,041)	-6.8%	(1,041)	-6.8%
Total MSW	95,671	93,412	90,876	91,612	89,626	1,986	2.2%	736	0.8%
<b>Recycle - Tons</b>									
Inbound - MRF only	22,956	21,676	20,248	20,538	20,229	309	1.5%	290	1.4%
Outbound- MRF only including glass	20,403	18,893	18,255	18,188	18,233	(45)	-0.2%	(67)	-0.4%
Outbound- Post Burn	1,800	2,240	2,143	2,014	2,143	(129)	-6.0%	(128)	-6.0%
Outbound- Landfill Metal Mining	5,311	(24)	-	-	-	0		0	
Outbound Total	27,514	21,109	20,398	20,202	20,376	(174)	-0.9%	(195)	-1.0%
<b>MSW - Revenue \$/Ton</b>									
Owner	\$69.48	\$69.90	\$70.16	\$69.68	\$70.12	(\$0.44)	-0.6%	(\$0.48)	-0.7%
Associate	82.71	82.26	83.35	84.28	83.34	0.94	1.1%	0.93	1.1%
Contract	55.67	57.20	57.63	58.64	57.87	0.77	1.3%	1.02	1.8%
Commercial	68.66	67.44	69.89	68.63	68.00	0.63	0.9%	(1.26)	-1.8%
Spot	52.93	53.92	57.31	56.22	51.63	4.59	8.9%	(1.09)	-1.9%
Total MSW	65.95	66.27	68.33	67.76	66.51	1.25	1.9%	(0.56)	-0.8%
<b>Recycle - Revenue \$/Ton</b>									
\$/Ton Outbound (Includes glass/metals)	\$62.95	\$62.11	\$89.28	\$79.39	\$70.20	\$9.19	13.1%	(\$9.89)	-11.1%
\$/Ton Inbound- Rev/Cost Sharing	64.85	56.28	87.13	69.96	67.27	2.69	4.0%	(17.17)	-19.7%
<b>Energy</b>									
MWH's Sold	47,063	47,706	45,834	42,729	45,834	(3,105)	-6.8%	(3,105)	-6.8%
\$/MWH	\$54.54	\$42.87	\$39.57	\$44.29	\$36.79	\$7.51	20.4%	\$4.73	11.9%
Steam Plant Capacity Factor %	92.8%	93.3%	92.6%	92.5%					
Average Boiler Availability %	95.9%	94.8%	94.1%	92.0%	90.0%				
Steam Plant Capacity Utilization %	97.0%	98.0%	98.5%	100.5%					
Power Capacity Factor %	88.0%	88.0%	85.0%	78.9%					
Power Sold - % of Capacity to Sell	88.0%	89.3%	85.8%	80.0%	85.8%				

**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

# Attachment F5

ecomaine							
Statement of Cash Balances December, 2017 (FY18)							
	12 Month Actuals @ 6/30			Bud FY 2018 @ 6/30/18	Act FY 18 @ 12/31/17	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)	(442,996)		
Add back: depreciation	3,804,881	4,201,984	4,177,307	4,348,113	2,109,621		
Add back: landfill closure costs	259,936	295,483	(2,182,480)	300,000	132,707		
Add back: Post Retirement Benefit	49,730	70,458	60,244	85,000	35,229		
Other working capital changes	(41,673)	(859,134)	388,720		433,349		
Net cash provided by operating activities	<u>2,834,765</u>	<u>2,475,896</u>	<u>4,246,170</u>	<u>964,546</u>	<u>2,267,910</u>		
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	<u>427</u>	<u>1,983</u>	<u>-</u>	<u>0</u>	<u>0</u>		
Cash flows from investing activities:							
Receipts of interest	48,352	35,662	36,584	33,820	22,589		
Investment income	71,167	141,924	1,164,205	0	823,828		
Capital expenditures	(5,761,460)	(2,147,288)	(3,123,683)	(4,512,950)	(1,651,239)		
Sale of Gorham Property		1,519,615					
Net cash used in investing activities	<u>(5,641,941)</u>	<u>(450,087)</u>	<u>(1,922,894)</u>	<u>(4,479,130)</u>	<u>(804,822)</u>		
Net increase (decrease) in cash	(2,806,749)	2,027,792	2,323,277	(3,514,584)	1,463,087		
Cash & Reserves - end of period	<u>26,510,251</u>	<u>28,538,043</u>	<u>30,861,320</u>	<u>24,616,443</u>	<u>32,324,407</u>		
Cash Reserve Detail							
Operating Cash Reserve	8,174,000	8,249,690	8,290,518	8,244,555	8,295,874	8,295,874	8,295,874
Landfill Closure Reserve	300,151	300,941	301,736	300,223	301,610	301,610	301,610
Descretionary Landfill Closure Reserve	3,922,780	6,214,445	7,712,419	8,138,790	9,560,194	9,560,194	22,217,000
Long Term Capital Reserve	4,049,713	4,057,653	4,520,183	4,225,641	4,837,549	4,837,549	4,837,549
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	3,316,543	3,316,543	3,316,543
Bond Payment Reserves							
Debt Service Reserves							
Balance Operating Cash	6,298,130	5,914,305	6,223,377	416,730	6,012,636		
Total	<u>\$26,510,251</u>	<u>\$28,538,043</u>	<u>\$30,861,320</u>	<u>\$24,616,443</u>	<u>\$32,324,407</u>	<u>\$26,311,771</u>	<u>\$38,968,576</u>



## Summary Analysis of All Tons - Detail

July 1, 2017 to December 31, 2017

Community	Waste			Bulky/Other			Recycle		
	FY17	FY18	over/(under)	FY17	FY18	over/(under)	FY17	FY18	over/(under)
BRIDGTON	1,215	1,308	93	101	32	(68)	302	300	(2)
CAPE ELIZABETH	1,119	1,118	-	103	150	47	579	550	(29)
CASCO	498	517	19				223	236	13
CUMBERLAND	687	699	11	81	90	9	450	477	27
FALMOUTH	1,030	1,036	5	77	84	7	728	783	55
FREEPORT	800	784	(16)				384	413	29
GORHAM	1,361	1,336	(25)	2	3	1	578	613	36
GRAY	1,410	1,448	38				-	-	-
HARRISON	504	506	2				106	105	(1)
HOLLIS	551	570	19				150	153	3
LIMINGTON	861	863	2				46	53	7
LYMAN	651	661	9	67	103	35	130	125	(5)
NORTH YARMOUTH	340	334	(6)				202	212	10
PORTLAND	4,534	4,911	378	3		(3)	2911	2846	(65)
POWNAI	116	117	1				75	74	(1)
SCARBOROUGH	3,038	2,896	(142)				1277	1256	(21)
SOUTH PORTLAND	3,055	3,046	(10)	282	701	420	1186	1159	(27)
WATERBORO	1,002	1,058	56	118	258	140	238	238	-
WINDHAM	1,179	1,222	43		8	8	773	765	(9)
YARMOUTH	981	1,015	34	203	300	97	572	542	(30)
<b>Owner Member Total</b>	<b>24,933</b>	<b>25,444</b>	<b>511</b>	<b>1,037</b>	<b>1,730</b>	<b>693</b>	<b>10,908</b>	<b>10,899</b>	<b>(9)</b>
	-	-	-		51	51	-	-	-
BALDWIN	287	301	14				-	-	-
HIRAM	287	301	14				-	-	-
NAPLES	570	619	49				-	-	-
PARSONFIELD	352	395	43	17	23	6	38	39	1
PORTER	287	322	35				-	-	-
SACO	2,746	2,779	33				873	879	6
STANDISH	1,495	1,607	112	68	64	(4)	295	212	(83)
TRI-TOWN	-	-	-				97	84	(13)
<b>Associate Member Total</b>	<b>6,024</b>	<b>6,323</b>	<b>300</b>	<b>85</b>	<b>138</b>	<b>53</b>	<b>1,303</b>	<b>1,213</b>	<b>(90)</b>
	-	-	-				-	8	8
ANDOVER	-	-	-				23	27	4
AUGUSTA	-	-	-				195	198	3
BROWNFIELD	-	-	-				52	49	(2)
CARMEL	-	-	-				26	32	6
CHEBEAGUE ISLAND	148	139	(8)				35	32	(2)
CORNISH	-	-	-				24	24	-
ELIOT	179	180	1	88	97	9	-	-	-
ETNA	-	-	-				27	8	(19)
FRYEBURG	-	-	-				185	202	17
GLENBURN	-	-	-				54	47	(7)
GREENLAND, NH	-	-	-				196	195	(1)
HAMPTON	-	-	-				-	-	-
JAY	-	-	-				130	116	(15)
KITTERY	1,010	983	(27)				-	-	-
LIMERICK	657	696	39	71	90	19	57	56	(2)
LIVERMORE FALLS	288	284	(4)				77	54	(23)
MANCHESTER	-	-	-				64	63	(1)
MONMOUTH	-	-	-				145	141	(4)
NEWBURGH	-	-	-				20	28	8
NEWINGTON	-	-	-				57	46	(11)
NORTH HAVEN	121	122	-				51	45	(6)
OLD ORCHARD	-	-	-				405	385	(20)
POLAND	-	-	-				182	170	(12)
READFIELD/WAYN	-	-	-				165	165	-
SANFORD	-	-	-	200	211	11	989	943	(45)
SHAPLEIGH	-	-	-				-	74	74
STETSON	-	-	-				15	14	-
STOCKTON SPRINGS	-	-	-				24	8	(16)
SWANS ISLAND	-	-	-				19	32	14
WATERVILLE	-	-	-				240	259	18
WOOLWICH	437	448	11				119	117	(2)
<b>Contract Member Total</b>	<b>2,840</b>	<b>2,852</b>	<b>12</b>	<b>359</b>	<b>398</b>	<b>38</b>	<b>3,575</b>	<b>3,540</b>	<b>(36)</b>
<b>Commercial Total</b>	<b>34,051</b>	<b>31,820</b>	<b>(2,231)</b>	<b>5,023</b>	<b>5,389</b>	<b>366</b>	<b>4,463</b>	<b>4,887</b>	<b>424</b>
<b>Spot Market Total</b>	<b>15,273</b>	<b>14,232</b>	<b>(1,041)</b>				<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Totals</b>	<b>83,121</b>	<b>80,672</b>	<b>(2,449)</b>	<b>6,504</b>	<b>7,655</b>	<b>1,151</b>	<b>20,248</b>	<b>20,538</b>	<b>290</b>

# Attachment F7

## Historical Generation Summary

Month / Year	Facility Availability	On Peak KWHs	Off Peak KWHs	Total KWHs	On Peak Rate	Off Peak Rate	Electricity Revenues	ISONE Market Revenues
Nov-15	90%	3,438,183	4,031,975	7,470,158	\$0.04744	\$0.03426	\$331,054	\$246,774
Dec-15	99%	3,766,448	4,465,730	8,232,178	\$0.07253	\$0.05630	\$556,974	\$207,316
Jan-16	94%	3,127,785	4,485,509	7,616,294	\$0.09801	\$0.07486	\$674,554	\$318,748
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					\$0.07706	\$0.05839		
Total for contract period							\$3,301,533	\$3,113,868