



## Memorandum

**DATE:** September 18, 2025  
**TO:** Chairman and Members of the Board  
**FROM:** Kevin H. Roche, CEO/General Manager  
**SUBJECT:** Agenda for the Finance & Audit Committee

There is an **ecomaine** Finance & Audit Committee Meeting scheduled for **Thursday, September 25, 2025 @ 3PM**. The meeting will be held at **ecomaine** and the agenda for the meeting is as follows:

1. Approval of Minutes (*Attachment A*)
2. Cash Disbursements Report – Matthew Sturgis, Chair
3. RKO – FY 25 Preliminary Draft Audit Report (*Attachment B*)
4. Discussion – RFP Investment Services
5. Financial Statements FY 26 – (Year-to-Date):
  - Statement of Revenue (*Attachment C1*)
  - Statistical Data (*Attachment C2*)
  - Balance Sheet (*Attachment C3*)
  - Statement of Cash Balances (*Attachment C4*)
  - Capital Expenditures (*Attachment C5*)
  - Status of Accounts Receivable (*Attachment C6*)
6. Resolution Authorizing the Use of Reserves for Debt Services (*Attachment D1*)  
Resolution Authorizing the Amendment to the Cash Reserve & Investment Policy (*Attachment D2*)
7. Other:

### Future Meetings:

Executive Committee	09-25-2025 @ 3:50pm
Full Board of Directors	09-25-2025 @ 4pm
Finance & Audit Committee	10-16-2025 @ 3pm
Full Board of Directors	10-16-2025 @ 4pm
Outreach & Recycling Committee	11-06-2025 @ 4pm
Executive Committee	11-20-2025 @ 4pm
Executive Committee	12-18-2025 @ 4pm
Finance & Audit Committee	01-15-2026 @ 3pm
Full Board of Directors	01-15-2026 @ 4pm
Outreach & Recycling Committee	02-12-2026 @ 3pm
Executive Committee	02-12-2026 @ 4pm
Full Board of Directors	03-19-2026 @ 4pm
Finance & Audit Budge Review	03-26-2026 @ 4pm
Outreach & Recycling Committee	04-09-2026 @ 4pm
Full Board of Directors	04-16-2026 @ 4pm
Finance & Audit Committee	05-21-2026 @ 3pm
Executive Committee	05-21-2026 @ 4pm
Outreach & Recycling Committee	05-28-2026 @ 4pm
Annual Board of Directors Meeting	06-18-2026 @ 11am



**Memorandum**

**Attachment A**

**DATE:** May 30, 2025  
**TO:** Chairperson and Members of the Board  
**FROM:** Kevin H. Roche, CEO/General Manager  
**SUBJECT:** Finance & Audit Committee Minutes – May 15, 2025

There was a **Finance & Audit Committee Meeting** held on the date noted above, Michael Foley, Chair called the meeting to order.

**Item #1:** Approval of the Minutes:

Matthew Frank motioned to approve the minutes of March 27, 2025, as written. The motion was second by Linda Boudreau. All in Favor.

**Item #2:** Cash Disbursements Report:

Michael Foley, Chair, advised the committee that Cash Disbursement was not reviewed.

**Item #3:** RKO – Presentation – Audit FY 25

Marcus Pratt provided the committee with an overview of the responsibility of staff, the committee and the auditors. He explained the process and what would be covered in the Audit process. Marcus noted that the audit is a high-level overview consisting of materials testing and management controls to prevent fraud. In addition, financial statements will be reviewed. The audit will begin on July 21, 2025, and the results will be presented to the committee in September.

**Item #4:** Review of Post Issuance Compliance Procedure

Greg L'Heureux (Staff) provided an overview of each section of the Post Issuance Compliance Procedure on Bonding. The purpose of the overview is that the IRS and SCC states that the compliance procedures are reviewed by all involved in the bond activity on an annual basis. Bond Counsel and others assist in the drafting of written procedures for monitoring and compliance to ensure bond holders are following federal tax requirements and record retention.

**Item #5** Property Insurance Renewal

Greg L'Heureux provided the committee with an update on the staff's efforts in obtaining full insurance coverage and discussing the various coverage levels and cost. Staff have been working with London Market Insurance who specialize in commercial risk insurers. The London Market insurance policies pricing was reasonable

for our needs. There was a brief discussion.

**Item #6**      **Financial Statements FY 25**

Greg L'Heureux provided a brief review of the financial statements and discussed the Recycling Mark , pricing, and uncertainties of the tariffs.

**Adjourn:**      Linda Boudreau motioned to adjourn. Matthew Frank seconded the motion. All in favor.

**Present:**      Dennis Abbott, Anne Bilodeau, Linda Boudreau, Bob Burns, Dave Durrell, Michael Foley, Matthew Frank, Steve Kelly, Troy Moon, Rod Regier, Erik Street & Tony Ward

**Guest:**      Marcus Pratt, RKO

**Staff:**      Greg L'Heureux, Denise Mungen & Kevin Roche

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**Financial Statements**

**For the Years Ended  
June 30, 2025 and 2024**

DRAFT

**ecomaine**  
**Financial Statements**  
**For the Years Ended June 30, 2025 and 2024**

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## Independent Auditor's Report

Board of Directors  
ecomaine

### Opinions

We have audited the accompanying financial statements of ecomaine as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise ecomaine's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ecomaine as of June 30, 2025 and 2024, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ecomaine, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ecomaine's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

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The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ecomaine's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the ecomaine's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of changes in ecomaine's total health plan OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise ecomaine’s basic financial statements. Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Schedule 1 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, schedule 1 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated \_\_\_\_\_, on our consideration of ecomaine’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ecomaine’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering ecomaine’s internal control over financial reporting and compliance

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South Portland, Maine

Management’s Discussion and Analysis  
June 30, 2025

This discussion and analysis of ecomaine's financial performance provides an overall review of our financial activities for the year ended June 30, 2025. It consists of a series of financial statements and notes on those statements that are prepared and organized so the reader can understand ecomaine as an entire operating entity as well as providing a detailed look at our specific financial conditions. Readers should also review the financial statements and the related notes to enhance their understanding of ecomaine's financial performance.

The statement of net position and the statement of revenues, expenses, and changes in net position provide information about the activities of ecomaine as a whole and present a longer-term view of our finances. They include all assets, liabilities, deferred outflows of resources, and deferred inflows of resources using the accrual basis of accounting, similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the current year’s revenues and expenses regardless of when the cash was received or paid.

These two statements report ecomaine’s net position and changes in such net position. This change in position is important because it tells the reader whether the financial position of the Organization has improved or diminished. However, in evaluating the overall position of ecomaine, non-financial information such as the condition of ecomaine's capital assets will also need to be evaluated.

The statements of net position look at ecomaine as a whole. Table 1 below is a summary of ecomaine's net position for 2025 with comparative numbers for 2024. Details for Table 1 can be found on the Statements of Net Position on page 12 in the financial statements.

**Table 1**  
**Net Position**

	June 30, <u>2025</u>	June 30, <u>2024</u>
<b>ASSETS</b>		
Current	\$ 28,643,538	14,738,198
Capital assets net	65,586,442	57,213,987
Investments	21,952,826	21,517,192
<b>Total assets</b>	<b>116,182,806</b>	<b>93,469,393</b>
<b>DEFERRED OUTFLOWS</b>	<b>28,045</b>	<b>51,604</b>
<b>LIABILITIES</b>		
Current	24,190,731	3,495,836
Long-term liabilities	42,590,477	43,219,965
<b>Total liabilities</b>	<b>66,781,208</b>	<b>46,715,801</b>
<b>DEFERRED INFLOWS</b>	<b>1,215,450</b>	<b>1,313,585</b>
<b>NET POSITION</b>		
Net investment in capital assets	31,708,048	33,202,281
Unrestricted	16,506,145	12,289,312
<b>Total net position</b>	<b>\$ 48,214,193</b>	<b>45,491,593</b>

**Cash balances on hand (including Investment Reserves) totaled \$31.92 million at year end FY 25, which was an increase of \$4.37 million from FY 24 of \$27.55 million.**

- The cash provided by Operations in FY 25 totaled \$5.32 million which was \$217 thousand more than in FY 24 of \$5.11 million. Receipts from tipping fees and electrical generation revenues increased by a total of \$1.63 million, due to increase in tonnage and rates (6% together), and 9% improvement of rates within the power purchasing contract and generation. However, both payments to employees and suppliers also increased by \$2.14 million. When considering the small increase in receipts from other sources, FY 25 resulted in a modest increase in cash generated by operations by \$217 thousand.
- A favorable inflow of cash was the result of financial markets improving our investment market value of \$1.48 million. In addition, interest income also generated an additional \$968 thousand.
- Another use of cash was \$12.9 million of capital spending, which included approximately \$2.15 million of WTE improvements, \$5.19 million of recycling improvements, and \$5.56 million of landfill improvements. \$11.4 million of these improvements for various departments were funded by proceeds from a bond anticipation note.

**The total Net Position for ecomaine increased by \$2.72 million from \$45.49 million at the end of FY 24 to \$48.21 million at the end of FY 25.**

- Total assets for ecomaine increased by \$22.71 million from \$93.47 million in FY 24 to a total of \$116.18 million in FY 25.
  - ✓ Current assets increased by \$13.91 million from \$14.74 million in FY 24 to \$28.64 million in FY 25 resulting primarily from an increase in cash by \$3.93 million, and amounts held in escrow by \$9.05 million due to the bond anticipation note. Operationally, accounts receivable, inventory and prepaid expenses increased by \$970 thousand.
  - ✓ Capital assets (excluding right-to-use assets and related amortization) net of depreciation increased \$3.87 million from \$35.2 million in FY 24 to \$39.1 million in FY 25 due to the capital investments of \$7.95 million in depreciable assets exceeding depreciation expense of \$4.076 million in FY 25.

In anticipation of a bond issuance, ecomaine entered into a Bond Anticipation Note (BAN) which totaled \$20 million in FY 25. Due to various reasons, the BAN was later extended additional 6 months at the end of April 2025. At the end of the year, \$9.21 million was unspent and being held in escrow.

- Total Liabilities for ecomaine increased from \$46.72 million at the end of FY 24 to \$66.78 million at the end of FY 25.
  - ✓ Current Liabilities increased from \$3.50 million in FY 24 to \$24.19 million in FY 25, primarily due to the net increase of \$20 million in bond anticipation notes, which were acquired to temporarily finance certain projects until the 2025 bond series is anticipated to be issued, at the end of the calendar year 2025. Operationally, accounts payable increased by \$893 thousand, and current portion of long-term debt decreased by \$141 thousand.

Management’s Discussion and Analysis, Continued

- ✓ Long-term liabilities were down \$629 thousand, as ecomaine continued to pay off long term debt (a decrease of \$1.34 million) was offset by increases in both inflationary costs and operational usage, and other factors, of the accrued landfill closure and post closure care liabilities (\$675 thousand increase).

**Table 2**  
**Comparing FY 25 to FY 24 Actual**

	FY <u>2025</u>	FY <u>2024</u>	Increase <u>(decrease)</u>
<b>REVENUES</b>			
Operating revenues	\$ 29,903,561	28,124,949	1,778,612
<b>OPERATING EXPENSES</b>			
Administration	4,617,094	3,807,396	809,698
Waste-to-energy operations	14,870,964	13,040,461	1,830,503
Recycling operations	3,059,590	2,922,061	137,529
Transportation operating expenses	715,575	676,484	39,091
Landfill/ashfill operating expenses	1,755,127	1,984,084	(228,957)
Landfill closure and post closer costs	675,469	496,903	178,566
Other postemployment benefits	40,847	22,361	18,486
Depreciation and amortization	4,532,809	4,046,309	486,500
Total operating expenses	30,267,475	26,996,059	3,271,416
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest income	967,644	570,473	397,171
Interest expense	(1,240,251)	(342,582)	(897,669)
Gain (loss) on investments	2,742,365	2,487,057	255,308
All other	616,725	32,238	584,518
Net non-operating revenues	3,086,514	2,747,186	339,328
Increase (decrease) in net position	\$ 2,722,600	3,876,076	(1,153,476)

Details for Table 2 can be found in the Statements of Revenues, Expenses, and Changes in Net Position on page 13 of the financial statements.

***FY 25 Revenue less Expenses (change in net position) was an increase of \$2.72 million compared to the FY 24 increase of \$3.88 million, reflecting a continued favorable operating result.***

- *FY 25 revenues (\$29.90 million) were up \$1.78 million from FY 24 Revenues (\$28.12 million) .*
- ✓ Total solid waste volume received by ecomaine was down slightly 1.25% totaling 189,156 tons in FY 25 compared with 191,559 tons in FY 24. Overall waste tipping fees were \$104.13 per ton in FY 25 compared to \$98.06 in FY 24. This 6.19% increase in waste tipping fees per ton along with the decrease in tonnage resulted in a 4.85% increase in WTE tipping fee revenue for FY 25. Tipping fees for solid waste totaled \$19.70 million in FY 25 compared to \$18.78 million in FY 24.

Management’s Discussion and Analysis, Continued

- ✓ Inbound recycling volume totaled 33,583 tons in FY 25, a 1,016 ton decrease (-2.94%) from FY 24, which was 34,598 tons, while the market value for outbound recycling material averaged \$79.80 per ton, as compared to FY 24’s rate of \$ 73.13 per ton a year ago. As a result, FY 25 recycling sale of recycled goods were up \$55 thousand.
- ✓ ecomaine sold 89,716 MWHs of electricity into the New England power grid, which was up 2.19% from FY 24’s 87,794 MWHs. The market value of the power averaged \$55.84 per MWH which was up 7.09% from FY24’s \$52.15 per MWH. As a result, revenue from the sale of energy totaled \$5.01 million in FY 25, up 9.43% from FY 24’s actual \$4.58 million.
- *Total operating expenses (\$30.27 million) were \$3.27 million more than to FY 24 expenses (\$26.996 million). An increase of \$773 thousand of bypass expense was noted in the waste-to-energy (WTE) department due to additional bypass requirements associated with capacity needs. An additional \$475 thousand increase from FY24 to FY25 was due to rising cost of insurance. Payroll was an additional \$547 thousand and WTE major repair contributed additional unfavorable expense of \$528 thousand due to the nature of major repair projects.*
- *Non-operating revenue increased by \$339 thousand during the year, primarily due to the gain on investments, other revenues, interest and dividend income, which totaled an increase of \$1.24 million, offset by \$898 thousand due to interest expense and other factors.*

**Comparing FY 25 Actual to FY 24 Budget**

**Overall FY 25 operating net income exceeded the budget by \$4.08 million.** FY25 operating revenues (\$29.91 million) were better than FY 25 budgeted revenues (\$29.14 million) by \$769 thousand, primarily because of increases in commercial tipping fees (\$667 thousand), sale of recyclable goods (\$109 thousand), and better than expected electrical generating revenues (\$639 thousand). Offset by a decrease in recycling, associate and contract tipping fees of \$623 thousand and other items. We ended the year with an overall favorable result of \$769 thousand.

- ✓ Total solid waste volume received by ecomaine was 189,156 tons in FY 25, which was less than the FY 25 budget of 189,440 tons by 0.15%. This was a slight decrease of 2,404 tons compared to FY 24 total of 191,559 tons.

FY 25 Tons Data:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Owner	57,785	57,889	104
Associate	13,602	13,435	-167
Contract	24,337	21,904	-2,433
Commercial	88,872	91,669	2,797
Spot	4,844	4,258	-585
<b>Totals</b>	<b>189,440</b>	<b>189,155</b>	<b>-284</b>

- ✓ Inbound recycling volume totaled 33,583 tons in FY 25 which was unfavorable to budget by 4,886 tons from the FY 25 budget (38,468 tons), while the market value improved for outbound recyclable material averaged 79.80 per ton compared to \$ 71.86 per ton in the budget (which uses a five-year average). As a result, sale of recycling material revenues exceeded budget by \$109 thousand.

## Management's Discussion and Analysis, Continued

- ✓ In FY 25, ecomaine sold 89,716 MWHs of electricity into the New England power grid, which was more than the anticipated budget of 86,912 MWHs. The market value of the power increased, averaging \$55.84 per MWH which compared favorably to the FY 25 budget of \$50.29 per MWH. As a result, revenue from the sale of energy totaled \$5.01 million in FY 25, which was more than the FY 25 budget by \$639 thousand.

*Total operating expenditures (budgetary basis) including depreciation expenses (\$30.22 million) were \$143 thousand favorable to the FY 25 budgeted expenses (\$30.07 million).*

- ✓ Departmental operating expenses (excluding depreciation) totaled \$26.14 million, as compared to budgeted departmental expenses of \$25.65 million for an unfavorable variance of \$489 thousand. *On the WTE side, expenditures were unfavorable due to major repair by \$222 thousand and bypass cost of \$1.04 million, due to additional bypass requirements associated with capacity needs. -.On the recycling side, wages and benefits were favorable (\$232 thousand). The Landfill department experienced favorable sewage charges (\$152 thousand positive when compared to budget) due to decreased rainfall. Additionally, depreciation (\$4.08 million) was \$346 thousand below budget of \$4.42 million.*

*Non-Operating Revenue (Expense) was favorable in FY 25 compared to budget with a positive variance of \$3.45 million primarily as a result of overall positive investment market of which created a \$2.65 million favorable variance, when compared to budget, and other factors.*

**Cash balances on hand (including Investment Reserves) increased in FY25 by \$4.37 million compared with FY24.**

- *The cash provided by Operations in FY 25 totaled \$5.32 million as compared to a \$5.11 million generated in FY 24.*
- *Stronger financial markets and other investment activities increased cash on hand by \$3.27 million.*
- *Capital expenditures were \$12.91 million and were less than the anticipated budget of \$38.8 million. The delay in anticipated bond expenditures was \$24.06 million, mainly due to scheduling and manufacturer lead time requirements.*

**Capital Assets (net of depreciation and excluding right to use assets) increased in FY 25 by \$3.87 million compared with FY 24.**

The chart below shows how ecomaine's capital investment changes over time as a result of the effects of depreciation. It shows if the organization's investments in capital infrastructure are keeping up with depreciation.

**Capital Expenditures and Asset Values**

**Table 3**  
**Capital Assets at June 30**  
**(Net of accumulated depreciation)**

	June 30, <u>2025</u>	June 30, <u>2024</u>
Land	\$ 2,118,794	2,059,855
Construction in progress	7,031,564	2,132,779
Vehicles	1,292,929	1,492,149
Right to use assets	17,360,194	17,817,041
Office equipment	90,027	134,965
Recycling facility and equipment	1,790,249	2,185,482
Balefill/ashfill/leachate site	10,477,348	6,129,836
Waste-to-energy facility	25,425,337	25,261,877
<b>Total capital assets</b>	<b>\$ 65,586,442</b>	<b>57,213,984</b>

**Request for Information**

This financial report is designed to provide our members, customers, investors, and creditors with a general overview of ecomaine’s finances and to show ecomaine’s accountability for the money it receives. If you have any questions about this report or need additional information, contact Greg L’Heureux, Director of Finance and Administration, at (207) 523-3107.

ecomaine  
Statements of Net Position  
June 30, 2025 and 2024

	2025	2024
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 4,726,570	1,409,262
Accounts receivable, net	2,863,083	2,520,443
Lease receivable	1,122,995	1,163,577
Amounts held in escrow	9,209,527	164,446
Inventory	4,317,021	3,708,825
Prepaid expenses	1,068,116	1,048,738
Security deposits	100,000	100,000
Total current assets	23,407,312	10,115,291
Noncurrent assets:		
Land and other non-depreciable assets	9,150,358	4,192,634
Depreciable assets	89,695,859	81,748,318
Right to-use leased facility	18,197,747	18,197,747
Accumulated depreciation	(51,457,522)	(46,924,715)
Subtotal capital assets	65,586,442	57,213,984
Total noncurrent assets	65,586,442	57,213,984
Reserves:		
Cash and cash equivalents - reserves	5,236,226	4,622,908
Investment - reserves	21,952,826	21,517,192
Total reserves	27,189,052	26,140,100
Total noncurrent assets	92,775,494	83,354,084
<b>Total assets</b>	<b>116,182,806</b>	<b>93,469,375</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to OPEB	28,045	51,604
<b>Total deferred outflows of resources</b>	<b>28,045</b>	<b>51,604</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	1,600,745	708,138
Accrued expenses	715,921	807,925
Accrued salaries	338,484	321,463
BAN Payable	20,000,000	-
Current portion of facility lease payable	200,213	182,274
Current portion of long-term debt	1,335,368	1,476,036
Total current liabilities	24,190,731	3,495,836
Noncurrent liabilities:		
Other post-employment benefit liability	923,924	878,471
Accrued compensated absences	1,105,521	1,102,623
Accrued landfill closure and postclosure care liabilities	19,173,138	18,497,670
Facility lease payable, less current portion	17,657,917	17,675,856
Long term debt, less current portion	3,729,977	5,065,345
Total noncurrent liabilities	42,590,477	43,219,965
<b>Total liabilities</b>	<b>66,781,208</b>	<b>46,715,801</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to OPEB	152,497	180,662
Deferred inflows of resources related to Tower Lease	1,062,953	1,132,923
<b>Total deferred inflows of resources</b>	<b>1,215,450</b>	<b>1,313,585</b>
<b>NET POSITION</b>		
Net investment in capital assets	31,708,048	32,978,919
Unrestricted	16,506,145	12,512,674
<b>Total net position</b>	<b>\$ 48,214,193</b>	<b>45,491,593</b>

*See accompanying notes to financial statements.*

**ecomaine**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Years Ended June 30, 2025 and 2024**

	2025	2024
Operating revenues:		
Tipping fees	\$ 9,067,480	8,585,383
Electrical generating revenues	5,009,938	4,578,128
Commercial tipping fees and spot market waste	10,628,948	10,199,371
Recycling tipping fees	1,133,484	1,115,168
Recycling owner tipping fees	1,128,657	791,673
Sales of recycled goods	2,752,145	2,697,045
Other operating income	182,909	158,181
<b>Total operating revenues</b>	<b>29,903,561</b>	<b>28,124,949</b>
Operating expenses:		
Administrative expenses	4,617,094	3,807,396
Waste-to-energy operating expenses	14,870,964	13,040,461
Recycling operating expenses	3,059,590	2,922,061
Transportation operating expenses	715,575	676,484
Landfill/ashfill operating expenses	1,755,127	1,984,084
Landfill closure and postclosure care costs	675,469	496,903
Other post-employment benefits	40,847	22,361
<b>Total operating expenses other than depreciation</b>	<b>25,734,666</b>	<b>22,949,750</b>
<b>Net operating income (loss) before depreciation</b>	<b>4,168,895</b>	<b>5,175,199</b>
Depreciation	4,532,809	4,046,309
<b>Net operating income (loss)</b>	<b>(363,914)</b>	<b>1,128,890</b>
Non-operating revenues (expenses):		
Interest and dividend income	967,644	570,473
Grant revenue	188,997	-
Grant expense	(188,772)	-
Miscellaneous receipts	10,031	20,329
Interest expense	(1,240,251)	(342,582)
Gain (loss) on investments	2,742,365	2,487,057
Gain (loss) on disposition of assets	606,500	11,909
<b>Net non-operating revenue (expenses)</b>	<b>3,086,514</b>	<b>2,747,186</b>
<b>Change in net position</b>	<b>2,722,600</b>	<b>3,876,076</b>
<b>Total net position, beginning of year</b>	<b>45,491,593</b>	<b>41,615,517</b>
<b>Total net position, end of year</b>	<b>\$ 48,214,193</b>	<b>45,491,593</b>

*See accompanying notes to financial statements.*

**ecomaine**  
**Statements of Cash Flows**  
**Years Ended June 30, 2025 and 2024**

	2025	2024
<b>Cash flows from operating activities:</b>		
Receipts from assessments and tipping fees	\$ 21,615,929	20,415,553
Receipts from electrical generating revenues	5,009,938	4,578,128
Receipts from other sources	3,582,136	2,861,959
Payments to employees	(10,701,972)	(9,458,794)
Payments to suppliers	(14,183,369)	(13,291,010)
<b>Net cash and cash equivalents provided by (used in) operating activities</b>	<b>5,322,662</b>	<b>5,105,836</b>
<b>Cash flows from capital and related financing activities:</b>		
Interest payments on debt	(783,816)	(170,238)
Bond issuance costs	(230,993)	-
Payments on facility lease	(407,494)	(329,688)
Payments on long term debt	(1,293,762)	(1,098,590)
Proceeds from long term debt	-	2,063,221
Payments on short term debt	(20,000,000)	-
Proceeds from short term debt	30,954,919	-
Purchases of property, plant and equipment	(12,905,265)	(6,680,653)
Sale of other assets	-	22,438
<b>Net cash and cash equivalents provided by (used in) capital and related financing activities</b>	<b>(4,666,411)</b>	<b>(6,193,510)</b>
<b>Cash flows from investing activities:</b>		
Sale (purchase) of investments	822,211	(5,085,435)
Gain on investments	1,484,520	4,912,559
Interest income	967,644	570,473
<b>Net cash and cash equivalents provided by (used in) investing activities</b>	<b>3,274,375</b>	<b>397,597</b>
<b>Net increase (decrease) in cash</b>	<b>3,930,626</b>	<b>(690,077)</b>
Cash and cash equivalents balance, beginning of year	6,032,170	6,722,247
Cash and cash equivalents balance, end of year	9,962,796	6,032,170
Less cash and cash equivalents - reserves	(5,236,226)	(4,622,908)
<b>Cash and cash equivalents</b>	<b>\$ 4,726,570</b>	<b>1,409,262</b>
<b>Reconciliation of net operating income (loss) to net cash and cash equivalents provided by operating activities:</b>		
Net operating income (loss)	\$ (363,914)	1,128,890
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:		
Depreciation	4,532,809	4,046,309
Purchase discounts	10,031	20,329
Settlement proceeds	606,500	-
(Increase) decrease in assets and deferred outflows:		
Accounts receivable	(342,640)	(276,042)
Lease receivable	40,582	(799,715)
Inventory	(608,196)	(337,386)
Prepaid expenses	(19,378)	(586,734)
Deferred outflows of resources	23,559	(51,604)
Increase (decrease) in liabilities and deferred inflows:		
Accounts payable	892,607	324,939
Accrued salaries	17,021	48,651
Accrued compensated absences	2,898	(7,722)
Accrued expenses	(92,004)	238,934
Other post-employment benefits liability	45,453	134,329
Accrued landfill closure and postclosure care liabilities	675,469	496,903
Deferred inflows of resources	(98,135)	725,755
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 5,322,662</b>	<b>5,105,836</b>
<b>Noncash activities:</b>		
Unrealized gains (losses) on investments	\$ 1,257,845	(2,425,502)
Debt proceeds not yet drawn down	9,045,081	164,446

*See accompanying notes to financial statements.*

**ecomaine**  
**Notes to Financial Statements**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

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**Reporting Entity** - ecomaine was incorporated during the fiscal year ended June 30, 2006, under the laws of the State of Maine. ecomaine is a non-profit solid waste management corporation serving 74 municipalities in southern Maine and New Hampshire. Owned and controlled by 20 of these municipalities at June 30, 2025, ecomaine creates electricity through its processing of waste. ecomaine also operates an extensive recycling program.

**Measurement Focus and Basis of Accounting** - The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of the related cash flows.

The organization distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the principal ongoing operations of ecomaine. The principal operating revenues of ecomaine are tipping fees, electric energy sales, and the sale of recycled goods. Operating expenses include the cost of operating the facility, recycling, landfill, closure, postclosure, and administrative expenses. All revenues and expenses not meeting this determination are reported as nonoperating revenues and expenses.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash Equivalents** - ecomaine considers all highly liquid instruments (primarily money market funds and other U.S. Treasury obligations) with original maturities of three months or less to be cash equivalents.

**Accounts Receivable** - ecomaine provides credit to users of their facility, including municipalities and private waste transporters, substantially all of whom are located in southern Maine. BP Energy Company, purchasers of ecomaine's electrical output, are also afforded credit. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. The allowance for doubtful accounts was \$26,028 and \$17,663 at June 30, 2025 and 2024, respectively. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a reduction in trade accounts receivable.

**Inventory** - Inventory is comprised of consumable items used in production and spare parts. Inventory is stated at the lower of cost or market determined on the first-in, first-out basis.

**ecomaine**  
**Notes to Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES, CONTINUED

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**Prepaid Expenses** - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the financial statements. The cost of prepaid expense is recorded as expenses when consumed rather than when purchased.

**Capital Assets** - Capital assets are recorded at cost. All costs incurred for construction, additions, and improvements to the facility, including interest during construction of more than \$20,000 and an estimated useful life of more than one year are capitalized. Donated capital assets are reported at their estimated acquisition cost at the date of donation. To costs for normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation/amortization has been provided over the estimated useful lives of the assets using the straight-line method, as follows:

Equipment	5 - 30 years
Vehicles	5 - 7 years
Ashfill/balefill	15 - 20 years
Recycling plant	25 years
Waste-to-energy facility	20 - 45 years
Right-to-use leased facility	40 years

**Deferred Inflows and Outflows of Resources** - In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net position that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. ecomaine has deferred outflows and inflows that relate to the lease receivables and other post-employment benefit liability, which include ecomaine's benefit contributions subsequent to the measurement date, which is recognized as a reduction of the net other post-employment benefit liability in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between ecomaine contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan.

**Compensated Absences** - Under terms of personnel policies and union negotiated contracts, employees are granted vacation and sick and service time in varying amounts and are, in some cases, entitled to payment for unused vacation or sick and service payment upon termination or retirement. Compensated absences are accrued when incurred.

**Leases (Lessor)** - ecomaine is the lessor for non-cancellable leases of space on its tower for cellular equipment. ecomaine has recognized lease receivables and deferred inflows of resources in the financial statements. At the commencement of the leases, ecomaine measures the lease asset at the present value of payments expected to be made during the lease terms. Subsequently, the lease asset is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease deferred inflow of resources is recognized as revenue over the life of the lease term.

**ecomaine**  
**Notes to Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES, CONTINUED

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Key estimates and judgments include how ecomaine determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- ecomaine uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the leases. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

ecomaine monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Leases (Lessee):** ecomaine is a lessee for a noncancellable lease of a facility. ecomaine recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. ecomaine recognizes lease liabilities with an initial, individual value of \$100,000 or more.

At the commencement of a lease, ecomaine initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how ecomaine determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- ecomaine uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, ecomaine generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed

ecomaine monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**Net Position Flow Assumption** - Although not a formal policy, when both restricted and unrestricted resources are available for use, it is ecomaine's intent to use restricted resources first, then unrestricted resources as they are needed.

**Income Taxes** - The organization is exempt from federal and state income taxes under Section 501 (c)(3) of the Internal Revenue Code, and therefore no liability or provision for income taxes has been recorded.

**ecomaine**  
**Notes to Financial Statements, Continued**

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**DEPOSITS AND INVESTMENTS**

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**A. Deposits**

*Custodial Credit Risk - Deposits:* Custodial credit risk is the risk that in the event of a bank failure, ecomaine's deposits may not be returned to it. As of June 30, 2025 and June 30, 2024, ecomaine had bank balances of \$5,027,749, and \$5,921,168, respectively, none of which was exposed to custodial credit risk as it was covered by the F.D.I.C. or collateralized by additional insurance.

**B. Investments**

ecomaine categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

ecomaine's policy is that all funds will be invested in accordance with Maine State law while the principal objectives in investing any ecomaine funds are safety, liquidity, and returns.

At June 30, 2025, ecomaine had the following investments and maturities:

	Fair Value	Less than 1 year	1-5 years	Level 1 inputs
Exchange Traded	\$ 1,713,230	N/A	N/A	1,713,230
U.S. Government Securities	5,734,416	1,629,025	4,105,391	5,734,416
Equities/stock	14,505,180	N/A	N/A	14,505,180
<b>Total investments</b>	<b>\$ 21,952,826</b>	<b>1,629,025</b>	<b>4,105,391</b>	<b>21,952,826</b>

At June 30, 2024, ecomaine had the following investments and maturities:

	Fair Value	Less than 1 year	1-5 years	Level 1 inputs
Mutual Funds	\$ 725,648	N/A	N/A	725,648
Exchange Traded	2,099,722	N/A	N/A	2,099,722
U.S. Government Securities	5,534,766	4,056,001	1,478,765	5,534,766
Equities/stock	13,157,056	N/A	N/A	13,157,056
<b>Total investments</b>	<b>\$ 21,517,192</b>	<b>4,056,001</b>	<b>1,478,765</b>	<b>21,517,192</b>

*Cash and Investment Reserves* - ecomaine's Board of Directors approved the establishment of cash and investment reserves, with the knowledge that general economic conditions and other needs may impact both the timing of the funding and the usage of such reserves in a manner not originally intended. Such reserves consist of the following:

Operating Cash Reserve - The funds are intended to provide for routine operating cash and financial security in the event of extraordinary events that cause either a significant decrease in operating revenues or a significant increase in operating expenses.

**ecomaine**  
**Notes to Financial Statements, Continued**

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**DEPOSITS AND INVESTMENTS, CONTINUED**

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Required Landfill Closure/Post Closure Reserve - The funds deposited in the required landfill closure reserve shall be used for funding the landfill's closure/post closure costs as required by Section 8 of the Interlocal Solid Waste Agreement dated December 1, 2005.

Discretionary Landfill Closure/Post Closure Reserve - To be used to provide periodic funding for the landfill closure and post closure care costs during the remaining useful life of the landfill and following closure.

Short-term Capital Reserve - The funds are intended to provide for routine capital projects in the event of unanticipated circumstances.

Long-term Capital Reserve - The funds are intended to provide for large new capital projects which have not been provided for in the annual capital plan.

	<u>2025</u>	<u>2024</u>
Operating Cash Reserve	\$ 1,412,864	2,064,489
Landfill Closure Reserve – Required	332,663	318,908
Landfill Closure Reserve – Discretionary	18,767,269	16,391,117
Long-term Capital Reserve	5,678,341	5,992,925
Short-term Capital Reserve	997,915	2,384,875
<b>Total</b>	<b>\$ 27,189,052</b>	<b>26,140,100</b>

*Custodial Credit Risk - investments:* For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, ecomaine will not be able to recover the value of its investments that are in the possession of an outside party. ecomaine has the following policies for custodial credit risk.

**Authorized Securities and Transactions for All Investments Favoring Lower Risk and Higher Liquidity:**

The investments of these funds will be in demand accounts and time certificates of deposits, U.S. Treasury obligations, federal instrumentality securities, and money market mutual funds. They are all to be guaranteed by the federal government or one of its agencies backed by the federal government. The demand accounts and time certificates of deposit are 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.

**Authorized Securities and Transactions for Investments Favoring Reduced Liquidity, and Greater Returns:**

The investments in these funds are to be in 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.

**ecomaine**  
**Notes to Financial Statements, Continued**

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**DEPOSITS AND INVESTMENTS, CONTINUED**

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*Interest Rate Risk - investments:* ecomaine does have a policy related to investment rate risk. This policy details that the investment and cash management portfolio be designed to attain a market value rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities and cash flow requirements. Unless matched to a specific cash flow, ecomaine is not allowed to directly invest in securities maturing more than three years from the date of purchase.

*Credit Risk - investments:* Maine statutes authorize ecomaine to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. ecomaine does have a formal policy related to credit risk as is detailed above.

At June 30, 2025, ecomaine's investments were rated as follows by Standard & Poor's.

U.S. Government Securities with AA+ Ratings:	
United States Treasury Notes	\$ 5,690,047
Federal National Mortgage	19,737
Federal Home Loan Bank	24,632
<b>Total</b>	<b>\$ 5,734,416</b>

At June 30, 2024, ecomaine's investments were rated as follows by Standard & Poor's.

U.S. Government Securities with AA+ Ratings:	
United States Treasury Notes	\$ 3,239,579
Federal Farm Credit Bank	38,304
Federal National Mortgage	18,860
Federal Home Loan Bank	1,923,670
Federal Home Loan Mortgage Corp	314,352
<b>Total</b>	<b>\$ 5,534,765</b>

The remainder of ecomaine's investments are not rated.

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**LEASES -LESSOR**

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In FY 2020, ecomaine entered into the first extension phase of a lease for space on its tower for cellular equipment. Under the terms of the lease, the lease may be extended for three terms, expiring on March 7, 2035. Under the lease terms, ecomaine will receive monthly payments of \$2,516 for the first extension, with payments increasing in the next two extensions to \$2,768 and \$3,044, respectively.

In FY 2024, ecomaine entered into a new lease for space on its tower for cellular equipment. Under the terms of the lease, the lease may be extended for four five-year terms, expiring on February 29, 2044. Under the lease terms, ecomaine will receive monthly payments ranging from \$3,631 to \$6,366 through the end of the extension.

As of June 30, 2024 and 2023, ecomaine's receivable for lease payments was \$1,122,995 and \$1,163,577, respectively. ecomaine also has a deferred inflow of resources associated with the leases that will be recognized as revenue over the lease term.

**ecomaine**  
**Notes to Financial Statements, Continued**

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**LEASES -LESSOR, CONTINUED**

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As of June 30, 2025 and 2024, the balance of the deferred inflow of resources was \$1,062,953 and \$1,132,923, respectively.

The future principal and interest lease payments as of June 30, 2025 were as follows:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 45,459	33,073	78,532
2027	48,220	31,671	79,891
2028	51,106	30,185	81,291
2029	54,123	28,611	82,734
2030	58,107	26,943	85,050
2031-2035	347,667	104,793	452,460
2036-2040	263,975	59,377	323,352
2041-2044	254,338	14,822	269,160
<b>Total</b>	<b>\$ 1,122,995</b>	<b>329,475</b>	<b>1,452,470</b>

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**LEASES -LESSEE**

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In FY 2024, ecomaine entered into a lease as lessee for warehouse and office space for a property located, adjacent to our facility, at 90 Blueberry Road. The property is being developed to house our new Materials Recovery Facility (MRF) anticipated to be operational in 2026. An initial lease liability was recorded in the amount of \$18,197,747. As of June 30, 2024, the value of the lease liability was \$17,858,130. Under the terms of the lease, the lease is for 20 years with an additional 20-year extension available. Under the lease terms, ecomaine is required to make monthly payments ranging from \$32,969 to \$57,811 through the end of the original 20-year term. Thereafter, rents are adjusted to current market rates. The value of the right to use asset as of the end of the current fiscal year was \$18,197,747 and had accumulated amortization of \$837,553.

The future principal and interest lease payments as of June 30, 2025 were as follows:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 200,213	219,506	419,719
2027	219,068	213,242	432,310
2028	238,881	206,399	445,280
2029	259,690	198,948	458,638
2030	281,539	190,858	472,397
2031-2035	1,774,959	808,301	2,583,260
2036-2040	2,504,349	490,357	2,994,706
2041-2045	2,739,835	668,790	3,408,625
2046-2050	2,179,364	1,289,290	3,468,654
2051-2055	2,531,586	937,068	3,468,654
2056-2060	2,940,733	527,921	3,468,654
2061-2063	1,987,913	93,279	2,081,192
<b>Total</b>	<b>\$ 17,858,130</b>	<b>5,843,959</b>	<b>23,702,089</b>

**ecomaine**  
**Notes to Financial Statements, Continued**

**CAPITAL ASSETS**

Capital assets at June 30, 2025 and 2024 consisted of the following:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets, not being depreciated:				
Land-waste-to-energy/ashfill	\$ 2,059,855	58,939	-	2,118,794
Construction in progress	2,132,779	8,301,964	3,403,179	7,031,564
<b>Total capital assets, not being depreciated</b>	<b>4,192,634</b>	<b>8,360,903</b>	<b>3,403,179</b>	<b>9,150,358</b>
Capital assets being depreciated:				
Vehicles	3,105,219	163,716	-	3,268,935
Right to use assets	18,197,747	-	-	18,197,747
Office equipment	471,653	-	-	471,653
Recycling facility and equipment	9,525,098	113,470	-	9,638,568
Balefill/ashfill/leachate site	14,029,990	5,099,424	-	19,129,414
Waste-to-energy facility	54,616,358	2,570,931	-	57,187,289
<b>Total capital assets being depreciated</b>	<b>99,946,065</b>	<b>7,947,541</b>	<b>-</b>	<b>107,893,606</b>
Less accumulated depreciation:				
Vehicles	(1,613,070)	(362,936)	-	(1,976,006)
Right to use assets	(380,706)	(456,847)	-	(837,553)
Office equipment	(336,688)	(44,938)	-	(381,626)
Recycling facility and equipment	(7,339,616)	(508,703)	-	(7,848,319)
Balefill/ashfill/leachate site	(7,900,154)	(751,912)	-	(8,652,066)
Waste-to-energy facility	(29,354,481)	(2,407,471)	-	(31,761,952)
<b>Total accumulated depreciation</b>	<b>(46,924,715)</b>	<b>(4,532,807)</b>	<b>-</b>	<b>(51,457,522)</b>
<b>Total capital assets being depreciated, net</b>	<b>53,021,350</b>	<b>3,414,734</b>	<b>-</b>	<b>56,436,084</b>
<b>Total</b>	<b>\$ 57,213,984</b>	<b>11,775,637</b>	<b>3,403,179</b>	<b>65,586,442</b>

**NET INVESTMENT IN CAPITAL ASSETS**

**Net Position** - Net investment in capital assets, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and financed purchases. ecomaine's net investment in capital assets, were calculated as follows at June 30:

	2025	2024
Capital assets	\$ 117,043,964	104,138,699
Accumulated depreciation	(51,457,522)	(46,924,715)
Long-term debt, including facility lease	(42,923,475)	(24,399,511)
Unspent debt proceeds	9,045,081	164,446
<b>Total net investment in capital assets</b>	<b>\$ 31,708,048</b>	<b>32,978,919</b>

**ecomaine**  
**Notes to Financial Statements, Continued**

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**LONG-TERM LIABILITIES**

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The following is a summary of long-term liability transactions of ecomaine for the year ended June 30, 2025:

<b><u>Long-term liabilities:</u></b>	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Financed purchases	\$ 6,359,107	-	1,293,762	5,065,345	1,335,368
Other postemployment benefit liability	878,471	45,453	-	923,924	-
Accrued compensated absences	1,102,623	2,898	-	1,105,521	-
Facility lease payable	18,040,404	-	182,274	17,858,130	200,213
Landfill closure and postclosure liability	18,497,670	675,468	-	19,173,138	-
<b>Total long-term liabilities</b>	<b>\$ 44,878,275</b>	<b>723,819</b>	<b>1,476,036</b>	<b>44,126,058</b>	<b>1,535,581</b>

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**SHORT-TERM DEBT**

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ecomaine issued bond anticipation notes for interim financing until long-term bonds are issued. The bond anticipation notes was for \$20,000,000, and \$20,000,000 with interest rates of 4.30%. Bond anticipation note activity for the year ended June 30, 2025 was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>
TD Bank	-	40,000,000	20,000,000	20,000,000
<b>Total bond anticipation notes</b>	<b>\$ -</b>	<b>40,000,000</b>	<b>20,000,000</b>	<b>20,000,000</b>

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**FINANCED PURCHASES**

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ecomaine has entered into financed purchase agreements as lessee for financing the acquisition of equipment. The agreements contain a fiscal funding clause that permits the organization to terminate the agreement on an annual basis if funds are not appropriated. These agreements have been recorded at the present value of the future minimum payments as of the date of inception.

The following is a schedule of future minimum financed purchase payments under the financed purchases at June 30, 2025.

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,335,368	173,685	1,509,053
2027	1,167,953	130,627	1,298,580
2028	771,211	93,057	864,268
2029	351,590	68,453	420,043
2030	364,021	56,023	420,044
2031-2034	1,075,202	100,498	1,175,700
<b>Total</b>	<b>\$ 5,065,345</b>	<b>622,343</b>	<b>5,687,688</b>

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**ecomaine**  
**Notes to Financial Statements, Continued**

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**POWER PURCHASE AGREEMENTS**

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During the fiscal years ended June 30, 2025 and 2024, ecomaine's electric energy sales were governed by a Power Purchase Agreement with an outside third party for sale of its power at contracted rates. The current agreement commenced March 1, 2021 and expires February 28, 2027. At June 30, 2025 and 2024, electrical generating revenues amounted to \$5,009,938 and \$4,578,128, respectively.

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**RETIREMENT PLANS**

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**Nonunion** - All non-union employees are covered by a defined contribution plan ("Retirement Plan of ecomaine") after their probationary period is completed. Employees are immediately vested in their own contributions as well as in ecomaine's contributions. ecomaine contributed 8% in 2025 and 2024, and for specified employees this rate is different. For the years ended June 30, 2025 and 2024, the covered payroll totaled \$3,076,088 and \$2,861,717, respectively. Contribution expense amounted to \$283,814 and \$270,273 for the years ended June 30, 2025 and 2024, respectively.

**Union** - In accordance with an agreement with its Union, ecomaine contributes to the Union's Pension Plan. The contributions equal 5.25% of compensation received for hours worked by each eligible plan participant. Pension expense amounted to \$195,324 and \$187,094 for the years ended June 30, 2025 and 2024, respectively, on covered payroll of \$4,557,740 and \$4,375,372, respectively. The Pension Fund is a defined benefit pension program that provides retirement benefits to eligible plan participants. The net pension liability, deferred inflows or deferred outflows of resources, as of June 30, 2025, have not been recorded as they are immaterial to the financial statements. The net pension liability, deferred inflows and deferred outflows of resources, required disclosures, and required supplementary information will be evaluated annually to determine if recording the net pension liability and related pension expense as well as the required disclosures is necessary.

**Other Plans** - In addition to the above plan, a second defined contribution plan was established in the fiscal year ended June 30, 2019 to provide additional retirement contributions to specified employees. Such contribution expense amounted to 13,735 and \$13,155 for the years ended June 30, 2025 and 2024, respectively.

**Social Security** - ecomaine participates in the Social Security retirement program. ecomaine's contributions to Social Security were \$574,762 and \$552,629 for the years ended June 30, 2025 and 2024, respectively.

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**LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

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State and Federal laws and regulations require ecomaine to place a final cover on its balefill and ashfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure.

Although closure and post-closure care costs will be paid only near or after the dates that the landfills stop accepting waste, ecomaine reports a portion of these closure and post-closure costs as an operating expense in each year based on landfill capacity used as of each balance sheet date. ecomaine will recognize the remaining estimated cost of closure and post-closure care for the ashfill site as the remaining estimated capacity is filled.

Actual costs may be higher due to inflation, changes in technology, or changes in regulations. ecomaine anticipates financing closure costs by funding and using reserves and/or the issuing of bonds at the time of closure.

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**ecomaine**  
**Notes to Financial Statements, Continued**

LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS, CONTINUED

A summary of estimated landfill closure and post-closure care costs is as follows:

	<b>Closed Balefill</b>	<b>Ashfill/Balefill</b>	<b>Total</b>	<b>Total</b>
	<b>6/30/2025</b>	<b>6/30/2025</b>	<b>6/30/2025</b>	<b>6/30/2024</b>
Total estimated future landfill closure and post-closure care costs	\$ 4,962,761	26,085,908	31,048,669	30,535,295
Estimated capacity used	100%	54.48%		
Estimated gross landfill closure and post-closure care costs	4,962,761	14,210,377	19,173,138	18,497,670
Amounts expended	-	-	-	-
Estimated liability for landfill closure and post-closure care costs – end of year	4,962,761	14,210,377	19,173,138	18,497,670
Estimated remaining landfill closure and post-closure care costs to be recognized	-	11,875,531	11,875,531	12,037,625
Estimated remaining years of post-closure	22	30		

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

**General Information about the OPEB Plan**

**Plan Description** - ecomaine sponsors a post-employment benefit plan providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The ecomaine Board of Directors has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Benefits Provided** - MMEHT provides healthcare and life insurance benefits for retirees and their dependents. ecomaine employees over the age of 55 with 5 years of continuous service are allowed to participate in the plan. Retirees that are designated in a plan pay 100% of the single coverage premium and 100% of the family coverage premium. For those ecomaine employees eligible for Medicare (post-65 Retiree Plan), the plan is offered in conjunction with Medicare Parts A and B and the Companion Plan B.

**Employees Covered by Benefit Terms** - At January 1, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees or beneficiaries not receiving benefits	0
Active employees	72
Total	74

**ecomaine**  
**Notes to Financial Statements, Continued**

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**OTHER POSTEMPLOYMENT BENEFITS (OPEB), CONTINUED**

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***Total OPEB Liability***

Ecomaine’s total OPEB liability of \$923,924 was measured as of January 1, 2025, and was determined by an actuarial valuation as of January 1, 2024.

**Actuarial Assumptions and Other Inputs** - The total OPEB liability in the January 1, 2025, actuarial valuation roll forward was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.38% per year
Salary increases	2.75% per year
Discount rate	4.08%
Healthcare cost trend rates	10.14% Non-Medicare 7.66% Medicare, decreasing to 3.81% by 2045
Retirees’ share of the benefit related costs	100% of projected health insurance premiums

**Discount Rate** - The rate used to measure the total OPEB liability for the Health Plan was 4.08% per annum. The discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

Mortality rates were based on the 2010 Public Plan General Benefits-Weighted Employee Mortality Table, for males and females.

The actuarial assumptions used in the January 1, 2025, valuation were based on the results of an actuarial experience study for the period from June 30, 2016, through June 30, 2020.

***Changes in the Total OPEB Liability***

	<b>Total OPEB Liability</b>
Balance at June 30, 2024	\$ 878,471
Changes for the year:	
Service cost	55,930
Interest	30,147
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(21,163)
Benefit payments	(19,461)
Net changes	45,453
Balance at June 30, 2025	\$ 923,924

Change in assumptions reflects a change in the discount rate from 3.26% to 4.08%.

**ecomaine**  
**Notes to Financial Statements, Continued**

**OTHER POSTEMPLOYMENT BENEFITS (OPEB), CONTINUED**

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate** - The following presents ecomaine's total OPEB liability calculated using the discount rate of 4.08%, as well as what ecomaine's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point higher or lower than the current rate:

	<b>1% Decrease (3.08%)</b>	<b>Discount Rate (4.08%)</b>	<b>1% Increase (5.08%)</b>
Total OPEB liability	\$ 1,063,786	923,924	808,611

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents ecomaine's total OPEB liability calculated using the healthcare cost trend rates as well as what ecomaine's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point higher or lower than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 790,948	923,924	1,090,880

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended June 30, 20245, ecomaine recognized OPEB gain of \$83,752. At June 30, 20245, ecomaine reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	152,497
Changes of assumption or other inputs	28,045	-
Total	\$ 28,045	152,497

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year ended June 30:</b>	
2026	(15,968)
2027	(31,987)
2028	(39,971)
2029	(39,970)
2030	(2,232)
Thereafter	5,676

ecomaine  
Required Supplementary Information

Schedule of Changes in ecomaine's Total Health Plan OPEB Liability and Related Ratios  
Last 10 Fiscal Years\*

	2025	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>								
Service cost	\$ 55,930	34,566	41,626	51,159	44,523	37,573	41,526	37,707
Interest	30,147	28,661	16,849	22,693	26,151	32,849	28,070	28,877
Changes of benefit terms	-	-	-	-	-	(21,832)	-	-
Differences between expected and actual experience	-	(44,154)	-	(257,966)	-	67,201	-	(5,591)
Changes of assumptions or other inputs	(21,163)	131,920	(84,443)	(43,969)	55,876	44,958	(68,612)	(1,977)
Benefit payments	(19,461)	(16,664)	(12,246)	(17,525)	(16,851)	(12,084)	(11,619)	(9,928)
Net change in total OPEB Liability	45,453	134,329	(38,214)	(245,608)	109,699	148,665	(10,635)	49,088
Total OPEB liability - beginning	878,471	744,142	782,356	1,027,964	918,265	769,600	780,235	731,147
<b>Total OPEB liability - ending</b>	<b>\$ 923,924</b>	<b>878,471</b>	<b>744,142</b>	<b>782,356</b>	<b>1,027,964</b>	<b>918,265</b>	<b>769,600</b>	<b>780,235</b>
Covered-employee payroll	\$ 5,905,189	5,905,189	4,493,575	4,493,575	4,472,943	4,472,943	4,476,452	5,229,408
Total OPEB liability as a percent of covered-employee payroll	15.65%	14.88%	16.56%	17.41%	22.98%	20.53%	17.19%	14.92%

\*Only eight years of information available.

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Notes to Required Supplementary Information

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**Total OPEB Liability**

Changes of Benefit Terms - None

Changes of Assumptions - The following are changes in actuarial assumptions used in the most recent valuations:

Fiscal Year	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Discount Rate	4.08%	3.26%	3.72%	2.06%	2.12%	2.74%	4.10%	3.44%

Additionally, the valuation method was changed from the Projected Unit Credit funding to the Entry Age Normal Funding method in 2018.

Mortality rates:

2017-2021	RP2014 Total Dataset Healthy Annuitant Mortality Table.
2022 and going forward	2010 Public Plan General Benefits- Weighted Employee Mortality Table.

\* These schedules are intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.

ecomaine  
Budget to Actual  
For the Year Ended June 30, 2025

	Actual	Budget	Variance	Change
Operating revenues:				
Owners tipping fees	\$ 5,653,429	5,634,006	19,423	0.3%
Associate and contract tipping fees	3,414,051	3,580,767	(166,716)	-4.7%
Commercial tipping fees	10,152,122	9,484,846	667,276	7.0%
Spot market tipping fees	476,826	536,220	(59,394)	-11.1%
Electrical generating revenues	5,009,938	4,370,663	639,275	14.6%
Sales of recycled goods	2,752,145	2,643,190	108,955	4.1%
Recycling tipping fees	1,133,484	1,531,483	(397,999)	-26.0%
Recycling owner tipping fees	1,128,657	1,186,577	(57,920)	-4.9%
Other operating income	187,885	171,573	16,312	9.5%
<b>Total operating revenues</b>	<b>29,908,537</b>	<b>29,139,325</b>	<b>769,212</b>	<b>2.6%</b>
Operating expenses:				
Administrative expenses	4,617,094	4,654,115	37,021	0.8%
Waste-to-energy operating expenses	14,870,964	13,915,550	(955,414)	-6.9%
Recycling operating expenses	3,467,084	3,739,863	272,779	7.3%
Transportation operating expenses	715,575	792,073	76,498	9.7%
Landfill/ashfill operating expenses	1,755,127	1,825,454	70,327	3.9%
Contingency	-	250,000	250,000	100.0%
Landfill closure and postclosure care costs	675,469	444,001	(231,468)	-52.1%
Post-retirement benefit	40,847	31,707	(9,140)	-28.8%
<b>Total operating expenses</b>	<b>26,142,160</b>	<b>25,652,763</b>	<b>(489,397)</b>	<b>-1.9%</b>
<b>Net operating income (loss) before depreciation</b>	<b>3,766,377</b>	<b>3,486,562</b>	<b>279,815</b>	<b>8.0%</b>
Depreciation	4,075,962	4,422,000	346,038	7.8%
<b>Net operating income (loss)</b>	<b>(309,585)</b>	<b>(935,438)</b>	<b>625,853</b>	<b>-66.9%</b>
Non-operating revenues (expenses):				
Interest income	933,279	50,296	882,983	1755.6%
Grant revenue	188,997	-	-	n/a
Grant expense	(188,772)	-	-	n/a
Miscellaneous receipts	10,031	25,000	(14,969)	-59.9%
Interest expense	(1,015,031)	(1,231,631)	216,600	n/a
Gain (loss) on investments	2,742,365	980,000	1,762,365	179.8%
Settlement proceeds	606,500	-	606,500	n/a
<b>Net non-operating revenues (expenses)</b>	<b>3,277,369</b>	<b>(176,335)</b>	<b>3,453,479</b>	<b>-1958.48%</b>
<b>Net income (budgetary basis)</b>	<b>2,967,784</b>	<b>(1,111,773)</b>	<b>4,079,332</b>	<b>n/a</b>
Reconciliation to Statement of Revenues, Expenses and Changes in Net Position:				
Difference in revenue recognition Lessor	29,389			
Difference in expense recognition Lessee	(274,573)			
<b>Change in net position</b>	<b>\$ 2,722,600</b>			

# Attachment C1

ecomaine							
Statement of Revenue & Expenses							
as of August 31, 2025 (FY2026)							
Category	Fiscal Year Actuals on 08/31			Current Year To Date			FY26 & FY25
	2023	2024	2025	Actual	Budget	Variance	Variance
<b>Operating Revenues</b>							
Owner Member Tipping Fees	\$829,446	\$944,963	\$1,093,135	\$1,386,967	\$1,272,265	\$114,702	\$293,833
Associate Member Tipping Fees	247,687	260,648	262,294	266,501	277,137	(10,637)	4,206
Contract Member Tipping Fees	362,697	411,041	392,488	390,662	588,480	(197,818)	(1,825)
Commercial Tipping Fees	1,298,017	1,711,215	1,900,142	1,904,678	1,859,758	44,920	4,537
Spot Market Tipping Fees	111,098	111,238	103,998	142,591	116,266	26,325	38,593
Electrical Power Revenues	84,208	618,750	635,188	1,051,646	982,327	69,319	416,458
Sales of Recycled Goods	418,112	260,062	638,239	387,409	471,002	(83,592)	(250,830)
Recycling Tipping Fees	292,467	340,614	422,080	513,045	535,651	(22,606)	90,966
Other Operating Income	32,216	23,057	23,018	28,023	55,121	(27,098)	5,005
<b>Total Operating Revenues</b>	<b>\$3,675,948</b>	<b>\$4,681,587</b>	<b>\$5,470,581</b>	<b>\$6,071,524</b>	<b>\$6,158,008</b>	<b>(\$86,484)</b>	<b>\$600,943</b>
<b>Operating Expenses</b>							
Administrative Expenses	634,917	594,306	776,550	720,145	797,719	77,574	56,405
Waste-to-Energy Expenses	3,007,663	1,824,318	2,090,805	1,890,318	2,074,966	184,649	200,487
Recycling Expenses	565,500	408,785	569,944	553,067	536,851	(16,216)	16,877
Recycling (90 Blueberry) Expenses	0	11,362	85,270	81,613	97,791	16,178	3,657
Transportation	0	95,132	108,749	577,138	819,228	242,090	(468,390)
Landfill Expenses	399,364	262,746	227,783	280,515	302,824	22,309	(52,732)
Contingency	0	0	1,800	175	58,333	58,158	1,625
<b>Total Operating Expenses</b>	<b>\$4,607,443</b>	<b>\$3,196,650</b>	<b>\$3,860,900</b>	<b>\$4,102,971</b>	<b>\$4,687,712</b>	<b>\$584,742</b>	<b>(\$242,071)</b>
<b>Net Operating Income</b>	<b>(\$931,495)</b>	<b>\$1,484,938</b>	<b>\$1,609,682</b>	<b>\$1,968,553</b>	<b>\$1,470,295</b>	<b>\$498,258</b>	<b>\$358,871</b>
<b>Non-Operating Income (Expense)</b>							
Non Investment Interest Income	7,281	7,550	5,430	195,823	10,042	185,782	190,393
Investment Income Net of Expenses	263,077	413,203	742,615	1,074,102	147,000	927,102	331,487
Interest/Debt Issuance Expense	(17,402)	(27,619)	(37,310)	(30,764)	(283,239)	252,476	6,547
Misc. Income	1,314	439	570	991	3,333	(2,342)	421
<b>Net Non-Operating</b>	<b>\$254,271</b>	<b>\$393,573</b>	<b>\$711,305</b>	<b>\$1,240,153</b>	<b>(\$122,864)</b>	<b>\$1,363,017</b>	<b>\$528,848</b>
<b>Net Income (EBITDA)</b>	<b>(\$677,224)</b>	<b>\$1,878,511</b>	<b>\$2,320,986</b>	<b>\$3,208,706</b>	<b>\$1,347,431</b>	<b>\$1,861,274</b>	<b>\$887,719</b>
Landfill closure & post-closure care costs	66,905	74,000	79,048	119,406	79,048	(40,358)	(40,358)
Post-retirement benefit - health Care	5,285	5,285	3,728	3,728	3,728	0	0
Depreciation & amortization	502,119	571,367	640,377	807,767	879,667	71,900	(167,389)
<b>Total Revenue Less Expenses</b>	<b>(\$1,251,532)</b>	<b>\$1,227,858</b>	<b>\$1,597,833</b>	<b>\$2,277,805</b>	<b>\$384,989</b>	<b>\$1,892,816</b>	<b>\$679,972</b>

Note: Budget column could change for some departments due to monthly allocation of expenses

Issue Date: 09/17/2025 10:50 AM

Last Data Merge Date: 09/17/2025 10:50 AM

# Attachment C2

ecomaine									
Statistical Data									
as of August 31, 2025 (FY2026)									
Category	Actual Year-to-Date			Year-to-Date FY2026				YTD vs Last YTD	
	2023	2024	2025	Actual	Budget	Variance Fav/(Unfav)		Variance Fav/(Unfav)	
						Units	%	Units	%
<b>MSW - Tons</b>									
Owner	10,369	10,738	10,966	12,794	11,835	959	8%	1,828	17%
Associate	2,504	2,534	2,591	2,451	2,563	(112)	(4%)	(140)	(5%)
Contract	4,262	4,728	4,372	3,777	5,900	(2,123)	(36%)	(594)	(14%)
Commercial	17,285	16,068	17,157	16,660	18,989	(2,329)	(12%)	(497)	(3%)
Spot	1,234	1,055	941	1,224	998	226	23%	283	30%
Total MSW	35,655	35,122	36,027	36,906	40,285	(3,379)	(8%)	879	2%
<b>Recycle - Tons</b>									
Inbound - MRF only	6,553	6,282	6,331	6,521	6,703	(182)	(3%)	190	3%
Outbound- Recycling (SS & SS)	5,539	5,206	5,531	5,126	5,601	(474)	(8%)	(405)	(7%)
Outbound- Loose Metal	68	32	43	45	38	8	21%	2	5%
Outbound- Post Burn	331	677	941	958	809	149	18%	17	2%
Outbound- Landfill Metal Mining	0	0	0	0	0	0	0%	0	0%
Outbound Total	5,870	5,884	6,472	6,084	6,410	(325)	(5%)	(388)	(6%)
<b>MSW - Revenue \$/Ton</b>									
Owner	\$79.99	\$88.00	\$99.69	\$108.41	\$107.50	0.91	1%	\$8.72	9%
Associate	98.91	102.87	101.22	108.73	108.15	0.58	1%	7.52	7%
Contract	85.09	86.93	89.78	103.42	99.74	3.68	4%	13.64	15%
Commercial	75.10	106.50	110.75	114.33	97.94	16.39	17%	3.58	3%
Spot	90.01	105.45	110.50	116.50	116.50	0.00	0%	6.00	5%
Total MSW	\$79.90	\$97.92	\$104.15	\$110.86	\$102.12	\$8.74	9%	\$6.71	6%
<b>Recycle - Revenue \$/Ton</b>									
All Revenue, net of rebates, per inbound tons	\$97.24	\$47.64	\$89.85	\$84.39				(\$5.46)	(6%)
All Revenue, net of rebates, per outbound tons	\$107.51	\$50.72	\$87.30	\$89.78				\$2.47	3%
S.S. Revenue, net of rebates, per inbound tons	\$85.79	\$53.99	\$101.31	\$95.61				(\$5.70)	(6%)
S.S. Revenue, net of rebates, per outbound tons	\$105.14	\$67.18	\$118.18	\$126.18				\$7.99	7%
S.S. Material Sold, per outbound tons	\$56.78	\$34.34	\$96.84	\$55.79				(\$41.05)	(42%)
All Recy. Material Sold, per outbound tons	\$66.03	\$38.81	\$100.56	\$59.29				(\$41.27)	(41%)
S.S. Average Commodity Revenue	\$36.80	\$13.00	\$67.89	\$24.50				(\$43.40)	(64%)
<b>Energy</b>									
MWH's Sold	0	14,908	15,925	15,918	14,886	1,032	7%	(7)	(0%)
\$/MWH	Turbine Outage	\$41.50	\$39.89	\$66.07	\$65.99	\$0.08	0%	\$26.18	66%
Steam Plant Capacity Factor %	67%	88%	91%	91%					
Average Boiler Availability %	71%	95%	97%	98%	95%				
Steam Plant Capacity Utilization %	94%	93%	93%	92%					
Power Capacity Factor %	0%	83%	88%	87%					
Power Sold - % of Capacity to Sell	0%	83%	88%	88%	82%				
<p><b>Steam Plant Capacity Factor %</b> - Steam from the two boilers as a % of the total unadjusted capacity (144,000 lbs./hour for time in period with no down time)</p> <p><b>Average Boiler Availability %</b> - Percent of hours that boilers are available to burn MSW during period - reflects time out of service for boilers due to equipment problems</p> <p><b>Steam Plant Capacity Utilization %</b> - Steam from the two boilers as a % of the adjusted capacity (144,000 lbs./hour for time in period less time not on MSW)</p> <p><b>Power Capacity Factor %</b> - Actual power produced (MWH's) by the turbine as a % of the rated capacity (14.1 MW's) for all hours in the period</p> <p><b>Power Sold - % of Capacity to Sell</b> - 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</p>									

## Attachment C3

ecomaine				
Balance Sheet				
as of August 31, 2025 (FY2026)				
Category	Fiscal Year End Actuals @ 6/30			August 2025
	2023	2024	2025	
<b>ASSETS</b>				
Current Assets				
Operating Cash	\$1,673,541	\$1,409,262	\$4,726,570	\$4,232,568
Accounts Receivable	2,244,401	2,520,443	2,863,083	3,115,044
Lease Receivable	363,862	1,163,577	1,122,995	1,122,995
Inventory	3,371,438	3,708,824	4,317,021	4,378,417
Prepaid Expenses	462,004	1,048,738	1,068,116	973,726
Lease Deposits	100,000	100,000	100,000	100,000
Total Current Assets	\$8,215,247	\$9,950,843	\$14,197,786	\$13,922,750
Property, Plant & Equipment	79,420,606	85,940,952	98,846,217	101,361,218
Less: Accumulated Depreciation	43,028,186	46,544,010	50,619,971	51,427,738
Net Property, Plant and Equipment	\$36,392,421	\$39,396,943	\$48,226,246	\$49,933,480
Right to-use leased facility-net	0	17,817,041	17,360,194	17,360,194
Cash Reserve Accounts	23,905,965	26,140,100	27,189,052	28,263,154
Cash Restricted Lease Escrow	227,667	164,446	-	-
Cash Restricted BAN Escrow	-	-	9,209,527	8,131,321
Total Assets	\$68,741,300	\$93,469,373	\$116,182,804	\$117,610,899
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	383,198	708,136	1,122,513	824,316
Accrued Expenses	568,991	807,925	1,194,151	648,717
Accrued Compensated Absences	1,383,158	1,424,085	1,444,004	1,294,029
Capital Leases - Current Portion	1,098,591	1,293,762	1,335,368	1,335,368
BAN - Current Portion	-	-	20,000,000	20,000,000
Total Current Liabilities	\$3,433,937	\$4,233,908	\$25,096,036	\$24,102,429
Other Liabilities				
Accrued Landfill Close & Post Close costs	18,000,767	18,497,670	19,173,138	19,292,544
Accrued Post Retirement Benefit	744,142	878,471	923,924	927,652
Capital Leases - Long Term Portion	4,359,107	5,065,345	3,729,977	3,729,977
Lease Liability	-	18,040,404	17,858,130	17,858,130
Total Liabilities	\$26,537,953	\$46,715,797	\$66,781,205	\$65,910,733
<b>Deferred Inflows of Resources</b>				
Deferred Inflows of Resources related to OPEB	241,026	129,058	124,452	124,452
Right-of-Use Liability - Stack Rental	346,804	1,132,923	1,062,953	1,062,953
Total Deferred Inflows of Resources	\$587,830	\$1,261,981	\$1,187,405	\$1,187,405
<b>NET ASSETS (EQUITY)</b>				
Fund Balance (Retained Earnings)	44,309,092	41,615,398	45,491,468	48,151,109
Revenues Less Expenses (Current Year)	(2,693,575)	3,876,197	2,659,641	2,277,805
Total Fund Balance (Retained Earnings)	\$41,615,517	\$45,491,595	\$48,151,109	\$50,428,914
Total Net Assets (Equity)	\$41,615,517	\$45,491,595	\$48,151,109	\$50,428,914

## Attachment C4

ecomaine						
Statement of Cash Balances						
as of August 31, 2025 (FY2026)						
Category	12 Month Actuals @ 6/30				Actual FY2026 @ 8/31/25	Budget FY2026 @ 6/30/26
	2022	2023	2024	2025		
Cash & Reserves - Beginning of Period	\$31,707,032	\$29,222,746	\$25,579,507	\$27,549,362	\$31,915,622	\$25,674,412
Cash Flows from Operating Activities:						
Net Operating Income	2,503,327	(365,740)	5,713,095	4,919,703	1,968,553	6,511,840
Other Working Capital Changes	802,908	(1,249,663)	(737,875)	(1,086,250)	(1,387,862)	0
Net Cash Provided by Operating Activities	<u>\$3,306,235</u>	<u>(\$1,615,404)</u>	<u>\$4,975,220</u>	<u>\$3,833,454</u>	<u>\$580,691</u>	<u>\$6,511,840</u>
Cash Flows from Capital and related Financing Activities:						
Payment of Interest	(46,990)	(113,693)	(342,582)	(866,256)	(30,764)	(1,699,435)
Repayment of Long-Term Debt	0	0	0	0	0	0
Receipts from Financed Capital Leases	2,028,640	3,774,620	2,063,221	165,901	0	6,400,000
Repayment of Capital Leases	(330,925)	(711,378)	(1,098,591)	(1,293,762)	0	(2,026,368)
Net Cash Used in Capital and related Financing	<u>\$1,650,726</u>	<u>\$2,949,549</u>	<u>\$622,048</u>	<u>(\$1,994,117)</u>	<u>(\$30,764)</u>	<u>\$2,674,197</u>
Cash Flows from Investing Activities:						
Receipts of Non Investment Interest	25,993	39,545	55,096	83,032	195,823	60,250
Investment Income Net of Expenses	(2,124,762)	1,637,509	2,984,135	3,298,943	1,074,102	882,000
Capital Expenditures	(5,486,822)	(6,703,848)	(6,678,553)	(1,461,551)	(1,240,558)	(10,101,150)
Receipt from Sale of Capital Assets	144,344	49,410	11,909	606,500	805	0
Net Cash Used in Investing Activities	<u>(\$7,441,247)</u>	<u>(\$4,977,384)</u>	<u>(\$3,627,413)</u>	<u>\$2,526,924</u>	<u>\$30,172</u>	<u>(\$9,158,900)</u>
Net Increase (Decrease) in Cash	(2,484,286)	(3,643,239)	1,969,855	4,366,260	580,100	27,137
Cash & Reserves - End of Period	<u>\$29,222,746</u>	<u>\$25,579,507</u>	<u>\$27,549,362</u>	<u>\$31,915,622</u>	<u>\$32,495,722</u>	<u>\$25,701,549</u>

Statement of Cash Balances						
Operating Cash Reserve	\$3,360,035	\$1,666,809	\$2,064,489	\$1,412,864	\$1,422,830	\$2,075,991
Short Term Cap Reserve	1,669,780	1,631,491	2,384,876	997,915	1,004,950	1,000,000
Long Term Cap Reserve	6,721,798	5,992,926	4,980,711	5,678,341	5,923,708	1,000,000
Discretionary Landfill Closure Reserve	13,214,926	14,310,380	16,391,117	18,767,269	19,576,769	18,874,287
Required Landfill Closure Reserve	301,917	304,360	318,908	332,663	0	325,334
Recycle Revenue & Cost Sharing Reserve	0	0	0	0	334,898	0
Operating Cash Account	3,954,290	1,673,541	1,409,262	4,726,570	4,232,568	2,425,938
Total	<u>\$29,222,746</u>	<u>\$25,579,507</u>	<u>\$27,549,362</u>	<u>\$31,915,622</u>	<u>\$32,495,722</u>	<u>\$25,701,549</u>

Issue Date: 09/17/2025 10:50 AM

# Attachment C5

ecomaine										
Capital Improvement Projects										
as of August 31, 2025 (FY2026)										
GL Code (Project Code)	Dept.	Title	FY2026 Budget	Year-to-Date Expenditure	FY2026 Forecast	FY2026 Budget vs Forecast	Actual/Est'd Cost of entire Project FY2026	In-service Date	Comments	
<b>Waste-to-Energy</b>										
00-00-1500 (1524-669-2)		Equipment	Feed Chute A Improvements*	500,000	0	580,000	(80,000)	580,000	Apr 2026	
00-00-1500 (1524-718-2)		Equipment	Steam Vent Silencers Replacements - Install FY26	70,000	1,249	150,000	(80,000)	150,000	Apr 2026	In Progress
00-00-1500 (1524-764-1)		Buildings and Grounds	WTE corrosion control program FY26	175,000	0	175,000	0	175,000	Feb 2026	In Progress
00-00-1500 (1524-xxx-x)		Equipment	Solids / Sludge pump	80,000	0	80,000	0	80,000		
00-00-1500 (1524-743-1)		Equipment	Compressed Air Receiver FY26	50,000	0	50,000	0	50,000		In Progress
00-00-1500 (1524-744-1)		Equipment	Paving Refurbishment FY26	250,000	250,000	250,000	0	250,000	Jul 2025	Complete
00-00-1500 (1524-745-1)		Boiler	Boiler Drain Tank Refurbishment FY26	125,000	99,250	99,250	25,750	99,250	Jul 2025	Complete
00-00-1500 (1524-746-1)		Equipment	Stack Refurbishment FY26	300,000	0	300,000	0	300,000	Jun 2026	In Progress
00-00-1500 (1524-747-1)		Equipment	Steam Jet Injector Nozzles FY26	45,000	0	45,000	0	45,000	Aug 2025	Complete, Inventory
00-00-1500 (1524-748-1)		Equipment	Maint. Shop Welding Exhaust Fan FY26	40,000	0	40,000	0	40,000		In Progress
00-00-1500 (1524-755-1)		Equipment	Relay Protection System Engineering (CMP Approval) FY26	150,000	0	150,000	0	150,000		In Progress
00-00-1500 (1524-756-1)		Equipment	Blowdown Heat Recovery Tank FY26	100,000	0	100,000	0	100,000		
00-00-1500 (1524-757-1)		Equipment	Flue Gas Ducts Refurbishment FY26	100,000	0	100,000	0	100,000	Apr 2026	In Progress
00-00-1500 (1524-758-1)		Equipment	ESP Casing Refurbishment FY26	500,000	0	500,000	0	500,000	Apr 2026	In Progress
00-00-1500 (1524-759-1)		Equipment	Lime Slaker Replacement FY26	150,000	0	150,000	0	150,000	Apr 2026	In Progress
00-00-1500 (1524-760-1)		Equipment	Ash Pit Conveyor FY26	20,000	0	20,000	0	20,000	Jun 2026	
00-00-1500 (1524-765-1)		Equipment	Transformer (Aux T1A) FY26	0	0	200,000	(200,000)	200,000	Oct 2027	In Progress
<b>Subtotal WTE</b>				<b>\$2,655,000</b>	<b>\$363,115</b>	<b>\$3,001,866</b>	<b>(\$346,866)</b>	<b>\$6,767,605</b>		
<b>Recycle - 62 Blueberry</b>										
00-00-1500 (1527-751-1)		Grounds	Paving	75,000	0	75,000	0	124,980	Jul 2025	Complete
00-00-1500 (1527-xxx-x)		Grounds	Fork Truck Replacement - 1 FY26	55,000	0	55,000	0	55,000	Apr 2026	In Progress
00-00-1500 (1527-xxx-x)		Grounds	Rolloff Containers Replacements FY26	60,000	0	60,000	0	60,000	May 2026	In Progress
00-00-1500 (1527-761-1)		Grounds	Repurposing Planning FY26	100,000	0	100,000	0	100,000		In Progress
<b>Subtotal Recycle - 62 Blueberry</b>				<b>\$290,000</b>	<b>\$0</b>	<b>\$290,000</b>	<b>\$0</b>	<b>\$435,713</b>		
<b>Recycle - 90 Blueberry</b>										
00-00-1501 (1522-674-1)	c	Buildings and Grounds	Structural Condition Assessment 90 Blueberry	0	0	0	0	72,363		
00-00-1501 (1522-676-1)	c	Building	90 Blueberry Interior Condition Scan	0	0	0	0	22,488		
00-00-1501 (1522-677-1)	c	Building	MRF Building Changes (permitting/design/build)	0	0	0	0	165,769		
<b>Subtotal Recycle - 90 Blueberry</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$260,620</b>		
<b>Transportation - Ash</b>										
00-00-1500 (1523-768-1)		Equipment	Ash Can Covers FY26	20,000	0	33,500	(13,500)	33,500	Dec 2025	In Progress
00-00-1500 (1523-xxx-x)		Equipment	High Temp Can Liner FY26	13,500	0	0	13,500	0		
<b>Subtotal Transportation - Ash</b>				<b>\$33,500</b>	<b>\$0</b>	<b>\$33,500</b>	<b>\$0</b>	<b>\$33,500</b>		
<b>Landfill</b>										
00-00-1500 (1525-754-1)		Landfill	Office Improvements - FY26	10,000	2,750	2,750	7,250	2,750	May 2026	In Progress
00-00-1500 (1525-xxx-x)		Landfill	GeoTech Monitoring Settlement Platforms FY26	6,000	0	6,000	0	6,000		
00-00-1500 (1525-xxx-x)		Landfill	Design/permit Landfill 2 South & Valley Fill Exp. FY26	100,000	0	100,000	0	100,000		
00-00-1500 (1525-763-1)		Landfill	MSW Bypass Cell Improvements FY26	20,000	3,905	3,905	16,096	3,905	Jun 2026	In Progress
00-00-1500 (1525-766-1)		Landfill	Stability Evaluation of Phase 1 GZA FY26	190,000	24,830	190,000	0	190,000		
<b>Subtotal Landfill</b>				<b>\$326,000</b>	<b>\$31,485</b>	<b>\$302,655</b>	<b>\$23,346</b>	<b>\$1,442,013</b>		
<b>Administration</b>										
00-00-1500 (1528-xxx-x)		Hard/software	Accounting General Ledger Replacement FY26	100,000	0	100,000	0	100,000		
00-00-1500 (1528-762-1)		Hard/software	Computer Upgrades FY26	86,150	2,829	86,150	0	86,150		In Progress
00-00-1500 (1528-xxx-x)		Hard/software	Networking Upgrades FY26	60,500	0	60,500	0	60,500		In Progress
00-00-1500 (1528-xxx-x)		Hard/software	IT Networking Move from 62BB to 90BB FY26	80,000	0	80,000	0	80,000		
<b>Subtotal Administration</b>				<b>\$326,650</b>	<b>\$2,829</b>	<b>\$326,650</b>	<b>\$0</b>	<b>\$375,732</b>		
<b>Projects Funding by Bonds</b>										
00-00-1501 (1522-704-4)	c	90-Building	RRT MRF Design (Bond)	1,200,000	108,443	1,200,000	0	1,876,501	Sep 2026	In Progress
00-00-1501 (1522-704-5)	c	90-Equipment	RRT MRF Equipment (Bond)	18,164,000	0	18,164,000	0	22,593,649	Sep 2026	In Progress
00-00-1501 (1522-704-6)		90-Building	RRT MRF Building Modifications (Bond)	7,000,000	0	12,536,000	(5,536,000)	12,536,000	Sep 2026	In Progress

**Capital Improvement Projects**

as of August 31, 2025 (FY2026)

GL Code (Project Code)	Dept.	Title	FY2026 Budget	Year-to-Date Expenditure	FY2026 Forecast	FY2026 Budget vs Forecast	Actual/Est'd Cost of entire Project FY2026	In-service Date	Comments	
00-00-1501 (1522-704-8)		90-Building	RRT MRF 62 to 90 Electric Hookup (Bond)	744,968	0	744,968	0	744,968	Sep 2026	In Progress
00-00-1500 (1525-707-1)	c	LF-Landfill	Phase East 2B Cell - Other (Bond)	375,000	0	375,000	0	752,951	Jun 2025	Complete
00-00-1500 (1525-707-2)		LF-Landfill	Construction of Landfill Phase 2 East (B)	3,960,000	(0)	(0)	3,960,000	4,413,818	Jun 2025	Complete
00-00-1500 (1525-707-3)		LF-Landfill	Construction Management Phase 2 East (B)	375,000	3,821	3,821	371,179	357,367	Jun 2025	Complete
00-00-1500 (1525-726-1)		LF-Equipment	Pump Station Upgrades Construct 10B	500,000	(5,100)	(5,100)	505,100	40,478	Sep 2024	Complete
00-00-1500 (1525-708-1)	c	LF-Landfill	Remote Pump Station (Bond)	1,195,032	1,167,278	2,040,000	(844,968)	2,185,375	Nov 2025	In Progress
00-00-1500 (1524-715-1)	c	WE-Buildings and Grounds	Tipping hall floor	1,136,000	0	0	1,136,000	1,148,261	Oct 2024	Complete
00-00-1500 (1524-727-1)		WE-Boiler	Economizer tubes -A & B boiler (ID Headers)	2,000,000	0	2,000,000	0	2,000,000		In Progress
00-00-1500 (1524-728-1)		WE-Buidings and Grounds	Ventilation Ash Building (Engineering)	600,000	0	600,000	0	614,999	Jun 2026	In Progress
00-00-1500 (1524-650-3)		WE-Boiler	Ash extractors rebuild B Boiler Install FY26 (BOND)	300,000	9,060	300,000	0	300,000	Oct 2025	In Progress
00-00-1500 (1524-741-1)		WE-Boiler	Boiler Tile Refractory FY26 (BOND)	800,000	91,080	800,000	0	800,000	Apr 2026	In Progress
00-00-1500 (1524-742-1)		WE-Equipment	Road Sweeper FY26 (BOND)	250,000	269,312	269,312	(19,312)	269,312	Jul 2025	Complete
00-00-1500 (1524-749-1)		WE-Equipment	Tipping Hall Loader FY26 (BOND)	300,000	0	300,000	0	300,000	Dec 2025	In Progress
00-00-1500 (1524-753-1)		WE-Equipment	Transformer (Main T1) FY26 (BOND)	1,050,000	0	1,050,000	0	1,050,000	Apr 2026	In Progress
00-00-1500 (1524-xxx-x)		WE-Equipment	Boiler Ram Feeder FY26 (BOND)	400,000	0	615,000	(215,000)	615,000		In Progress
00-00-1500 (1522-xxx-x)		90-Building	Fire Suppression System FY26 (BOND)	800,000	0	800,000	0	800,000		In Progress
00-00-1500 (1523-767-1)		TS-Equipment	Roll-Off Hook lift Truck FY26 (BOND)	250,000	0	259,409	(9,409)	259,409	Mar 2026	In Progress
00-00-1500 (1525-752-1)		LF-Vehicles	Bulldozer Komatsu D71 - FY26 (BOND)	500,000	473,677	473,677	26,323	473,677	Jul 2025	Complete
<b>Subtotal Projects Funding by Bonds - FY2025</b>			<b>\$34,650,000</b>	<b>\$1,274,443</b>	<b>\$35,058,689</b>	<b>(\$408,689)</b>	<b>\$46,649,368</b>			
<b>Subtotal Projects Funding by Bonds - FY2026</b>			<b>\$7,250,000</b>	<b>\$843,129</b>	<b>\$7,467,398</b>	<b>(\$217,398)</b>	<b>\$7,482,397</b>			
<b>Total All Areas (excluding FY25 Bond Budget)</b>			<b>\$10,881,150</b>	<b>\$2,515,001</b>	<b>\$11,422,069</b>	<b>(\$540,919)</b>	<b>\$16,797,579</b>			

c Project and budget was approved in prior years

L Funding sourced from capital leases

\* All projects is complete when it goes in service and not when the money is expended.

a Board approved additional funding after approval of annual budget

# Attachment C6

ecomaine						
Accounts Receivable Aging						
as of August 31, 2025 (FY2026)						
Date	Item	Current	31-60 Days	61-90 Days	91 & Over Days	Total
7/31/2024	Balances	\$2,530,571	\$292,981	\$171,277	\$9,300	\$3,004,129
	%	84.24%	9.75%	5.70%	0.31%	100.00%
8/31/2024	Balances	\$2,462,816	\$317,027	\$44,398	\$4,932	\$2,829,174
	%	87.05%	11.21%	1.57%	0.17%	100.00%
9/30/2024	Balances	\$2,139,503	\$289,426	\$36,230	\$3,871	\$2,469,030
	%	86.65%	11.72%	1.47%	0.16%	100.00%
10/31/2024	Balances	\$2,112,302	\$256,117	\$43,849	\$12,053	\$2,424,321
	%	87.13%	10.56%	1.81%	0.50%	100.00%
11/30/2024	Balances	\$2,133,685	\$235,008	\$74,415	\$1,156	\$2,444,265
	%	87.29%	9.61%	3.04%	0.05%	100.00%
12/31/2024	Balances	\$2,271,263	\$348,862	\$24,787	\$19,734	\$2,664,646
	%	85.24%	13.09%	0.93%	0.74%	100.00%
1/31/2025	Balances	\$2,452,379	\$196,511	\$49,517	\$28,453	\$2,726,859
	%	89.93%	7.21%	1.82%	1.04%	100.00%
2/28/2025	Balances	\$2,443,359	\$196,234	\$14,300	\$8,335	\$2,662,227
	%	91.78%	7.37%	0.54%	0.31%	100.00%
3/31/2025	Balances	\$2,392,414	\$333,094	\$28,753	(\$13,418)	\$2,740,842
	%	87.29%	12.15%	1.05%	(0.49%)	100.00%
4/30/2025	Balances	\$2,169,407	\$224,336	\$3,779	(\$9,373)	\$2,388,149
	%	90.84%	9.39%	0.16%	(0.39%)	100.00%
5/31/2025	Balances	\$2,330,569	\$443,607	\$56,477	(\$6,884)	\$2,823,769
	%	82.53%	15.71%	2.00%	(0.24%)	100.00%
6/30/2025	Balances	\$2,575,988	\$400,819	\$98,484	(\$12,703)	\$3,062,588
	%	84.11%	13.09%	3.22%	(0.41%)	100.00%
7/31/2025	Balances	\$2,991,395	\$356,058	\$152,107	\$15,018	\$3,514,578
	%	85.11%	10.13%	4.33%	0.43%	100.00%
8/31/2025	Balances	\$2,593,475	\$378,850	\$154,297	\$12,921	\$3,139,544
	%	82.61%	12.07%	4.91%	0.41%	100.00%

**Note:** The Allowance for Doubtful Accounts & 1217 IRS are not included in the totals above.

Issue Date: 09/17/2025 10:50 AM

Last Data Merge Date: 09/17/2025 10:50 AM

**Owner  
Communities**

Bridgton  
Buxton  
Cape Elizabeth  
Casco  
Cumberland  
Falmouth  
Freeport  
Gorham  
Gray  
Harrison  
Hollis  
Kennebunk  
Limington  
Lyman  
North Berwick  
North Yarmouth  
Portland  
Pownal  
Sanford  
Scarborough  
Shapleigh  
South Berwick  
South Portland  
Waterboro  
Windham  
Yamouth

**Contract  
Community  
Members**

Andover  
Appleton  
Augusta  
Baldwin  
Brownfield  
Brunswick  
Chebeague Island  
Comish  
Denmark  
Eliot  
Fayette  
Frye Island  
Fryeburg  
Greenland, NH  
Hiram  
Kennebunkport  
Lamoine  
Liberty  
Limerick  
Livermore Falls  
Monmouth  
Mt. Vernon  
Newington, NH  
Naples  
Old Orchard Beach  
Otisfield  
Owl's Head  
Parsonsfield  
Porter  
Readfield  
Rockland  
Saco  
Somerville  
South Thomaston  
Standish  
Swanville  
Thomaston  
Topsham  
Vinalhaven  
Washington  
Wayne  
Westbrook  
Woolwich

September 25, 2025

**RESOLUTION AUTHORIZING THE USE OF RESERVES FOR DEBT SERVICE  
RESERVE FUND**

Dear Board of Directors:

The attached Resolution is proposed for your review and approval.

The Board of Directors approved \$41.9 million in bond financing for capital projects at the Waste-To-Energy facility, the Landfill and the new Recycling Facility and directed ecomaine to proceed with the necessary arrangements to make this happen. The Underwriter has required us to put aside 10% of our reserves into a Debt Service Reserve Fund (DSRF) for security. Our Cash Reserve and Investment Policy requires Board approval to establish this fund. This authorization will allow us to transfer cash and/or investments in the approximate amount of \$4,190,000 at the closing of the issuance of the Bonds.

Please let me know if you have any questions.

Sincerely,



Kevin Roche

**ecomaine**

Telephone: 207-773-1738

[roche@ecomaine.org](mailto:roche@ecomaine.org)

[www.ecomaine.org](http://www.ecomaine.org)

**ecomaine**  
Board of Directors

**RESOLUTION AUTHORIZING THE USE OF RESERVES FOR DEBT SERVICE**  
**RESERVE FUND**

WHEREAS, the Board of Directors of ecomaine (the “Board”) has authorized one or more series of bonds and notes in the aggregate principal amount not to exceed \$41,900,000 (referred to herein as the “Bonds”) for the purpose of funding the costs of certain capital projects;

WHEREAS, the Bonds shall be special revenue obligations of ecomaine secured by the revenues of the system (“System Revenues”);

WHEREAS, ecomaine has established and funded certain reserve accounts in accordance with its adopted cash reserve and investment policy (“Policy”);

WHEREAS, the Policy requires Board approval prior to the use of funds from a reserve account in a manner not originally intended; and

WHEREAS, it has been determined that the Bonds shall be secured by a debt service reserve fund (“DSRF”) to be established in connection with the sale, issuance and delivery of the Bonds and that in order to fund such DSRF, monies contained in any of its reserve accounts (the “Reserves”) be transferred and deposited into the DSRF at closing;

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF ECOMAINE AS FOLLOWS:

Section 1. Ecomaine is hereby authorized to transfer cash and/or investments from one or more Reserves in the approximate aggregate amount of \$4,190,000, after the liquidation of any investments contained in such Reserves as necessary, to the DSRF at the closing of the issuance of the Bonds. The DSRF shall be pledged as security for the Bonds and shall be available to pay amounts due in respect of the Bonds to the extent that System Revenues are insufficient to make such payments. The Chief Executive Officer of ecomaine is hereby directed to take such actions as necessary to fund the DSRF in accordance with the provisions of this resolution.

Section 2. The terms of this resolution shall govern in case of any conflict with the terms of the Policy.

Section 3. This resolution shall take effect immediately upon its passage.

DATED: September 25, 2025

**Owner  
Communities**

Bridgton  
Buxton  
Cape Elizabeth  
Casco  
Cumberland  
Falmouth  
Freeport  
Gorham  
Gray  
Harrison  
Hollis  
Kennebunk  
Limington  
Lyman  
North Berwick  
North Yarmouth  
Portland  
Pownal  
Sanford  
Scarborough  
Shapleigh  
South Berwick  
South Portland  
Waterboro  
Windham  
Yarmouth

**Contract  
Community  
Members**

Andover  
Appleton  
Augusta  
Baldwin  
Brownfield  
Brunswick  
Chebeague Island  
Comish  
Denmark  
Eliot  
Fayette  
Frye Island  
Fryeburg  
Greenland, NH  
Hiram  
Kennebunkport  
Lamoine  
Liberty  
Limerick  
Livermore Falls  
Monmouth  
Mt. Vernon  
Newington, NH  
Naples  
Old Orchard Beach  
Otisfield  
Owl's Head  
Parsonsfield  
Porter  
Readfield  
Rockland  
Saco  
Somerville  
South Thomaston  
Standish  
Swanville  
Thomaston  
Topsham  
Vinalhaven  
Washington  
Wayne  
Westbrook  
Woolwich

September 25, 2025

**RESOLUTION AUTHORIZING AMENDMENT TO THE CASH RESERVE &  
INVESTMENT POLICY**

Dear Board of Directors:

The attached Resolution is proposed for your review and approval.

The ecomaine Cash Reserve & Investment Policy limits two Reserve Accounts, the Long Term Capital Reserve and the Discretionary Landfill Closure / Post Closure Reserves to hold no less than 50% nor more than 80% in equities without consent of the ecomaine board. By establishing the Debt Service Reserve Fund (DSRF) required by the Underwriter for our Bond financing, each account may exceed the 80% maximum. In order to maintain our investment portfolio in its current position, as recommended by our portfolio manager, HM Payson, we are proposing to recognize the aggregate value of the accounts in equities, including the Debt Service Reserve Fund and not limit it to "each account" as currently stated in the Policy. The policy requires two separate readings for approval.

Please contact Wei Huang or myself if you have any questions.

Sincerely,



Kevin Roche

**ecomaine**

Telephone: 207-773-1738

[roche@ecomaine.org](mailto:roche@ecomaine.org)

[www.ecomaine.org](http://www.ecomaine.org)

**ecomaine**  
Board of Directors

**RESOLUTION AUTHORIZING AMENDMENT TO THE CASH RESERVE &  
INVESTMENT POLICY**

WHEREAS, the Board of Directors of ecomaine (the “Board”) adopted a Cash Reserve and Investment Policy by vote taken on October 17, 2019 (the “Policy”);

WHEREAS, the Policy requires that ecomaine’s Long Term Capital Reserve and Discretionary Landfill Closure / Post Closure Reserve accounts hold no less than 50% nor more than 80% of each account’s value in equities without consent of the Board;

WHEREAS, in connection with the issuance of bonds and notes in the aggregate principal amount not to exceed \$41,900,000 (the “Bonds”), as previously authorized by the Board, the Board has authorized the transfer of cash and/or investments from one or more of ecomaine’s existing reserve accounts to fund a debt service reserve fund (the “DSRF”) to secure the payment of the debt service on the Bonds;

WHEREAS, ecomaine anticipates the need to adjust the requirements of the Policy that limit the percentage of equities to be held in each reserve account in order to fund the DSRF; and

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF ECOMAINE AS FOLLOWS:

Section 1. The “Authorized Securities and Transactions for Investments Favoring Reduced Liquidity, and Greater Returns” Section of the Policy is hereby revised as follows:

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 the aggregate value of the Long Term Capital Reserve, the Discretionary Landfill Closure / Post Closure Reserves, and any Debt Service Reserve Fund accounts that have been or will be established by the Board pursuant to this policy in equities 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.

Section 2. The Chief Executive Officer of ecomaine is hereby directed to take such actions as necessary to implement the Policy in accordance with the provisions of this resolution.

Section 3. The terms of this resolution shall govern in case of any conflict with the terms of the Policy.

Section 4. This resolution requires two readings prior to adoption and shall take effect immediately upon its passage following second reading.

DATED: October 16, 2025

## 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**

At least every five years, the Board, or a designated committee will consider issuing 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, 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-the aggregate value of the Long Term Capital Reserve, the Discretionary Landfill Closure / Post Closure Reserves, and any Debt Service Reserve Fund accounts that have been or will be established by the Board pursuant to this policy value in equities 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.