Memorandum

DATE:	**September 10, 2026**
TO:	**Chair & 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 17, 2026 @ 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 – Bob Burns, Chair

3. **Presentation**: FY 26 Preliminary Audit Report – Marcus Pratt, Audit Manager, Runyon Kersteen Ouellette ***(Provided under separate cover)***

4. Resolution Authorizing the Lease Financing of up to $1,700,000 ***(Attachment B)***

5. Authorization & Recommendation on funding sources for the FY 27 Capital (CIP) Projects ***(Attachment C)***

6. **Financial Statements FY 27 – (Year-to-Date)** ***(Provided under separate cover)*****:**
   - Statement of Revenue
   - Statistical Data
   - Balance Sheet
   - Statement of Cash Balances
   - Capital Expenditures
   - Status of Accounts Receivable

7. Other:

Future Meetings:

Full Board of Directors Meeting	09-17-2026 @ 4pm
Finance & Audit Committee	10-15-2026 @ 3pm
Full Board of Directors	10-15-2026 @ 4pm
Outreach & Recycling Committee	11-12-2026 @ 4pm
Executive Committee	11-19-2026 @ 4pm
Executive Committee	12-17-2026 @ 4pm
Finance & Audit Committee	01-21-2027 @ 3pm
Full Board of Directors	01-21-2027 @ 4pm
Outreach & Recycling Committee	02-11-2027 @ 3pm
Executive Committee	02-11-2027 @ 4pm
Full Board of Directors	03-18-2027 @ 4pm
Finance & Audit Budge Review	03-25-2027 @ 4pm
Outreach & Recycling Committee	04-08-2027 @ 4pm
Full Boad of Directors	04-15-2027 @ 4pm
Finance & Audit Committee	05-20-2027 @ 3pm
Executive Committee	05-20-2027 @ 4pm
Outreach & Recycling Committee	05-27-2027 @ 4pm
Annual Board of Directors Meeting	06-17-2027 @ 11am

Attachment A

Memorandum

DATE: **June 1, 2026**

TO: **Chair & Members of the Board**

FROM: **Kevin H. Roche, CEO/General Manager**

SUBJECT: **Finance & Audit Committee Minutes – May 21, 2026**

There was a Finance & Audit Committee Meeting held on the date noted above. Anne Bilodeau, chaired and called today's committee in the absence of Bob Burns.

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

Troy Moon motioned to approve the minutes of March 26, 2026. The motion was seconded by Linda Boudreau. All in Favor.

Item #2: **Presentation: Audit Roles & Responsibilities – Marcus Pratt, Audit Manager Runyon Kersteen Ouellette**

Marcus Pratt informed the committee of his role as the manager of the FY 26 Audit. He reviewed the responsibilities of the Auditors, Management, Staff, and the Finance & Audit Committee. Marcus outlined procedures used in the formation of the Audit to include, review of internal controls, and policies & procedures to prevent fraud. Areas of focus this year for the audit will be a review of cash disbursements and a full review of the payroll process. He briefly discussed the role of the Finance & Audit Committee and stressed the importance of the committee's review of the draft audit and notifying auditors of any issues or concerns.

The preliminary audit work will begin on June 11, 2026, with the audit scheduled for July 20, 2026. The Audit fee is $32,000 and noted that there would be additional charges if a single audit is required. Auditors expect to have a draft report for the Finance & Audit Committee in September of 2026. Brief questions from the committee.

Item #3: **Cash Disbursements Review – Anne Bilodeau for Bob Burns, Chair:**

Anne Bilodeau reported that the Chair of the Finance Committee had reviewed cash disbursements and no concerns to report.

Item #4: **Presentation/Insurance Update:**

Todd Jacobson, USI provided the committee with an overview of the USI network. He stated that USI is national with two hundred offices, their employees have a wealth of regional knowledge of the insurance industry with a commitment to its customers.

Todd provided a summary of our insurance policies with detailed information on cyber security, property, and business interruption. He touched on construction Builder Risk Insurance for 90 Blueberry. Machinex has insurance responsibility for the equipment now through transit to ecomaine. Once equipment is received and accepted by ecomaine the insurance liability will revert to ecomaine.

There was a brief discussion on future business with FMI Global and ecomaine's desire to have one carrier vs. eight for insurance needs.

Item #5: **Financial Statements:**

Finances will be reviewed during our Executive Committee meeting.

Adjourn: Linda Boudreau motioned to adjourn. Troy Moon seconded the motion. All in favor.

Committee: Dennis Abbott, Anne Bilodeau, Linda Boudreau, Dave Durrell, Matthew Frank, Steve Kelley &Troy Moon

Board: David Field & Caleb Hemphill

Guest: Marcus Pratt & Todd Jacobson

Staff: Wei Huang, Chad Jones, Denise Mungen, Kevin Roche & Chris St. Louis

Attachment B

September 10, 2026

Dear Board of Directors:

The approved FY 27 Budget included $8,484,594 of Capital Improvement Project (CIP) spending. A portion of these Capital Improvements ($1,700,000) were approved for leasing. I've attached a "Resolution Authorizing the Lease Financing of Up To $1,700,000" for Board review and approval.

This list of leased projects includes an ash conditioning system including conveyance, fork truck, loaders, excavator, hauling trucks and other related equipment. Page 47 of the FY27 budget includes the full list of equipment that is being leased and can be found here.

This resolution is required to proceed with the lease financing.

Please feel free to contact me if you have any questions.

Sincerely,

Kevin Roche, CEO/General Manager

ecomaine
Telephone: 207-773-1738
roche@ecomaine.org
www.ecomaine.org

ECOMAINE

RESOLUTION AUTHORIZING THE LEASE FINANCING OF UP TO $1,700,000

WHEREAS, ECO Maine ("ecomaine"), a noncapital stock, nonprofit corporation of the State of Maine, has constructed and operates certain solid waste disposal facilities, as well as ancillary facilities necessary or convenient in connection therewith, including, without limitation, a baler facility, a landfill, and recycling equipment and facilities, for the purpose of processing solid waste generated by the participating member municipalities of ecomaine (each such member municipality to be known hereinafter as a "Member Municipality"), as well as other non-member users, and for the generation of electricity to be sold to third-party users (such solid waste disposal, recycling and resource recovery facilities, ancillary facilities and any additional facility which ecomaine may build, operate, lease or use in furtherance of its legal purposes, and all activities leading or related to acquiring, constructing, reconstructing, improving, installing, equipping, financing and operating the same, to be known hereinafter as the "System"); and

WHEREAS, pursuant to Title 13-B, Chapter 2, Title 30-A, Chapter 115, Title 10, Chapter 110, Subchapter IV and Title 38, Section 1304-B of the Maine Revised Statutes, ecomaine is authorized by the Eco Maine Interlocal Solid Waste Agreement dated December 1, 2005, as supplemented and amended, (the "Interlocal Agreement"), by and among the Member Municipalities, as approved by the Maine Department of Environmental Protection and filed with the Clerk of each Member Municipality and the Maine Secretary of State, to issue notes, bonds, debentures or other debt obligations, including obligations the interest on which is excluded from the gross income of the holders thereof for purposes of federal income taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and to otherwise borrow such sums of money as shall be required in order to finance and refinance costs associated with the System; and

WHEREAS, on April 16, 2026 the Board of Directors of ecomaine adopted the Fiscal Year 2027 Budget, which included principal payments for a capital lease or lease-purchase in a principal amount not to exceed $1,700,000 in order to finance expenditures for capital equipment as identified in ecomaine's capital improvement and expenditure plan approved by the Board (the "Lease"); and

WHEREAS, the Board of Directors of ecomaine desires to authorize borrowing through one or more lease agreements in an aggregate principal amount not to exceed $1,700,000, in order to finance expenditures for capital equipment as identified in ecomaine's capital improvement and expenditure plan approved by the Board in connection with the Fiscal Year 2027 Budget on April 16, 2026;

WHEREAS, the Board of Directors of ecomaine is the body established and authorized under the Interlocal Agreement and the Bylaws of ecomaine adopted on April 13, 2006, as amended, to exercise the powers exercisable by ecomaine on behalf of the Participating Municipalities;

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

Section 1. Determination. The Board of Directors hereby determines that entering into the Lease and applying the proceeds thereof for the capital improvements and expenditures as provided above will improve the System, promote the regional solid waste management program for which ecomaine was created, serve a public purpose and provide a public benefit.

Section 2. Terms of the Lease. The Board hereby authorizes the Chief Executive Officer and the Finance Director of ecomaine to determine the dates, maturities, denominations, interest rate or rates, place of payment, form and other details of the Lease; provided that the Lease shall be subject to annual appropriations and funded solely from annual revenues, and the Lease Documents, as defined below, shall contain provisions necessary and appropriate to ensure the same.

Section 3. Lease Documents Authorized. The Board hereby authorizes the Chair of ecomaine, or in the event of their absence, illness or other inability to act, the Vice-Chair or the Secretary, Treasurer or Chief Executive Officer of ecomaine to sign and deliver the Lease, and to take all actions necessary to enter into any lease agreements, certificates and other documents relating to the Lease (the "Lease Documents"). The Lease Documents shall be executed in the name of ecomaine by the Chair of ecomaine, or in the event of their absence, illness or other inability to act, the Vice-Chair or the Secretary, Treasurer or Chief Executive Officer of ecomaine, and be in such form and contain such terms and provisions, not inconsistent herewith, as the Chair of ecomaine, or in the event of their absence, illness or other inability to act, the Vice-Chair or the Secretary, Treasurer or Chief Executive Officer of ecomaine, may approve, his/her approval to be conclusively evidenced by his/her execution thereof. In addition, the Secretary or Treasurer of ecomaine is hereby authorized to attest the seal of ecomaine on the Lease Documents.

Section 4. Other Actions. In addition to the exercise of the powers authorized hereinabove, the Chair, the Vice-Chair, the Secretary, the Treasurer, the Chief Executive Officer and/or the Finance Director of ecomaine are each hereby authorized to take any action and to execute and deliver any document necessary or convenient in order to consummate the transactions contemplated by the Lease and this resolution, including, without limitation, the execution of any additional closing certificates required to be executed by ecomaine in connection therewith.

Section 5. Tax Exempt Covenant. The Board hereby directs and covenants that the Lease is hereby designated a Qualified Tax Exempt Obligation pursuant to Section 265(b) of the Internal Revenue Code. The Board hereby covenants that it will perform all acts within its power that are or may be necessary to ensure that the interest portion of the payments under the Lease shall at all times be and remain exempt from federal income taxation.

Section 6. Declaration of Official Intent. The Board expects to authorize certain expenditures related to the capital equipment prior to the borrowing (the "Prior Expenditures"), and to the extent such expenditures are authorized and made, the Board hereby declares its official intent within the meaning of Treasury Regulation 1.150-2 to pay, on an interim basis, costs of the equipment in an amount up to the principal amount of the borrowing and for ecomaine to reimburse itself for any such Prior Expenditures from the proceeds of the borrowing to the extent permitted by the lease agreement in an amount not to exceed $1,700,000. Expenditures made prior to the borrowing are expected to be funded either with operating or non-operating revenues of ecomaine.

Section 7. This resolution shall take effect immediately upon its passage.

Dated: September 17, 2026.

Attachment C

September 10, 2026

Dear Board of Directors:

The approved FY 27 Budget included $8,484,594 of Capital Improvement Project (CIP) spending. In addition to the lease financing resolution for $1.7 million outlined in the above resolution, the balance of the Capital Improvement Projects approved in the FY 27 Budget was to be funded by ecomaine through reserve usage ($2 million) and cash ($4,784,594). The $2 million was transferred from reserves to our account in July.

We are now requesting authorization from the Board to transfer an additional $3,010,870 from reserves to the checking account to cover CIP funding for the following projects*:

Remote Pump Station (Landfill)	$922,670
Design/Permitting (Landfill)	$680,000
Boiler Feed Chute Replacement	$733,200
Cooling Tower	$375,000
Site Metering Protection (upgrade relays)	$300,000
Total:	$3,010,870

*Note that these projects are separate from the projects that were funded by the 2026 Bonds issued for the recycling facility, landfill, pump stations and WTE facility and consist of additional capital projects that are not financed with bond proceeds or were not eligible to be financed with bond proceeds.

This authorization will allow the CEO to determine appropriate timing and transfers of funds needed. All transactions will be done in consultation with our investment advisor and in accordance with our Cash Reserve & Investment Policy which states the following:

"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."

A link to our policy in its entirety can be found here.

Please feel free to contact me if you have any questions.

Sincerely,

Kevin Roche, CEO/General Manager
ecomaine
Telephone: 207-773-1738

Anne Bilodeau, Chairman. Kevin H. Roche, CEO/General Manager
64 Blueberry Road, Portland, Maine 04102. Tel: 207-773-1738. Fax: 207-773-8296.
www.ecomaine.org