



Memorandum

DATE: November 3rd, 2015
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Agenda for the Finance Committee

There is an **ecomaine** Finance Committee Meeting scheduled for the Tuesday, November 10th, 2015 @ 3PM. The agenda for this meeting is as follows:

1. Approval of Minutes (Attachment A)
2. **Presentation: Investment Advisor HM Payson – Daniel Lay**
3. Cash Disbursement Report
4. Review of Financial Statements FY 16
 - Statement of Revenues and Expenses
 - Statistical Data
 - Balance Sheet
 - Statement of Cash Balances
 - Capital Expenditures
 - Status of Accounts Receivable
5. Other:

Future Meetings:

Executive Committee Meeting: November 10th 2015 @ 4PM
Executive Committee Meeting: December 17th, 2015 @ 4PM
Finance Committee Meeting: January 12th, 2016 @ 4PM
Full Board Meeting: January 21st, 2016 @ 4PM
Recycling Committee Meeting: January 28th, 2016 @ 4PM
Executive Committee Meeting: February 11th, 2016 @ 4PM
Full Board Meeting: March 17th, 2016 @ 4PM
Recycling Committee Meeting: March 24th, 2016 @ 3PM
Finance/Budget Workshop: March 24th, 2016 @ 4PM
Audit Committee Meeting: April 21st, 2016 @ 3PM
Full Board Meeting: April 21st, 2016 @ 4PM
Finance Committee Meeting: May 19th, 2016 @ 3PM
Executive Committee Meeting: May 19th, 2016 @ 4PM
Recycling Committee Meeting: May 26th, 2016 4PM
Full Board/Annual Meeting: June 16th, 2016 @ 11:30AM

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



Memorandum

DATE: October 20th, 2015
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Finance Committee Minutes – October 15th, 2015

There was a **Finance Committee Meeting** held on the date noted above. The meeting was called to order by Matthew Frank, Chairman @ 4PM.

Item #1 - Minutes:

Len Van Gaasbeek made a motion to accept the minutes as written. The motion was seconded by Mike Shaw. All in Favor.

Item #4 –: Five Year Financial Plan and Review of Reserves

Kevin Roche presented an overview of today's discussion on the 5 year financial plan. In particular, he noted the assumptions we used in the 5 year plan and suggested we spend some time looking at reviewing the plan with various alternative assumptions.

Arthur Birt presented a comparison of last year's discussion on the 5 year plan versus where we landed this year. He also reviewed the base case of the 5 year plan and then went through the 9 others scenarios that included changing the assumptions.

A lengthy discussion continued in the Committee. It was noted that the downturn in our cash position was by design. The committee agreed that the financial relief was placed on the reserve policy as our most significant priority and that when assessments were eliminated and the tipping fee was decreased by 20%, this would have a significant impact on cash flow going forward. Rod Regier requested that the minutes reflect the assumptions we used in the base case.

- MSW Volume – Reduction to 175,000 tons from FY 16 budget level of 182,000 tons to reflect boiler capacity over long haul
- MSW Tipping Fees – (including owners) flat in FY 16 to FY 16 budget – 2% increase each year thereafter
- Recycle Volume – flat to FY 16 budget for all years
- Recycle Revenue – FY 16 is flat to FY 16 budget – FY 17 and remaining years up 14% (average of three years -- FY 14 thru FY 16)
- Electrical Volume – Flat to FY 16 Budget (87,442 MWH) for all years except FY 20 when we assume the Turbine Overhaul and volume is down to 77,551 MWH's (same as FY 15)
- Electrical Rates – Flat to FY 16 Budget for all years – but down from FY 15 reflecting new power contract
- Investment Income – minimal income assumed
- Capital Expenditures – Major items include Crane Rebuild (\$1.7 million in FY 16), Ash Handling Project (\$3 million in FY 17-18), Turbine Overhaul (\$2.5 million FY 20), and Landfill Expansion (\$2.7 million in FY 20-21).

The committee concluded that no changes were needed at this time (in the 5 year plan as presented or in the reserve policy) and that it should be reviewed again next year.

Len Van Gaasbeek made a motion to adjourn. The motioned was seconded by Mike Shaw. All in favor.

Present:

Maxine Beecher, Linda Boudreau, David Cole, Matthew Frank, Caleb Hemphill, Troy Moon, Anthony Plante, Rod Regier, Bill Shane, Mike Shaw, Ed Suslovic, John Tibbetts & Len Van Gaasbeek

Staff:

Arthur Birt & Kevin Roche