



Memorandum

DATE: September 18, 2020
TO: Chairman and Members of the Board
FROM: Kevin H. Roche, CEO/General Manager
SUBJECT: Joint Executive, Finance & Audit Committee Minutes – September 17, 2020

There was a Joint Executive, Finance & Audit Committee Meeting held on the date noted above. The meeting was called to order by Mike Shaw, Chairman. Rod Regier Alternate will vote for District 4 representing Cumberland, Freeport, North Yarmouth, Pownal & Yarmouth.

Item #1: Approval of the Minutes

Linda Boudreau motioned to accept the minutes as written. The motion was second by Matthew Frank. All in favor.

Item #2: Outreach & Recycling Committee – Caleb Hemphill, Chair

Caleb Hemphill reported out that the committee last met on September 10, 2020 and provided the following highlights:

- **ecomaine** hired two interns to provide curbside education in southern Maine. This is being accomplished by color coded tagging. The program has had good media coverage.
- Recycling Work of Art Contest is complete. We received 28 entries and the committee selected 6 winners. The winning paintings are being placed in rotation around Maine.
- FY 20 School Recycling grants was impacted by the pandemic and some projects are still uncompleted. FY 21's grants are open, and proposals will be accepted through October 30, 2020.
- Education & Outreach has shifted to virtual due to the pandemic and tours are suspended. Staff continues to provide remote educational opportunities. Tabling opportunities are available and please reach out to staff to schedule education in your community.
- Metrics reflect 26 earned media mentions for FY 21. Recyclopedia continues to track well. Social media and web traffic also continue to grow in FY 21.

Item #4: Finance & Audit Committee Report – Bill Shane, Chair

Bill Shane reported that the committee met prior to the Executive Committee today at 3pm and discussed the following:

Cash Disbursement:

- Cash Disbursements were reviewed with staff for the period of May 1, 2020 to August 26, 2020 and found no issues or concerns.

FY 20 Financial Audit:

- Amy Chasse, RKO reviewed the draft Audit for FY 20 with the Finance & Audit Committee. She provided an overview of RKO's findings on this year's audit.
- The committee is recommending approval of the FY 20 Audit to the Full Board of Directors.
- Bill Shane encouraged all board members to review the FY 20 Audit.

Financial Statements for FY 20 & FY 21

Staff reviewed at last meeting.

The next meeting of the Finance & Audit Committee is scheduled for November 19, 2020. The agenda will include:

- Presentation by HM Payson on the Investment Portfolio
- FY 21 Year to Date Financials.

5 Year Plan and Rates for FY 22

Kevin Roche began the discussion and review of the 5 Year Financial Plan (Attachment B2).

Greg L'Heureux discussed the capital investment plan and how EBITA does not cover capital investments. He is recommending we have tools in place to get authorization to borrow.

After a lengthy discussion regarding borrowing, it was determined by the committee that we should proceed with an education process for members. Bill Shane requested as a next step that staff discuss with our legal advisors what is required for bonding & leasing and putting together an information package for the board prior to the meeting. Staff will arrange a presentation from our legal counsel to provide an Educational Session for the Executive Committee and Full Board on borrowing.

Approval of the Rates for FY 22

In conclusion, Kevin Roche explained that the 5-year plan is also a process for approving rates for the upcoming year. He reminded the board that the FY 21 increase to \$75.50 was delayed due to the pandemic and it will go into effect January 1st, 2021. The rate under discussion today in the 5-year plan is for FY 22. Staff is recommending a rate increase of \$1.00. There was a lengthy discussion.

Bill Shane made a motion to accept to Audit Report for FY 20 as presented. The motion was second by Greg L'Heureux. Passed.

Bill Shane made a motion to recommend to the Full Board an increase in tipping fees of \$1.00 (MSW), effective July 1, 2021 (\$75.50 to \$76.50). Motion was second by Greg L'Heureux. Passed.

Item #5: Authorization for CEO to Solicit & Execute the Power Purchase Agreement

Kevin Roche discussed plans for the Power Purchase Agreement and requested authorization from the committee to proceed with solicitation and execution.

Bill Shane motioned for staff to proceed with discussions and selection. Matthew Frank second the motion. All in favor.

Item # 5: **Manager's Report:**

Kevin Roche reported out on the Landfill Solar Project, Recycling Markets, delay in production of the Electric Trucks and upcoming Outage.

Item #6: **Executive Session:** Personnel Issue – under Section 405(6)(A)(1) of Title 1 of the Maine Revised Statutes.

Matthew Frank motioned to enter Executive Session. The motion was second by Greg L'Heureux. All in favor.

Bill Shane motioned to come out of Executive Session. The motion was second by Matthew Frank. All in favor.

Matthew Frank motioned to offer a 2% increase in the General Managers retirement or directly to his salary effective July 1, 2020. The motion was second by Bill Shane. All in favor.

Present:

Matthew Frank, Greg L'Heureux, Troy Moon, Rod Regier, Bill Shane & Mike Shaw

Present via Zoom:

Dennis Abbott, Anne Bilodeau, Linda Boudreau, John Cloutier, Dave Durrell, Jamie Garvin, Caleb Hemphill Jarrod Maxfield, Erik Street & Matthew Sturgis

Staff:

Matt Grondin, Don Hebert, Denise Mungen & Kevin Roche