



**Mid-Coast Solid Waste Corporation  
Rescheduled Board of Directors Meeting  
April 28, 2021 – 6:30 p.m.**

**Agenda**

This meeting will be held via teleconference through Zoom and streamed at:  
[www.youtube.com/TownofCamdenMaine](http://www.youtube.com/TownofCamdenMaine).

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- 1. Public & Director Comments** (*please limit public comment to non-agenda items*)
- 2. Review and Approval of January 14, 2021 Meeting Minutes**
- 3. Facility Manager Report**
- 4. Review FY20 Financial Audit**
- 5. Vote to Appoint new members from Lincolnville and Rockport to the Personnel Committee**
- 6. Executive Session: MCSWC Manager's performance evaluation Pursuant to 1 M.R.S.A. § 405 (6) (A) Personnel Matters**
- 7. Adjourn**



**MIDCOAST SOLID WASTE CORPORATION  
BOARD OF DIRECTORS MEETING  
January 14, 2021**

**MEMBERS PRESENT:** Bob Falciani (Chair) – Camden, , Alison McKellar (Treasurer) – Camden, Denise Munger – Rockport, Keryn Laite (Vice-Chair) – Lincolnvillle, Josh Gerritsen – Lincolnvillle, Brian Powers, Jr – Hope, Wendy Pelletier – Hope

**MEMBERS ABSENT:** Debra Hall – Rockport

**REPRESENTATIVES PRESENT:** Michael Martunas, Manager MCSWC

Guest: Pete Lachapell, Waste Management

Bob Falciani, Chair, called the Annual Meeting to order at 6:36 pm.

**A. PUBLIC & DIRECTOR COMMENTS:** None

**B. APPROVE MEETING MINUTES OF October 29, 2020:**

*Chair Falciani entertained a motion to approve the minutes of October 29, 2020. Brian Powers moved to approve the minutes as presented. Laite seconded. Roll call vote: Aye's: Pelletier, Laite, Munger, Powers & Falciani. Gerritsen and McKellar abstained-not present. Motion passed 55.03 for and 30.00 abstained.*

**APPROVE MEETING MINUTES OF December 16, 2020:**

*Chair Falciani entertained a motion to approve the minutes of December 16, 2020. Munger moved to approve the minutes as presented. Laite seconded. Roll call vote: Aye's: Pelletier, Laite, McKellar, Munger, Powers & Falciani. Abstentions: Gerritsen -not present. Motion passed 61.48 for and 8.57 abstained.*

**C. FACILITY MANAGER REPORT:**

Chair Falciani asked the membership if there were any questions/comments on the Manager's report presented in the packet. There were none.

Martunas provided brief comments on the continued efforts for safety in relation to COVID precautions at the facility for both the public and employees. Additionally it was reported that the facility is still busy for this time of year. Powers requested an update on the status of furlough

activities at the facility. Martunas provided information on the current furloughs for 2 full-time and 3 part-time employees.

**D. VOTE TO APPROVE FISCAL YEAR 2022 MID-COAST SOLID WASTE CORPORATION BUDGET**

Powers opened a discussion on the Administration Wage line regarding the Manager's salary. McKellar, Finance Committee Chair, provided feedback on the figures presented and discussion followed. A discussion on setting and applying annual COLA increases for all staff was held. McKellar noted the historical Cola has been to see a 2 percent increase.

**a. Motion to reallocate funds from Equipment Replacement Reserve to Facility Improvement Reserve**

Laite requested discussion on the reallocation of funds from the Equipment Replacement Reserve to the Facility Improvement Reserve fund prior to the budget approval. McKellar expressed the fund move requested will assist with budgeting figures without adding to the individual town assessments. Additional discussion on past uses of the replacement reserve fund was held. Martunas presented that the facility requires repair projects which include re-grading the facility yard (asphalt areas) and replacing the leachate line on site that connects the collected landfill leachate to the Odor Control Building. The leachate travels through the building and on to the Waste Water Treatment Plant in Camden. Martunas is looking to use the optimal timing to get the leachate line repair done in tandem with the re-grading. Martunas informed the membership that an attempt to request funds from the DEP for the leachate line project has been denied. The costs of this combined project are estimated to be \$70,000 of which \$50,000 is allocated for the re-grading project and an additional \$20,000 for the onsite leachate line replacement.

Falciani clarified the current balance of the Equipment Replacement Reserve is \$211,000 and that a funding move will leave a balance of approx. \$141,000 in that fund, while increasing the Facility Improvement Fund by \$70,000 for repair work stated. McKellar asked that the motion be done separate from the budget approval due the fact that it is a transfer of funds that will take place immediately to allow taking advantage of seasonal work bids prior to the beginning of fiscal year 2021-2022 budget

***Chair Falciani moved to entertain a motion. Laite moved to reallocate funds in the amount of \$70,000 from the Mid-Coast Solid Waste Corporation Equipment Replacement Reserve to the Facility Improvement Reserve. Gerritsen seconded. Falciani called a roll call vote: Motion passed unanimously.***

Chair Falciani asked if there were any questions, comments, or modifications on the fiscal year 2022 budget under consideration. Chair Falciani opened a discussion on defining the allocation of funds for use on proactive education based on the forthcoming changes to MSW disposal practices. Munger noted a strong need for the community at large and school communities to be educated

on the ability to divert food scraps assist the environment. A lengthy discussion on how funds are currently listed in the budget for education and community use was held. McKellar stated that moving to the lowest tier of the State Waste Hierarchy by considering moving MSW handling to a landfill, and the loss of education programs now supported by ecomaine, a need to create funds to incentivize schools in the form of grants is needed. McKellar asked that funding be considered which will allow MCSWC the ability to develop new grant funds for programs to continue serious food waste education and highlight areas of waste stream diversion. Chair Falciani supported the development of a program which will be developed by the Manager and vetted by the Corporation. McKellar asked that the current draft budget, which shows a decrease to the town assessments of approximately \$20,000 that these funds be allocated to education initiatives. A brief discussion on increasing funding to existing lines by currently budgeted for community education services was held. Discussion on funding more than the suggested \$20,000 was held. Laite recommended that the figure of \$21,000 not be exceeded in the first year of this program. Gerritsen suggested the new budget line be titled as Waste Reduction Education. Discussion on how best to track the growth of the grant proposal programming as funds are allocated took place. Chair Falciani commented that the fund discernment would be under the direction of the Manager to determine the manner in which to oversee and disseminate funds allocated and to report back to the membership with information on the program he configures.

***Chair Falciani moved to entertain a motion. Munger moved to allocate \$20,898 for a waste diversion education line in the fiscal year 2021-2022 budget. McKellar seconded. Falciani asked that the modification be restated to take into account the approval of the fiscal year 2022 budget. Munger withdrew the motion.***

***Chair Falciani entertained a motion to include the modification in the FY22 budget. Munger motioned to approve the 2021-2022 proposed budget with the addition of a line item of \$20,898 for Waste Reduction Education. Laite seconded. Discussion followed, Powers considered amending the motion to double the Community Committee Projects line from 6,000 to 12,000 in lieu of the modification. McKellar stressed the need for a new line aside from any currently funded lines noting the Community Committee Project line includes swap shop needed improvements. Discussion followed on current line allocations. Chair Falciani called the vote by roll call: Aye's: Motion passed 94.97 for and 5.03 against (Pelletier).***

#### **E. VOTE TO APPROVE MUNICIPAL SOLID WASTE DISPOSAL CONTRACT:**

Chair Falciani opened discussion on the final draft of the agreement between Mid-Coast Solid Waste Corporation (MCSWC) and Waste Management Disposal Services of Maine, Inc. to provide disposal services for MSW at their site in Maine. Falciani stated the contract had been reviewed by MCSWC, Crossroads and the Corporate Attorney prior to presentation to the board membership. Falciani opened the floor to Lachapelle for questions or comments from the board. McKellar and

Munger opened a discussion on the allocation of unforeseen costs was held with regard to Section 4c and Section 5 of the contract. Powers suggested the contracted had been thoroughly reviewed and a vote was in order.

***Chair Falciani entertained a motion to approve the Solid Waste Disposal contract presented. Laite moved to approve the contract between Mid-Coast Solid Waste Corporation and Waste Management Disposal Services of Maine, Inc. for three (3) years beginning on July 1, 2021 and an end date of June 30, 2024. Munger seconded. Roll call vote: Aye's: Pelletier, Laite, Munger, Powers, Gerritsen & Falciani. Nay: McKellar. Motion passed 63.59 for and 21.43 against.***

**F. ADJOURN:**

***Chair Falciani entertained a motion to adjourn. Laite motioned to adjourn at 8:18 PM. Gerritsen seconded. Motion passed unanimously.***

Respectfully Submitted,

Beth Kwiatkowski  
Recording Secretary

*If there are any questions regarding the decisions made at the meeting please refer to the meeting video.*

**SCHEDULED MEETINGS:**

**Board of Directors Meetings:**

February 24, 2021 Meeting, 6:30 pm by video teleconference.



## **MID-COAST SOLID WASTE CORPORATION BOARD OF DIRECTORS MEETING**

### **MANAGERS REPORT: 04-28-2021**

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#### **FACILITY UPDATES:**

Business is picking up in April! The warmer weather and Spring cleanups mean more traffic at the facility. MCSWC continues to operate at full capacity and accepts all recycling, MSW, and landfill materials. COVID-19 prevention remains the biggest challenge for MCSWC staff and the community and MCSWC remains diligent in ensuring the safety of all employees and patrons.

#### **SAFETY:**

In response to the COVID-19 pandemic, MCSWC has developed operational policies and procedures, in accordance with the Maine CDC and Governor Mill's guidelines, to protect the health and safety of MCSWC employees and the community. The use of face masks and social distancing is required at the facility. MCSWC requires all employees to wear face coverings/masks while on duty and observe social distancing. The Main Office is limited to only 3 people at a time and the breakrooms are limited to 1 person at a time. Face coverings are required at all times. Many MCSWC employees have received two (2) vaccine doses.

MCSWC Management is taking all necessary precautions to keep the health and safety of MCSWC employees and the community safe.

No employee injuries or incidents in April.

MCSWC applied for a Safety Enhancement Grant through the Maine Municipal Association for the purchase of four (4) additional handheld radios. Reliable communication for all employees is an important facet of safety. In addition, radio communication is the most effective way to reach all employees in the event of an emergency.



A safety shower and sink have been installed in the Odor Control Building. The safety shower was relocated inside the OCB for better access and the sink was recycled from the scrap metal collection area. The shower and sink provide better access to water on the MSW compactor side of the facility.



### **TRANSFER FACILITY:**

MCSWC relocated the electrical line providing power to the Odor Control Building from the Blue Metal building. The line was relocated due to the growth of grapevines which created a safety concern. The remaining vines, electrical pole, and fencing will be removed and the fencing replaced.



### **LANDFILL OPERATION AND LEACHATE MONITORING:**

Leachate levels within the landfill remain below the target elevation of 98 ft. (94.79 on 4/12). To-date in April 895,994-gallons discharged. ~\$7,426.00.

MCSWC met with Summit Engineering on April 11<sup>th</sup> to discuss the automation of the leachate pumping system. MCSWC had purchased the hardware for this system in 2019, however it was never fully installed. It was noted that the batteries and radio associated with the solar powered transducer are damaged and will need to be replaced. MCSWC also discussed expanding the scope of the project to include remote data collection capability and the inclusion of data from the new leachate flow meter. Summit is currently evaluating the project needs and will provide a quote for the project once complete.

Annual Landfill and Transfer Station reports are due to the Maine Department of Environmental Protection by April 30<sup>th</sup>. The reports are complete and include the annual water quality monitoring report from Emery & Garret and the Compliance Certification Statement, Financial Assurance, and Cell Development Plans from Sevee & Maher Engineering.

### **RECYCLING:**

On April 15<sup>th</sup> MCSWC began showcasing bales of recycled materials at the front entrance of the facility. The idea to show off the recycling bales originated from an MCSWC employee who typically works directly with the recycling operations. MCSWC had signage made for every material baled at the facility and displays to the public to how their recycling is processed.



The Maine Resource Recovery Association (MRRA) is submitting a grant application for the purchase of “lobster trap” style food waste composting bins. If awarded the grant, the MRRA will provide traps to residents of member communities.

MCSWC has been developing the small engine and bicycle waste diversion program at the facility. The Blue Metal building has been partitioned off to provide a workshop for MCSWC and space for the Swap Shop. MCSWC is currently building an inventory of bicycles and small engines for repair. MCSWC is hopeful the program will be offering items to the public by June/July 2021.



MCSWC is working on a project to support Maine’s Department of Inland Fisheries and Wildlife “Free Fishing Day” on June 5-6, 2021. Fishing rods and reels are being collected, repaired, and will be placed at popular fishing sites in the four (4) member towns. Currently not enough rods and



reels have been collected but MCSWC is hopeful the inventory will grow as the warmer weather continues.

Scrap Dogs food waste collection and composting program remains in operation at the facility. MCSWC has recently met with Scrap Dogs founder Davis Saltonstall to discuss potential collaborative efforts. Scrap Dogs is currently seeking to expand its operation and is in need of suitable real estate to increase the volume of compostable material. Scrap Dogs is seeking land in excess of 1-acre for the operation. Unfortunately, MCSWC is unable to provide this real estate. Scrap Dogs and MCSWC will continue to collaborate on ways to increase food waste composting. In 2020, Scrap Dogs collected 8.15 tons of material from MCSWC.

### **ADMINISTRATIVE:**

MCSWC continues to develop, revise, and implement policies and procedures to reduce the exposure and promote the safety of all MCSWC employees and the community. Continued focus on updating the MCSW safety and operational manuals and training programs. Plans updated in February include:

- New Hire Packet
- Commercial Truck Proficiency Test
- Safety Binder

MCSWC is working on an application for food and yard waste composting at the facility.

MCSWC is also working on a minor modification permit for the addition of the sheetrock and mattress diversion locations/operations.

MCSWC has received proposals from Heartland Payment Systems with three (3) options for credit card and electronic payment systems. The most likely option for MCSWC is:

#### **Heartland Mobile Pay**

This solution allows you to accept card payments using a smart phone with an attached card reader. The transactions are managed through the Heartland Mobile Pay mobile application. The best way to utilize this solution, would be to simply have a company owned phone designated to these transactions.

**Heartland Service and Regulatory Mandate "SRM" Fee: \$33.50/monthly**

**Hardware - C2X Bluetooth EMV Card Reader: \$99**

**Processing Fees: 0.60%+\$0.10 per transaction**

Processing Fee Example: (Assuming all transactions are with credit card)

\$2,000.00 total sales and 200 transactions = \$12 + \$20 = **\$32.00** daily cost

\$32.00 X 260 days = \$8,320 annual fee

MCSWC met with local artist Ms. Alexis Iammarino to discuss a potential mural project on the two (2) large tractor-trailers at the facility. MCSWC is interested in developing a community-based art project with assistance and direction of Ms. Iammarino. Ms. Iammarino is working on proposal options for this project.

## **FINANCIAL**

To date, MCSWC finances remain positive with no glaring discrepancies for any expense or revenue cost center. Bottom line YTD – Expenses = \$1,639,683 Revenues = \$1,949,047

Due to sharp increases in construction material and steel costs the quote for new recycling roll-off containers has increased approximately \$14,000. MCSWC will review this additional cost with the Finance Committee.

## **BOARD INFORMATION:**

The following information is intended to keep the Board apprised of projects completed or in development at MCSWC. This is for information only and not intended to be agenda items open for discussion at this time.

MCSWC has created a new “Mixed Load” rate for disposal. The cost for Mixed Load disposal is \$0.09/lb. (\$180/ton). This line is designed to streamline the payment process for customers who bring mixed debris to the facility.

MCSWC has changed the weighed Yard Waste cost from \$0.07/lb to \$0.02/lb. Historically yard waste was separated from brush and disposed of on the landfill at \$0.07/lb. Currently MCSWC does not landfill yard waste so the cost for disposal was aligned with the brush disposal cost of \$0.02/lb. Bagged yard waste disposal cost remains the same at \$1.50 a bag.

MCSWC has begun review of the Teamsters Local 340 union contract. The contract expires on June 30, 2021. MCSWC has reviewed changes to the contract with the Personnel Committee and forwarded a final draft version to union representative, Mr. Joe Piccone. MCSWC to schedule a meeting with Mr. Piccone to discuss the contract. A Board vote on the final contract will be required during the June Board meeting.

MCSWC is also reviewing the MCSWC Personnel Policy. The revised policy will be reviewed with the Personnel Committee and a final version will be presented to the Board in June for adoption.



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Mid-Coast Solid Waste Corporation  
Rockport, Maine

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Mid-Coast Solid Waste Corporation as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the Table of Contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the 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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Mid-Coast Solid Waste Corporation as of June 30, 2020, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 audit 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.

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

In accordance with Government Auditing Standards, we have also issued our report dated January 14, 2021, on our consideration of Mid-Coast Solid Waste Corporation's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Mid-Coast Solid Waste Corporation's internal control over financial reporting and compliance.

Bath, Maine

January 14, 2021



**WILLIAM H. BREWER**  
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
Mid-Coast Solid Waste Corporation  
Rockport, Maine

We have audited, in accordance with the 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, the financial statements of the business-type activities of the Mid-Coast Solid Waste Corporation as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Mid-Coast Solid Waste Corporation's basic financial statements, and have issued our report thereon dated January 14, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Mid-Coast Solid Waste Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mid-Coast Solid Waste Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Mid-Coast Solid Waste Corporation's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Mid-Coast Solid Waste Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. We noted certain other matters that we reported to management of the Mid-Coast Solid Waste Corporation in a separate letter dated January 14, 2021.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bath, Maine

January 14, 2021

**REQUIRED SUPPLEMENTARY INFORMATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020**

The following management's discussion and analysis of Mid-Coast Solid Waste Corporation's financial performance provides an overview of the Corporation's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the Corporation's financial statements.

**Financial Statement Overview**

The Mid-Coast Solid Waste Corporation's basic financial statements include the following components: (1) government-wide financial statements and (2) notes to the financial statements. This report also includes required supplementary information which consists of OPEB schedules.

**Basic Financial Statements**

The basic financial statements include financial information in the government-wide financial statements. There are no fund financial statements as the Corporation only has one fund. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements provide a broad view of the Corporation's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Corporation's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Revenues, Expenditures, and Changes in Net Position - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above-mentioned financial statements have been presented for the Corporation's one type of activity:

*Business-type activities* -These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. This activity for the Corporation includes all the activities of the Corporation.

There are no fund financial statements presented as all activity for the Corporation is enterprise in nature and is presented for only one activity. The activity of the Corporation is presented for the following:

*Enterprise Funds:* The Mid-Coast Solid Waste Corporation maintains one enterprise fund, the Waste Corporation General Fund. Enterprise financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the enterprise fund financial statements as they are presented on the same basis of accounting and therefore only shown in the government-wide financials.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide Statements. The Notes to Financial Statements can be found following the Statement of Cash Flows.

## Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes Changes in Net OPEB Liability, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Contributions - OPEB and Notes to Required Supplementary Information.

### Financial Analysis of the Corporation as a Whole

Our analysis below focuses on the net position and changes in net position of the Corporation's business-type activities. The Corporation's total net position increased by \$129,858 from a balance of \$376,527 to a balance of \$506,385.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - increased to a balance of \$675,726 at the end of this year.

**Table 1**  
**Mid-Coast Solid Waste Corporation**  
**Net Position**  
**June 30, 2020**

	<u>2020</u>	<u>2019</u>
<b>Assets:</b>		
Current Assets	\$ 816,512	\$ 919,633
Noncurrent Assets	1,401,654	1,482,894
Other Assets	3,259,652	3,093,776
Total Assets	<u>\$ 5,477,818</u>	<u>\$ 5,496,303</u>
 <b>Deferred Outflows of Resources:</b>		
Deferred Outflows Related to OPEB	<u>\$ 7,645</u>	<u>\$ 4,263</u>
 <b>Liabilities:</b>		
Current Liabilities	\$ 120,296	\$ 129,495
Noncurrent Liabilities	4,834,389	4,990,561
Total Liabilities	<u>\$ 4,954,685</u>	<u>\$ 5,120,056</u>
 <b>Deferred Inflows of Resources:</b>		
Deferred Inflows Related to OPEB	<u>\$ 24,393</u>	<u>\$ 3,991</u>
 <b>Net Position:</b>		
Net Invested in Capital Assets	\$ 1,322,116	\$ 1,374,945
Restricted	(1,491,457)	3,027,954
Unrestricted (Deficit)	675,726	(4,026,380)
Total Net Position	<u><u>\$ 506,385</u></u>	<u><u>\$ 376,519</u></u>

### Revenues and Expenses

Revenues for the Corporation's business-type activities increased by 8.3%, while total expenses increased by 4.03%. The largest decreases in revenues were in salvage fees due to the Covid Pandemic. The largest increases in expenses were in fringe benefits and operational costs.

**Table 2**  
**Mid-Coast Solid Waste Corporation**  
**Change in Net Position**  
**For the Years Ended June 30, 2020**

	<b>2020</b>	<b>2019</b>
<b>Revenues:</b>		
Town Assessments	\$ 554,164	\$ 511,283
PERC Distribution		
Tipping Fees	542,931	425,433
Scale Fees	1,220	1,190
Salvage	446,064	555,294
Pay Per Bag Income	506,667	450,004
Interest Income	87,473	
Miscellaneous	3,741	33,580
Total Revenues	<u>\$ 2,142,260</u>	<u>\$ 1,976,784</u>
<b>Expenses</b>		
General Administration	\$ 54,222	\$ 178,880
Salaries	508,522	366,483
Fringe Benefits	283,823	249,960
Insurance	17,327	17,195
Facility	87,996	36,063
Operational Costs - MSW	627,673	603,923
Recycling	68,306	64,898
Operational Costs - CDD	325,868	213,505
Equipment Repair/Replacement		10,497
Interest Expense	2,364	3,125
Post Closure Landfill Cost Adjustment	(125,954)	5,390
OPEB Adjustment	1,327	7,604
Depreciation	160,928	176,974
Total Expenses	<u>\$ 2,012,402</u>	<u>\$ 1,934,497</u>
Change in Net Position	\$ 129,858	\$ 42,287
Net Position - July 1	376,527	334,232
Net Position - June 30	<u><u>\$ 506,385</u></u>	<u><u>\$ 376,519</u></u>

### Capital Asset and Debt Administration

#### Capital Assets

As of June 30, 2020, the net book value of capital assets recorded by the Corporation decreased by \$93,921 from the prior year. This decrease is the result of additions of \$97,408, less current year depreciation expense of \$160,928.



**Table 3**  
**Mid-Coast Solid Waste Corporation**  
**Capital Assets (Net of Depreciation)**  
**June 30, 2020**

	<b>2020</b>	<b>2019</b>
Land	\$ 208,369	\$ 208,369
Land improvements	432,821	487,963
Buildings	488,696	520,629
Vehicles, machinery and equipment	271,768	265,933
Total	<u>\$ 1,401,654</u>	<u>\$ 1,482,894</u>

#### **Debt**

As of June 30, 2020, the Corporation has \$72,737 of a note from direct borrowing payable outstanding. Refer to Note D of Notes to Financial Statements for detailed information.

#### **Contacting the Corporation's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Corporation's Treasurer at P.O. Box 1016, Rockport, Maine 04856.

MID-COAST SOLID WASTE CORPORATION  
STATEMENT OF NET POSITION  
JUNE 30, 2020

ASSETS AND DEFERRED OUTFLOWS

CURRENT ASSETS:

Cash and Cash Equivalents (Note B)	\$ 701,985
Accounts Receivable	114,527
Total Current Assets	<u>\$ 816,512</u>

NONCURRENT ASSETS:

Capital Assets:	
Building and Equipment, Net of Accumulated Depreciation	<u>\$ 1,401,654</u>

OTHER ASSETS:

Restricted Cash	\$ 109,916
Restricted Investments	1,784,269
Due from Other Governments (Member Share Closure and Post-Closure)	1,365,467
Total Other Assets	<u>\$ 3,259,652</u>

DEFERRED OUTFLOWS OF RESOURCES:

Deferred Outflows Related to OPEB	\$ 7,645
Total Assets and Deferred Outflows	<u><u>\$ 5,485,463</u></u>

LIABILITIES, DEFERRED INFLOWS, AND NET POSITION

CURRENT LIABILITIES:

Accounts Payable	\$ 80,963
Accrued Liabilities	1,962
Current Portion of Long-Term Obligations	37,371
Total Current Liabilities	<u>\$ 120,296</u>

NONCURRENT LIABILITIES:

Noncurrent Portion of Long-Term Obligations:	
Note from Direct Borrowing Payable	\$ 36,765
Lease Payable	5,402
Landfill Closure	2,237,455
Landfill Post-Closure	2,438,900
Accrued Compensated Absences	49,702
Net OPEB Liability	66,165
Total Noncurrent Liabilities	<u>\$ 4,834,389</u>
Total Liabilities	<u>\$ 4,954,685</u>

DEFERRED INFLOWS OF RESOURCES:

Deferred Inflows Related to OPEB	<u>\$ 24,393</u>
----------------------------------	------------------

NET POSITION:

Net Invested in Capital Assets	\$ 1,322,116
Restricted (Deficit)	(1,491,457)
Unrestricted	675,726
Total Net Position	<u>\$ 506,385</u>

Total Liabilities, Deferred Inflows of Resources,  
and Net Position

\$ 5,485,463

MID-COAST SOLID WASTE CORPORATION  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2020

## OPERATING REVENUES:

Town Assessments	\$ 554,164
Tipping Fees	542,931
Scale Fees	1,220
Salvage	446,064
Pay Per Bag Income	506,667
Miscellaneous	3,741

## Total Operating Revenues

\$ 2,054,787
--------------

## OPERATING EXPENSES:

General Administration	\$ 54,222
Salaries	508,522
Fringe Benefits	283,823
Insurance	17,327
Facility	87,996
Operational Costs - MSW	627,673
Recycling	68,306
Operational Costs - CDD	325,868
Depreciation	160,928

## Total Operating Expenses

\$ 2,134,665
--------------

## Operating Income (Loss)

\$ (79,878)
-------------

## NON-OPERATING REVENUES (EXPENSES):

Interest Income	\$ 87,473
Post Closure Landfill Cost Adjustment	125,954
OPEB Adjustment	(1,327)
Interest Expense	(2,364)

## Total Non-Operating Revenues (Expenses)

\$ 209,736
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## Change in Net Position

\$ 129,858
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## Net Position, July 1, 2019

376,527
---------

## Net Position, June 30, 2020

\$ 506,385
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MID-COAST SOLID WASTE CORPORATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2020

## CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from Town Assessments	\$ 554,164
Receipts from Customers	1,570,005
Other Receipts	3,741
Payments to Employees	(768,126)
Payments to Suppliers	(1,192,592)
Interest Paid on Debt	(2,364)

Net Cash Provided by Operating Activities	\$ 164,828
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## CASH FLOWS FROM INVESTING ACTIVITIES:

Interest Income	\$ 21,597
Transfer to Reserves	(108,333)
Capital Asset Purchases	(79,687)

Net Cash Used in Investing Activities	\$ (166,423)
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## CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Principal Paid on Capital Debt	\$ (35,988)
Lease Proceeds	7,583

Net Cash Used in Capital and Related Financing Activities	\$ (28,405)
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Increase (Decrease) in Cash	\$ (30,000)
Cash Balance, July 1, 2019	731,980
Cash Balance, June 30, 2020	\$ 701,980

Increase in Net Assets (Exhibit B)	\$ 129,858
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## Adjustments to Reconcile Net Income (Loss) to Net Cash

## Provided by Operating Activities:

Depreciation	160,928
Post-Closure Landfill Adjustment	(125,954)
Investment Income for Reserves	(87,473)
Change in OPEB Liability	1,327

## Changes in Operating Assets and Liabilities:

(Increase) Decrease in Accounts Receivable	73,123
Increase (Decrease) in Accounts Payable	(11,200)
(Decrease) Increase in Accrued Compensated Absences	21,569
Increase in Accrued Liabilities	2,650

Net Cash Provided by Operating Activities	\$ 164,828
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MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

Mid-Coast Solid Waste Corporation (the Corporation) was organized in 1994 as a quasi-municipal corporation under the laws of the State of Maine for the purpose of providing for the planning, development, acquisition, operation and the closure of a cost-effective, environmentally sound and reliable solid waste management and disposal facility and for the collection, transportation, storage, processing, salvaging and disposal of solid waste. The charter municipalities of the Corporation are Rockport, Camden, Lincolnville, and Hope.

Reporting Entity

The Corporation's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Corporation's combined financial statements include all accounts and all operations of the Corporation. We have determined that the Corporation has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Basic Financial Statements - Government-Wide Statements

The Corporation's basic financial statements include both government-wide (reporting the Corporation as a whole) and fund financial statements (reporting the Corporation's major funds). Both the government-wide and fund financial statements categorize primary activities as governmental.

In the government-wide Statements of Net Position, the business-type activities columns are presented on a consolidated basis by column, and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Corporation's net position is reported in three parts - net invested in capital assets; restricted; and unrestricted. The Corporation first utilizes restricted resources to finance qualifying activities.

Basic Financial Statements - Fund Financial Statements

Proprietary Funds - The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the enterprise activity.

Non-Operating revenues are any revenues which are generated outside of the general enterprise activity, i.e. interest income. The following is a description of the enterprise funds of the Corporation:

Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

Basis of Presentation

The accompanying financial statements of the Mid-Coast Solid Waste Corporation account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing a service to the general public be recovered primarily through charges to the users of such services.



MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

Method of Accounting

The Corporation follows the accrual method of accounting. Under the accrual method of accounting, revenue is recorded when earned, rather than when received, and expenses are recorded when incurred, rather than when paid.

Deposits and Investments

The Corporation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Corporation's policy to value investments at fair value. None of the Corporation's investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. The Corporation Treasurer is authorized by State Statutes to invest all excess funds in the following:

1. Obligations of the U.S. Government, its agencies and instrumentals.
2. Certificates of deposits and other evidences of deposits at banks, savings and loan associates and credit unions.
3. Repurchase agreements.
4. Money market mutual funds.

The Mid-Coast Solid Waste Corporation has no formal investment policy but instead follows the State of Maine Statutes.

Accounts Receivable

Receivables include amounts due from governmental agencies and customers. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectible. Allowances are reported when accounts are proven to be uncollectible. Allowances for uncollectible accounts netted with accounts receivable were \$114,527 for the year ended June 30, 2020. The allowance for uncollectible amounts is estimated to be zero as of June 30, 2020.

Capital Assets

Capital assets purchased or acquired with an original cost of \$7,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Buildings	20 - 50 years
Land Improvements	15 - 25 years
Machinery and Equipment	3 - 10 years
Vehicles	3 - 10 years

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

Other Post-Employment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions, and OPEB, management relied on an actuarial report provided to them by the Maine Municipal Employees Health Trust (MMEHT), which determined the Corporation's fiduciary net position as a single employer defined plan based on information provided solely by MMEHT to complete the actuarial report. Additions to/deductions from the MMEHT OPEB Plan's fiduciary net purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of net position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The deferred outflows relate to the net pension liability, which include the Corporation's contributions subsequent to the measurement date, which is recognized as a reduction of the net pension liability in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Corporation 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.

In addition to liabilities, the statement of net position will at times report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows relate to the net pension liability, which include the differences between expected and actual experience and changes in proportion and differences between Corporation contributions and proportionate share of contributions, which is deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributions in Aid of Construction

Money received from member municipalities and governmental agencies to help defray construction and other capital costs is added directly to this account and is not recorded as income. Depreciation on assets acquired with these monies is charged to current operations and subsequently subtracted from this account.

Future Accounting Pronouncements

- a. Statement No. 84, "Fiduciary Activities" effective for the fiscal year ended June 30, 2021. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The District is currently evaluating whether the government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists to determine if the fiduciary fund should be included in the basic financial statements of future years.

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

Future Accounting Pronouncements (Cont'd)

- b. Statement No. 87, "Leases" effective for the fiscal year ended June 30, 2022. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable as a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Management has determined that the impact of this Statement is not material to the financial statements.
- c. Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period" effective for the fiscal year ended June 30, 2022. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Management has determined that the impact of this Statement is not material to the financial statements.
- d. Statement No. 90, "Majority Equity Interests", an amendment of GASB Statements No. 14 and No. 61 effective for the fiscal year ended June 30, 2022. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Management has determined that the impact of this statement is not material to the financial statements.
- e. Statement No. 91, "Conduit Debt Obligations" is effective for the fiscal year ended June 30, 2023. The objective of the Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required disclosures. Management has determined that this statement is not applicable.
- f. Statement No. 93, "Replacement of Interbank Offered Rates". The objective of this Statement is to improve guidance regarding the governments that have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) - most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Management has determined that this statement is not applicable.

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

Subsequent Events

After Mid-Coast Solid Waste Corporation's year end the community is still being impacted by the COVID-19 Virus. Mid-Coast Solid Waste Corporation has reviewed their operations and is currently evaluating the impact of the crisis on their operations. While there is a financial impact to Mid-Coast Solid Waste Corporation it is currently unknown the full extent this crisis will have on its operations and funding.

On August 14, 2020, Mid-Coast Solid Waste Corporation entered into a waste hauling agreement with M.A. Haskell and Sons, LLC. The contract stipulates that M.A. Haskell and Sons, LLC will haul waste from the Rockport location to four different waste disposal facilities starting October 1, 2020. The initial term of the contract is three years but can be extended for an additional 1-3 years at the agreement of both parties.

NOTE B - CASH AND INVESTMENTS:

Cash

The Corporation's cash is categorized to give an indication of the level of risk assumed by the Corporation at year-end. These categories are defined as follows:

Category #1 - Insured or collateralized with securities held by the Town or by its agent in the Town's name.

Category #2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name.

Category #3 - Uncollateralized (This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Town's name).

At June 30, 2020 cash consisted of:

ACCOUNT TYPE	CARRYING AMOUNT	BANK BALANCE	CATEGORY		
			#1	#2	#3
Interest Bearing					
Accounts	\$ 811,355	\$ 840,016	\$ 840,016	\$	\$
Non-Interest					
Bearing Accounts	543				
	<u>\$ 811,898</u>	<u>\$ 840,016</u>	<u>\$ 840,016</u>	<u>\$</u>	<u>\$</u>

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE B - CASH AND INVESTMENTS (CONT'D):

Investments

The Corporation's investments are categorized to give an indication of the level of risk assumed by the Corporation at year-end. These categories are defined as follows:

Category #1 - Investments that are insured or registered, or securities held by the Corporation or its agent in the Corporation's name.

Category #2 - Uninsured and unregistered investments with securities held by the Counterparty's trust department or agent in the Corporation's name.

Category #3 - Uninsured and unregistered investments with securities held by the Counterparty, or by its trust department or agent but not in the Corporation's name.

At June 30, 2020 investments consisted of:

INVESTMENT TYPE	CARRYING AMOUNT	FAIR VALUE	CATEGORY		
			#1	#2	#3
Cash and Equivalents	\$ 339,539	\$ 339,539	\$ 339,539	\$	\$
Fixed Income	1,444,730	1,444,730	1,444,730		
	<u>\$ 1,784,269</u>	<u>\$ 1,784,269</u>	<u>\$ 1,784,269</u>	<u>\$</u>	<u>\$</u>

NOTE C - PROPERTY, PLANT, AND EQUIPMENT:

The following is a summary of changes to the fixed asset accounts:

	BALANCE JULY 1, 2019	ADDITIONS	SUBTRACTIONS	BALANCE JUNE 30, 2020
Land	\$ 208,369	\$	\$	\$ 208,369
Land Improvements	1,529,402	16,300		1,545,702
Buildings	1,326,863			1,326,863
Vehicles, Machinery and Equipment	1,100,349	81,108	(81,009)	1,100,448
Total	\$ 4,164,983	\$ 97,408	\$ (81,009)	\$ 4,181,382
Accumulated Depreciation	(2,669,407)	(160,928)	50,607	(2,779,728)
Net Book Value of Fixed Assets	<u>\$ 1,495,576</u>	<u>\$ (63,520)</u>	<u>\$ (30,402)</u>	<u>\$ 1,401,654</u>

NOTE D - NOTES PAYABLE:

Notes payable for the year ended June 30, 2020 consists of the following:

	BALANCE JULY 1, 2019	ADDITIONS	SUBTRACTIONS	BALANCE JUNE 30, 2020
First National Bank	<u>\$ 107,942</u>	<u>\$</u>	<u>\$ 35,205</u>	<u>\$ 72,737</u>



MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE D - NOTES PAYABLE (CONT'D):

The estimated annual principal and interest to amortize the note are as follows:

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	\$ 35,972	\$ 1,597	\$ 37,569
2022	36,765	805	37,570
	<u>\$ 72,737</u>	<u>\$ 2,402</u>	<u>\$ 75,139</u>

The note payable to the First National Bank dated January 2017 is for the purchase of a bulldozer. It is a five year note with annual principal and interest payments of \$35,570 due in October. Fixed interest rate of 2.16% with maturity in October 2022.

NOTE E - LEASES PAYABLE:

Leases payable for the year ended June 30, 2020 consists of the following:

	BALANCE JULY 1, 2019	ADDITIONS	SUBTRACTIONS	BALANCE JUNE 30, 2020
US Bank	\$	\$ 7,583	\$ 782	\$ 6,801

The estimated annual principal and interest to amortize the lease are as follows:

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	\$ 1,399	\$ 338	\$ 1,737
2022	1,478	259	1,737
2023	1,561	176	1,737
2024	1,649	88	1,737
2025	714	10	724
	<u>\$ 6,801</u>	<u>\$ 871</u>	<u>\$ 7,672</u>

The Lease payable to US Bank dated November 26, 2019 is for the purchase of a copier. It is a five-year lease with monthly payments of \$145 beginning in December. The interest rate is fixed at 5.47%.

NOTE F - OTHER LONG-TERM OBLIGATIONS:

Other long-term obligations for the year ended June 30, 2020 are as follows:

	BALANCE JULY 1, 2019	ADDITIONS	SUBTRACTIONS	BALANCE JUNE 30, 2020
Landfill Closure	\$ 2,410,140	\$ 28,758	\$	\$ 2,438,898
Landfill Post-Closure Accrued Compensated Absences	2,400,500		163,047	2,237,453
	28,133	21,569		49,702
Net OPEB Liability	81,586	1,327		82,913
	<u>\$ 4,920,359</u>	<u>\$ 51,654</u>	<u>\$ 163,047</u>	<u>\$ 4,808,966</u>

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE G - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS:

State and Federal laws and regulations require the Corporation to place a final cover on its landfill 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 the landfill stops accepting waste, the Corporation 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. The Corporation will recognize the remaining estimated cost of closure and post closure care for the site as the remaining estimated capacity is filled.

Mid-Coast Solid Waste Corporation first estimated the cost to perform all closure and post-closure care in 2006 and adjusted their estimates in 2009, 2011, and 2014. In fiscal year 2015, 2016 and again in 2018, the Corporation engineers revisited the estimates again, and based on actual costs incurred to date and estimated remaining capacity, calculated a new estimated closure and post closure cost of \$4,676,351. The estimated remaining life of the landfill as of June 30, 2020 is 6.5 years.

Actual costs may be higher due to inflation, changes in technology or changes in regulations. The Corporation anticipates financing closure costs by funding and using reserves and/or state grants and local assessments at the time of closure.

In accordance with stipulations of the Interlocal Agreement to Establish a Joint Solid Waste Facility for the Municipalities of Camden, Rockport, Lincolnville, and Hope (as Amended March 2002), specifically concerning costs incurred by Mid-Coast Solid Waste Corporation, the Towns of Camden, Rockport, and Lincolnville passed warrant articles during their annual Town Meeting, on or prior to June 2018, to allow each municipality to establish Landfill Closure and Post Closure reserve accounts. These warrant articles also allow the appropriation of funds received by each municipality for their respective equity interest in Penobscot Energy Recovery Company (PERC), for the Town's share of the MCSWC Landfill Closure and Post-Closure costs. As of June 30, 2020, there were balances in the reserve accounts for Camden, Rockport, Lincolnville, and Hope for a total of \$1,365,467.

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

	2020	2019
Total Estimated Future Landfill Closure and Post Closure Care Costs	\$ 4,832,545	\$ 4,832,545
Estimated Capacity Used	99.81%	99.79%
Estimated Gross Landfill Closure and Post-Closure Care Costs - End of Year	\$ 4,676,351	\$ 4,810,640
Actual Costs Expended	-0-	-0-
Estimated Liability for Landfill Closure and Post Closure Care Costs - End of Year	\$ 4,676,351	\$ 4,810,640
Estimated Remaining Landfill Closure Costs and Post Closure Care Cost	\$ 156,194	\$ 21,905

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE G - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS (CONT'D):

A summary of the estimated landfill closure and post-closure care funding resources and cost allocations for each member municipality as of June 30, 2020 is as follows:

	MCSW	MEMBER SHARE				
	TOTAL 2020	42.43% CAMDEN	9.94% HOPE	16.78% LINCOLNVILLE	30.84% ROCKPORT	TOTAL 2020
Total Estimated Future Landfill Closure and Post-Closure Care Costs	\$ 4,676,351	\$ 1,227,400	\$ 287,473	\$ 485,291	\$ 891,918	\$ 2,892,082
Landfill Closure and Post-Closure Care Costs Reserve	1,784,269	579,030	141,721	240,802	403,914	1,365,467
Estimated Liability for Landfill Closure and Post-Closure Care Costs	<u>\$ 2,892,082</u>	<u>\$ 648,370</u>	<u>\$ 145,752</u>	<u>\$ 244,489</u>	<u>\$ 488,004</u>	<u>\$ 1,526,615</u>
Total Estimated Future Landfill Closure and Post Closure Care Costs			\$4,676,351			
Total in Reserves MCSW and Member Share			3,149,736			
Total Unfunded Estimated Liability for Landfill Closure and Post-Closure Care Costs			<u>\$1,526,615</u>			

NOTE H - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN:

**Plan Description** - Employees of the Corporation are provided with post employment benefits through the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan with a special funding situation, administered by the Municipal Employees Health Trust.

**Other Post-Employment Benefits (OPEB)**

The Maine Municipal Employee Health Trust (the Trust) provides insurance benefits during retirement, to retirees who participated in the Plans prior to retirement.

**Funding Policy**

Premium rates are those determined by the Corporation's Board of Directors to be actuarially sufficient to pay anticipated claims. For Corporation employees, the premiums for retiree insurance coverage are factored into the premiums paid for basic coverage while participants are active members.

**Revenue Recognition**

The Schedule of Employer Allocations for the Plan reflects current year employer and non-employer contributing entity premium contributions to the Plan.

**Collective Net OPEB Liability**

The collective net OPEB liability for the Plan, measured as of January 1, 2020 is as follows:

	<u>Total Plan</u>
Collective Total OPEB Liability	\$ 66,165
Less: Plan Net Fiduciary Position	
Collective Net OPEB Liability	<u>\$ 66,165</u>

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE H - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D):

**Actuarial Methods and Assumptions**

The collective total OPEB liability for the Plans was determined by an actuarial valuation as of January 1, 2020, using the following methods and assumptions, applied to all periods included in the measurement:

**Actuarial Cost Method**

Projections of benefits for financial reporting purposes are based on the provisions of the Plans in effect at the time of each valuation and the historical pattern of sharing of premium costs between the employer and plan members. Actuarial methods and assumptions include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the funding methodologies.

Costs are developed using the individual entry age normal cost method based on a level percentage of payroll.

Experience gains and losses, i.e., actual decreases or increases in liabilities and/or in assets which differ from the actuarial assumptions, affect the unfunded actuarial accrued liability.

At June 30, 2020, the Corporation 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	\$	\$ 22,398
Changes in Assumptions	7,645	1,995
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments		
Total	<u>\$ 7,645</u>	<u>\$ 24,393</u>

As of June 30, 2020, the current balances of deferred outflows and deferred inflows of resources along with net recognition over the next 5 years, and thereafter are as follows:

Year End June 30:	
2021	\$ (6,912)
2022	\$ (4,917)
2023	\$ (4,919)
2024	\$ -0-
2025	\$ -0-
Thereafter	\$ -0-

The actuarial assumptions used in the December 31, 2019 actuarial valuations were based on the results of an actuarial experience study conducted on January 1, 2018.

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE H - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D):

**Components of Schedules of OPEB Amounts to Employer**

**Collective Net OPEB Liability**

Each employer's share of the collective net OPEB liability is equal to the collective net OPEB liability multiplied by the employer's proportionate share as of December 31, 2019 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net OPEB liability are recognized in OPEB expense for the year ended December 31, 2019 with the following exceptions.

**Differences between Expected and Actual Experience**

The difference between expected and actual experience with regard to economic or demographic factors are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. There were no differences between expected and actual experience as of June 30, 2020.

**Differences between Projected and Actual Investment Earnings**

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

**Changes in Assumptions**

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the June 30, 2017 and June 30, 2016 actuarial valuations were based on the results of an actuarial experience study conducted for the period of June 30, 2012 to June 30, 2015. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The amortization period for the Plan was six years for 2017. For the fiscal year ended June 30, 2020, there were no changes in assumptions with the exception of the use of a blended discount rate for the Plan. Governmental Accounting Standards Board (GASB) Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other than Pensions Plans, requires the use of a blended discount rate for determining the total OPEB liability when it is projected that plan assets are not sufficient to meet benefit obligations in the future. In years where assets are projected to be sufficient to pay benefits, the Plan's assumed rate of return is used; in years where assets are not projected to be sufficient to pay benefits, the use of a municipal bond rate is required. The result is a single blended discount rate.

**Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions**

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability. There were no differences between employer contributions and proportionate share of contributions as of June 30, 2020.

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE H - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D):

**Allocable Collective OPEB Expense**

The calculation of collective OPEB expense for the year ended June 30, 2020 is as follows:

	<u>OPEB Plan</u>
Service Cost (BOY)	\$ 4,703
Interest Cost	3,492
Amortization of Differences in Actual and Expected Experience	(29,864)
Changes of Benefits	(1,399)
Changes in Assumptions	10,194
Benefit Payments, Including Refunds of Member Contributions	(2,819)
Allocable OPEB Expense	81,858
Total OPEB Liability - Beginning	<u>81,858</u>
Total OPEB Liability - Ending	<u>\$ 66,165</u>

**Plan Fiduciary Net Position**

Contributions - Employer	\$ 2,819
Contributions - Member	
Net Investment Income	
Benefit Payments, Including Refunds of Member Contributions	(2,819)
Administrative Expense	
Net Change in Plan Fiduciary Net Position	<u>\$</u>
Plan Fiduciary Net Position - Beginning	
Plan Fiduciary Net Position - Ending	
Net OPEB Liability - Ending	<u><u>\$ 66,165</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%
Covered Employee Payroll	\$ 330,824
Net OPEB Liability as a Percentage of Covered Employee Payroll	20%

Each employer's proportionate share of the collective OPEB expense is equal to the total collective OPEB expense multiplied by the employer's proportionate share percentage as of June 30, 2020.

**Deferred Outflows (Inflows) of Resources**

Differences between expected and actual experience with regard to economic and demographic assumptions are recognized in OPEB expense over a closed period equal to the expected remaining service lives of both active and inactive members, beginning in the period in which the difference arose. Differences between actual and expected investment income is recognized over a closed five-year period. Amounts not recognized in the current period are reflected in collective deferred outflows and inflows of resources related to OPEB.

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE H - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D):

**Sensitivity of the Mid-Coast Solid Waste Corporation's proportionate share of the net pension liabilities to changes in the discount rate** - The following presents the Mid-Coast Solid Waste Corporation's proportionate share of the net pension liability calculated using the discount rate of 2.74% for the Plan as well as what the Mid-Coast Solid Waste Corporation's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (1.74%) or 1 percentage-point higher (3.74%) than the current rate:

	<b>1% Decrease (1.74%)</b>	<b>Current Discount Rate (2.74%)</b>	<b>1% Increase (3.74%)</b>
Corporation's proportionate share of the net pension liability	\$ 74,141	\$ 66,165	\$ 59,442

**Plan Fiduciary Net Position** - Detailed information about the plan's fiduciary net position is available in the separately issued Cherion financial report.

**Payables to the Plan** - None as of June 30, 2020.

NOTE I - DEFERRED COMPENSATION PLAN:

Plan Description

The Mid-Coast Solid Waste Corporation offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457 and maintained by International City Management Association Retirement Corporation (ICMA-RC). The Plan permits all regular full-time employees to defer a portion of their salary until future years. Participation in the plan is voluntary. The deferred amount and the vested portion of the employer match are not available to employees until their termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the participants. All assets are protected by a trust agreement from any claims on the Corporation and from any use by the Corporation other than paying benefits to employees and their beneficiaries in accordance with the plan.

It is the opinion of the Corporation's management that the Corporation has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

Funding Policy

The contribution requirements of plan members and the Corporation are established and may be amended by the Corporation's Board of Directors. The Corporation will contribute a maximum of 4.5% of annual salary for all regular full-time employees who voluntarily opt out of the Corporation's defined benefit plan. Employees participating in both the defined benefit and deferred compensation plans will not be eligible for employer matching contributions under the deferred compensation plan. The employee's contribution is tax deferred for federal and state taxes until the withdrawal date and vested 100% with the employee when contributed. The Corporation's matching contribution vests immediately and therefore there is no forfeiture provision. The Corporation's contributions to the plan for the years ended June 30, 2020, 2019, and 2018 were \$15,403, \$17,895, and \$16,757, respectively.

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE J - RESTRICTED NET POSITION:

The Corporation's restricted net position at June 30, 2020 was as follows:

Restricted:	
Lily Pond Escrow	\$ 43,493
Landfill Closure	(4,676,350)
Member Reserves (Closure and Post-Closure)	<u>3,141,400</u>
Total Restricted	<u>\$ (1,491,457)</u>

NOTE K - UNRESTRICTED NET POSITION:

The Corporation has established reserves for various purposes. At June 30, 2020 the balances were as follows:

Unrestricted - Assigned:	
Station Maintenance	\$ (17,188)
Landfill Development	44,141
MRC Municipal Refund Reserve	<u>66,423</u>
Total Unrestricted - Assigned	<u>\$ 93,376</u>

Unrestricted - Committed:	
Accrued Compensated Absences	\$ 22,034
Bag Free Stabilizer	41,087
Equipment Replacement	<u>255,820</u>
Total Unrestricted - Committed	<u>\$ 318,941</u>

NOTE L - RISK MANAGEMENT:

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. All significant losses are covered by commercial insurance. There has been no significant reduction in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year. The Corporation self-insures for unemployment compensation purposes.

NOTE M - DEP ADMINISTRATIVE CONSENT AGREEMENT AND ENFORCEMENT ORDER:

In April 1993, the Towns of Camden, Rockport, Lincolnville, and Hope entered into an agreement with the Maine Department of Environmental Protection. Under the agreement, the Towns agreed, among other things, to immediately cease disposal of certain types of solid waste in Jacob's Quarry, keep records of the operational revenues and expenses of the quarry, establish certain escrow and reserve accounts, and develop monitoring and leachate mitigation plans within certain time periods. At the time of organization, the Corporation assumed the assets and liabilities of Jacob's Quarry and therefore, the Corporation is now responsible for the terms and conditions stated above.



MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE M - DEP ADMINISTRATIVE CONSENT AGREEMENT AND ENFORCEMENT ORDER (CONT'D):

The following is a summary of the activity in the Corporation's various restricted accounts for the last twelve fiscal years ending June 30:

LILY POND ESCROW			
YEAR	BEGINNING BALANCE	INTEREST	ENDING BALANCE
2008	\$ 38,718	\$ 969	\$ 39,687
2009	\$ 39,687	\$ 1,065	\$ 40,752
2010	\$ 40,752	\$ 763	\$ 41,515
2011	\$ 41,515	\$ 390	\$ 41,905
2012	\$ 41,905	\$ 189	\$ 42,094
2013	\$ 42,094	\$ 121	\$ 42,215
2014	\$ 42,215	\$ 63	\$ 42,278
2015	\$ 42,278	\$ 64	\$ 42,342
2016	\$ 42,342	\$ 306	\$ 42,648
2017	\$ 42,648	\$ 484	\$ 43,132
2018	\$ 43,132	\$ 101	\$ 43,233
2019	\$ 43,233	\$ 92	\$ 43,325
2020	\$ 43,325	\$ 168	\$ 43,493

CLOSURE RESERVE					
YEAR	BEGINNING BALANCE	INTEREST	PRINCIPAL ADDITIONS	PRINCIPAL REDUCTIONS	ENDING BALANCE
2007	\$ 552,084	\$ 40,757	\$ 460,000	\$	\$ 1,052,841
2008	\$ 1,052,841	\$ 39,879	\$ 100,000	\$	\$ 1,192,720
2009	\$ 1,192,720	\$ 16,548	\$ 100,000	\$	\$ 1,309,268
2010	\$ 1,309,268	\$ 14,158	\$ 100,000	\$	\$ 1,423,426
2011	\$ 1,423,426	\$ 11,384	\$ 100,000	\$	\$ 1,534,810
2012	\$ 1,534,810	\$ 8,054	\$ 100,000	\$	\$ 1,642,864
2013	\$ 1,642,864	\$ 3,873	\$ 100,000	\$	\$ 1,746,737
2014	\$ 1,746,737	\$ 2,698	\$ 100,000	\$	\$ 1,849,435
2015	\$ 1,849,435	\$ 2,742	\$ 100,000	\$ (133,432)	\$ 1,818,745
2016	\$ 1,818,745	\$ 3,982	\$ 100,000	\$ (8,333)	\$ 1,914,394
2017	\$ 1,914,394	\$ 20,403	\$ 100,000	\$ (619,490)	\$ 1,415,307
2018	\$ 1,415,307	\$ 16,454	\$ 100,000	\$ (26,454)	\$ 1,505,307
2019	\$ 1,505,307	\$ 18,956	\$ 100,000	\$ (233)	\$ 1,624,030
2020	\$ 1,624,030	\$ 60,239	\$ 100,000	\$	\$ 1,784,269

MID-COAST SOLID WASTE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE N - BUDGETARY COMPARISON SCHEDULE RECONCILIATION:

The following table reconciles the Budgetary Comparison Schedule and the Change in Net Position:

	BUSINESS-TYPE ACTIVITIES
Excess Revenues Over (Under) Expenditures (Schedule B-1)	\$ (33,448)
Add:	
Purchase of Fixed Assets	80,469
Interest Expense	35,206
Reserve Activity - Closure/Post Closure	291,061
Reserve Activity - Lily Pond Escrow	168
Reserve Activity - Municipal Refund	601
Reserve Activity - Bag Fee Stabilization	11,471
Less:	
OPEB Adjustment	(1,327)
Depreciation Expense	(160,928)
Lease Proceeds	(7,583)
Reserve Activity - Compensated Absences	(33,160)
Reserve Activity - Equipment Replacement	(52,672)
Change in Net Position (Exhibit B)	<u>\$ 129,858</u>

MID-COAST SOLID WASTE CORPORATION  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2020

	NET OPEB LIABILITY (a)	PLAN FIDUCIARY NET POSITION (b)	NET OPEB LIABILITY (a) - (b)
Balances at Beginning of Year	\$ 81,858	\$ -	\$ 81,858
CHANGES FOR THE YEAR:			
Service Cost			
Interest Income	\$ 4,703	\$ -	\$ 4,703
Changes of Benefits	3,492		3,492
Differences Between Expected and Actual Experience	(1,399)		(1,399)
Changes of Assumptions	(29,864)		(29,864)
Contributions - Employer	10,194	2,819	10,194
Contributions - Member			(2,819)
Net Investment Income			
Benefit Payments	(2,819)	(2,819)	
Administrative Expense			
Net Changes	\$ (15,693)	\$ -	\$ (15,693)
Balances at End of Year	\$ 66,165	\$ -	\$ 66,165

MID-COAST SOLID WASTE CORPORATION  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
LAST TEN FISCAL YEARS  
FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019	2018
<b>TOTAL OPEB LIABILITY:</b>			
Service Cost	\$ 4,703	\$ 5,081	\$ 4,460
Interest (Includes Interest on Service Costs)	3,492	2,967	2,556
Changes of Benefit Items	(1,399)		
Differences between Expected and Actual Experience	(29,864)		4,467
Changes of Assumptions	10,194	(5,987)	8,322
Benefit Payments (Including Refunds of Member Contributions)	(2,819)	(2,711)	(900)
Net Change in Total OPEB Liability	\$ (15,693)	\$ (650)	\$ 18,905
Total OPEB Liability - Beginning of Year	81,858	82,508	63,603
Total OPEB Liability - End of Year	\$ 66,165	\$ 81,858	\$ 82,508
<b>PLAN FIDUCIARY NET POSITION:</b>			
Contributions - Employer	\$ 2,819	\$ 2,711	\$ 900
Benefit Payments (Including Refunds of Member Contributions)	(2,819)	(2,711)	(900)
Net Change in Fiduciary Net Position	\$ -	\$ -	\$ -
Plan Fiduciary Net Position - Beginning of Year			
Plan Fiduciary Net Position - End of Year	\$ 66,165	\$ -	\$ -
Net OPEB Liability - Ending	\$ -	\$ 81,858	\$ 82,508
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%
Covered Employee Payroll	\$ 330,824	\$ 389,167	\$ 389,167
Net OPEB Liability as a Percentage of Covered Payroll	20.00%	21.00%	21.20%

\*Only three years of information Available

Schedule A-3

SCHEDULE OF CONTRIBUTIONS - OPEB  
LAST TEN FISCAL YEARS\*

	2020	2019	2018
<b>MMEHT:</b>			
Employer Contributions	\$ 2,819	\$ 2,711	\$ 900
Benefit Payments	(2,819)	(2,711)	(900)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 330,824	\$ 389,167	\$ 389,167
Contributions as a Percentage of Covered-Employee Payroll	0%	0%	0%

\*The amounts presented for each fiscal year are for those years for which information is available.

MID-COAST SOLID WASTE CORPORATION  
BUDGETARY COMPARISON SCHEDULE  
BUSINESS-TYPE ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL	VARIANCE
REVENUES:			
Town Assessments	\$ 554,164	\$ 554,164	\$ -
Tipping Fees	462,000	542,931	80,931
Scale Fees	1,000	1,220	220
Salvage Fees	528,700	446,064	(82,636)
Pay Per Bag Fees	475,000	506,667	31,667
Interest Income	5,000	6,073	1,073
Miscellaneous	2,000	3,741	1,741
Total Revenues	<u>\$ 2,027,864</u>	<u>\$ 2,060,860</u>	<u>\$ 32,996</u>
EXPENDITURES:			
OPERATING EXPENSES:			
General Administration	\$ 192,269	\$ 62,586	\$ 129,683
Operations - Wages	401,101	508,522	(107,421)
Employee Benefits and Insurance	324,743	249,865	74,878
Insurance	17,682	17,327	355
Facility	41,520	76,874	(35,354)
Operational Costs - MSW	618,683	627,673	(8,990)
Recycling	69,663	68,306	1,357
Operational Costs - CDD	258,633	342,168	(83,535)
Debt Service	37,570	37,570	
	<u>\$ 1,961,864</u>	<u>\$ 1,990,891</u>	<u>\$ (29,027)</u>
CAPITAL APPROPRIATIONS AND CONTINGENCY:			
Capital Expenditures	129,000	55,805	73,195
Contingency			
Total Expenditures	<u>\$ 2,090,864</u>	<u>\$ 2,046,696</u>	<u>\$ 44,168</u>
Excess Revenues Over (Under) Expenditures	<u>\$ (63,000)</u>	<u>\$ 14,164</u>	<u>\$ 77,164</u>
Other Financing Sources and Uses:			
Lease Proceeds	\$ -	\$ 7,583	\$ 7,583
Transfers In	129,000	55,805	(73,195)
Transfers Out	(111,000)	(111,000)	
Total Other Financing Sources and Uses	<u>\$ 18,000</u>	<u>\$ (47,612)</u>	<u>\$ (65,612)</u>
Excess Revenues Over (Under) Expenditures and Other Financing Sources and Uses	<u>\$ (45,000)</u>	<u>\$ (33,448)</u>	<u>\$ 11,552</u>
Unassigned Fund Balance, July 1	45,000	379,770	334,770
Unassigned Fund Balance, June 30	<u>\$ -</u>	<u>\$ 346,322</u>	<u>\$ 346,322</u>