DRAFT

CHITTENDEN SOLID WASTE DISTRICT – Administrative Office
FINANCE COMMITTEE MINUTES
CSWD Administrative Office, 19 Gregory Drive, South Burlington VT
Wednesday, February 11, 2026

FINANCE COMMITTEE PRESENT: Paul Stabler, Rick McCraw, Lauren Eagan
Other Board members present: Paul Ruess, Ken Spencer, Dan Steinbauer

CSWD STAFF PRESENT: John Balparda
Agenda:

1. Agenda
2. Public comment period
3. Consent Agenda
4. FY 27 Draft Budget Review
5. Other Business
6. Adjourn

P. Stabler called the meeting to order at 9:00 a.m.

Agenda # 1. Agenda – No changes.

Agenda #2. Public Comment Period – No public in attendance.

Agenda #3. Consent Agenda – Accepted as presented.

Agenda # 4. DRAFT FY 27 BUDGET OVERVIEW
Overview: S. Reeves introduced the FY 27 Budget and noted a shift in the mindset for this year's budget development. She noted the new methodology based on three-year averages of actuals and seasonal trends. J. Balparda explained the reasons behind the change, which included not renewing the expensive and unsatisfactory NetSuite Budgeting software. He proposed a budgeting system that uses an historic period of actuals, adjusts for seasonality, and adjusts areas where managers know the assumptions need adjustment. He prefaced the presentation by noting the uncertainties related to global, national, and macro-economic factors due to policy driven variables. The goal is to refine our budgeting process, so that our actuals are closer to budget than previous budget outcomes. He outlined key assumptions including 4% inflation, 7.5% increase to health insurance, with six months of the fiscal year premiums known, a CPI Trash index of 4.8%, with a SWMF at $41.92/ton, and staffing adjustments. He noted some additional changes may be made to the budget before presenting to the Board, which will include any changes that the Finance Committee recommends.
P. Stabler asked that any changes that differ from the packet sent to the Committee be sent to the committee.

J. Balparda reviewed that the Net Income is $175K or 0.9% lower than the FY 25 actuals, due to decline in grant revenue but offset by a higher SWMF revenue. Expenses are $1.6M or 10.7% higher than the FY 25 Actuals due to materials management costs and higher payroll expenses. He reviewed the Income statement comparison, head count & payroll expenses, and fund balances tables.
He said that the bond bank requires CSWD to have a debt service fund.

Discussion was held on the new methodology, and it was noted the difficulty of the timing because we are developing a budget so far in advance of actuals. Discussion was held on the design flaw in NetSuite where subsidies and transfers show differently than expected. He noted that Fund transfer going to the fund, should show as a debit (doesn't have brackets) but is not treated that way.

It was requested that a glossary be provided to help the Board and public understand the terminology and methods CSWD uses.

A.OPS Admin –J. Estey explained this budget includes staff that support the administrative departments of the operations and support various programs. No major changes from previous budgets.

B. Drop-Off Centers – B. Mital noted specific change in the DOC budget included the reduction in roll-off box purchases, due to extreme care by the maintenance group, that allows our boxes to be used beyond the normal life of the box. He said that CSWD has discussed charging direct costs for materials collected. We are moving away from the "free" to "no charge" model to "there is a cost to manage this material." This includes proposing a $1/fee for food waste and a $1/fee for recycling. The cost was previously included in the bag price. The current bag price would not change. S. Reeves said she is very sensitive to making sure the bag prices remain affordable and that customers understand that there is a cost to food scraps and recycling. She noted the actual cost and data analysis can be challenging but we need to recover additional costs at the DOC's and help them to find their own pathway to fund their future capital needs. B. Mital said the proposed revenue would be $125,000 for recycling and $50,000 for food scraps. Discussion was held on the logistics of this and pushback from the public. We do not want to disincentivize customers from throwing items in the trash. It was noted that education of customers about costs is important, but we may lose food scraps an recycling from this proposal. It was requested that CSWD have public input through community engagement on these issues, which might include a survey to proactively reach out in the community. It was noted that this is currently not in the presented budget. *S.Reeves will meet with P. Ruess for a discussion prior to presenting the budget.*

c. MAINTENANCE/ROLL-OFF – J. Balparda noted that we are not adding a person to maintenance as previously stated in the memo and that the position is vacant and we are in need of replacement Operator. He noted no significant changes to the budget. Discussion was held on whether we have all equipment we need. B. Mital said yes and noted that Maintenance Supervisors Shane Morris and Ryan Cota, have an excellent maintenance team that keeps the equipment well-maintained, and we have a capital schedule.

D. Property Management – B. Mital noted this budget includes 1042 (old ORF offices) and Site 21 sandpit. J. Estey said that money is in the budget for continued issues with surfacing groundwater, as it relates to HS&G extraction of sand and the expenditures of managing the site. As that phases out, that budget will be in the ORF budget. S.Reeves noted it previously contained rental properties, which has gone away. Flynn Ave parcel land is own and not a building. *L. Eagan asked about utility cost and efficiency Vermont, and suggested CSWD have a dedicated person to conduct an energy audit.*

E. ORF –D. Goossen said that ORF is seeing less contamination, and are making a great product, which includes increased revenue. He noted the plateau in food waste and the increased carbon, after making the change to accept commingled leaves and wood. The projected increase was 20%

but is actually 50% so management of that increased material has been a challenge. The purchase of an onsite shredder has decreased costs and allowed for more frequency processing. He noted the proposed tip fee rate is increasing from $70/ton to $74/ton. He said that this budget includes a much-needed onsite mechanic and assisting in managing the additional material. D. Goossen said the biggest change in the budget would be considering a subscription-based service, where users pay an annual fee to use the facility. D. Goossen reviewed the logistics of collecting a fee for material, versus the subscription system and the team that has been working on possible solution. He said there would be parity on how this would be designed based on estimated volume. The goal is to make a compelling subscription program, for $25/year, which would result in $87,000 in income. Further discussion was held on the public perception of subscription service and for getting public feedback.

Further discussion was held on the upcoming changes in the solid waste rules regarding depackaging facilities, which would make it prohibitive for source separated organics (plate scraping) to go to a de-packaging but reserve the quality for other uses. Public Comment period, and it will take a long time to determine – enough time to budget for FY 28.

P. Stabler asked for a cost benefit analysis for water the water line and when the pay back might happen because of significant capital investment. P. Stabler HS&G extraction are we affected. Yes, we're downhill and Jeannine McCrumb how to keep water off of our area and it carries silt and enters the filtration system. HS&G cooperating with CSWD. P. Stabler McNeil. D. Goossen – no charge. Discussion on queuing problem and heavy staff requirement – widespread adoption, enforcement with visual scan, under 100% compliance. Discussed logistics of making the subscription service effective. Discussion was held on CSWD's hauling of foodscraps and increasing that service. Discussion on providing equitable services to Chittenden County and how this can be implemented.

G. Materials Recycling Facility
J. Balparda summarized existing MRF assumptions, which includes an ACR of $75/ton a $93.33/tip fee that will be updated to $100/ton (is being implemented April 1, 2026) and used a 3% reduction in volumes, estimated at 33,000 tons. Discussion was held on markets and material sales. S. Reeves said that the bottom out of pricing has plateaued and should be improving. J. Estey said we are competing with the Rutland MRF with an estimated $120/ton range. Discussion was held on market revenue by material. S. Reeves said that the MRF contract is out to bid and has been separated by two contracts, operating and marketing. *P. Stabler requested this information be provided to the board and felt it was very important.* He asked for a timeline of when CSWD will transition from the old to the new MRF. S. Reeves said it is expected to be operational a year from now.

H. Hazardous Waste – J. Estey said no major changes in the Hazardous Waste budget, and we will reduce the FTEs to closer to 4, with the retirement of long-time Hazardous Waste Supervisor Gary Winnie. J. He explained the HHW EPR bill, which is making incremental progress, which will result in some revenue back for disposal costs. He said the SWIP grant is applied to this budget. Discussion was held on material collections and EPR, including battery collection, including hardware stores. Discussion was held on the Paint program. CSWD is still making/selling Local Color paint. J. Estey noted that CSWD's overall goal is to recycle as much paint as we can.

J/K.Biosolids – Pass Through Budget and Landfill Budget.
Biosolids - J. Balparda noted no major change and is subsidized from the closed landfill fund. Discussion land application continues in New York, with the potential for banning. It was voted no but may be brought up again.

Landfill - J. Estey explained that the closed landfill is managed by Jeannine McCrumb, along with other internal permitting work she oversees. This involves a weekly leachate, testing, surface water management. There have been ongoing conversations of post-custodial care of that facility and will trend in the right direction for leachate generation. CSWD continues to pump, treat, monitor, and provide general maintenance to the closed landfill. J. Estey explained that the leachate tank cap repair has hit a bit of a dead-end and we are continuing to talk with experts about the issue.

L. Capital Budget – J. Balparda said that we don't do a balance sheet for Capital. S. Reeves noted that the current MRF line is significantly less than last year at $0/budgeted, which is an excellent sign of moving forward. J. Estey reviewed the higher-level proposed expenditures including ORF needs hole filling, regrade of receiving area, roll-off/maintenance long needed facelift to the maintenance building and HVAC and bathroom change, an RFP for design and survey work towards the Milton DOC, storm water infrastructure at the Williston DOC and that is broken out into two different projects. J. Estey said that Burlington had purchased the Flynn Avenue property to move soils to, but that may be a few years out. when that happens, that could free up additional space for CSWD on Pine Street, but that likely will not occur until 2029. J. Estey said that the Essex and So Burlington DOC have large metal overhead structures, and we have repair from degradation and salt use and our structural engineer from the new MRF project has made the repair recommendations. There is a replacement schedule for compactors, property improvement at Site 21 is water management get to usable space at the ORF. Staff were commended for providing a detailed, clean, and organized capital schedule.

M. NEW MRF

P. Stabler requested that the Board be provided with the initial projected expenditure for the MRF Project and the current project expenditures along with additional expenditures in the next year so that it's clear where we have gone over. J. Estey said that Project Manager Kayli Barber has the current cost tracking and best picture, and John Balparda has put together long-term forecasting, and we are pretty close, nice analysis. S. Reeves the goal is to have a presentation for this month's board meeting. L. Eagan shout out to GMP for transformers, with the cost and to include pictures. S. Reeves will have capital costs in it and regular routine with its own schedule.

ADMINISTRATION BUDGETS

N. COMPLIANCE - Increased revenue due to anticipated increase in issued Notice of Violations.

O. ADMINISTRATIVE - Legal fees are lower than the average of the three-year period based on fewer real-estate transactions and jurisdictional opinions. Discussion was held on staff training and development. A. Jewell noted the $30,000 in the Admin budget for district wide training and individual program budgets including their own specific training.

S. OUTREACH & COMMUNICATION

L. Eagan noted that there was PILOT done at the Burnham Library in Colchester and it would be great to let Board members know when these occur. J. Holliday provided an overview of the Budget.
D. Steinbauer appreciates the communication. Big part of PLACE communication indirectly.

Wrap up:
Discussion was held on the presentation to the Board with possible fee changes, if recommended.

L. Eagan asked about largest risks in the budget. It was noted that the timing of the MRF and cost to complete, but we have $4 million in the fund balance, so it's not worrisome. L. Eagan asked about the least risk. J. Balparada suggested hiring for the few positions we have to fill. L. Eagan asked if there were items that should have been included in the budget that weren't and J. Estey said that the new process (4% increase) will help cover items that arise. S. Reeves said that she feels that we have taken a good look at the trends and adjusted and does not feel we need anything further.

The Organizational Chart with FTEs by program will be added to the packet. The Committee thanked staff for providing a thorough budget going forward into next year and felt good about bringing this to the full board and the public.

OTHER BUSINESS:
R. McCraw requested a presentation at a future Finance Committee on Internal Controls.

It was noted the next Finance Committee is scheduled for March 4th, but it may not be necessary to meet.

Motion by R. McCraw/Second by L. Eagan to adjourn the meeting. The meeting was adjourned at 2:37 p.m.

I agree that this is an original copy of minutes, and they have been approved by the Finance Committee at the meeting held via Zoom.

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John Balparda, Director of Finance