

To: Board of Commissioners  
From: Nola Ricci, Director of Finance  
Date: October 19, 2022  
RE: Fiscal Year 22 Financials

Included are the draft financials for the close of FY22.

Overall, CSWD has meet budgetary goals. Income exceeded expectations. This is primarily due to the volume of recycling delivered to the Materials Recovery Facility (MRF), as well as the current market rates of Recycled Material Sales. Additionally, expenses are slightly underbudget.

Tipping Fees, which include the tipping fees for the Material Recovery Facility and Drop Off Centers, as well as the Feedstock of the Organics Diversion Facility were just above expectations at 107.18%, an additional \$406,512. Hazardous Waste ended the year below budgetary, primarily due to the reduction in CEG received.

In total, Material Sale Income was significantly over budget at 221.83% (2,636,197). The bulk of the income was directly related to Recycled Material Sales, these sales nearly tripled expectations. Although we hope this trend persists, we will continue to maintain a conservative estimate for future years to account for the uncertainty of market material. Scrap Metal sales have also exceeded budget expectations at 170.04% over budget, providing an additional \$79,638. Bins & Container were offered at a significant discount to unload as much of the remaining inventory as possible.

Solid Waste is averaging as expected reaching 101.12% by the end of the fiscal year. License Fees (a seasonal revenue), Rental Revenue, and Product Stewardship revenues are as anticipated.

Grant Revenue exceeded expectations with additional funding received in June for the Environmental Depot. Equipment Sale Income was allocated to the Facility Improvement Reserve (Capital).

Cost of Goods is slightly higher than expected due to the increase in the cost of Organics materials. We are no longer purchasing Bins & Contains but following the GASB (Governmental

Accounting Standards Board) matching principle, expenses are allocated to the period in which the related revenue is recognized. Until Bin & Container inventory is exhausted, we will continue to see revenue and cost of goods in this category.

Payroll Expenses are slightly underbudget across all areas of payroll totaling only 95.61% of budget expectations. Travel & Training and Administrative Costs were all well underbudget. Professional Fees, Equipment & Fleet, Materials Management and Property Maintenance were all as expected. Promotion & Education and Community Support are both underbudget, but these both typically have seasonal increases in the fourth quarter of the fiscal year. Supplies were higher than expected due to the significant increase in the cost of materials and general supplies.

Cash & Cash Equivalents are higher than average and should be leveraged through an investment opportunity. To preserve cash and limit risk, I recommend we fund a series of Treasury Bonds.

Cash is received within approved terms for all customers and non-sufficient checks remain relatively low. Prepaid expenses remain limited to preserve cash on hand. Inventory reduced, depleting assets and mitigating some increases in costs.

After a thorough review of Fixed Assets, management found several assets listed that were no longer on hand. In addition to some expedited depreciation of assets, the overall assets included on the balance sheet reduced. Two building improvement projects, a site improvement project, 6 pieces of equipment and a software implementation were all added to the asset list in fiscal year 22. Eight (8) projects remain in progress from the FY22 Capital Project presentation.

Current Liabilities remains low, as payments to vendors are submitted on average within 15 days of receipt. Long term liabilities were reduced with the initiation of the new Paid-Time-Off Vacation Carry Over Policy.

The Solid Waste Management Reserve was reduced. The Solid Waste Management Reserve and Operating Reserve are valued at the maximum level as proposed by the Reserve Procedure. The Community Clean Up Reserve is now valued at the maximum allotment for each town. The Capital Reserve increased significantly, but still remains under the maximum value as proposed



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by the Reserve Procedure. Undesignated Funds are valued at the maximum level and are available for unexpected or emergency expenses.

Although expenses have increased universally, CSWD has managed to mitigate these costs and continues to practice within the approved budget. CSWD continues to maintain positive going concern by preserving the resources needed to continue operating. Cash & Cash Equivalents remain in excess of current liabilities. Reserve accounts are designated appropriately to secure future financing needs.

**Chittenden Solid Waste District  
Chittenden Solid Waste District  
Budget vs. Actual  
FY 2022**

	Amount	Budget Amount	Amount Over (Under) Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>40000 - INCOME</b>				
40100 - TIPPING FEES	\$6,071,345.08	\$5,664,833.22	\$406,511.86	107.18%
40300 - SPECIAL WASTE	\$105,448.36	\$77,400.00	\$28,048.36	136.24%
40400 - HAZARDOUS WASTE	\$70,332.53	\$82,000.00	(\$11,667.47)	85.77%
40500 - BIOSOLIDS	\$1,340,165.86	\$1,185,473.00	\$154,692.86	113.05%
41000 - SOLID WASTE MANAGEMENT	\$3,409,238.11	\$3,371,625.00	\$37,613.11	101.12%
42000 - SALE OF MATERIALS	\$4,799,954.75	\$2,163,757.52	\$2,636,197.23	221.83%
43000 - LICENSE FEES, FINES & PENALTIES	\$15,833.90	\$16,395.00	(\$561.10)	96.58%
44000 - RENTAL INCOME	\$71,600.00	\$71,400.00	\$200.00	100.28%
45000 - PRODUCT STEWARDSHIP AND REIMB	\$217,038.81	\$273,993.00	(\$56,954.19)	79.21%
46000 - INTEREST, DIVIDENDS	\$12,719.75	\$2,150.00	\$10,569.75	591.62%
47000 - GRANT REVENUE	\$277,800.86	\$106,470.00	\$171,330.86	260.92%
48000 - EQUIPMENT SALE/TRADEIN	\$168,898.71	\$0.00	\$168,898.71	0.00%
49000 - OTHER INCOME	\$749.02	\$70,428.00	(\$69,678.98)	1.06%
<b>Total - Income</b>	<b>\$16,561,125.74</b>	<b>\$13,085,924.74</b>	<b>\$3,475,201.00</b>	<b>126.56%</b>
<b>Cost Of Sales</b>				
51100 - Compost	\$127,633.82	\$77,738.00	\$49,895.82	164.18%
51200 - Topsoil	\$16,281.08	\$8,367.98	\$7,913.10	194.56%
51300 - Garden Mix	\$49,439.79	\$36,889.13	\$12,550.66	134.02%
52000 - Bins & Containers	\$34,089.58	\$29,625.00	\$4,464.58	115.07%
53000 - Paint	\$12,497.89	\$22,500.00	(\$10,002.11)	55.55%
<b>Total - Cost Of Sales</b>	<b>\$239,942.16</b>	<b>\$175,120.11</b>	<b>\$64,822.05</b>	<b>137.02%</b>
<b>Gross Profit</b>	<b>\$16,321,183.58</b>	<b>\$12,910,804.63</b>	<b>\$3,410,378.95</b>	<b>126.41%</b>
<b>Expense</b>				
<b>60000 - EXPENSES</b>				
<b>60100 - PAYROLL EXPENSES</b>				
60200 - SALARIES AND WAGES	\$3,163,688.21	\$3,255,161.12	(\$91,472.91)	97.19%
60300 - BENEFITS	\$1,306,946.76	\$1,420,777.66	(\$113,830.90)	91.99%
<b>Total - 60100 - PAYROLL EXPENSES</b>	<b>\$4,470,634.97</b>	<b>\$4,675,938.78</b>	<b>(\$205,303.81)</b>	<b>95.61%</b>
61000 - TRAVEL & TRAINING	\$54,811.11	\$98,115.00	(\$43,303.89)	55.86%
62000 - ADMINISTRATIVE COSTS	\$48,274.05	\$148,220.08	(\$99,946.03)	32.57%
63000 - PROFESSIONAL FEES	\$177,566.33	\$190,275.00	(\$12,708.67)	93.32%
64000 - EQUIPMENT AND FLEET	\$807,662.59	\$703,065.04	\$104,597.55	114.88%
66000 - SUPPLIES	\$120,558.79	\$94,426.40	\$26,132.39	127.67%
67000 - MATERIALS MANAGEMENT	\$4,804,117.74	\$4,979,801.33	(\$175,683.59)	96.47%
68000 - PROPERTY MANAGEMENT	\$510,887.99	\$499,872.41	\$11,015.58	102.20%
69000 - PROMOTION & EDUCATION	\$109,674.57	\$152,603.20	(\$42,928.63)	71.87%
70000 - COMMUNITY SUPPORT	\$23,191.24	\$25,800.00	(\$2,608.76)	89.89%
80000 - MAINTENANCE & ROLL OFF DISTRIBUTION	\$629,497.86	\$675,972.00	(\$46,474.14)	93.12%
<b>Total - Expense</b>	<b>\$11,756,877.24</b>	<b>\$12,244,089.24</b>	<b>(\$487,212.00)</b>	<b>96.02%</b>
<b>Net Ordinary Income</b>	<b>\$4,564,306.34</b>	<b>\$666,715.39</b>	<b>\$3,897,590.95</b>	<b>684.60%</b>

**Other Income and Expenses****Other Income****91000 - SUBSIDIES & TRANSFERS**

91200 - Landfill Post Closure Transfer	\$133,986.52	\$102,616.00	\$31,370.52	130.57%
91400 - CCUF Transfer	\$15,766.39	\$15,000.00	\$766.39	105.11%

<b>Total - 91000 - SUBSIDIES &amp; TRANSFERS</b>	<b>\$149,752.91</b>	<b>\$117,616.00</b>	<b>\$32,136.91</b>	<b>127.32%</b>
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**94000 - ALLOCATIONS**

94100 - Maintenance Allocation	\$629,497.86	\$681,098.51	(\$51,600.65)	92.42%
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<b>Total - 94000 - ALLOCATIONS</b>	<b>\$629,497.86</b>	<b>\$681,098.51</b>	<b>(\$51,600.65)</b>	<b>92.42%</b>
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<b>Total - Other Income</b>	<b>\$779,250.77</b>	<b>\$798,714.51</b>	<b>(\$19,463.74)</b>	<b>97.56%</b>
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**Other Expense****95000 - RESERVE TRANSFERS**

95100 - Transfer to Solid Waste Management Reserve	\$784,325.78	\$604,035.00	\$180,290.78	129.85%
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95200 - Transfer to Operating Reserve	\$3,867,779.99	\$323,232.00	\$3,544,547.99	1,196.60%
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95300 - Transfer to Biosolids Reserve	\$62,012.00	\$45,500.00	\$16,512.00	136.29%
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95400 - Transfer to Capital Reserve	\$628,566.50	\$450,000.00	\$178,566.50	139.68%
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95600 - Transfer to Facility Closure Reserve	\$404.31	\$0.00	\$404.31	0.00%
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95700 - Transfer to Landfill Post Closure Reserve	\$514.13	\$0.00	\$514.13	0.00%
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95800 - Transfer to Investment in Assets	(\$1,004,616.60)	\$0.00	(\$1,004,616.60)	0.00%
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95900 - Transfer to Undesignated Funds	(\$45.60)	\$42,662.90	(\$42,708.50)	-0.11%
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<b>Total - 95000 - RESERVE TRANSFERS</b>	<b>\$4,338,940.51</b>	<b>\$1,465,429.90</b>	<b>\$2,873,510.61</b>	<b>296.09%</b>
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99300 - Depreciation	\$1,004,616.60	\$0.00	\$1,004,616.60	0.00%
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<b>Total - Other Expense</b>	<b>\$5,343,557.11</b>	<b>\$1,465,429.90</b>	<b>\$3,878,127.21</b>	<b>364.64%</b>
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<b>Net Other Income</b>	<b>(\$4,564,306.34)</b>	<b>(\$666,715.39)</b>	<b>(\$3,897,590.95)</b>	<b>684.60%</b>
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<b>Net Income</b>	<b>\$0.00</b>	<b>(\$0.00)</b>	<b>\$0.00</b>	<b>0.00%</b>
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**Chittenden Solid Waste District  
Comparative Balance Sheet  
FY 2022**

	FY22	FY21	Variance	% Variance
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash & Cash Equivalents	\$15,371,019.64	\$11,284,245.77	\$4,086,773.87	36.22%
Accounts Receivable	\$1,966,960.21	\$2,085,408.69	(\$118,448.48)	-5.68%
Other Current Asset	\$482,558.71	\$705,533.19	(\$222,974.48)	-31.60%
<b>Total Current Assets</b>	<b>\$17,820,538.56</b>	<b>\$14,075,187.65</b>	<b>\$3,745,350.91</b>	<b>26.61%</b>
<b>Fixed Assets</b>				
12100 - CAPITAL ASSETS	\$26,472,767.63	\$25,680,794.16	\$791,973.47	3.08%
12200 - ACCUMULATED DEPRECIATION	(\$13,109,820.09)	(\$12,824,493.88)	(\$285,326.21)	2.22%
<b>Total Completed Assets</b>	<b>\$13,362,947.54</b>	<b>\$12,856,300.28</b>	<b>\$506,647.26</b>	<b>3.94%</b>
13000 - Capital Assets in Progress	\$313,939.62	\$161,218.32	\$152,721.30	94.73%
<b>Total Fixed Assets</b>	<b>\$13,676,887.16</b>	<b>\$13,017,518.60</b>	<b>\$659,368.56</b>	<b>5.07%</b>
<b>Total ASSETS</b>	<b>\$31,497,425.72</b>	<b>\$27,092,706.25</b>	<b>\$4,404,719.47</b>	<b>16.26%</b>
<b>Liabilities &amp; Equity</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$532,327.60	\$814,157.23	(\$281,829.63)	-34.62%
Credit Card	\$4,203.88	\$5,222.09	(\$1,018.21)	-19.50%
Other Current Liability	\$399,626.61	\$398,072.54	\$1,554.07	0.39%
<b>Total Current Liabilities</b>	<b>\$936,158.09</b>	<b>\$1,217,451.86</b>	<b>(\$281,293.77)</b>	<b>-23.11%</b>
<b>Long Term Liabilities</b>				
21861 - Post Closure Payable - noncurrent	\$244,384.37	\$349,257.53	(\$104,873.16)	-30.03%
21611 - Compensated Absences Payable	\$319,099.14	\$373,347.43	(\$54,248.29)	-14.53%
<b>Total Long Term Liabilities</b>	<b>\$563,483.51</b>	<b>\$722,604.96</b>	<b>(\$159,121.45)</b>	<b>-22.02%</b>
<b>Equity</b>				
31000 - INVESTMENT IN CAPITAL ASSETS	\$13,362,947.54	\$13,017,517.50	\$345,430.04	2.65%
<b>32100 - DESIGNATED FOR OTHER PURPOSES</b>				
32101 - Facilities Closure Reserve	\$1,464,178.31	\$549,365.00	\$914,813.31	166.52%
32102 - Landfill Post Closure Reserve	\$541,940.67	\$675,413.06	(\$133,472.39)	-19.76%
32103 - Solid Waste Management Reserve	\$1,000,000.00	\$2,970,836.30	(\$1,970,836.30)	-66.34%
32104 - DOC Rate Stabilization Reserve	\$0.00	\$263,535.00	(\$263,535.00)	-100.00%
32105 - Operating Reserve	\$1,750,000.00	\$0.00	\$1,750,000.00	0.00%
<b>Total - 32100 - DESIGNATED FOR OTHER PURPOSES</b>	<b>\$4,756,118.98</b>	<b>\$4,459,149.36</b>	<b>\$296,969.62</b>	<b>6.66%</b>
33100 - COMMUNITY CLEAN UP RESERVE	\$95,000.00	\$68,890.10	\$26,109.90	37.90%
33200 - Biosolids Reserve	\$288,848.68	\$226,836.68	\$62,012.00	27.34%
36000 - UNDESIGNATED	\$1,000,000.00	\$3,651,775.02	(\$2,651,775.02)	-72.62%
32200 - DESIGNATED FOR CAPITAL	\$10,494,868.92	\$3,728,480.77	\$6,766,388.15	181.48%
<b>Total Equity</b>	<b>\$29,997,784.12</b>	<b>\$25,152,649.43</b>	<b>\$4,845,134.69</b>	<b>19.26%</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$31,497,425.72</b>	<b>\$27,092,706.25</b>	<b>\$4,404,719.47</b>	<b>16.26%</b>