

**CHITTENDEN SOLID WASTE DISTRICT
BOARD MEETING INSTRUCTIONS
FOR THE PUBLIC – REMOTE ACCESS**

Date: Wednesday, October 25, 2023
Time: 6:00 P.M.
Place: ZOOM MEETING INSTRUCTIONS

IMPORTANT:

CSWD will hold a hybrid Board of Commissioners Meeting. The virtual meeting is accessible by computer or phone. Members of the public, joining the meeting remotely, are asked to preregister online using the link below. Following the meeting a recording will be available upon request.

(page

Hi there,

You are invited to a Zoom webinar.

When: Oct 25, 2023 06:00 PM Eastern Time (US and Canada)

Topic: Board of Commissioners Meeting

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_2qg-x50iShylm0wgTCYQsg

After registering, you will receive a confirmation email containing information about joining the webinar.

For those without internet access, call 802-872-8100 ext. 213 and leave a message to register for the meeting. A call- in number will be provided to you prior to the meeting.

Participants will be in listen only mode. Call in controls include: *6 – toggle mute/unmute and *9 to raise your hand.

CHITTENDEN SOLID WASTE DISTRICT
REGULAR MEETING

Date: Wednesday, October 25, 2023
Time: 6:00 P.M.
Place: **Hybrid Meeting - ZOOM Meeting or In-Person at CSWD Administrative Office**
19 Gregory Drive, South Burlington

*** (E) Indicates enclosures (H) Indicates handouts (D) Discussion Only

1. (E) **Agenda** (6:00 p.m.)
2. **Public Comment Period** (6:00 p.m.)
3. (E) **Consent Agenda** (6:05 p.m.)
 - 3.1 Minutes of September 27, 2023 (page 3)
 - 3.2 Program Updates (page 6)
 - 3.3 Executive Director Update (page 18)
 - 3.4 Finance – Warrant, Cash Investment and Reserve Balances (page 19)
 - 3.5 FY 23 Financials (page 21)
 - 3.6 FY 22 Audit (page 27)
4. (E) **Waste Diversion & Disposal Report presentation** (page 65) (6:10 p.m.)
5. **Educational topic – Solid Waste Management Fee** (6:40 p.m.)
6. **Executive Session** – City of Burlington - Flynn Avenue property (7:00 p.m.)
7. **Other Business** (7:30 p.m.)

Possible Action could occur on any agenda item, although not initially noted. If you need an accommodation, please call the District at 872-8100 upon receipt of this notice. All times listed are an estimated start and duration.

DRAFT

**CHITTENDEN SOLID WASTE DISTRICT
IN-PERSON/ZOOM MEETING
September 27, 2023 - Regular Meeting**

PRESENT**BOARD MEMBERS:**

Bolton	----
Burlington	Lee Perry
Charlotte	Ken Spencer
Colchester	Liz Hamlin Volz
Essex	Alan Nye
Essex Junction	----
Hinesburg	Rick McCraw
Huntington	----
Jericho	----
Milton	Henry Bonges
Richmond	Andrew French
Shelburne	Margy Wiener
So. Burlington	Paul Stabler
	Allison Lazarz, alt.
St. George	----
Underhill	Paul Ruess
	Dan Steinbauer, alt.
Westford	-----
Williston	Kelton Bogasky
Winooski	-----

STAFF: Sarah Reeves, Amy Jewell, Jen Holliday, Josh Estey, Donna Cushman

OTHERS PRESENT: N/A

AGENDA:

1. Agenda
2. Public Comment Period
3. Consent Agenda
4. Environmental Depot presentation
5. Landfill Discussion
6. Executive Session
7. Other Business

1. CALL TO ORDER and AGENDA Chair Paul Ruess called the meeting to order at 6:00 pm.

2. PUBLIC COMMENT PERIOD - No discussion.

3. CONSENT AGENDA – Request to remove 3.4 and discuss. Discussion was to correct the date of 8/30/2022 to 8/30/2023. Question on Community Clean up Fund....

Consent agenda approved as presented with noted changes.

4. ENVIRONMENTAL DEPOT PRESENTATION – J. Estey reviewed and presented the Environmental Depot Program to the Board. He led the Board through the process of residents and small business generators dropping off hazardous waste at the Depot. He reviewed the new appointment system that is in place, which allows staff to sort and process materials in a safer and facility compliant manner. Incoming paint is diverted to our own Local Color brand or is marketing elsewhere. The Depot reports quarterly to the State all materials coming into the facility, as required by state solid waste certification. Last year the Depot collected 590,000 lbs. of waste at a cost of \$234,000. There was a drop in collection during covid, but year over year there has been steady increases. Discussion was held on the following:

- How material is tracked after collected? Josh responded that we contract with Republic (US Ecology) based out of Williston and all materials is recorded on a manifest and must be returned to CSWD within 45 days.
- How are we ensuring the safety of staff? Employees are highly trained through on-the-job training, personal protective equipment, a respirator protection plan is in place, safety shower and eyewash stations, and we ask OSHA to do voluntary full audits regularly. Additional safety from vandalism includes locked gates, sprinkler systems, and safety alarm systems at a nonviewable facility.

5. LANDFILL DISCUSSION – S. Reeves presented on the landfill status in Vermont as requested Commissioner Nye. The purpose is to consider future steps as we get closer to the current landfill being at capacity. She stated that based on FY 22 data about 50% of the material going to the landfill could be diverted, including construction and demolition debris, special recycling, and organics. We send about 119,000 tons each year. She noted that Casella operates the one active landfill in Coventry. CSWD has a site that was acquired through eminent domain, “Site 21” at that is fifty-five acres on Redmond Road in Williston. She noted that there is about 20 years left in the Coventry site and can bury about 600,000 tons of material per year. She noted that there are concerns about leachate management and contamination to Lake Memphremagog. Discussion was held on the following:

- Are there alternatives more profitable for private entities to pursue? S. Reeves said that energy can be generated from landfills and are a source of profitability. Once the new MRF is up and running, CSWD will turn their attention to profitable alternatives in the next couple of years.

6. EXECUTIVE SESSION – MOTION BY P. Stabler, Second by A. Nye that the Board of Commissioners of the Chittenden Solid Waste District go into Executive Session to discuss contract negotiations with the City of Burlington regarding the Flynn Avenue property and contract negotiations with the Town of Williston regarding the Host Town Agreement, where premature general public knowledge would clearly place the District, its member municipalities, and other public bodies or persons involved at a substantial disadvantage and to permit authorized staff, other invited interested parties, and the Solid Waste District attorney to be present for this session.

The Board entered Executive Session at 7:14 p.m.

Motion by P. Stabler, Second by A. Nye to adjourn Executive Session and reconvene the meeting. The meeting was reconvened at 8:35 p.m.

Motion by P. Stabler Second by A. Nye to extend the MOU with the City of Burlington regarding the Flynn Avenue property for a period of one year.

VOTING: All ayes. Motion passes.

Motion to adjourn. Moved by P. Stabler; seconded by A. Nye. VOTING: All ayes. Motion passes.
Meeting adjourned at 8:35 p.m.

Amy Jewell, Recording Secretary

I agree that this is an original copy of minutes and they have been approved by motion of the Board of Commissioners at the _____ meeting held in Williston.

Amy Jewell, Secretary

MEMORANDUM

To: Board of Commissioners

From: CSWD Staff

Date: October 19, 2023

Re: Program Updates

- Solid Waste Management Fee and Disposal (Jon and Becky) – (see attached)
 - As of the end of September, from a budget perspective, the SWMF is 7.6% above projected revenues. FY24 revenue is 4.8% higher than FY23 year to date. A large amount of material leaving the Burlington High School redevelopment is driving this surplus. Reporting and payment of this ADC material, which is shipped out-of-state, lags by a month, so expect future month-to-month revisions of the SWMF reported.
 - Landfill destined material for the first quarter of FY23 was up 13% compared to the same period in FY22. Of the overall tonnage, the Municipal Solid Waste (MSW) component was up 0.8%, Construction and Demolition Debris was up 0.6%, and Alternative Daily Cover (fee is 25% of the full rate) was up 77.5%. The pounds per capita per day MSW disposed was 2.85 in the first quarter of FY23 which is slightly more than it was in the for the same period of FY22. As noted, ADC tonnage will be variable over the next few months as construction proceeds at Burlington High School.
- Organics Recycling Facility (Dan) –
 - October marked the opening of the new combined wood and yard waste depot at the ORF.
 - Following the first three weeks of allowing comingled loads of leaves, yard waste and natural wood at the facility, feedback from residents and landscapers alike has been very positive. The new layout and approach is also much appreciated and the number of residents using the food waste drop off area is growing from day to day.
 - September tons of billable food waste were 337. This is 11% more than the prior month and 5% over the FY24 monthly average. YTD totals are 906 tons. This is 89 tons or 30% below YTD budget expectations. Following a slow start to the FY, tonnages are expected to climb over the coming months.
- Materials Recovery Facility (Josh)
 - Updated information will be available next week.
- Marketing & Communications (Alise)

- New Website: The new website launch has been moved to January 2, 2024 to allow staff and their vendor to complete additional enhancements to the new site. The team will continue to maintain the existing site until launch.
- Annual Report: Work on the annual report (due Feb 1 to towns and the public) will begin this month. We will continue with the well-received scaled down version of the report.
- The Holidays are Coming: The 12 Days of Disposal social media campaign will return in December to help educate the public on disposal options of common holiday items such as string lights, wrapping paper, etc.
- Compliance –
 - Load check intensive completed at Casella's Avenue B Transfer Facility 9/22-10/4. One hundred five (105) vehicles inspected. Six (6) assessed a banned material fee. Another 6 noted for follow-up.
 - Annual stormwater inspection completed at Organics Recycling Facility and submitted to State ANR.
- Outreach (Beth): Our newly revamped Waste Warrior program was a huge success. This past summer, we trained 45 volunteers for 35 events, totaling 217 volunteer hours. Thank you to every person who helped us manage waste at local events. Team Outreach is now preparing for our upcoming Winter Wednesday Webinar Series. The first Wednesday of every month (November through March), our team will provide tips and tricks on how to reduce and manage waste. The first webinar starts on November 1.

CHITTENDEN SOLID WASTE DISTRICT

Tons Disposed based on Solid Waste Management Fees (Year over Year)

Month	Total Tons per Month			
	FY 23 tons	FY 24 tons	Tons Diff.	% Diff
Jul	11,558	11,397	-161	-1.4%
Aug	11,729	12,532	802	6.8%
Sep	11,236	12,261	1,025	9.1%
Oct				
Nov				
Dec				
Jan				
Feb				
Mar				
Apr				
May				
Jun				
Total Tons YTD	34,523	36,189	1,666	4.8%
Mgmnt Fee \$ YTD	\$932,120	\$977,114	\$44,994	4.8%

	Tons	\$
FY 24 Budget	123,545	\$3,335,702
FY 24 Actual YTD	36,189	\$977,114
Difference	-87,355	(\$2,358,587)
FY 24 Actual % YTD vs Budget %	29.3%	
YTD % of Months	25.0%	

Chittenden Solid Waste District

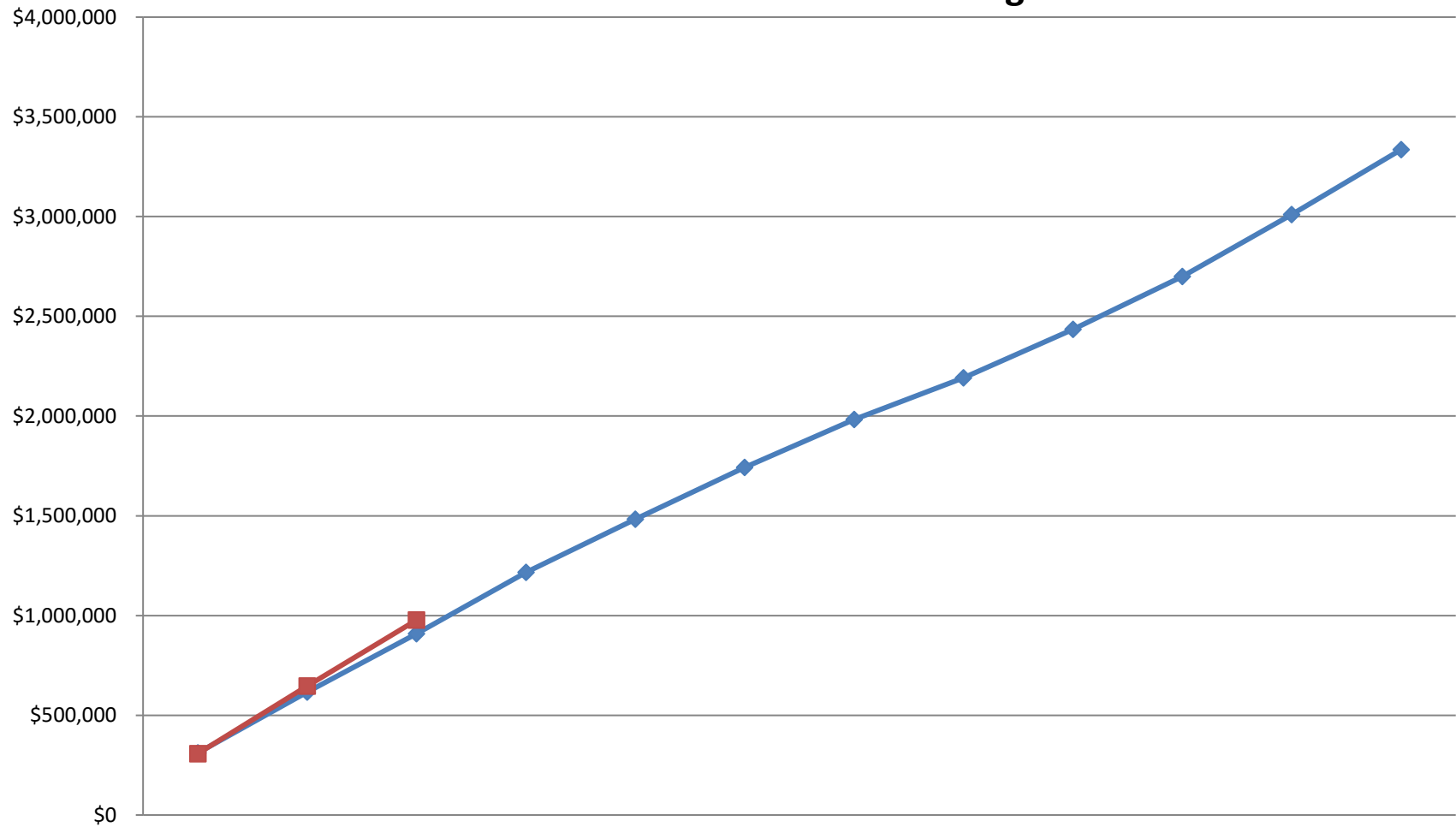
Solid Waste Management Fee FY 24 (Budget versus Actual)

Time	Tons	\$/Ton	\$
FY 24 Budget	123,545	\$27.00	\$3,335,702

\$	Budget \$			Actual		Difference		% of YTD Budget
	Percent	\$ per month	\$ YTD	\$ per month	\$ YTD	\$ per month	\$ YTD	
Jul-23	9.3%	\$311,066	\$311,066	\$307,709	\$307,709	(\$3,357)	-\$3,357	98.9%
Aug-23	9.1%	\$305,095	\$616,161	\$338,353	\$646,062	\$33,258	\$29,901	104.9%
Sep-23	8.8%	\$292,115	\$908,276	\$331,052	\$977,114	\$38,937	\$68,838	107.6%
Oct-23	9.2%	\$307,899	\$1,216,175					
Nov-23	8.0%	\$266,762	\$1,482,937					
Dec-23	7.8%	\$259,428	\$1,742,365					
Jan-24	7.2%	\$240,868	\$1,983,233					
Feb-24	6.3%	\$208,517	\$2,191,750					
Mar-24	7.3%	\$242,566	\$2,434,316					
Apr-24	8.0%	\$265,766	\$2,700,082					
May-24	9.3%	\$309,972	\$3,010,054					
Jun-24	9.8%	\$325,647	\$3,335,702					

TONS	Budget Tons			Actual		Difference	
	Percent	Monthly Tons	Tons YTD	Tons per month	Tons YTD	Tons per month	Tons YTD
Jul-23	9.3%	11,521	11,521	11,397	11,397	(124)	(124)
Aug-23	18.5%	11,300	22,821	12,532	23,928	1,232	1,107
Sep-23	27.2%	10,819	33,640	12,261	36,189	1,442	2,550
Oct-23	36.5%	11,404	45,044				
Nov-23	44.5%	9,880	54,924				
Dec-23	52.2%	9,608	64,532				
Jan-24	59.5%	8,921	73,453				
Feb-24	65.7%	7,723	81,176				
Mar-24	73.0%	8,984	90,160				
Apr-24	80.9%	9,843	100,003				
May-24	90.2%	11,480	111,483				
Jun-24	100.0%	12,061	123,545				

CSWD - Solid Waste Management Fee Revenues Year-To-Date - FY 24 Actual v. FY 24 Budget



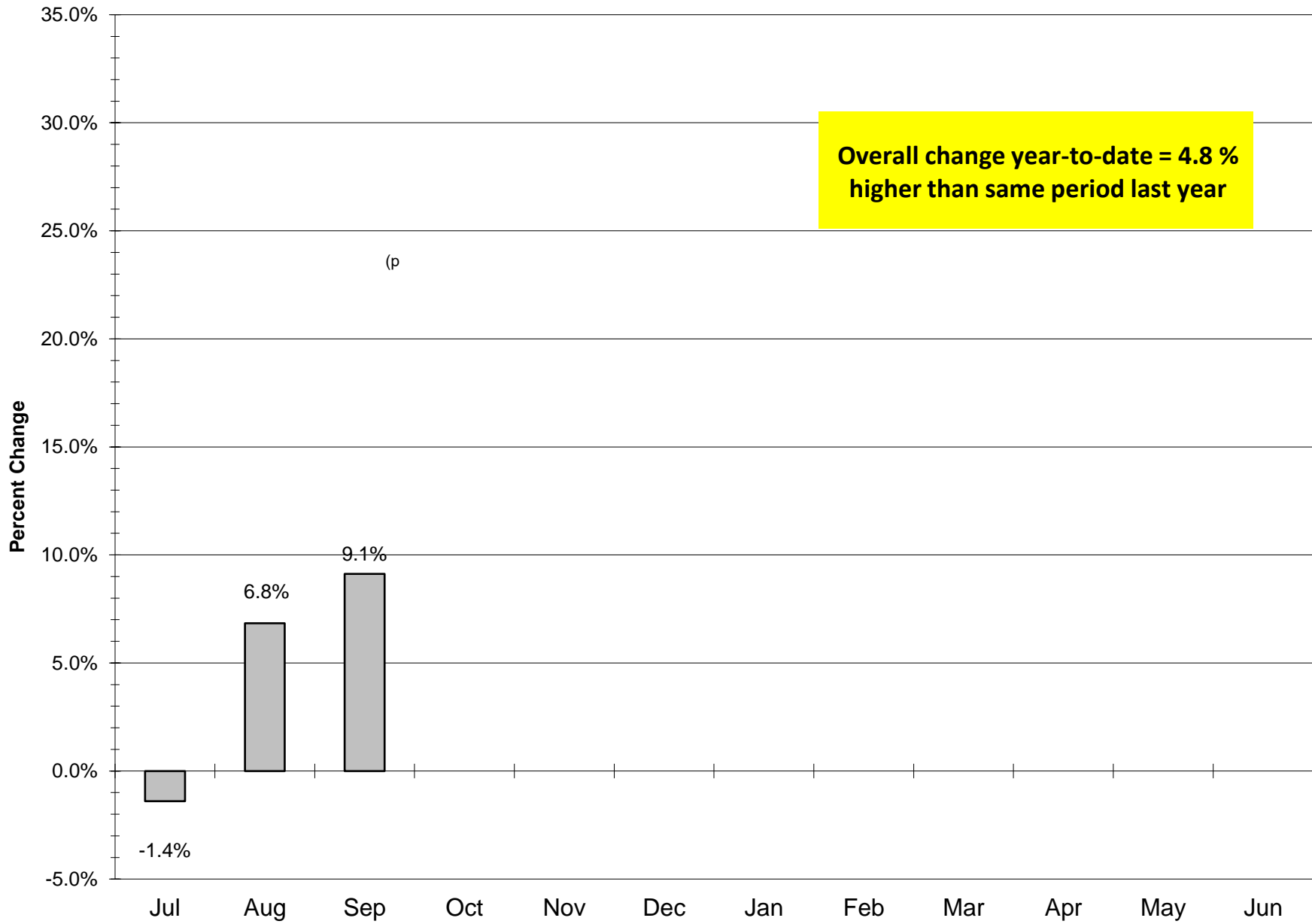
	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
—◆— Budget	\$311,066	\$616,161	\$908,276	\$1,216,175	\$1,482,937	\$1,742,365	\$1,983,233	\$2,191,750	\$2,434,316	\$2,700,082	\$3,010,054	\$3,335,702
—■— Actual	\$307,709	\$646,062	\$977,114									

CHITTENDEN SOLID WASTE DISTRICT

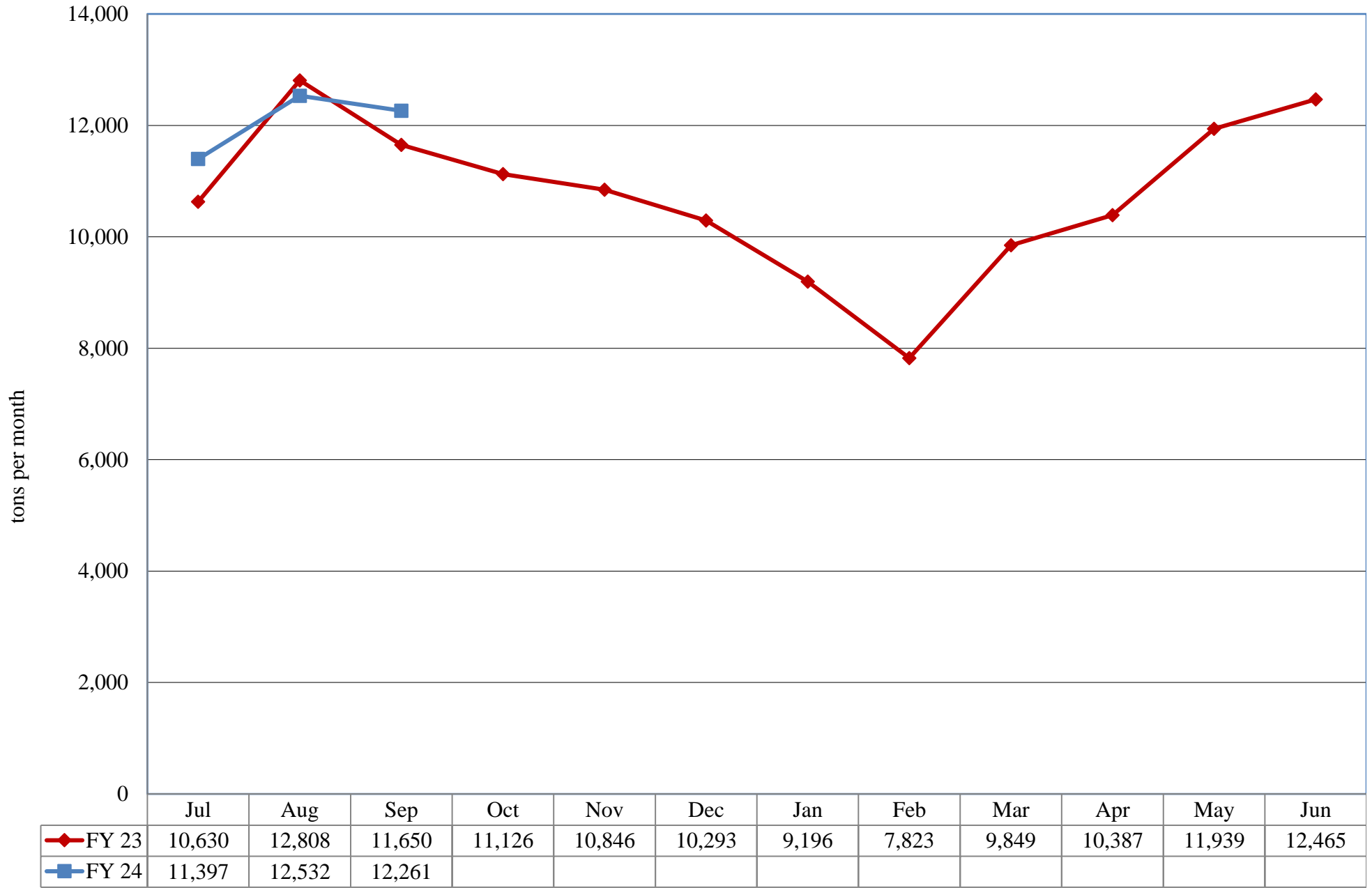
SWMF Tons Refuse Disposed per Operating Weekday

Month	FY 23			FY 24			Difference FY 24 vs FY 23			
	Monthly Tons	# Operating Weekdays	Avg Tons/Day	Monthly Tons	# Operating Weekdays	Avg Tons/Day	Monthly Tons	# Operating Weekdays	Tons/Day Tons	Tons/Day %
Jul	11,558	20	577.9	11,397	20	569.8	-161	0	-8.0	-1.4%
Aug	11,729	23	510.0	12,532	23	544.9	802	0	34.9	6.8%
Sep	11,236	21	535.0	12,261	20	613.1	1,025	-1	78.0	14.6%
Oct		21			22			1	0.0	
Nov		21			21			0	0.0	
Dec		22			20			-2	0.0	
Jan		22			22			0	0.0	
Feb		20			20			0	0.0	
Mar		23			22			-1	0.0	
Apr		20			22			2	0.0	
May		22			22			0	0.0	
Jun		22			20			-2	0.0	
Total	34,523	257		36,189	254		1,666	-3		
Average			134.3			142.5			8.1	6.1%

Difference in SWMF Tons Per Month Disposed
FY24 versus FY23

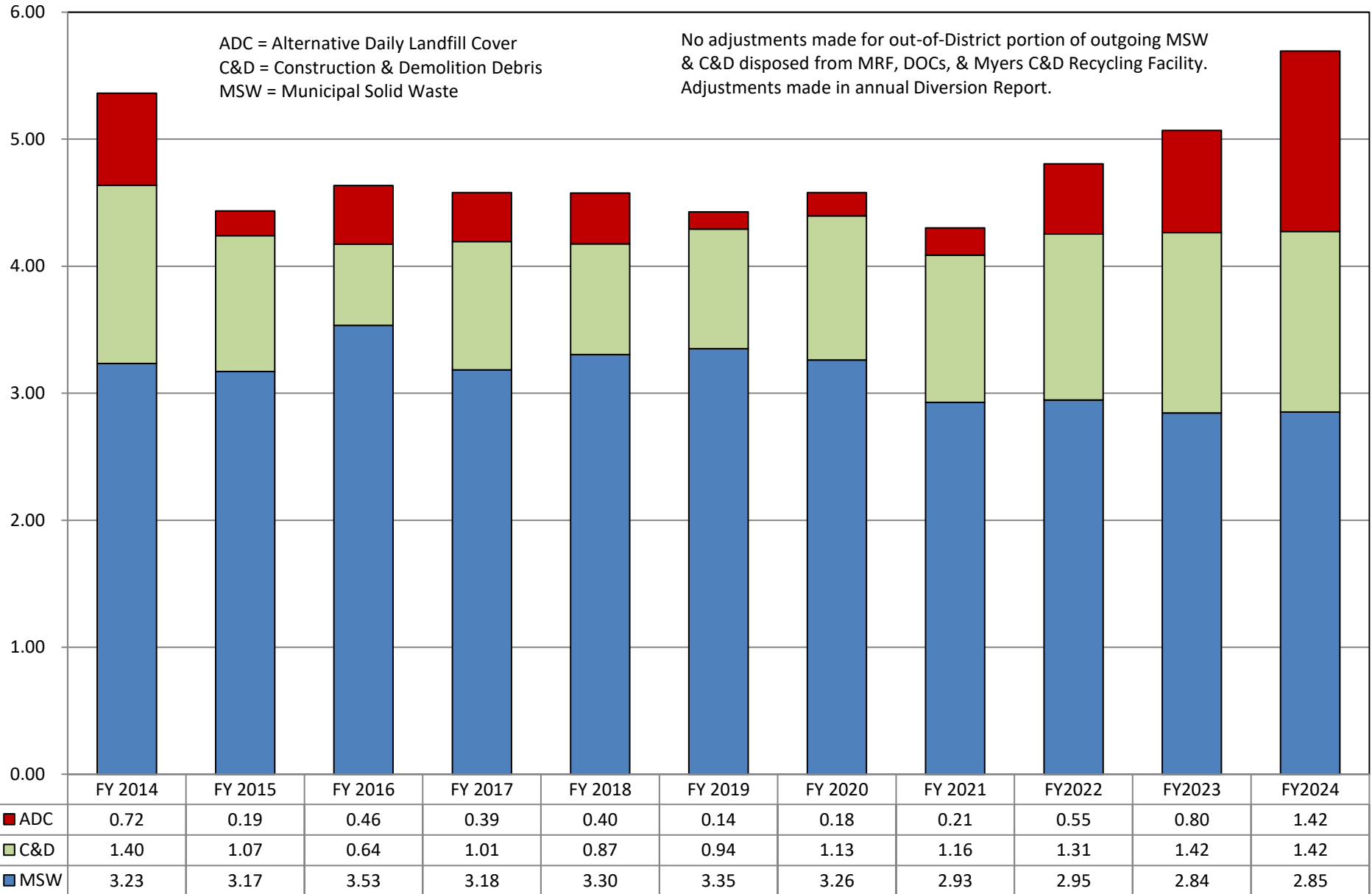


CSWD - SWMF Tons Trash per Month - FY 24 v. FY 23



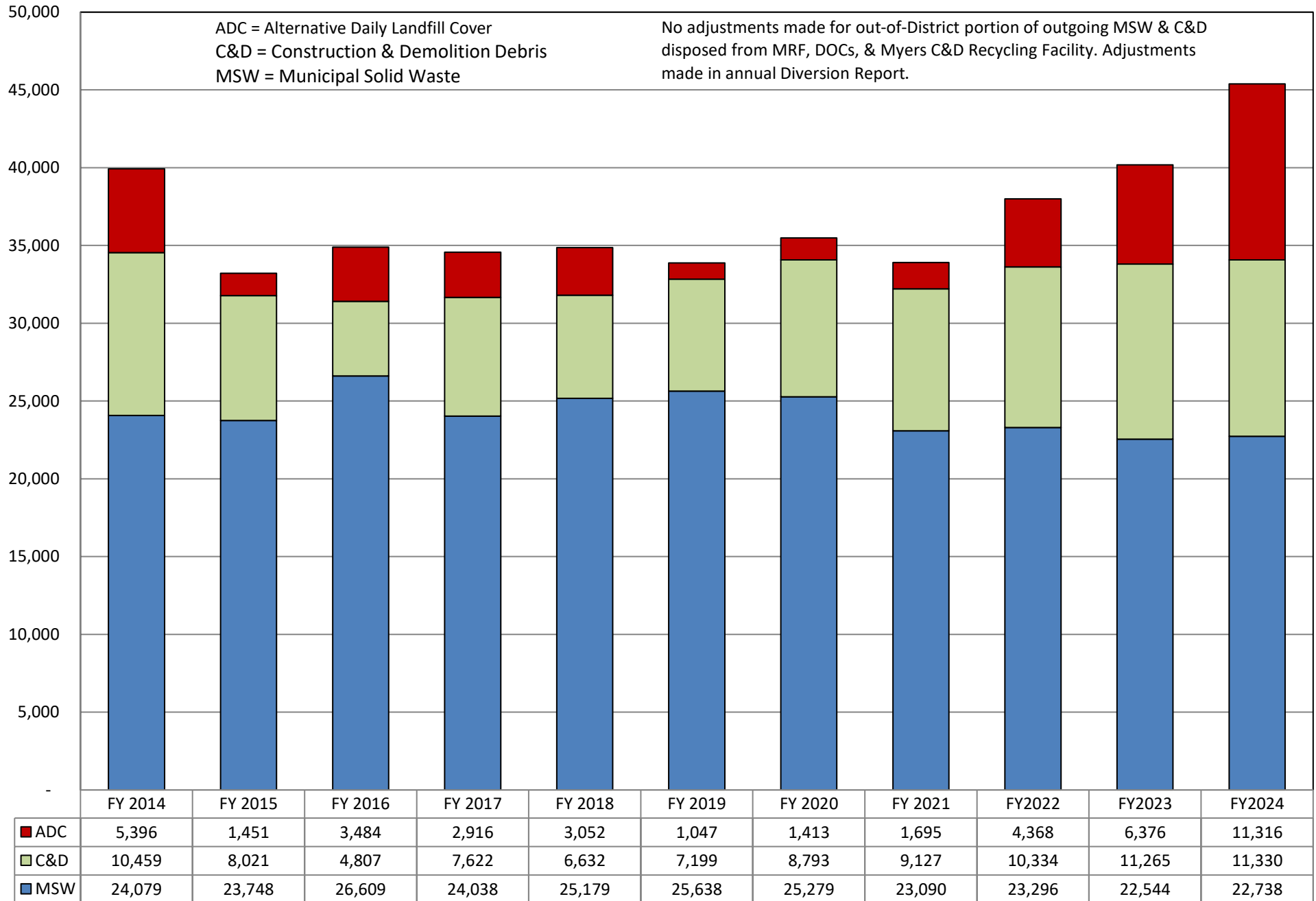
CHITTENDEN SOLID WASTE DISTRICT

Pounds per Capita per Day Landfilled or Incinerated - Fiscal Years 2014-2024 through 1st Quarter



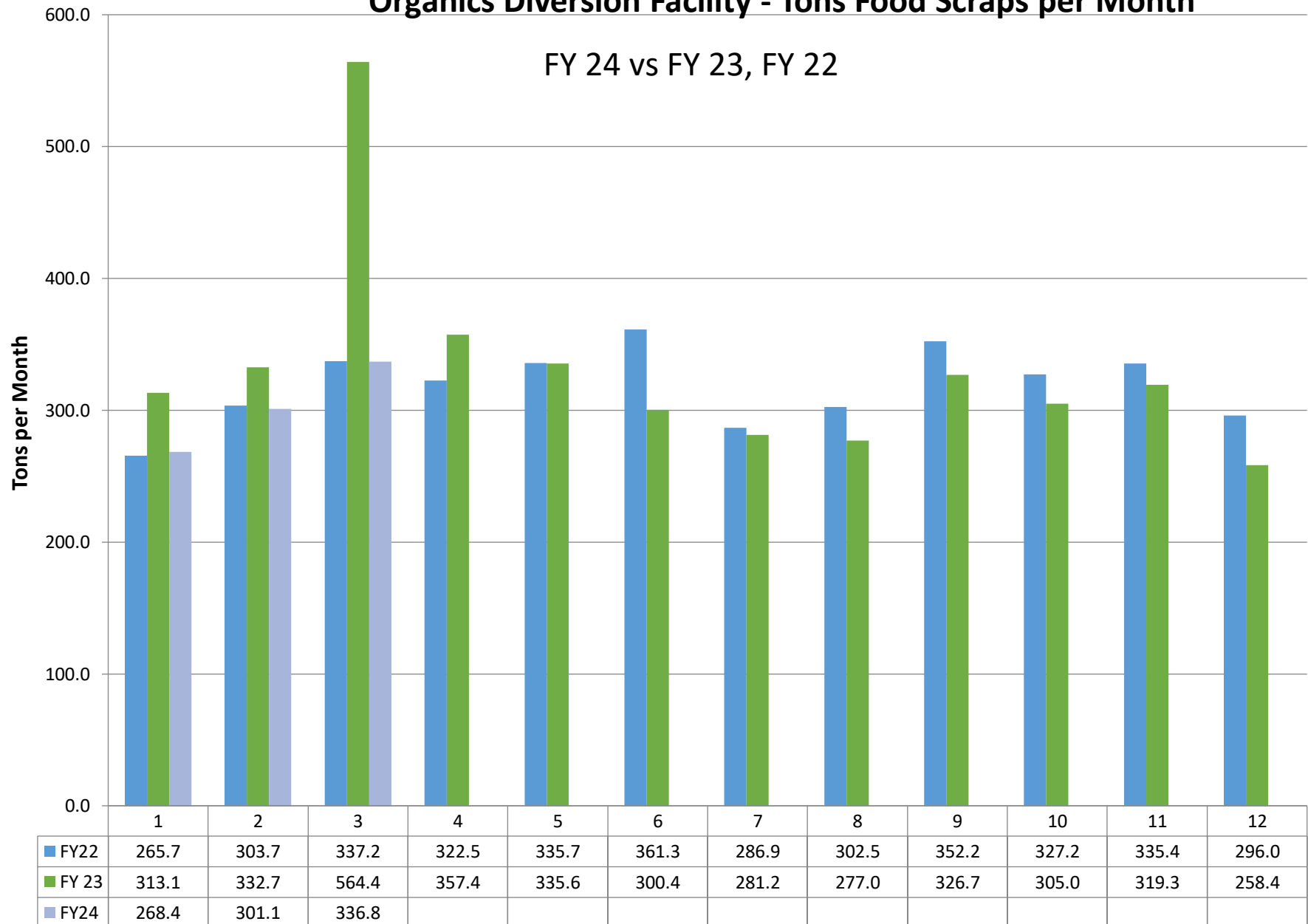
CHITTENDEN SOLID WASTE DISTRICT

Tons Landfilled or Incinerated - Fiscal Years 2014-2024 through 1st Quarter



Organics Diversion Facility - Tons Food Scraps per Month

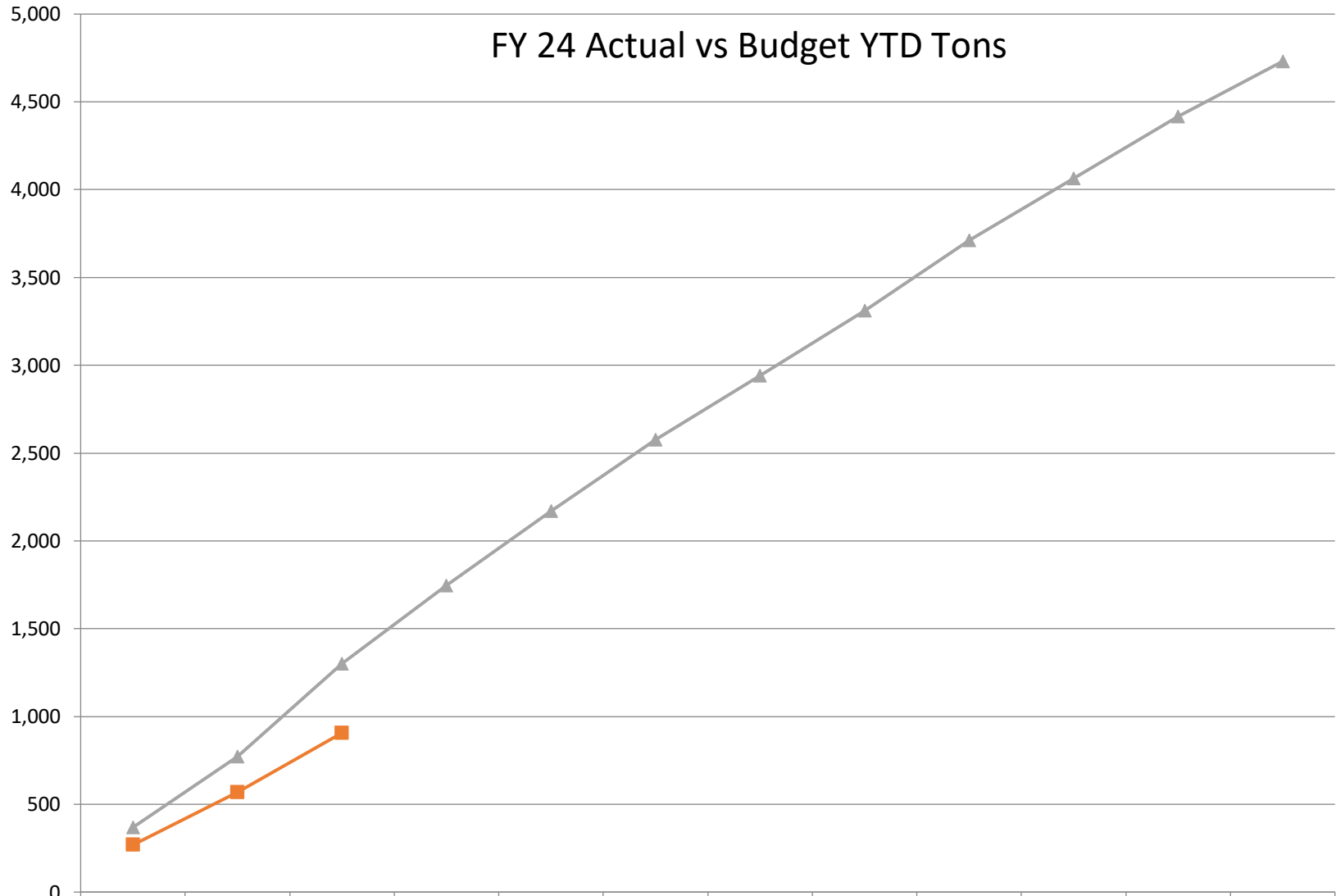
FY 24 vs FY 23, FY 22



Organics Diversion Facility - Incoming Food Scraps

FY 24 Actual vs Budget YTD Tons

Cumulative Year-to-Date Tons



▲ FY 24 Budget	368	772	1,299	1,746	2,170	2,575	2,941	3,310	3,713	4,065	4,418	4,731
■ FY24	268	569	906									

#3.3

TO: Board of Commissioners
FROM: Sarah Reeves
DATE: October 20, 2023
RE: Executive Director Update

September 21 - PRESENT

- **MRF PROJECT UPDATE:** We are meeting weekly with AES and BHS on the system and building design for the new MRF. The goal is to have the design ready by mid-November so that AES can create construction specifications for the construction RFP to be issued in December. Jen Holliday and I toured the Ramsey/Washington Recycling & Energy MRF in Minnesota, and Tony Barbagallo joined us to tour the Outagamie County Recycling & Solid Waste MRF in Wisconsin so that we could see BHS system equipment in action and speak with the operators and maintenance teams. These visits were helpful in providing us with practical boots-on-the-ground information to help us continue to fine tune our system. We came away from the visits enthused about our new system and with suggestions for BHS to “beef up” certain aspects based on the insights we received.
- **MWMA CONFERENCE:** The reason I was in Minnesota to visit the MRFs mentioned above was because I attended the Municipal Waste Management Association Fall Summit in Minneapolis. I’m the Vice President of the Executive Committee for the group, and as such helped moderate a panel on PFAS and the work that the state of MN is doing. They’ve conducted excellent research and I’ll be requesting copies of their reports to help increase our local knowledge of the issue. Other presentations included Extended Producer Responsibility (Vt had several shout-outs for our programs), How to Justify Rate Increases, Data Collection, and Anaerobic Digestion. In 2025, the MWMA Fall Summit will be in Vermont as that’s the year that I’ll be President of the Executive Committee (the summit follows the President).

November 2023

- November 6: Executive Board meeting
- November 10: Veteran’s Day (observed), Administrative Office closed
- November 11: Veteran’s Day, DOCs, Environmental Depot closed, ORF on limited schedule
- November 15: Full Board meeting
- November 23: Thanksgiving, all facilities closed
- November 24: Administrative Office closed, facilities open

#3.4

To: Board of Commissioners
From: Laura Tomasi, Accountant
Date: 10/20/2023
RE: Warrants, Reserves & Cash Balance

The following warrants have been reviewed by the Finance Committee and disbursements have been issued since the last submitted Finance Memo:

Warrant Date	Warrant Amount
09/05/23	\$5,435,921.41
09/19/23	\$740,014.44
10/03/23	\$330,331.83

Reserve balances indicate how much of that cash has been assigned or committed for a particular purpose.

As of, September 30, 2023

Assigned Reserve balances are as follows:

Landfill Post Closure	\$ 608,302.08
Facility Closure	\$ 1,466,061.63
Capital Reserves	\$ 11,184,164.45
Biosolids Reserve	\$ 396,291.00
Community Clean Up	\$ 90,472.22
Solid Waste Reserve	\$ 1,000,000.00
<u>Operating Reserve</u>	<u>\$ 1,750,000.00</u>
Total Designated:	\$ 16,495,291.38
Total Undesignated:	\$ 882,100.64
Cash & Cash Equivalents:	\$ 11,842,424.65
Investments:	\$ 4,234,263.48
Current Liabilities:	\$ 381,454.25



ADMINISTRATIVE OFFICE

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Breakdown of Community Clean Up Reserve by Location as of September 30, 2023:

Bolton	\$ 2,500.00
Burlington	10,000.00
Charlotte	2,500.00
Colchester	7,500.00
Essex Jct	5,000.00
Essex Town	7,500.00
Hinesburg	2,972.22
Huntington	2,500.00
Jericho	5,000.00
Milton	7,500.00
Richmond	5,000.00
Shelburne	5,000.00
S. Burlington	7,500.00
St. George	2,500.00
Underhill	5,000.00
Westford	2,500.00
Williston	5,000.00
Winooski	5,000.00

(p 18)

#3.5

To: Board of Commissioners
From: Nola Ricci, Director of Finance
Date: October 5, 2023
RE: Fiscal Year 2023 Financials

In Fiscal Year 2023, Managers worked toward dividing their budgets month-to-month rather than spread expenses across the total annual budget to better reflect actual or anticipated spends. This is helping Management continue to improve our processes and provide a more realistic budget to actual performance each quarter. As we analyze and compare budget to actual throughout the fiscal year, we will consider modifying the quarterly view of the budget to become more aligned with monthly expectations. There will always be some discrepancy in variance reporting, as not all activities occur within the expected month and not all invoices (payables) are received in a timely fashion. CSWD's practice is to pay invoices within 15 days of receipt upon confirmation of the budget manager. Our policy states that we pay net 30.

SOURCE OF REVENUE REVIEW

Revenue for Chittenden Solid Waste District is derived from three primary and several ancillary sources. The largest source of income is Tipping Fees, named for when haulers literally tip their material out of their trucks at the Material Recovery Facility or the Organics Diversion Facility. Tip fees also encompass fees paid by customers for the material collected and managed at the Drop Off Centers. We have begun to segregate revenue associated with Special Waste (tires, construction, scrap metal, textiles) and internally report it as a subset of DOC tipping fees to better highlight tip fees from "everyday" materials like bagged trash, recycling, and food scraps. This will aid us in our analysis of DOC fees to ensure that we are covering the operating and capital costs of the program through the fees generated.

Another significant source of income is from the Solid Waste Management Fee. As established by the Solid Waste Management Ordinance the Chittenden Solid Waste District imposes a fee of \$27/ton on trash generated in Chittenden County and disposed at the landfill in Coventry. This revenue supports District administrative functions as well as supporting, and at times subsidizing, the costs of regulating, licensing and enforcing the permissible management of solid waste within the district.

A third primary source of income is through the Sale of Material which includes MRF sorted recycled material, compost and compost products, and recycled paint as associated with our

inventory. Other materials sold include scrap metal, batteries, bins and containers and other miscellaneous material.

Additional ancillary revenue sources are generated through the contracted management of biosolids, license fees, hazardous waste collection, rent, product stewardship reimbursements, grants and interest as generated through cash management.

HIGHLIGHTS

Revenue

Overall, income met expectations. Hazardous Waste revenue was higher than expected, offering an additional \$29 thousand to revenue sources. Unfortunately, Recycled Material Sales were under budget causing Sale of Materials to fall to 89% of expected value. Interest was significantly higher than expected and investments provided dividend income.

Expenses

Expenses are costs associated with the operation, communication, and administration of CSWD.

Cost of Goods Sold are commodities directly related to the sale of material from recycled material, compost, paint and bins & containers (an example is the sand we purchase to add to our compost to produce topsoil). Often these materials are purchased in advance of sales and held at their corresponding facility. At the end of each fiscal year these sellable items are counted and included in the inventory totals as listed on the balance sheet. At the end of fiscal year 2023, CSWD reduced by \$200 thousand in material held for sale. As seasonal production winds down and inventory continues to be available, CSWD typically sees a reduction in the purchases of cost of good sold as inventory already available for sale Organics costs increased to 152% over expectations. However, overall costs of goods remained at expectations.

Payroll Expenses include both wages and benefits paid to staff. Although some departments saw an increase in overtime, overall wages and benefits were as expected. Travel & Training, Administrative Costs, and Professional Fees are all under the expected value by approximately 60%. Equipment & Fleet and Supplies were slightly below expectation. Materials Management and Property Management totaled as expected. Promotion & Education was approximately half of expectation. Community Support is significantly under budget. While Community Clean Up Fund increased in this fiscal year, less than 30% of the allotted monies were used.

Balance Sheet

The Balance Sheet includes CSWD Assets, Liabilities and Equity.

Cash & Cash Equivalents include monies in checking and money market accounts. These are currently in excess of our daily operational needs and may be available for short-term investments. Finance staff is conducting a cash needs analysis to provide the Investment Committee with additional information regarding short-term investments. CSWD staff encourages Commissioners interested in this topic attend Investment Committee meetings.

Accounts Receivable are monies outstanding on account by customers and expected to be received within 60 days. Thanks to the efforts of our Accounts Receivable Specialist, delinquent accounts are not ordinary, and most customers pay within 30 days. Other current assets include prepaid expenses (costs paid in advance), inventory (as discussed above), and the security deposit. The Paint Depot has completed their transition back into the Environmental Depot building and we have received the return of the security deposit.

Fixed Assets include assets in use, depreciation of assets and those in progress (or under construction).

Current Liabilities are costs to be paid within one year, most include those associated with bills, payroll taxes, benefits due, and sales tax. Post Closure Payable-Current, the amount expected to be due to the Closed Landfill within the year, will be adjusted upon discussion with the auditors. Unearned Revenue is primarily the amount received for the MOU with the City of Burlington. Additionally, there is still a balance of nearly \$2,000 in unused Organics gift certificates. It is unknown whether or not these will ever be received, we will discuss with the auditors the appropriate steps regarding this ongoing liability.

Long Term Liabilities include any liability whose due date exceeds one year, including the Post Closure noncurrent Payable. Compensated Absences Payable was depleted in FY23, per the recent update to Personnel Rules, no employee will carry forward paid-time-off for more than one year.

Equity includes the balances of our Reserve accounts and our Investment in Capital Assets. As presented to the Board in previous meetings, the Landfill Post Closure Reserve and Biosolids



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Reserve have been redesignated as Restricted Funds. With the exception of the Undesignated Fund, all remaining reserves are designated and not restricted.

CSWD continues to practice within the approved budget and maintains a 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
Budget vs. Actual
FY 2023

	Amount	Budget Amount	Amount Over Budget	% of Budget
Income				
Tipping Fees	\$5,900,340.66	\$6,317,097.06	(\$416,756.40)	93.40%
Special Materials	\$77,999.84	\$59,250.00	\$18,749.84	131.65%
Hazardous Waste	\$97,009.70	\$68,000.04	\$29,009.66	142.66%
Biosolids	\$1,350,510.45	\$1,279,437.00	\$71,073.45	105.56%
Solid Waste Management	\$3,476,118.25	\$3,381,750.00	\$94,368.25	102.79%
Sale of Materials	\$2,261,552.62	\$2,540,711.09	(\$279,158.47)	89.01%
License Fees, Fines & Penalties	\$15,422.80	\$14,910.00	\$512.80	103.44%
Rental Income	\$73,500.00	\$71,400.00	\$2,100.00	102.94%
Product Stewardship & Reimbursements	\$171,501.80	\$190,699.96	(\$19,198.16)	89.93%
Interest & Dividends	\$172,201.97	\$2,000.04	\$170,201.93	8,609.93%
Grant Revenue	\$106,850.00	\$106,470.00	\$380.00	100.36%
Equipment Sale	(\$5,437.09)	\$0.00	(\$5,437.09)	0.00%
Other Income	\$186.70	\$0.00	\$186.70	0.00%
Total - Income	\$13,697,757.70	\$14,031,725.19	(\$333,967.49)	97.62%
Cost Of Sales				
Organics	\$203,145.27	\$133,730.04	\$69,415.23	151.91%
Bins & Containers	\$1,117.14	\$19,467.00	(\$18,349.86)	5.74%
Paint	(\$3,855.41)	\$19,000.00	(\$22,855.41)	-20.29%
Total - Cost Of Sales	\$200,407.00	\$172,197.04	\$28,209.96	116.38%
Gross Profit	\$13,497,350.70	\$13,859,528.15	(\$362,177.45)	97.39%
Expense				
Payroll Expense				
Salaries & Wages	\$3,236,494.50	\$3,349,221.25	(\$112,726.75)	96.63%
Benefits	\$1,374,523.91	\$1,455,105.35	(\$80,581.44)	94.46%
Total - Payroll Expense	\$4,611,018.41	\$4,804,326.60	(\$193,308.19)	95.98%
Travel & Training	\$47,516.31	\$96,568.00	(\$49,051.69)	49.21%
Administrative Costs	\$77,611.38	\$123,473.92	(\$45,862.54)	62.86%
Professional Fees	\$201,044.33	\$318,329.96	(\$117,285.63)	63.16%
Equipment & Fleet	\$630,965.98	\$772,967.19	(\$142,001.21)	81.63%
Supplies	\$105,326.04	\$119,623.04	(\$14,297.00)	88.05%
Materials Management	\$5,573,513.28	\$6,150,777.96	(\$577,264.68)	90.61%
Property Management	\$548,396.16	\$490,260.63	\$58,135.53	111.86%
Promotion & Education	\$115,466.06	\$209,801.96	(\$94,335.90)	55.04%
Community Support	\$32,346.10	\$109,549.96	(\$77,203.86)	29.53%
Total - Expense	\$11,943,204.05	\$13,195,679.22	(\$1,252,475.17)	90.51%
Net Ordinary Income	\$1,554,146.65	\$663,848.93	\$890,297.72	234.11%
Other Income and Expenses				
Other Income				
Subsidies & Transfers				
CCUF Transfer	\$27,322.85	\$95,000.00	(\$67,677.15)	28.76%
Transfer Capital Reserve	\$136,752.63	\$0.00	\$136,752.63	0.00%
Total - Subsidies & Transfers	\$164,075.48	\$95,000.00	\$69,075.48	\$0.29
Total - Other Income	\$164,075.48	\$95,000.00	\$69,075.48	\$0.29
Other Expense				
Reserve Transfers				
Transfer Solid Waste Management Reserve	\$958,298.63	\$520,703.14	\$437,595.49	184.04%
Transfer Operating Reserve	\$599,239.14	\$380,689.17	\$218,549.97	157.41%
Transfer Biosolids Reserve	\$107,442.32	\$46,375.00	\$61,067.32	231.68%
Transfer Facility Closure Reserve	\$1,883.32	\$0.00	\$1,883.32	0.00%
Transfer Landfill Post Closure Reserve	\$51,358.72	(\$188,918.38)	\$240,277.10	-27.19%
Transfer Investment in Assets	(\$1,019,261.98)	\$0.00	(\$1,019,261.98)	0.00%
Total - Reserve Transfers	\$698,960.15	\$758,848.93	(\$59,888.78)	92.11%
Year End Adjustments				
Depreciation	\$1,019,261.98	\$0.00	\$1,019,261.98	0.00%
Total - Year End Adjustments	\$1,019,261.98	\$0.00	\$1,019,261.98	0.00%
Total - Other Expense	\$1,718,222.13	\$758,848.93	\$959,373.20	226.42%
Net Other Income	(\$1,554,146.65)	(\$663,848.93)	(\$890,297.72)	234.11%
Net Income	\$0.00	\$0.00	\$0.00	0.00%

Chittenden Solid Waste District
Comparative Balance Sheet
End of Jun 2023 v End of Jun 2022

	As of Jun 2023	As of Jun 2022	Variance	% Variance
Assets				
Current Assets				
Checking	\$5,483,104.38	\$10,966,041.16	(\$5,482,936.78)	-50.00%
Cash on Hand	\$2,500.00	\$2,550.00	(\$50.00)	-1.96%
Savings	\$4,399,401.29	\$4,347,836.52	\$51,564.77	1.19%
Investment	\$4,270,487.54	\$54,591.96	\$4,215,895.58	7,722.56%
Accounts Receivable	\$2,124,394.14	\$1,962,949.71	\$161,444.43	8.22%
Undeposited Funds	\$6,277.30	\$0.00	\$6,277.30	0.00%
Prepaid Expense	\$114,166.15	\$76,325.08	\$37,841.07	49.58%
Inventory Asset	\$209,650.83	\$404,233.63	(\$194,582.80)	-48.14%
Security Deposit	\$0.00	\$2,000.00	(\$2,000.00)	-100.00%
Total Current Assets	\$16,609,981.63	\$17,816,528.06	(\$1,206,546.43)	-6.77%
Fixed Assets				
Capital Assets	\$27,042,662.97	\$26,505,517.63	\$537,145.34	2.03%
Accumulated Depreciation	(\$13,967,813.71)	(\$13,111,455.32)	(\$856,358.39)	6.53%
Capital Assets in Progress	\$2,599,861.49	\$313,939.62	\$2,285,921.87	728.14%
Total Fixed Assets	\$15,674,710.75	\$13,708,001.93	\$1,966,708.82	14.35%
Total Assets	\$32,284,692.38	\$31,524,529.99	\$760,162.39	2.41%
Liabilities & Equity				
Current Liabilities				
Accounts Payable	\$781,666.97	\$532,327.60	\$249,339.37	46.84%
Credit Card	\$7,992.80	\$4,203.88	\$3,788.92	90.13%
Current Liabilities	\$549,801.34	\$264,154.41	\$285,646.93	108.14%
Unearned Revenue	\$110,082.84	\$98,060.84	\$12,022.00	12.26%
Total Current Liabilities	\$1,449,543.95	\$898,746.73	\$550,797.22	61.29%
Long Term Liabilities				
Post Closure Payable - noncurrent	\$378,379.37	\$378,379.37	\$0.00	0.00%
Compensated Absences Payable	\$0.00	\$319,099.14	(\$319,099.14)	-100.00%
Total Long Term Liabilities	\$378,379.37	\$697,478.51	(\$319,099.14)	-45.75%
Equity				
Investment in Capital Assets	\$13,074,849.26	\$13,394,062.31	(\$319,213.05)	-2.38%
Facilities Closure Reserve	\$1,466,061.63	\$1,464,178.31	\$1,883.32	0.13%
Solid Waste Management Reserve	\$1,958,298.63	\$1,000,000.00	\$958,298.63	95.83%
Operating Reserve	\$2,349,239.14	\$1,750,000.00	\$599,239.14	34.24%
Capital Reserve	\$9,653,949.53	\$10,490,751.09	(\$836,801.56)	-7.98%
Landfill Post Closure Reserve	\$608,302.08	\$541,943.36	\$66,358.72	12.24%
Biosolids Reserve	\$396,291.00	\$288,848.68	\$107,442.32	37.20%
Community Clean Up Reserve				
CCUF Bolton	\$0.00	\$2,500.00	(\$2,500.00)	-100.00%
CCUF Burlington	\$10,000.00	\$10,000.00	\$0.00	0.00%
CCUF Charlotte	\$4,965.22	\$5,000.00	(\$34.78)	-0.70%
CCUF Colchester	\$5,800.00	\$7,500.00	(\$1,700.00)	-22.67%
CCUF Essex Jct	\$4,250.00	\$5,000.00	(\$750.00)	-15.00%
CCUF Essex Town	\$7,500.00	\$7,500.00	\$0.00	0.00%
CCUF Hinesburg	\$5,000.00	\$5,000.00	\$0.00	0.00%
CCUF Huntington	\$2,500.00	\$2,500.00	\$0.00	0.00%
CCUF Jericho	\$0.00	\$5,000.00	(\$5,000.00)	-100.00%
CCUF Milton	\$3,161.93	\$7,500.00	(\$4,338.07)	-57.84%
CCUF Richmond	\$5,000.00	\$5,000.00	\$0.00	0.00%
CCUF Shelburne	\$5,000.00	\$5,000.00	\$0.00	0.00%
CCUF South Burlington	\$7,500.00	\$7,500.00	\$0.00	0.00%
CCUF St. George	\$2,500.00	\$2,500.00	\$0.00	0.00%
CCUF Underhill	\$4,500.00	\$5,000.00	(\$500.00)	-10.00%
CCUF Westford	\$0.00	\$2,500.00	(\$2,500.00)	-100.00%
CCUF Williston	\$0.00	\$5,000.00	(\$5,000.00)	-100.00%
CCUF Winooski	\$0.00	\$5,000.00	(\$5,000.00)	-100.00%
Total - Community Clean Up Reserve	\$67,677.15	\$95,000.00	(\$27,322.85)	-28.76%
Undesignated	\$921,855.00	\$936,855.00	(\$15,000.00)	-1.60%
Prior Year Adjustment	(\$39,754.36)	(\$33,334.00)	(\$6,420.36)	19.26%
Retained Earnings	(\$0.00)	(\$0.00)	\$0.00	0.00%
Net Income	\$0.00	\$0.00	\$0.00	0.00%
Total Equity	\$30,456,769.06	\$29,928,304.75	\$528,464.31	1.77%
Total Liabilities & Equity	\$32,284,692.38	\$31,524,529.99	\$760,162.39	2.41%



#3.6

ADMINISTRATIVE OFFICE

19 Gregory Drive, Suite 204
South Burlington, VT 05403

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To: Board of Commissioners, Finance Committee
From: Nola Ricci, Director of Finance
Date: June 06, 2023
RE: FY22 Audit

The Government Auditing Standards, issued by the Comptroller General of the United States, in conjunction with the Chittenden Solid Waste District charter, requires an annual audit of the CSWD 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. In compliance of those terms, RHR Smith & Company, CPAs was hired to perform as independent auditors for the fiscal year 2022 financial statements.

On May 15, 2023, RHR Smith & Company, CPAs concluded in an audit report that audit evidence obtained from CSWD management was sufficient and appropriate to provide an audit opinion. Thereafter, they expressed the opinion that the financial statements for fiscal year 2022 were presented fairly, in all material respects, and are in accordance with accounting principles generally accepted in the United States.



Proven Expertise & Integrity

May 15, 2023

Board of Commissioners
Chittenden Solid Waste District
1021 Redmond Road
Williston, Vermont 05495

We have audited the financial statements of the business-type activities of the Chittenden Solid Waste District for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 6, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Chittenden Solid Waste District are described in Note 1 of Notes to Financial Statements. All significant transactions have been recognized in the financial statements in the proper period.

As described in Note 1 of Notes to Financial Statements, the Chittenden Solid Waste District changed accounting policies related to Governmental Accounting Standards Board No. 87, "*Leases*", GASB Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*", GASB Statement No. 91, "*Conduit Debt Obligations*", GASB Statement No. 92, "*Omnibus 2020*", GASB Statement No. 93, "*Replacement of Interbank Offered Rates (paragraphs 13-14)*" and GASB Statement No. 97, "*Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*" in 2022. There was no impact in the financial statements based on the cumulative effect of these accounting changes.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the business-type activities of the Chittenden Solid Waste District's financial statements were:

Allowance for uncollectible accounts
Depreciation expense which is based on the estimated useful lives of capital assets
Accrued compensation
Post-closure costs payable

Management's process for determining the above estimates is based on firm concepts and reasonable assumptions of both historical and future events. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements are reflected in the capital assets, other long-term obligations and net position footnotes.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial and communicate them to the appropriate level of management. A schedule of any uncorrected misstatements has been presented to management with the management representation letter. We identified and proposed adjustments of misstatements as a result of audit procedures that were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 5, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Chittenden Solid Waste District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

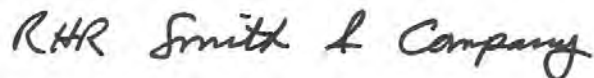
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Chittenden Solid Waste District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

However, we noted certain other matters that we reported to management of the Chittenden Solid Waste District in a separate letter dated April 3, 2023.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the Chittenden Solid Waste District and is not intended to be and should not be, used by anyone other than these specified parties.

Very Best,

A handwritten signature in dark ink that reads "RHR Smith & Company". The signature is written in a cursive, flowing style.

RHR Smith & Company, CPAs



April 3, 2023

Board of Commissioners
Chittenden Solid Waste District
1021 Redmond Road
Williston, VT 05495

MANAGEMENT LETTER

In planning and performing our audit of the financial statements of the business-type activities of the Chittenden Solid Waste District as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control. We did so to determine our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for expressing our opinion on the effectiveness of the Chittenden Solid Waste District's internal control over financial reporting or compliance.

Management is responsible for the selection and use of appropriate accounting policies and procedures. The significant accounting policies and procedures practiced by the Chittenden Solid Waste District are described in Note 1 of Notes to Financial Statements. In performing our test work and other auditing procedures, we noted no transactions of the Chittenden Solid Waste District for the above-mentioned year end audited, for which there was a lack of authoritative guidance or consensus or deviation from best practice.

This report is intended solely for the information and use of the Board of Commissioners, management, and others within the entity and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

These matters do not modify our opinion on the financial statements for the year ended June 30, 2022, where we expressed an unmodified opinion on our independent auditors' report dated May 15, 2023.

We would like to thank Nola and all of the staff at the Chittenden Solid Waste District for their cooperation throughout this audit process.

If there are any questions regarding this letter, please do not hesitate to call.

Very Best,

A handwritten signature in dark ink that reads "RHR Smith & Company". The signature is written in a cursive, flowing style.

RHR Smith & Company, CPAs

3 Old Orchard Road, Buxton, Maine 04093
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Audited Financial Statements
and Other Financial Information

Chittenden Solid Waste District

(page 18)

June 30, 2022



Proven Expertise & Integrity

CHITTENDEN SOLID WASTE DISTRICT

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JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Chittenden Solid Waste District
Williston, Vermont

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of the Chittenden Solid Waste District, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Chittenden Solid Waste District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Chittenden Solid Waste District as of June 30, 2022 and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Chittenden Solid Waste District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Chittenden Solid Waste District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit 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 Chittenden Solid Waste District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Chittenden Solid Waste District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2023 on our consideration of the Chittenden Solid Waste District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Chittenden Solid Waste District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Chittenden Solid Waste District's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
May 15, 2023

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

(UNAUDITED)

The following management's discussion and analysis of Chittenden Solid Waste District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the District's financial statements.

Financial Statement Overview

The Chittenden Solid Waste District's basic financial statements include the following components: 1) government-wide financial statements and 2) notes to the financial statements.

Basic Financial Statements

The basic financial statements include financial information in the government-wide financial statements. There are no fund financial statements as the District 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.

The District's financial statements provide a broad view of the District'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 District'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 District's financial statements include the following 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, Expenses 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.

Statement of Cash Flows - this statement presents information on the effects changes in assets, deferred outflows of resources, liabilities, deferred inflows of resources and operations have on cash during the course of the fiscal year.

All of the above-mentioned financial statements have been presented for the District'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 District includes all the activities of the District.

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

Proprietary Funds: The Chittenden Solid Waste District maintains one enterprise fund, the Waste Management 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 District's financials.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District's financial statements. The Notes to Financial Statements can be found following the Statement of Cash Flows.

Financial Analysis of the District as a Whole

Our analysis below focuses on the net position and changes in net position of the District's business-type activities. The District's total net position increased by \$4,135,474 from \$25,792,831 to \$29,928,305.

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 \$15,931,452 at the end of this year.

Table 1
Chittenden Solid Waste District
Net Position
June 30,

	<u>2022</u>	<u>2021 (Restated)</u>
Assets:		
Current Assets	\$ 17,816,527	\$ 14,075,187
Noncurrent Assets - Capital Assets	<u>13,708,004</u>	<u>13,723,045</u>
Total Assets	<u>31,524,531</u>	<u>27,798,232</u>
Liabilities:		
Current Liabilities	962,568	1,282,796
Noncurrent Liabilities	<u>633,658</u>	<u>722,605</u>
Total Liabilities	<u>1,596,226</u>	<u>2,005,401</u>
Net Position:		
Net Investment in Capital Assets	13,708,004	13,723,045
Restricted	288,849	221,879
Unrestricted	<u>15,931,452</u>	<u>11,847,907</u>
Total Net Position	<u>\$ 29,928,305</u>	<u>\$ 25,792,831</u>

Revenues and Expenses

Revenues for the District's business-type activities increased by 11.71%, while total expenses increased by 3.79%. The largest increases in revenues were in material sales and other. The largest increase in expenses were in drop-off centers and administration and unclassified.

Table 2
Chittenden Solid Waste District
Change in Net Position
For the Years Ended December 31,

	<u>2022</u>	<u>2021</u>
Revenues		
Tipping fees	\$ 7,567,356	\$ 7,772,544
Solid waste management fees	3,409,238	3,263,750
Material sales and other	5,049,702	3,309,482
Total Revenues	<u>16,026,296</u>	<u>14,345,776</u>
Expenses		
Materials recovery facility	2,180,265	3,134,724
Outreach and communications	918,473	797,537
Organics diversion facility	1,108,926	1,076,749
Drop-off centers	3,081,371	2,907,470
Hazardous waste program	796,617	644,617
Biosolids program	1,278,154	1,187,806
Special projects	188,911	166,545
Future project development	125,872	141,801
Finance	584,973	442,969
Administration and unclassified	856,181	376,577
Enforcement	168,291	130,517
Property management and unallocated maintenance	64,211	65,118
Change in estimated future landfill post-closure costs	63,145	(60,267)
Depreciation	1,006,251	956,316
Total Expenses	<u>12,421,641</u>	<u>11,968,479</u>
Nonoperating revenues (expenses)	<u>530,819</u>	<u>762,100</u>
Change in Net Position	4,135,474	3,139,397
Net Position - July 1, Restated	<u>25,792,831</u>	<u>22,653,434</u>
Net Position - June 30	<u>\$ 29,928,305</u>	<u>\$ 25,792,831</u>

Capital Asset and Long-Term Debt Administration

Capital Assets

As of June 30, 2022, the net book value of capital assets recorded by the District decreased by \$15,041 from the prior year. This decrease is the result of current year additions of \$1,046,549, net disposals of \$55,339 less depreciation expense of \$1,006,251.

Table 3
Chittenden Solid Waste District
Capital Assets (Net of Depreciation)
June 30,

	2022	2021 (Restated)
Land	\$ 5,290,801	\$ 5,290,801
Construction in progress	313,940	161,218
Land and building improvements	3,782,706	3,921,728
Vehicles, machinery and equipment	4,238,031	4,349,298
Software	82,526	-
Total	<u>\$ 13,708,004</u>	<u>\$ 13,723,045</u>

Debt

As of June 30, 2022, the District had no debt.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

- The rate set for the Solid Waste Management Fee (SWMF) remains unchanged for FY23 at \$27.00 per ton - the rate that has been in effect since September 2013. We have budgeted a significant decline in MSW tons disposed in FY23. Strong economic times have historically resulted in an increase in the amount of trash landfilled, however with the continuation of the COVID19 pandemic, these times are uncertain, and we have accounted for the possibility of a significant decrease in solid waste. The Finance Committee has continued the process of exploring alternatives for a long-term sustainable revenue stream to supplement or replace the SWMF in the future.
- The tip fee for food scraps will increase in FY23 and again in FY24.

- Tipping Fees in the Materials Recovery Facility will increase in FY24 in order to compensate for contractual increases in third-party operating costs.
- The FY23 operating expense budget for the District shows an increase due to inflation and Hauling Services for PGA.
- The FY23 capital budget includes funding for Phase 2 Site Expansion Project at the Organics Diversion Facility.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance at 1021 Redmond Road, Williston, Vermont 05495 or at finance@cswd.net.

CHITTENDEN SOLID WASTE DISTRICT

STATEMENT A

STATEMENT OF NET POSITION
JUNE 30, 2022

	2022	2021 (Restated)
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 15,316,428	\$ 11,230,023
Investments	54,592	54,223
Accounts receivable (net of allowance for uncollectibles)	1,962,949	2,088,929
Inventories	404,233	471,748
Prepaid items	78,325	230,264
Total current assets	<u>17,816,527</u>	<u>14,075,187</u>
Noncurrent assets:		
Capital assets:		
Land and other assets not being depreciated	5,604,741	5,452,019
Buildings, improvements and equipment, net of accumulated depreciation	8,103,263	8,271,026
Total noncurrent assets	<u>13,708,004</u>	<u>13,723,045</u>
TOTAL ASSETS	<u>\$ 31,524,531</u>	<u>\$ 27,798,232</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 541,797	\$ 900,951
Accrued expenses	37,394	-
Accrued payroll and benefits payable	59,664	141,960
Accrued compensation time	16,181	-
Unearned revenue	98,061	47,623
Security deposits payable	7,350	7,350
Settlement payable	-	79,536
Accrued interest payable	-	1,099
Current portion of long-term obligations	63,820	-
Post-closure costs payable - current portion	138,301	104,277
Total current liabilities	<u>962,568</u>	<u>1,282,796</u>
Noncurrent liabilities:		
Noncurrent portion of long-term obligations:		
Accrued compensated absences	255,279	373,347
Post-closure costs payable - noncurrent portion	378,379	349,258
Total noncurrent liabilities	<u>633,658</u>	<u>722,605</u>
TOTAL LIABILITIES	<u>1,596,226</u>	<u>2,005,401</u>
NET POSITION		
Net investment in capital assets	13,708,004	13,723,045
Restricted	288,849	221,879
Unrestricted	15,931,452	11,847,907
TOTAL NET POSITION	<u>29,928,305</u>	<u>25,792,831</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 31,524,531</u>	<u>\$ 27,798,232</u>

See accompanying independent auditor's report and notes to financial statements.

CHITTENDEN SOLID WASTE DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
OPERATING REVENUES		
Tipping fees	\$ 7,567,356	\$ 7,772,544
Solid waste management fees	3,409,238	3,263,750
Sale of materials	4,820,322	3,039,401
License fees	15,834	15,917
Miscellaneous	517	1,843
Product stewardship and reimbursement	213,029	252,321
TOTAL OPERATING REVENUES	16,026,296	14,345,776
OPERATING EXPENSES		
Materials recovery facility	2,180,265	3,134,724
Outreach and communications	918,473	797,537
Organics diversion facility	1,108,926	1,076,749
Drop-off centers	3,081,371	2,907,470
Hazardous waste program	796,617	644,617
Biosolids program	1,278,154	1,187,806
Special projects	188,911	166,545
Future project development	125,872	141,801
Finance	584,973	442,969
Administration and unclassified	856,181	376,577
Enforcement	168,291	130,517
Property management and unallocated maintenance	64,211	65,118
Change in estimated future landfill post-closure costs	63,145	(60,267)
Depreciation	1,006,251	956,316
TOTAL OPERATING EXPENSES	12,421,641	11,968,479
OPERATING INCOME (LOSS)	3,604,655	2,377,297
NONOPERATING REVENUES (EXPENSES)		
Rental income	71,400	74,183
Investment income	12,719	16,855
Interest expense	-	(23)
Grant income	277,801	661,336
Net gain (loss) on disposal of assets	168,899	9,749
TOTAL NONOPERATING REVENUES (EXPENSES)	530,819	762,100
CHANGE IN NET POSITION	4,135,474	3,139,397
NET POSITION - JULY 1, RESTATED	25,792,831	22,653,434
NET POSITION - JUNE 30	\$ 29,928,305	\$ 25,792,831

See accompanying independent auditor's report and notes to financial statements.

CHITTENDEN SOLID WASTE DISTRICT

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 16,202,714	\$ 14,174,174
Payments for wages and benefits	(4,591,184)	(3,983,554)
Payments for goods and services	(7,064,365)	(7,637,620)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	4,547,165	2,553,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipt of interest and dividends	12,719	16,855
Net proceeds (purchases) of investments	(369)	(811)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	12,350	16,044
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on notes payable	-	(8,850)
Interest paid on notes payable	-	(23)
Proceeds from sale of capital assets	224,238	9,749
(Purchase) of capital assets	(1,046,549)	(1,938,185)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(822,311)	(1,937,309)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating grants	277,801	661,336
Rental income	71,400	74,183
Return of security deposit	-	(100)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	349,201	735,419
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,086,405	1,367,154
CASH AND CASH EQUIVALENTS - JULY 1	11,230,023	9,862,869
CASH AND CASH EQUIVALENTS - JUNE 30	\$ 15,316,428	\$ 11,230,023
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 3,604,655	\$ 2,377,297
Adjustment to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	1,006,251	956,316
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	125,980	(188,537)
(Increase) decrease in inventories	67,515	(236,010)
(Increase) decrease in prepaid items	151,939	(53,811)
Increase (decrease) in accounts payable	(359,154)	(198,700)
Increase (decrease) in accrued expenses	37,394	-
Increase (decrease) in accrued payroll and benefits payable	(82,296)	98,627
Increase (decrease) in accrued compensation time	16,181	-
Increase (decrease) in unearned revenue	50,438	16,935
Increase (decrease) in settlement payable	(79,536)	(320,857)
Increase (decrease) in interest payable	(1,099)	-
Increase (decrease) in accrued compensated absences	(54,248)	162,007
Increase (decrease) in post-closure costs payable	63,145	(60,267)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 4,547,165	\$ 2,553,000

See accompanying independent auditor's report and notes to financial statements.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Chittenden Solid Waste District (the "District") is a union municipal district in Chittenden County, Vermont, chartered under the laws of the State of Vermont. The District, which had its inception March 6, 1987, was created for the purpose of providing for the efficient, economical and environmentally sound management of solid waste generated by member municipalities and their residents.

The District's governing board (the "Board") is comprised of one representative appointed by the elected governing body of each of the 18 member municipalities. The Board meets monthly to set policy and make major decisions for the District.

The accounting policies adopted by the District conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the standard-setting body for accounting and financial reporting principles for governmental units. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

Reporting Entity

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

Implementation of New Accounting Standards

During the year ended June 30, 2022, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Statement No. 87 "Leases". 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 and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 89 "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. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 91 "Conduit Debt Obligations". The primary objectives of this Statement are 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 note disclosures. Management has determined the impact of this Statement is not material to the financial statements.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Statement No. 92 "Omnibus 2020". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 93 "Replacement of Interbank Offered Rates (paragraphs 13-14)". The primary objectives of paragraphs 13-14 concern provisions of lease contracts that are amended while the contract is in effect. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 97 "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Management has determined the impact of this Statement is not material to the financial statements.

Measurement Focus - Basic Financial Statements

1. 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. Nonoperating 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 District:

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- a. 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 Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Budget

The District follows these procedures in establishing its budget:

The General Manager submits a proposed preliminary operating budget each December for the fiscal year commencing the following July 1 to the Board, for the purpose of determining whether member assessments will be levied. The operating budget includes proposed expenditures and the means of financing them.

During the period of January through April of each year, District staff, together with the Board's Finance Committee, prepares a detailed operating and capital budget for the coming fiscal year. The budget is then considered and adopted by the Board at a meeting typically in April or May. Within 45 days of the approval of the budget by the District's Board, the legislative body of each of the member municipalities shall act to approve or disapprove the budget. A legislative body that disapproves the budget must file with the Board a written statement of objections identifying the specific items to be changed. A legislative body that fails to take action on the budget within the forty-five day period is deemed to have approved the budget. Unless a petition for a vote on the question of disapproving the budget signed by at least 5 percent of the qualified voters of the District is filed pursuant to the District Charter, the budget becomes effective 45 days after its adoption by the Board.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The General Manager has the authority to modify line items within the approved budget but may not change the overall total approved budget amount.

The budget of the District is generally prepared on the accrual basis - that is, revenue is budgeted when it is expected to be earned and expenses are budgeted when expected to be incurred - except that changes in inventories, capital asset depreciation, and gains/losses on the disposal of assets are not budgeted, and changes in noncurrent assets and liabilities (for example, acquisition of capital assets and payments on long-term obligations) are budgeted as current year expenditures or revenues.

Deposits and Investments

The District'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.

Investment Committee: The Investment Committee, comprised of the Board's appointed Finance Committee, the Board Chair, the General Manager, and the Director of Finance, is responsible for periodic review and re-allocation of investments as needed to meet stated objectives.

Permitted Investments: "Permitted Investments" include the following securities, if and to the extent the same are at the time legal for investment of District funds:

1. Investments in any of the following obligations provided such obligations are backed by the full faith and credit of the United States: (a) direct obligations or fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States, (b) debentures of the Federal Housing Administration, (c) guaranteed mortgage backed bonds of the Government National Mortgage Association, (d) certificates of beneficial interest of the Farmers Home Administration, (e) obligations of the Federal Financing Bank or (f) project notes and local authority bonds of the Department of Housing and Urban Development.
2. Investments in (a) senior obligations of the Federal Home Loan Bank System, (b) participation certificates or senior debt obligations of the Federal Home Loan Mortgage Corporation, (c) mortgage-backed securities and senior debt obligations (excluding stripped mortgage securities that are valued greater than par on the portion of unpaid principal) of the Federal National Mortgage Association or (d) senior obligations of the Student Loan Marketing Association.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. SEC-registered money market mutual funds conforming to Rule 2a-7 that invest primarily in direct obligations issued by the United States Treasury and repurchase agreements backed by those obligations rated in the highest category by Standard & Poor's Corporation and Moody's Investors Service.
4. Certificates of deposit of any bank trust company or savings and loan association which certificates are fully insured by the Federal Deposit Insurance Corporation or any other similar United States governmental deposit insurance program.
5. Commercial paper rated, at the time of purchase, P-1 or better by Moody's Investors Service and A-1+ or better by Standard & Poor's Corporation.
6. Equity Securities
 - a. Diversification: The equity portfolio should be well diversified to avoid undue exposure to any single economic sector, industry group, or individual security. No more than 10% of the entire District investment portfolio shall be invested in equities securities.
 - b. Quality and Marketability. The equity portion of the portfolio shall be invested in well diversified Mutual Funds or Managed Accounts with an investment record of at least 5 years.
 - c. Concentration by Issuer:
 - i. No more than 5% of the equity portfolio, at cost, shall be invested in the securities of anyone issuing corporation at the time of purchase.
 - ii. Investments in any corporation may not exceed 5% of the outstanding shares of the corporation.
7. Corporate Fixed Income Securities Purchase of investments in this category shall be limited to those securities that are classified in one of the top four rating categories by Standard & Poor's or Moody's Investor's Services. No purchases shall be made which would cause holdings of any one issue to exceed 5% on a cost basis or 7½ % on a market value basis of the total funds under management.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District may invest any funds that are held and pledged to secure outstanding bonds or similar debt instruments of the District in accordance with the bond resolution or similar approving documents that authorized and established the terms for the issuance of such bonds or debt obligations.

Prohibitions: The District is prohibited from investing in commodities, private placements, letter stock, and real estate or engaging in short sales. The Investment Committee may, from time to time, further direct that the Investment Manager not invest in any securities or investments of specific companies or issuers where the investment presents the potential for a conflict of interest (or apparent conflict of interest), or where the company or issuer engages in business practices or activities that are inconsistent with the goals and purpose of the District.

Receivables

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$1,479 as of June 30, 2022. Accounts receivable netted with allowances for uncollectible accounts were \$1,962,949 for the year ended June 30, 2022.

Inventories

Inventory quantities are determined by physical count and are valued at the lower of cost or market, using the FIFO method. Inventories consist of compost products, containers and recyclable materials held for resale.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 or more and a estimated useful life greater than one (1) year are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 capital assets are reported 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:

Land improvements	5 - 20 years
Buildings and improvements	15 - 30 years
Vehicles, machinery and equipment	5 - 20 years

Long-term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from business-type resources are reported as liabilities in the financial statements. The long-term obligations consist of accrued compensated absences and post-closure costs payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenue

Unearned revenue reported is comprised of proceeds from grants and permit fee revenues received in advance of eligible expenses.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided; operating or capital grants and contributions, including special assessments).

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The District utilizes encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the District's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The District's investment policies, which follow state statutes, authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all District funds.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The District does not have a policy covering custodial credit risk. However, the District maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF.

At June 30, 2022, the District's cash balance amounting to \$15,316,428 were comprised of bank deposits of \$11,481,501. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the District's cash balance. The deposits were insured by federal depository insurance and consequently were not exposed to custodial credit risk.

<u>Account type</u>	<u>Bank Balance</u>
Checking accounts	<u>\$ 11,481,501</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the District does not have a policy for custodial credit risk for investments. The District's investment in certificates of deposit for \$54,592 were covered by the NCUSIF.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates. Certificates of deposit held with local financial institutions for \$54,592 are excluded from interest rate risk as these investments are considered held to maturity and are therefore not measured at fair value.

At June 30, 2022, the District invested \$54,592 in a certificate of deposit.

Credit risk - Statutes for the State of Vermont authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The District does not have an investment policy on credit risk. Generally, the District invests excess funds in various savings accounts and certificates of deposit.

NOTE 3 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2022:

	Balance, 7/1/21 (Restated)	Additions	Disposals	Balance, 6/30/22
Non-depreciated assets:				
Land	\$ 5,290,801	\$ -	\$ -	\$ 5,290,801
Construction in progress	161,218	245,896	(93,174)	313,940
	<u>5,452,019</u>	<u>245,896</u>	<u>(93,174)</u>	<u>5,604,741</u>
Depreciated assets:				
Land improvements	4,196,388	45,619	(233,956)	4,008,051
Building and improvements	7,163,946	226,283	(214,058)	7,176,171
Vehicles, machinery and equipment	9,995,492	528,751	(586,922)	9,937,321
Software	-	93,174	-	93,174
	<u>21,355,826</u>	<u>893,827</u>	<u>(1,034,936)</u>	<u>21,214,717</u>
Less: accumulated depreciation:				
Land improvements	(2,276,093)	(130,271)	232,115	(2,174,249)
Building and improvements	(5,162,513)	(270,497)	205,743	(5,227,267)
Vehicles, machinery and equipment	(5,646,194)	(594,835)	541,739	(5,699,290)
Software	-	(10,648)	-	(10,648)
	<u>(13,084,800)</u>	<u>(1,006,251)</u>	<u>979,597</u>	<u>(13,111,454)</u>
Net depreciated capital assets	<u>8,271,026</u>	<u>(112,424)</u>	<u>(55,339)</u>	<u>8,103,263</u>
Net capital assets	<u>\$ 13,723,045</u>	<u>\$ 133,472</u>	<u>\$ (148,513)</u>	<u>\$ 13,708,004</u>

NOTE 4 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended June 30, 2022 is as follows:

	Balances 7/1/21	Additions	Reductions	Balances 6/30/22	Current Portion
Accrued compensated absences	\$ 373,347	\$ -	\$ (54,248)	\$ 319,099	\$ 63,820
Post-closure costs payable	453,535	63,145	-	516,680	138,301
	<u>\$ 826,882</u>	<u>\$ 63,145</u>	<u>\$ (54,248)</u>	<u>\$ 835,779</u>	<u>\$ 202,121</u>

Please see Notes 5 and 6 for detailed information on each of the other long-term obligations.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 5 - ACCRUED COMPENSATED ABSENCES

It is the District's policy to permit employees to accumulate earned but unused vacation and compensatory time, up to specified limits established in the policy. The District records a liability for the total value of these vested accumulated leave hours, based on current pay rates. The liability for these compensated absences is recorded as long-term obligations in the financial statements. As of June 30, 2022, the District's liability for compensated absences is \$319,099.

NOTE 6 - ACCRUED POST-CLOSURE COSTS

State and federal laws and regulations required the District to place a final cover on the closed Phase I, II and III landfill sites and to perform certain maintenance and monitoring functions at each site for thirty years after closure. Phase I and II were closed subsequent to the District's opening of Phase III on December 22, 1992. Phase III stopped accepting waste on August 19, 1995. As of June 30, 2020, the District has estimated that it will cost \$516,680 for the remaining post-closure costs of the Phase I, II and III landfills, through the year 2025, which is the end of the required 30-year period. The District has expended \$2,627,955 in closure and post-closure costs for the fiscal years ended June 30, 1996 through June 30, 2022. The \$516,680 and \$453,535 reported as accrued post-closure costs liability at June 30, 2022 and 2021, respectively, represent the present value of the estimate.

These amounts are based on actual costs to date and engineering estimates of what it will cost to perform all post-closure maintenance for the required period. The District's engineer reviews and updates the projected estimates no less frequently than annually. Actual costs may vary due to changes in cost of living, changes in technology, changes in regulations, or variances between actual and estimated costs.

The District expects that future inflation costs will be paid from interest earnings on funds set aside for this purpose. However, if interest earnings are inadequate or additional post-closure requirements arise (due to changes in technology or applicable laws or regulations, for example) these unanticipated costs may need to be covered through deposits from future District revenues.

The District provides an annual update to the State of Vermont on both the historical and prospective costs to maintain the closed Phase I, II and III landfills, in compliance with State regulations. The District also maintains a separate cash reserve designated for the purpose of meeting the current and future obligations associated with long-term post-closure costs.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 6 - ACCRUED POST-CLOSURE COSTS (CONTINUED)

The post-closure costs estimates and the balances in the designated Landfill Post-closure Reserve account as of June 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Total post-closure costs estimated for the 30-year period ending in 2025 (including projection for inflation)	\$ 3,173,317	\$ 2,953,791
Total of actual post-closure costs paid through June 30	<u>(2,627,955)</u>	<u>(2,493,027)</u>
Remaining Balance of post-closure costs estimated expected to be incurred through 2025, including 2.5% inflation factor	<u>\$ 545,362</u>	<u>\$ 460,764</u>
Present value of estimate, discounted at 2.5%	\$ 516,680	\$ 453,535
Net position in designated reserve account at June 30	<u>\$ 541,943</u>	<u>\$ 675,414</u>
Surplus (deficit) in reserve balance as of June 30	<u>\$ 25,263</u>	<u>\$ 221,879</u>

NOTE 7 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the new investment in capital assets at June 30, 2022:

Invested in capital assets	\$ 26,819,458
Accumulated depreciation	<u>(13,111,454)</u>
	<u>\$ 13,708,004</u>

NOTE 8 - RESTRICTED NET POSITION

The District's restricted net position at June 30, 2022 was as follows:

Capital improvement - biosolids program	\$ 288,849
Landfill post-closure reserve (in excess of liability)	25,263
Total restricted	<u>\$ 314,112</u>

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 9 - UNRESTRICTED NET POSITION

The District's unrestricted net position at June 30, 2022 was as follows:

	<u>2022</u>	<u>2021</u>
Unrestricted net position:		
Designated for capital items:		
Materials recovery facility (MRF)	\$ -	\$ 2,178,882
Special waste facility	-	218,687
Drop-off centers	-	2,030,284
Environmental depot	-	193,908
Biosolids program	-	226,837
Property management and administration	-	175,836
Maintenance	-	16,588
Capital improvements - general	4,814,185	-
Total designated for capital items	<u>4,814,185</u>	<u>5,041,022</u>
Designated for other purposes:		
Facilities closure reserve	1,464,178	549,365
Community cleanup fund	95,000	68,890
Drop-off center rate stabilization reserve	-	263,535
SWMF rate stabilization reserve	<u>1,000,000</u>	<u>2,970,836</u>
Total designated for other purposes	<u>2,559,178</u>	<u>3,852,626</u>
Total designated	<u>7,373,363</u>	<u>8,893,648</u>
Undesignated	<u>8,558,089</u>	<u>2,954,259</u>
Total unrestricted net position	<u><u>\$ 15,931,452</u></u>	<u><u>\$ 11,847,907</u></u>

NOTE 10 - CONTINGENT LIABILITIES

The District entered into a Memorandum of Understanding (MOU) with the City of Burlington in September 2016 concerning a potential lease-purchase arrangement for 0.91 acres and a three-unit commercial building as well as 2.87 undeveloped acres on Flynn Avenue. The MOU outlines a potential lease-purchase agreement where the District would apply annual rental payments of \$25,000 for a period of 25 years towards the City of Burlington's purchase of the properties. A formal lease-purchase agreement has not yet been executed as of the date of this report. The City of Burlington has made payments of \$83,335 to the District in accordance with this MOU as part of the option to enter into a lease-purchase agreement, which the District has classified as unearned revenues.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 11 - DEFERRED COMPENSATION PLANS

The District maintains a defined contribution retirement plan under Internal Revenue Code Section 457 for employees, through MissionSquare. To be eligible to participate, the employee must be at least twenty-one (21) years of age, work at least a regular 30-hour per week schedule (0.75 FTE), and have at least one (1) year of service. The District contributes 6% of each eligible employee's base wages to the plan. In addition, employees are permitted to defer a portion of their wages on a tax-sheltered basis until future years, up to IRS-mandated limits. Deferred compensation is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. The District 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. All of the investments are self-directed by each employee. Total salaries for the years ended June 30, 2022, 2021, 2020, 2019 and 2018 were \$3,163,688, \$3,068,147, \$2,629,595, \$2,847,840, and \$2,762,347, while covered salaries for the retirement plan were \$2,682,878, \$2,375,917, \$2,364,143, \$2,265,767, and \$1,948,818, respectively. Contributions of \$160,973, \$142,555, \$141,849, \$136,453, and \$116,929 were paid by the District for the years ended June 30, 2022, 2021, 2020, 2019 and 2018, respectively.

NOTE 12 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District either carries commercial insurance or participates in a public entity and self-insured risk pool sponsored by the Vermont League of Cities and Towns (VLCT). Based on the coverage provided by the insurance purchased, the District is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2022. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

The District is a member of VLCT and utilizes two of their established insurance trusts: the Property and Casualty Intermunicipal Fund, Inc. (PACIF) for multi-line insurance and the Vermont League of Cities and Towns Unemployment Trust, Inc. (VLCTUT) for unemployment compensation. PACIF and VLCTUT are nonprofit corporations formed to provide insurance and risk management programs for Vermont cities and towns and is owned by the participating members. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association.

To provide insurance coverage, PACIF has established a self-funded insurance trust. It provides extensive coverage for losses to member municipalities for property damage, auto accidents, injured employees, public official liability and employment

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 12 - RISK MANAGEMENT (CONTINUED)

practices liability. Members gain additional benefits from PACIF's unique public safety and risk management programs as well as dedicated in-house claims adjusters. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and PACIF is unable to meet its required obligations, the program will be terminated with each member assessed their proportionate share of the deficit.

To provide unemployment coverage, VLCTUT has established a separate trust of funds from member contributions to pay administrative costs, unemployment claims and provide excess reinsurance protection. Contributions are based on payroll expense and the previous two-year unemployment compensation experience. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VLCTUT is unable to meet its required obligations, the program will be terminated with each member assessed their proportionate share of the deficit.

The District provides health insurance and other employee insurance benefits to eligible employees by purchasing private coverage through various providers.

NOTE 13 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the District's financial position.

NOTE 14 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

NOTE 15 - CONCENTRATION

Accounts receivable from one customer accounted for approximately 43%, 61%, 43% and 46% of the total accounts receivable balance reported as of June 30, 2022, 2021, 2020 and 2019, respectively.

CHITTENDEN SOLID WASTE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 16 - SUBSEQUENT EVENT

On November 16, 2022 the District entered into a lease agreement with the City of South Burlington for office space for annual rental of \$100,200 (adjusted annually) to be paid monthly starting February 15, 2023. The lease term is for five years and three months with an option to extend for five additional years.

NOTE 17 - RESTATEMENT

During fiscal year 2022, the District determined that certain transactions were incorrectly posted or omitted. This resulted in the restatement of the capital assets and accumulated depreciation beginning balances and the beginning net position for business-type activities. The net capital assets beginning balance increased by \$705,527 from \$13,017,518 to \$13,723,045. The current liabilities increased by \$65,344 and reduced net position by the same amount.

The impact of these restatements on the business-type activities net position was an increase of \$640,183 from \$25,152,648 to \$25,792,831.



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S 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 Commissioners
Chittenden Solid Waste District
Williston, Vermont

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 Chittenden Solid Waste District as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Chittenden Solid Waste District's basic financial statements and have issued our report thereon dated May 15, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Chittenden Solid Waste District'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Chittenden Solid Waste District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Chittenden Solid Waste District'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 the Chittenden Solid Waste District'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 Chittenden Solid Waste District in a separate letter dated April 3, 2023.

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.



Buxton, Maine
May 15, 2023



ADMINISTRATIVE OFFICE

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#4

MEMORANDUM

TO: Board of Commissioners
FROM: Jon Dorwart
DATE: October 19, 2023
RE: 2022 Waste Diversion & Disposal Report

Attached is the 2022 Waste Diversion and Disposal Report. PowerPoint slides that summarize the report and will be presented at your October meeting will be forwarded ahead of the meeting. The report is produced annually to help track and evaluate how well our members are utilizing CSWD and private sector facilities, programs, and overall opportunities to reduce and divert their waste from the landfill; to fulfill State reporting requirements; and to provide information about the District's solid waste management system for communications to the general public, the media, and other communities and organizations.

2022 Waste Diversion & Disposal Report

Purpose & Overview of Report

The Chittenden Solid Waste District (CSWD) produces this annual waste diversion and disposal report to help track and evaluate how well District members are utilizing CSWD and private sector facilities, programs, and overall opportunities to reduce and divert their waste from the land-fill; to fulfill State reporting requirements; and to provide information about the District's solid waste management system for communications to the general public, the media, and other communities and organizations. It includes materials generated within Chittenden County only. It is produced for each calendar year.

The methodology and comparison of results to the previous year are found in the next two sections. The tons of CSWD waste disposed and diverted from disposal are displayed in the table on page 9. Notes on the lines in the table may be found on pages 10-11.

Methodology

Data Sources

Quantities of materials recycled, composted, and disposed are reported to CSWD by facilities that manage solid waste generated in Chittenden County and by businesses that ship their materials directly to other facilities that are not required to report to CSWD. Data received directly from the following facilities are included in this report:

- A. Marcelino & Co. (2011-2017)
- American Paper Recycling Corp. (2011-2011)
- BDS Waste Disposal, Inc.
- BED Waste Wood Yard
- Bob's Tire Co. (2016-2018)
- Budzyn Tire (beg. 2016)
- Burlington Area Transfer Station
- Canusa Hershman Recycling Co.
- Casella C&D Recycling Facility (2016-2018)
- Casella Transfer Station
- CSWD facilities
- FBS Tire Recycling, Inc. (2016-2018)
- Frank W. Whitcomb Construction Corp. (beg. 2015)
- Gauthier Trucking Co.
- Good Point Recycling
- Goodwill Industries
- Intervale Compost Products (2011)
- Iron Mountain (beg. 2019)
- LaPlatte River Angus (2011-11)
- Moretown Landfill (2011-13)
- Myers C&D Recycling Facility (beg. 2013)
- Pike Industries, Inc.
- Ranger Asphalt & Concrete Processing
- Salvation Army (2011-2016)
- SecurShred
- Shred-Ex
- Sleep Well Recycling (beg. 2020)
- Vermont Food Bank (beg. 2020)
- Waste USA Landfill

It was discovered in 2019 that many of the construction and demolition debris (C&D) loads that were delivered to one of the disposal facilities during 2015-2018 were miscoded as municipal solid waste (MSW). CSWD staff believe that most, but not all, of the errors have been corrected. The total tons of MSW landfilled or incinerated is likely lower than was reported and the total tons of C&D landfilled or incinerated is likely higher than was reported for calendar years 2015-2018. The uncorrected errors affect the accuracy of the diversion and disposal statistics used in this report for those years.

Beginning January 1, 2016, businesses that ship materials directly to brokers or markets for composting, recycling, animal feed, etc., were required to begin reporting quantities diverted to CSWD. Not all the data is being captured yet, but the total far exceeds what had been estimated for calendar years 2011-2015 based on research conducted by DSM Environmental Services for CSWD in 2007. The business data that is reported are included in the Diversion Table on page 9 by material.

The report includes only very limited data for salvage warehouse and other durable goods diversion through reuse and for extended producer responsibility program materials (e.g., fluorescent bulbs, thermostats, batteries, and paint) collected from the public by retailers. The report does not include data for commercial and institutional on-site composting.

Residue rates for recycling end markets are unknown. No adjustments for material losses have been made to tons reported recycled.

In keeping with the State of Vermont and the U.S. Environmental Protection Agency MSW diversion calculations, this report does not include regulated hazardous waste and unregulated hazardous waste disposed at out-of-state hazardous waste facilities.

Population Estimates

Population estimates needed to calculate figures come from the U.S. Census (www.census.gov). The seasonal population is calculated following the instructions provided by the Vermont Department of Environmental Conservation Solid Waste Program in the document titled, "Disposal Data for SWIP Reports."

Adjustments for Non-District Solid Waste

Based on a 2015 survey, an estimated 4.1% of CSWD Drop-Off Center (DOC) users are non-District residents. The quantities of materials brought to CSWD facilities by these customers increase the total amount of solid waste diverted and the total amount disposed. Beginning in 2015, the estimated non-District portions of MSW and C&D landfilled and mandatory recyclables diverted from disposal were subtracted from the corresponding categories. No adjustments were made for special materials non-District users may or may not have delivered to CSWD DOCs.

Also beginning in 2015, the percentage of incoming materials at the MRF from non-District sources was applied to outbound contamination disposed as MSW. This quantity was subtracted from Total MSW Landfilled/Incinerated. Similarly, the percentage of incoming materials at Myers C&D Recycling Facility from non-District sources was applied to outbound material disposed as C&D and subtracted from Total C&D Landfilled/Incinerated.

Comparison of Results to Previous Year

NOTE: This report uses the US Census 2022 population estimate for Chittenden County in relevant calculations (e.g., pounds per capita disposed). The US Census adjusts population estimates over time. Relevant calculations for these years will be amended as this data becomes available and will appear in future reports.

Summary

With the major impacts of the coronavirus pandemic (COVID-19) receding, solid waste disposal and diversion continues to follow the general trend of the last several years. Overall, compared to 2021, total generation of solid waste was down 0.1%. The tons of MSW disposed decreased by around 2.5%, with MSW tons diverted increasing by 2.6% to the highest level on record beating last year's high by over 2,600 tons. C&D tons disposed increased to its highest level in the last ten years. C&D tons diverted remained slightly lower compared to prior years but are up 2.1% over 2021. The amount of material used for Alternative Daily Landfill Cover (ADC) increased by 34.8%. The MSW diversion rate remained high at 55%, following a long-term trend of steady growth. The C&D diversion rate decreased slightly year-over-year; however the MSW and C&D combined diversion increased to 61.3 % this year putting the district in-line with historic highs. The estimated recovery rate for MSW mandatory recyclables decreased very slightly while the recovery rate for all currently divertible MSW materials increased by 1.2%.

Municipal Solid Waste

The amount of MSW landfilled decreased by 2.5%, lowering the pounds per capita per day disposed from 2.74 to 2.67. This decrease, despite a return to normalcy post-pandemic and enhanced economic activity during this period, supports the notion that diversion policies are working. Overall generation of MSW has increased rather sharply since the pandemic, comparable to totals experienced just prior in 2019. However, over the last ten years the increment diverted increased at an annualized rate of 4.0% versus a 0.6% decline of MSW that is disposed or incinerated. Notably, organics, which now makes up roughly 46% of total material diverted from MSW has grown 6.7% annually over the last decade. This annualized rate of growth in diverted organics accelerated after the implementation of Act 148 in 2014 signaling the effectiveness of this statute in changing residential and business behavior. These successes have occurred alongside slow but steady population growth, healthy economic growth, and in spite of the interruption of the pandemic.

The total of MSW materials diverted was up 2.6% from last year. There were significant increases in the tonnages of glass, clean wood, and food residuals diverted. The amount of electronics diverted declined. Scrap metal diversion increased dramatically, and unregulated hazardous waste remains below its ten-year average. Tires diverted declined about 16 percent from 2021 dropping below the ten-year average. The diversion of textiles corrected to levels seen prior to the pandemic which was likely caused by a spike in donations.

Quantities of clean wood have varied tremendously over the years, often due to the practice of recording quantities when wood is chipped and then transferred to the McNeil Generating Station inventory from the Wood Depot in Burlington. In 2021, McNeil received and added approximately 5,537 tons of wood to their inventory which is about 74.3 percent of all clean wood

waste. Notably, clean wood collected by CSWD facilities is now chipped and transferred to the Organics Recovery Facility and used for feedstock in their compost products, accounting for another 25.7%, or 1,916 tons, of the annual total as compared to 1,646 tons in 2021.

The increase in food residual quantities diverted benefits from a dramatic increase in reported tonnage of spent grains from breweries - up by 2,000 tons, or 30%, from 2021 after a 1,000 ton increase between 2020 and 2021. The increase could be due to improved reporting or growth in this sector. Food residual increases, as previously noted, appear to be driven by Vermont's implementation of the food residual ban. An increase in food rescue from retail partners and farm gleaning by the Vermont Food Bank also makes an important and substantial contribution to this number.

Glass diverted bested historic averages in 2022 and increased year over from 2021 by 37.2%. This includes PGA material utilized in various aggregate products by processors in the county. Materials sorted at CSWD's MRF are not considered recycled or diverted from the landfill until they are shipped from the facility.

The minimum MSW diversion rate went up from 53.7% to 55%, and the pounds per capita per day diverted increased from 3.18 to 3.26 which is the highest in ten years. For comparison, the US EPA reported that in 2018, the most recent year for which data is available, the US diversion rate was 32%. The Vermont Agency of Natural Resources reported that in 2022, also the most recent year data are available, the Vermont diversion rate was 34%. While what is included in calculations varies to some degree, rates for communities that are considered to be high performing include Seattle at 54% in 2020, San Francisco at 51% in FY 21, and Portland Metro in Oregon at 47% in 2021. Based on the diversion data and estimates of the components of waste disposed, the maximum MSW diversion rate achievable by CSWD is 81.1%.

Diverting the MSW recyclables and organics from landfill disposal reduced 2022 GHG emissions by an estimated 175,000 metric tons of carbon dioxide equivalent (MTCO₂E). This is equivalent to taking about 37,000 cars off the road or conserving over 20 million gallons of gasoline.

Using the diversion data and CSWD's estimates of the components of what is currently disposed, the estimated recovery rate for blue bin recyclables is at 82.3%, slightly lower than 83.6% in 2021. For comparison, the average recovery rate for curbside recyclables for participating households across studies compiled by The Recycling Partnership is 61.5% (*2020 State of Curbside Recycling Report*).

CSWD's estimated recovery rate for all MSW materials that are currently divertible is 67.8%, up significantly from 66.7% in 2021 and 63.9% in 2020 marking a sustained upward trend.

Construction & Demolition Debris

The tonnage of C&D landfilled increased by 6.2%, and the amount of C&D reported recycled increased by 2.1%. The estimated C&D diversion rate decreased from 71.9% to 71.1% this year. The maximum C&D diversion rate possible is estimated at 79.4%.

Asphalt and concrete recycled remained close to last year at 85,870 tons compared to 81,500 tons in 2021. Demand for these materials was down in 2020 but increased dramatically in 2021 and has been sustained in 2022. Many towns postponed road projects due to the tax revenue uncertainties caused by COVID-19. Diversion of C&D materials continued its post pandemic rebound.

MSW and C&D Combined

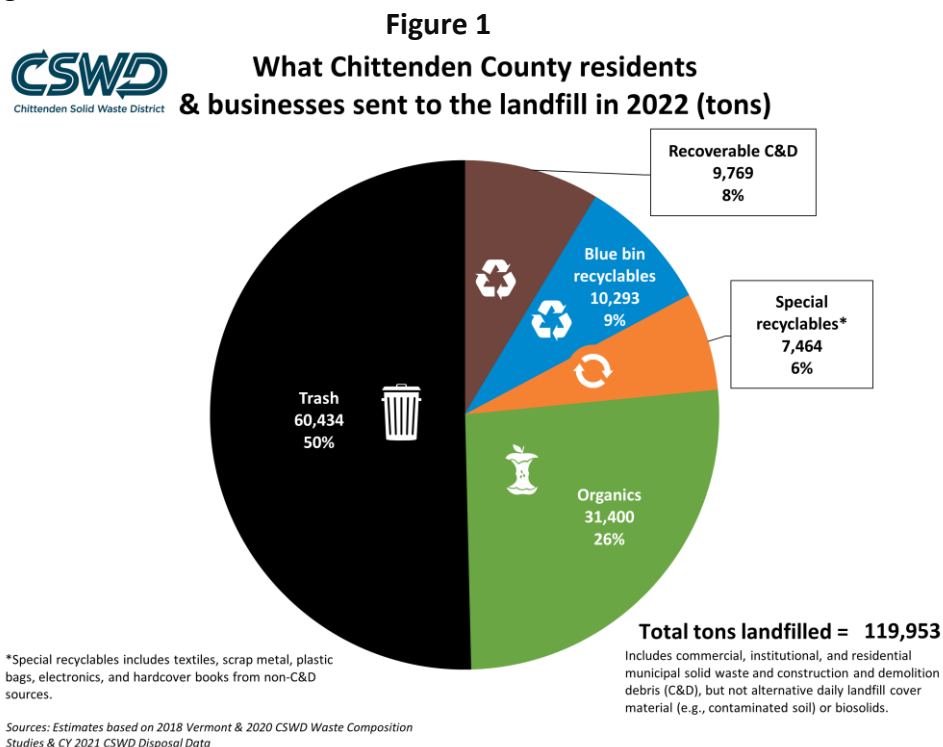
The combined estimated MSW and C&D diversion rate is 61.3% compared to 60.7% in 2021. The maximum combined diversion rate possible is estimated at 79.4%. The MSW and C&D combined pounds per capita disposed dipped from 3.79 to 3.78, while the MSW and C&D combined pounds per capita diverted increased from 5.85 to 5.99.

Alternative Daily Landfill Cover

Material used as ADC is up 3,952 tons, or 34.8%, compared to 2021. ADC consists primarily of contaminated but not hazardous soil. The number and size of projects requiring the removal of contaminated soils vary from year-to-year.

Composition of Material Sent to the Landfill

What is ultimately sent to the landfill is a mix of material that could have been diverted and materials for which there currently are no other options for disposal. Based on waste composition studies from 2018 and 2020 it is estimated 50 percent of material sent to the landfill could be recovered. See figure 1 below.



Historical Trends

Diversion and disposal data for the period 2012-2022 are included in the charts below. Figure 2 shows trends over time in MSW tons diverted versus disposed and C&D tons diverted versus disposed. MSW tons disposed in 2022 is over 5,400 tons less than it was in 2012, despite an increase in population of 11,000 over that same period. Figure 3 shows these same trends in aggregate, illustrating increased total generation and the respective disposition of materials.

The increase in tons of MSW diverted before 2020 is likely due to the business reporting requirement that was implemented in 2016 and the increased diversion of organics as Act 148 was implemented. This trend resumed in 2022.

Tons of C&D diverted experienced a significant increase during 2014-2017 when new C&D recycling facilities came online. Tons have been declining since one of the facilities closed. However, a significant rebound occurred since 2021 as the region emerged from the pandemic and construction activity remained strong.

Figure 2

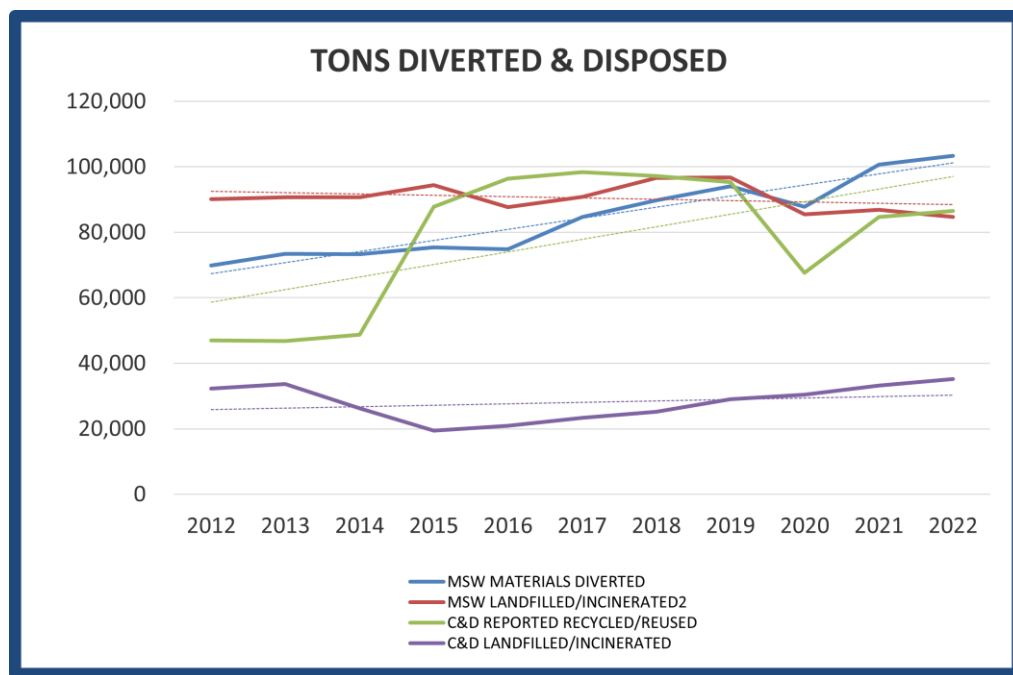


Figure 3

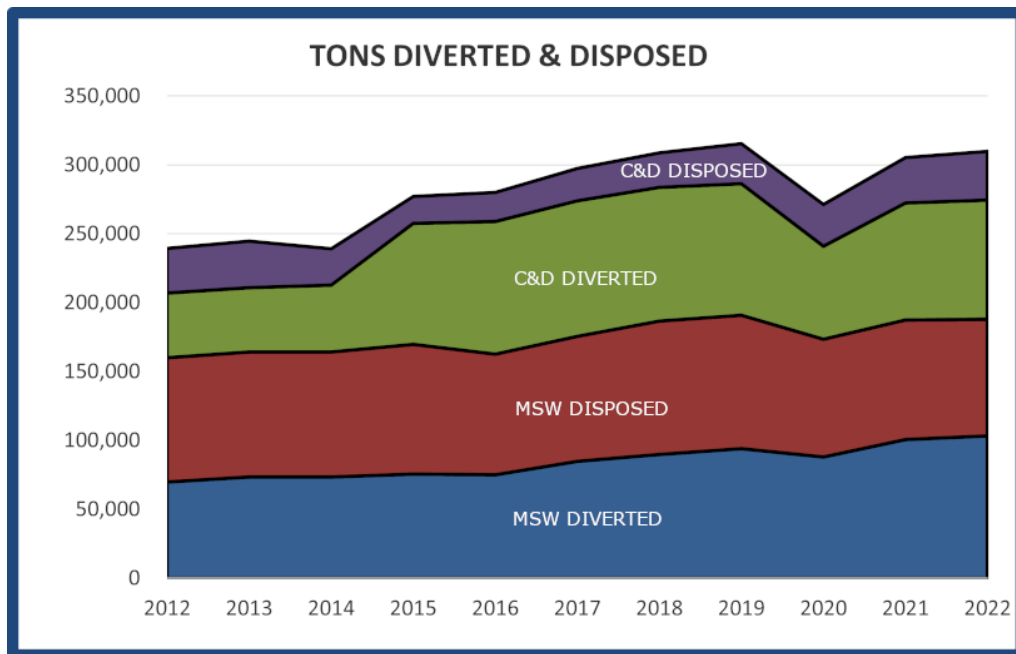


Figure 4 displays disposal rates over time. The MSW disposal rate was on an upward trend from 2016-2019 until COVID-19 arrived. The rate is currently 6.4% less than it was in 2012. The C&D disposal rate went down following the opening of C&D recycling facilities but continues to trend upward.

Figure 4

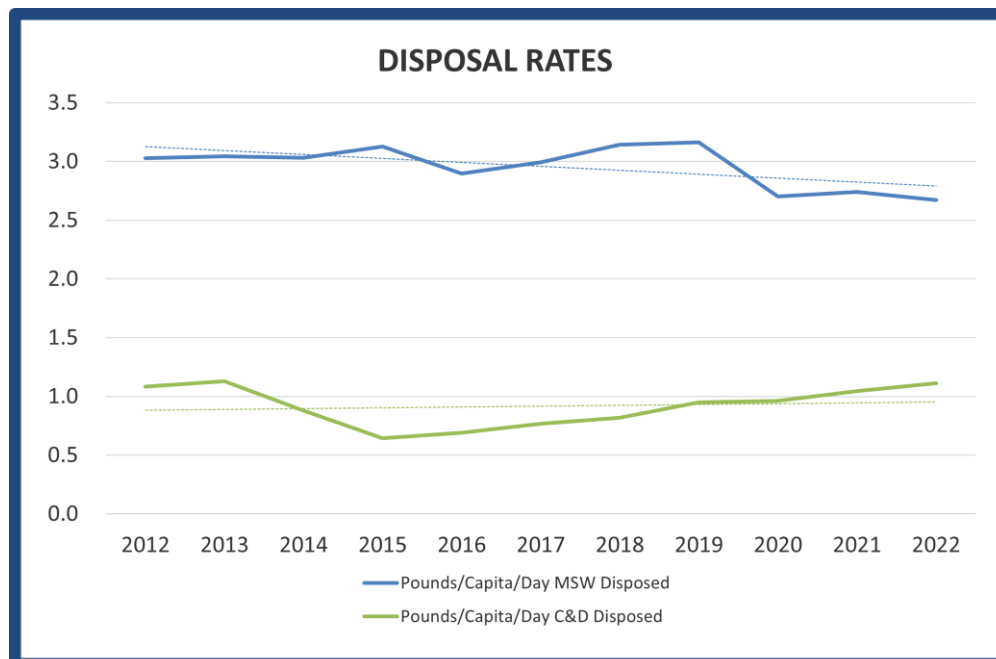
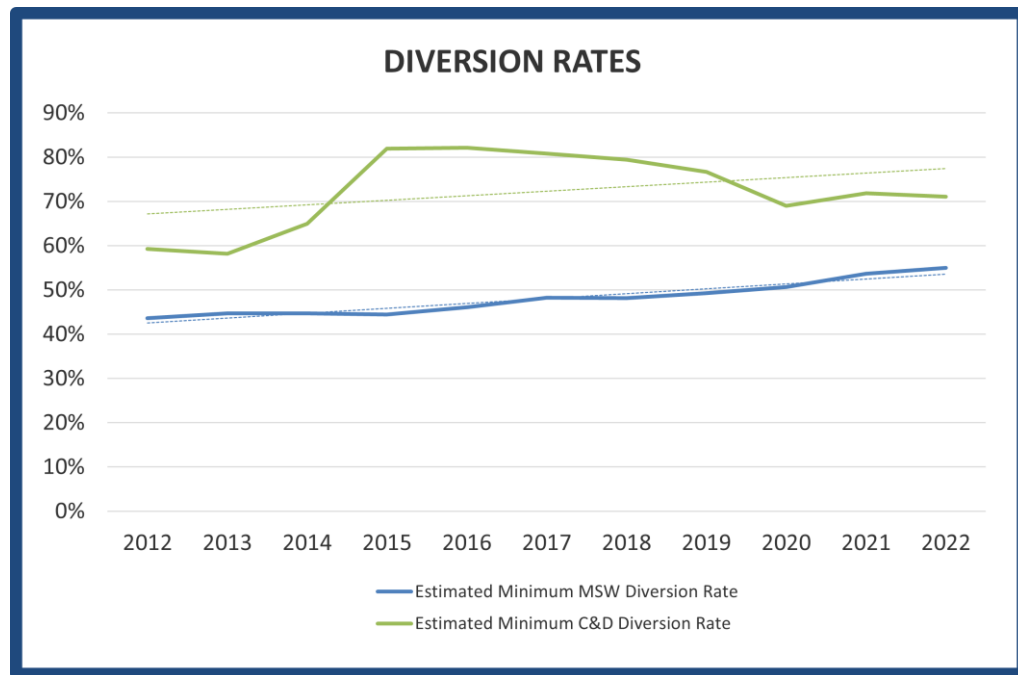


Figure 5 displays diversion rates over time. The MSW diversion rate increased over the last decade by 20.6%. The C&D diversion rate increased by 16.5%. Prior to 2021, the C&D diversion rate had increased significantly with the opening of recycling facilities but then decreased following the closure of one facility and the arrival of COVID-19. Since 2021 there appears to be a moderate rebound.

Figure 5



Conclusion

As we pass the economic impacts of COVID-19 and the economy remains strong, diversion rates are increasing and the amounts of MSW and C&D materials diverted - over 189,800 tons in 2022 - are in line with 2019 totals. As evidenced by the recovery rates for MSW recyclables and organics, however, a large quantity of recoverable material is still being disposed, perhaps as much as 60,000 tons when recoverable C&D is also included. Without changes to the current solid waste management system, including additional policies, education, enforcement, markets and facilities, it is expected that solid waste generation will continue to increase along with currently divertible waste being sent to the landfill.

CSWD WASTE DIVERSION TABLE FOR CALENDAR YEARS 2012-2022

Tons of CSWD Materials Disposed & Diverted from Disposal

MATERIALS	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	% CHG 21-22	% CHG 12-22
MSW Materials Diverted & Disposed¹													
1 Paper ²	23,924	24,439	23,685	26,303	26,743	33,199	36,723	35,215	35,348	43,211	35,724	-17.3%	33.0%
2 Plastic	1,614	1,660	1,606	1,708	1,705	1,998	2,250	2,232	2,408	2,328	2,383	2.4%	32.2%
3 Glass	2,996	4,148	4,506	3,499	3,907	3,784	3,914	3,420	4,321	3,189	4,377	37.2%	31.6%
4 Metal Cans & Foil	514	538	623	600	694	673	662	725	784	707	699	-1.0%	26.5%
5 Single-Stream Recyclables/Composite Materials	0	0	1,951	0	0	0	26	1	36	74	43	-41.9%	100.0%
6 Estimated Share of Redeemed Bottle Bill Material	4,587	4,447	4,467	4,506	4,521	4,551	4,593	4,588	4,577	4,583	4,574	-0.2%	-0.3%
7 Estimated Additional Commercial	4,905	4,935	4,955	5,011	3,024	NA	NA	NA	NA	NA	NA	NA	NA
8 TOTAL PAPER, CONTAINERS, & PACKAGING	38,540	40,167	41,788	41,626	40,594	44,206	48,169	46,180	47,474	54,092	47,799	-11.6%	19.4%
9 Estimated Backyard Composting/On-site Management	10,910	11,798	11,836	11,032	11,345	11,363	11,615	13,714	14,901	15,670	15,673	0.0%	30.4%
10 Wood ³	6,260	7,740	5,843	7,833	5,826	9,201	7,439	9,256	3,511	5,834	8,481	45.4%	26.2%
11 Reported & Estimated Yard Trimmings	5,219	4,390	4,574	4,835	5,151	5,379	5,155	5,663	5,124	4,360	3,975	-8.8%	-31.3%
12 Food Residuals & Non-recyclable Paper	2,623	3,302	3,870	4,474	5,684	6,934	10,811	12,118	10,775	14,091	19,757	40.2%	86.7%
13 TOTAL ORGANICS	25,012	27,229	26,123	28,173	28,006	32,876	35,020	40,751	34,312	39,955	47,887	19.9%	47.8%
14 TEXTILES	380	642	677	1,025	1,174	1,309	1,309	1,465	882	2,029	1,235	-39.1%	69.2%
15 SCRAP METAL	3,277	3,484	3,097	3,127	3,728	4,261	3,303	3,386	3,694	2,933	5,074	73.0%	35.4%
16 HAZARDOUS WASTE	87	123	142	113	91	109	207	186	101	98	97	-1.0%	10.3%
17 ELECTRONICS	1,025	909	964	816	777	795	666	648	440	642	470	-26.9%	-118.2%
18 TIRES ⁴	1,540	855	574	549	593	1,256	1,124	1,442	932	922	775	-15.9%	-98.7%
19 MSW MATERIALS DIVERTED	69,860	73,408	73,366	75,429	74,891	84,679	89,797	94,059	87,834	100,670	103,337	2.6%	32.4%
20 MSW LANDFILLED/INCINERATED ²	90,173	90,751	90,688	94,377	87,735	90,890	96,686	96,800	85,457	86,853	84,716	-2.5%	-6.4%
21 Pounds/Capita/Day MSW Diverted	2.35	2.46	2.45	2.50	2.79	2.92	2.92	3.07	2.78	3.18	3.26	2.6%	28.0%
22 Pounds/Capita/Day MSW Disposed	3.03	3.04	3.03	3.13	2.90	2.99	3.14	3.16	2.70	2.74	2.67	-2.5%	-13.4%
23 Estimated Minimum MSW Diversion Rate	43.7%	44.7%	44.7%	44.4%	46.1%	48.2%	48.2%	49.3%	50.7%	53.7%	55.0%	2.4%	20.6%
C&D Materials Diverted & Disposed													
24 C&D REPORTED RECYCLED/REUSED	47,012	46,833	48,786	87,799	96,354	98,404	97,181	95,404	67,658	84,703	86,491	2.1%	45.6%
25 C&D LANDFILLED/INCINERATED	32,268	33,639	26,299	19,397	20,957	23,330	25,178	29,085	30,408	33,177	35,237	6.2%	8.4%
26 Pounds/Capita/Day C&D Diverted	1.58	1.57	1.63	2.91	3.18	3.24	3.16	3.12	2.14	2.67	2.73	2.1%	42.1%
27 Pounds/Capita/Day C&D Disposed	1.08	1.13	0.88	0.64	0.69	0.77	0.82	0.95	0.96	1.05	1.11	6.2%	2.4%
28 Estimated Minimum C&D Diversion Rate	59.3%	58.2%	65.0%	81.9%	82.1%	80.8%	79.4%	76.6%	69.0%	71.9%	71.1%	-1.1%	16.5%
MSW & C&D Combined													
29 TOTAL MSW & C&D LANDFILLED/INCINERATED ²	122,442	124,391	116,987	113,773	108,691	114,220	121,865	125,885	115,865	120,031	119,953	-0.1%	-2.1%
30 Pounds/Capita/Day MSW & C&D Diverted	3.93	4.03	4.08	5.41	5.65	6.03	6.08	6.19	4.92	5.85	5.99	2.4%	34.4%
31 Pounds/Capita/Day MSW & C&D Disposed	4.11	4.17	3.91	3.77	3.59	3.76	3.96	4.11	3.66	3.79	3.78	-0.1%	-8.7%
32 Estimated Minimum MSW & C&D Diversion Rate	48.8%	49.2%	51.1%	58.9%	61.2%	61.6%	60.5%	60.1%	57.3%	60.7%	61.3%	1.0%	20.3%
Other Disposal													
33 Alternative Daily Landfill Cover	9,633	9,040	7,052	16,927	12,254	23,815	7,480	6,318	7,162	11,357	15,309	34.8%	37.1%
POPULATION ESTIMATES													
CSWD Resident Population	158,673	159,432	159,945	161,382	161,531	162,372	164,572	163,774	168,386	169,271	169,301	0.0%	6.3%
CSWD Seasonal Population ⁵	3,985	3,985	3,985	3,985	3,985	3,985	3,985	3,985	4,462	4,462	4,462	0.0%	10.7%
TOTAL POPULATION	162,658	163,417	163,930	165,367	165,516	166,357	168,557	167,759	172,848	173,733	173,763	0.0%	6.4%

¹Under a CSWD Solid Waste Management Ordinance data reporting requirement implemented in 2016, additional quantities of materials shipped by businesses directly to markets for composting, recycling, animal feed, etc. are included beginning with that year.

²Beginning in 2015, the out-of-District portion of MSW contamination at the MRF and the out-of-District portion of MSW disposed at CSWD Drop-Off Centers are subtracted from Total MSW Landfilled/Incinerated; the out-of-District portion of non-recyclable C&D at Myers Recycling Facility and CSWD Drop-Off Centers is subtracted from Total C&D Landfilled/Incinerated; and the out-of-District portion of mandatory recyclables delivered to CSWD Drop-Off Centers is subtracted from Paper. Tires that go to waste-to-energy facilities are added to MSW Landfilled/Incinerated.

³The bulk of clean wood reported each year is wood processed at the Burlington Electric Department Wood Depot. Wood is processed into wood chips and periodically moved to the inventory of the McNeil Generating Station. It is on the transfer date that tons are recorded. Consequently, large quantities processed in one year may be counted in the next year.

⁴In 2012, the total includes 832.9 tons of tires that were removed from a junk yard in Milton.

⁵The seasonal population is calculated following the instructions provided by the Vermont Department of Environmental Conservation Solid Waste Program in the document titled, "Disposal Data for SWIP Reports."

Note: Some columns may not add up to totals due to rounding.

Diversion Table Notes by Line Item

LINE 1: This line includes corrugated cardboard, boxboard, paper bags, telephone directories, magazines and catalogs, newspaper, office paper, mixed paper, hardcover and paperback books, and junk mail.

LINE 2: This line includes polyethylene terephthalate plastic (#1 plastic), high density polyethylene plastic (#2 plastic), polyvinyl chloride plastic (#3 plastic), low density polyethylene plastic (#4 plastic), polypropylene plastic (#5 plastic), polystyrene plastic (#6 plastic), plastic labeled “other” (#7 plastic), and any mixture of plastic types.

LINE 3: This line includes glass from food and beverage containers and waste glass from a manufacturing process.

LINE 4: This line includes aluminum and tin/steel beverage and food containers, aerosol cans, and aluminum foil and pie plates.

LINE 5: This line includes 1) paper and container recyclables mixed together that were shipped to facilities outside of Chittenden County for sorting and marketing and 2) composite materials that were shipped for recycling.

LINE 6: This line is an estimate of the bottles and cans redeemed under the Bottle Bill. The estimate is based on Chittenden County’s share, based on population, of estimates provided by Vermont ANR.

LINE 7: This line is an estimate of the quantities of materials recycled by businesses that are not reported to CSWD. The estimate is based on a study conducted by DSM Environmental Services for CSWD in 2007. Quantities for businesses in the study that began reporting directly to CSWD in 2016 or have closed are subtracted from the estimate. In 2017, the estimate was eliminated due to direct reporting by businesses.

LINE 9: Participation rates in on-site management of food scraps and yard trimmings are obtained from CSWD’s biennial household solid waste surveys. A national study conducted in 1995 for the U.S. Environmental Protection Agency and the Composting Council by Applied Compost Consulting found an average of 650 pounds of material was diverted per household per year through backyard composting. This amount is used to calculate this line.

LINE 10: This line includes tree limbs, brush, pallets, and dimensional lumber that have never been painted, stained, or treated and do not have adhesives, such as plywood or particle board.

LINE 11: This line includes grass clippings, leaves, weeds, flowers, pine needles, and garden plants.

LINE 12: This line includes discarded food, food-soiled paper, and oils from restaurants, cafeterias, grocery stores, food and beverage product manufacturers, other businesses, and residents that were composted, anaerobically digested, donated for human consumption, or used as animal feed.

LINE 14: This line includes clothing and other textiles collected from Drop-Off Centers and private processors.

LINE 15: This line includes metal items such as car parts, furniture, batteries, sheet metal, oil filters, propane cylinders, bicycles, lawn mowers, outdoor grills, and appliances. It does not include scrap metal delivered directly to scrap metal dealers by generators except for those materials reported by businesses and recycling processors.

LINE 16: This line includes antifreeze; mercury-added products, including fluorescent light tubes; paint and other products redistributed through CSWD’s Hazbin Reuse Program; rebled paint

sold by the Environmental Depot; and paint shipped from the Depot for recycling. It also includes some of the items recycled by private businesses offering collection programs beginning in 2016.

LINE 17: This line includes computer and other electronic equipment shipped for processing (recycling and reuse).

LINE 18: This line includes tires from bicycles, motorcycles, cars, trucks, and off-road vehicles that were recycled into new products or reused.

LINE 20: This line includes municipal solid waste (MSW) that was disposed in landfills or incinerated including tires that went to waste-to-energy facilities.

LINE 23: Estimated Minimum MSW Diversion Rate = $\text{Total MSW Materials Diverted} / (\text{Total MSW Materials Diverted} + \text{Total MSW Landfilled/Incinerated})$.

LINE 24: This line includes construction materials such as asphalt, concrete, brick, drywall, wood, scrap metal, and asphalt shingles.

LINE 25: This line includes construction and demolition waste that was disposed in landfills or incinerated, including material, such as fines from C&D recycling processing and other C&D debris, used for landfill site improvements (road building).

LINE 28: Estimated Minimum C&D Diversion Rate = $\text{C\&D Recycled} / (\text{C\&D Recycled} + \text{Total C\&D Landfilled/Incinerated})$.

LINE 32: Estimated Minimum MSW & C&D Diversion Rate = $(\text{Total MSW Materials Diverted} + \text{C\&D Recycled}) / (\text{Total MSW Materials Diverted} + \text{C\&D Recycled} + \text{Total MSW Landfilled/Incinerated} + \text{Total C\&D Landfilled/Incinerated})$.

LINE 33: This line includes materials that were used as alternative daily cover at a landfill (e.g., contaminated soil, catch basin grit).