

March 19, 2024

FISCAL YEAR 2025 BUDGET

Dear Board of Commissioners and Citizens of Chittenden County,

I present to you Chittenden Solid Waste District's Fiscal Year 2025 Budget proposal. It provides necessary funding for facilities, operations, public programs, and capital programs to meet the Board's strategic goals over the coming year. It also lays the foundation to continue to advance those goals towards the future. The financial condition of CSWD continues to be sound and **I do not see a need for any municipal assessments or per capita fees**. We continue to be self-sufficient, relying on revenue from facility user fees, material sales, and the Solid Waste Management Fee – the per ton fee charged to haulers when disposing Chittenden County trash at the landfill to cover the costs of the services we provide. This budget requires a small draw from reserves to cover anticipated expenses, and I am recommending increasing the Solid Waste Management Fee to help fund the Closed Landfill Reserve.

Managing Increasing Costs Across Programs

Costs continue to increase in key areas, specifically health benefits, hauling services, fuel costs, waste disposal fees we pay at the transfer station, and processing fees we pay our MRF operator. The cost-of-living adjustment provided in July 2023 (7%) corrected the previous year's "behind the curve" COLA and brought CSWD employees in line with adjustments seen across various sectors. This budget proposes a 2.81% COLA for July 1, based on the 2023 twelve-month annual average percent change. We monitor the US Bureau of Labor Statistics' consumer price index for the Northeast (Urban B/C class) and use this as the foundation for COLA recommendations. We are proposing an additional four positions, bringing our staffing to 56.80 Full Time Equivalents. The increased staffing and the annual increases across the board in each benefit sector is resulting in a Wages and Benefits increase of 13.3%.

To mitigate the costs associated with healthcare benefits, in 2023 CSWD moved to a lower-priced plan and increased the employee contribution to healthcare premiums. Employees contribute 3.5% of their salary/wages towards the costs of providing healthcare benefits, up from a previous contribution of 3.25% of salary/wages. These two changes decreased the impacts to the District, and the resulting overall increase to employee Total Compensation per Full-Time Equivalent over FY24 is 5%.

MATERIALS RECOVERY FACILITY:

MRF processing costs are increasing in FY 2025 per the operating contract with MRF operator, Casella Waste Systems. CSWD pays Casella a per-ton fee to operate the MRF and to market the sorted materials. The processing fee increased by 55%, from \$45/ton to \$70/ton as of March 1, 2023. Per the contract, the operating fee increased on January 1 to \$72.80/ton and will increase again on January 1, 2025. **To remain self-supporting, we are raising the MRF tip fee from \$85/ton to \$90/ton as of July 1.** This tip fee is closer to the regional market rate as fees in the region range between \$90-\$110/ton as of the date of this memo.

MRF commodity revenue for Q1 and Q2 of FY 2024 remained in the depressed state seen in FY2023, hovering around \$55/ton, only picking up in December. The forecast for the remainder of FY 2024 and for Q1 FY 2025 is for an average commodity revenue rate around \$100/ton, blended across all commodities sorted at the MRF. The demand remains suppressed for plastics heading into FY 2025, however demand is beginning to increase and stabilize for fiber products. This budget assumes a conservative average commodity revenue of \$75/ton, which I expect we will surpass.

Modern Facility

In November 2022 Chittenden County voters voiced overwhelming support for the construction of a new Materials Recovery Facility on Redmond Road in Williston. The vote authorized a bond amount of \$22,000,000. We are designing a state-of-the-art facility, complete with high-tech sorting equipment and an education center. In Q4 FY 2024, we will be selecting a construction firm and aim to break ground in Q1 of FY 2025.

ORGANICS RECYCLING FACILITY:

FY 2025 will see a renewed focus on identifying sources of contamination in the food scraps and implementing a new Contamination Policy (pending Board approval) which will lead to greater quality control and customer education opportunities. CSWD has invested in equipment and people to manage the contaminants once onsite, but the goal is to incentivize cleaner inbound streams of material. The combination of equipment, people, and policy is reflected by a budgeted 58% decrease in Materials Management costs (transportation and disposal fees). The ORF Team has been working with haulers and the CSWD Outreach Team to inform and educate food scrap generators of the effects of contamination on the process and to alert them to the upcoming policy.

We are mindful of the Board's desire that the ORF be self-supporting and are also mindful that food scrap collection is an additional burden of cost to generators. In this budget, we are striving to balance those two potentially competing factors. **Organics Recycling Facility tip fees are remaining at \$70/ton for FY 2025.** This budget shows a decrease in budgeted inbound food scraps to 4,527 tons. ORF staff are actively seeking additional high-quality tons to help improve tip fee revenue, projected to be down 4.5% from the FY 2024 budget. Budgeted sales revenue is up 18% due to increasing wholesale pricing, but even with the increase in product sales we are projecting needing to draw from the Operating Reserve to bring the ORF to -0-. *Additional clean inbound food scraps are vital to reducing the draw.*

DROP OFF CENTERS:

In Q3 FY 2024 we adjusted pricing for construction and demolition debris to match the bag price increases that took effect July 1, 2023. **We are not raising prices for bagged trash in FY 2025.** A small bag is priced at \$3.00, a medium bag is \$8.00, and a large bag is \$11.00. New in FY 2024 is an extra-large bag priced at \$15.00. An extra-large bag holds 46-65 gallons. This pricing brings us closer to covering the costs of managing recycling and food scraps as part of the price of a bag of trash (although the smallest bag still doesn't cover those costs) and will allow the DOCs to generate a small amount of revenue in excess of expenses to contribute to the Operating Reserve. The biggest factor to bringing the DOCs firmly "in the black" was removing the allocation for Maintenance and Roll-Off

services as a program expense and considering that expense an internal District service supported by the Operating Reserve. This is the same approach taken with general Administrative, Outreach & Communications, Compliance, and Finance services, which are all completely supported by the Solid Waste Management Fee Reserve.

Friendly Neighborhood DOC

Our six DOCs serve 28% of Chittenden County as a primary source of waste disposal, recycling, and management of special materials not accepted elsewhere. More than 75% of Chittenden County residents use the DOCs each year, such as for electronics recycling, bulky waste disposal, or leaf and yard waste drop off. We recognize that we perform a vital function in the community, and the mission is to do so safely, efficiently, economically, and in an environmentally responsible manner.

Even though the DOCs are District facilities, they are very much viewed as “local.” This capital budget includes long-awaited improvements to the DOC in Milton as well as redesigning the DOC in Burlington. The remaining DOCs will receive updates in successive out-years.

In FY 2024 we changed the DOC schedule for most sites (except Hinesburg and Burlington) to a Tuesday – Saturday schedule, 8:00am 3:30pm. This schedule added service days to Milton and provided two-days off in a row for our hard-working DOC Team. The five-day schedule created efficiencies for our Maintenance Team when performing repairs and making improvements at the DOCs while they are closed to the public. The additional service days coupled with the FY 2024 price increases are reflected in the 32% increase in FY 2025 revenue compared to FY 2023 Actuals. When the DOC in Burlington resumes accepting trash (Q1 FY 2025), it will adopt the five-day schedule.

SOLID WASTE MANAGEMENT FEE:

This is the fee charged to haulers when they dispose trash in the landfill in Coventry. The fee has not risen in eleven years, despite dramatic increases in District expenses. **I am recommending that the Solid Waste Management Fee increase from \$27.00 per ton of trash disposed to \$30.00 per ton.** The increase is needed at this time in part to help further fund the Closed Landfill Reserve. We are in Year 28 of the 30-Year landfill post-closure plan, and there are not sufficient funds remaining in the reserve to perform the work needed to move the landfill to its final stage, Custodial Care. The landfill continues to produce leachate in excess of what is expected of a landfill this far into post-closure. We are actively investigating the cause or causes. A further complicating factor, and one that may be extremely costly, is the yet to be announced PFAS treatment requirements for landfill leachate. The EPA and VTANR will be changing environmental rules within the next 12-18 months regarding PFAS, and the expectation is that landfill managers will be required to at minimum treat, but possibly destroy, any PFAS detected in the landfill leachate. There is no way to estimate the cost of the requirement until the extent of expected treatment is known, however, the balance in the Closed Landfill Reserve fund is most certainly inadequate to the task.

The FY 2025 budget reflects the SWMF increase, however the increase must be approved by the Board as an official change to CSWD’s local Ordinance. The Ordinance change process is separate from the budget process, with its own warnings, public processes, and approvals.

As the economy continues its recovery towards a “soft landing” (as it is being forecast to do through 2024-25) waste reduction education will be even more important. Our team of solid waste professionals is dedicated to ensuring our members’ solid waste is managed in an environmentally sound, efficient, effective, and economical manner. I continue to work with our team positioning CSWD to make sure we remain a stable and predictable service provider to the citizens of Chittenden County.

Sincerely,

A handwritten signature in blue ink that reads "Sarah Reeves". The signature is fluid and cursive, with the first name "Sarah" and the last name "Reeves" clearly legible.

Sarah Reeves, Executive Director

FY 2025 BUDGET PROPOSAL

TO VIEW BUDGET DETAIL GO TO

[Financial Information - CSWD](#)



Chittenden Solid Waste District

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CHITTENDEN SOLID WASTE DISTRICT FY 2025 BUDGET PROPOSAL

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Individual Program Budgets with Details and Comparisons to previous years are available on line at <https://cswd.net/about-cswd/financial-information/>



Chittenden Solid Waste District

Attachment A

ADMINISTRATIVE OFFICE

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To: Board of Commissioners
From: Sarah Reeves, Executive Director
Nola Ricci, Director of Finance
Date: March 20, 2024
RE: Fiscal Year 2025 Budget Proposal

OVERVIEW

Fiscal Year 2025 brings many important changes to the future of CSWD. We will be breaking ground on the new Materials Recycling Facility, reconfiguring the CSWD Drop Off Center at Burlington, and redesigning the CSWD Drop Off Center at Milton.

The proposed budget for Fiscal Year 2025 remains conservative and acknowledges some of the increases we've experienced, and those we anticipate, as costs rise. FY24 was the first full fiscal year at the leased Administration building, and administrative staff has adjusted the FY25 budget includes costs associated with the use of the building.

At the outset of FY25 we are budgeting to end the year in a deficit, requiring a modest draw from reserves. Because several budget projections are very conservative, we don't believe that we will need to tap reserves to bring the year to Zero, however we do feel it is prudent to establish the expectation that we may, should the conservative path prove correct.

CSWD SOURCES OF REVENUE

CSWD's revenue has three main components: Solid Waste Management Fees (SWMF), User Fees (tip fees), and Material Sales. The remaining revenue comes from rental income, license fees, bin sales, grants, and Extended Producer Responsibility program reimbursements. **CSWD receives no municipal payments (assessments, per capita fees, tax payments, etc.) from our member communities.**

- Solid Waste Management Fees: Fees charged on each ton destined for disposal and which originated in Chittenden County. Four material types make up the tons subject to the SWMF—municipal solid waste, construction & demolition debris (C&D), construction & demolition debris fines, and material eligible to be used as alternate daily landfill cover (ADC). C&D fines and ADC are charged 25% of the SWMF. **In FY25, SWMF are 24% of the revenue budget.**
- Tipping/User Fees: Fees charged for material disposal at Drop-Off Centers (DOCs), the Materials Recovery Facility (MRF), the Organics Diversion Facility (ODF), and the Environmental Depot. **In FY25, Tip/User Fees are 57% of the revenue budget.**
- Material Sales: Revenue generated from the sale of products we make—compost products, Local Color paint, baled recyclables—or products we purchase on behalf of the public and then resell, like compost bins. **In FY25, Materials Sales are 16% of the revenue budget.**

REVENUE SNAPSHOT

Revenue (in thousands)	FY23 Actual	FY24 Budget	FY25 Budget	Change from FY24 Budget	Change from FY22 Actual	% of Overall Revenue
Tip Fees	7,426	8,937	9,072	1.5%	22.2%	56.8
Material Sales	2,262	2,629	2,612	-0.6%	15.5%	16.4
SWMF	3,476	3,336	3,781	13.3%	8.8%	23.7
All Other	534	500	498	-0.4%	-6.7%	3.1
TOTAL	13,698	15,402	15,963	3.6%	16.5%	100%
Cost of Goods Sold	201	122	163	33.6%	-18.9%	
Gross Profit	13,497	15,280	15,800	3.4%	17.1%	

Tip Fees, User Fees, and Material Sales Assumptions:

- Materials Recycling Facility processing costs are increasing in FY 2025 per the operating contract with MRF operator, Casella Waste Systems. CSWD pays Casella a per-ton fee to operate the MRF and to market the sorted materials. On March 1, 2023, the processing fee increased by 55%, from \$45/ton to \$70/ton. Per the contract, the operating fee increased again on January 1 to \$72.80/ton and will increase again on January 1, 2025. **To remain self-supporting, we are raising the MRF tip fee from \$85/ton to \$90/ton as of July 1.** This tip fee is closer to the regional market rate, as fees in the region range between \$90-\$110/ton as of the date of this memo.
 - MRF commodity revenue for Q1 and Q2 of FY24 remained in the depressed state seen in FY23, hovering around \$55/ton, only picking up in December. The forecast for the remainder of FY24 and for Q1 FY25 is for an average commodity revenue rate around \$100/ton, blended across all commodities sorted at the MRF. The demand remains suppressed for plastics heading into FY 2025, however demand is beginning to increase and stabilize for fiber products. This budget assumes a conservative average commodity revenue of \$75/ton, which I expect we will surpass. We are assuming 47,500 tons of inbound recycling, and marketing 38,000 of those tons.
 - In November 2022 Chittenden County voters voiced overwhelming support for the construction of a new Materials Recovery Facility on Redmond Road in Williston. The vote authorized a bond amount of \$22,000,000. We are designing a state-of-the-art facility, complete with high-tech sorting equipment and an education center. In Q4 FY24, we will be selecting a construction firm and aim to break ground in Q1 of FY25.
- Organics Recycling Facility will renew focus on identifying sources of contamination inbound food scraps and implementing a new Contamination Policy (pending Board approval) which will lead to greater quality control, reduced materials management costs, and improved customer

education opportunities. CSWD has invested in equipment and people to manage the contaminants once onsite, but the goal is to incentivize cleaner inbound streams of material. The combination of equipment, people, and policy is reflected by a budgeted **58% decrease in Materials Management costs** (transportation and disposal fees). The ORF Team has been working with haulers and the CSWD Outreach Team to inform and educate food scrap generators of the effects of contamination on the process and to alert them to the upcoming policy.

- We are mindful of the Board’s desire that the ORF be self-supporting and are also mindful that food scrap collection is an additional burden of cost to generators. In this budget, we are striving to balance these two potentially competing factors and therefore **Organics Recycling Facility tip fees are remaining at \$70/ton for FY 2025**. ORF staff are actively seeking additional high-quality tons to help improve tip fee revenue, projected to be down 4.5% from the FY 2024 budget; This budget shows a **decrease in budgeted inbound food scraps to 4,527 tons. Budgeted sales revenue is up 18%** due to increasing wholesale pricing, but even with the increase in product sales we are projecting needing to draw from the Operating Reserve to bring the ORF to -0-. *Additional clean inbound food scraps are vital to reducing the draw.*
- Drop Off Centers **We are not raising prices for bagged trash in FY 2025**. A small bag is priced at \$3.00, a medium bag is \$8.00, and a large bag is \$11.00. New in FY24 is an extra-large bag (holding 46-65 gallons) is priced at \$15.00. Also in FY24 we adjusted pricing for construction and demolition debris to match the bag price increases that took effect July 1, 2023. This pricing brings us closer to covering the costs of managing recycling and food scraps as part of the price of a bag of trash (although the smallest bag still doesn’t cover those costs) and will generate an estimated **\$187,500 of revenue in excess of expenses to contribute to reserves**. The biggest factor bringing the DOCs firmly “in the black” was removing the allocation for Maintenance and Roll-Off services as a program expense and considering that expense an internal District service supported by the Operating Reserve. This is the same approach taken with general Administrative, Outreach & Communications, Compliance, and Finance services, which are all completely supported by the Solid Waste Management Fee Reserve. DOCs continue to manage materials that do not have adequate (or any) revenue associated with them, meaning CSWD is subsidizing the collection and management of certain materials such as universal waste, some electronics, and leaf and yard debris.

Solid Waste Management Fee:

Solid Waste Management Fees (the fees charged to haulers when they dispose trash at the landfill in Coventry) revenue is projected to be 13.3% higher than FY24 budget. We are budgeting a slight uptick in solid waste generation and an **increase to the solid waste management fee, from \$27/ton to \$30/ton**. The fee was last increased in FY13 and would require an ordinance amendment to make the change. We used the Solid Waste Disposal and Diversion Trends Model developed for CSWD by SERA, Inc to generate our projections for FY25. Supporting the model’s output, the state’s Joint Fiscal Office is

projecting slow growth in FY25, demonstrated by increasing consumer confidence and anticipated lower interest rates mid-year. This is the fee charged to haulers when they dispose trash in the landfill in Coventry. The fee has not risen in eleven years, despite dramatic increases in District expenses.

The increase is needed at this time in part to help further fund the Closed Landfill Reserve. We are in Year 28 of the 30-Year landfill post-closure plan, and there are not sufficient funds remaining in the reserve to perform the work needed to move the landfill to its final stage, Custodial Care. The landfill continues to produce leachate in excess of what is expected of a landfill this far into post-closure, and we are actively investigating the cause or causes. A further complicating factor, and one that may be extremely costly, is the soon to be announced PFAS treatment requirements for landfill leachate. The EPA and VTANR will be changing environmental rules within the next 12 months regarding PFAS and PFOA, and the expectation is that landfill managers will be required to at minimum treat, but possibly destroy, any PFAS detected in the landfill leachate. There is no way to estimate the cost of the requirement until the extent of expected treatment is known, however, the balance in the Closed Landfill Reserve fund is most certainly inadequate to the task.

The FY 2025 budget reflects the SWMF increase, however the *increase must be approved by the Board as an official change to CSWD's local Ordinance*. The Ordinance change process is separate from the budget process.

EXPENSES SNAPSHOT

	Actual	Budget	Forecast	Change from FY24 to FY25	
	FY23	FY24	FY25	\$	%
Expenses					
Salaries & Wages	3,236,495	3,752,336	4,200,898	448,562	12.0%
Benefits	1,374,524	1,630,639	1,897,751	267,113	16.4%
Payroll Expenses	4,611,018	5,382,975	6,098,649	715,675	13.3%
Travel & Training	47,516	118,175	127,432	9,257	7.8%
Administrative Costs	79,244	182,885	152,753	(30,131)	-16.5%
Professional Fees	201,044	280,690	345,691	65,001	23.2%
Equipment & Fleet	630,966	772,074	1,284,628	512,554	66.4%
Supplies	105,636	133,644	131,813	(1,831)	-1.4%
Materials Management	5,959,886	6,691,366	6,998,897	307,530	4.6%
Property Management	548,396	597,111	686,715	89,605	15.0%
Promotion & Education	137,728	142,178	150,317	8,139	5.7%
Community Support	32,346	100,950	106,400	5,450	5.4%
Total Expense	12,353,781	14,402,047	16,083,295	1,681,248	11.7%

Key Points:

- The cost-of-living adjustment provided in July 2023 (7%) corrected the previous year’s “behind the curve” COLA and brought CSWD employees in line with adjustments seen across various sectors. This budget proposes a 2.81% COLA for July 1, based on the US Bureau of Labor Statistics’ consumer price index for the Northeast (Urban B/C class) 2023 twelve-month annual average percent change. For FY25 we are proposing an additional four positions, bringing our staffing to 56.80 Full Time Equivalents. The increased staffing and the annual increases across the board in each benefit sector is resulting in a Wages and Benefits increase of 13.3%.
 - To mitigate increases associated with healthcare benefits, in 2023 CSWD moved to a lower-priced plan and increased employees’ contribution to healthcare premiums. Employees contribute 3.5% of their salary/wages towards the costs of providing healthcare benefits, up from a previous contribution of 3.25% of salary/wages. These two changes decreased the impacts to the District, with the resulting overall increase to employee Total Compensation per Full-Time Equivalent over FY24 at 5%.

	FY24	FY25	% Difference
Payroll Expense	5,382,975	6,098,649	
Full Time Employee	52.66	56.80	
Expense per Employee	102,221	107,371	5.0%

- In FY25, we will move the Maintenance and Roll Off department under the Operating Programs as an expense unto itself and funded this year out of the Operating Reserve. Maintenance and Roll Off was once allocated to various programs based on assumptions of time used, however we found the allocations were not yielding an accurate view of the full scope of services provided. The allocations hit the DOCs with significant expenses (88% of the M&R/O budget was allocated to DOCs) and the DOC revenue could not keep pace with the expense without significant subsidy.
 - Historically, the M&R/O program has not been a revenue-generating program but in FY25 we will be actively engaging in a pilot program to determine if there is a possibility of a new revenue stream.
- Equipment and Fleet expenses are significantly higher at 66% above FY24 budget because more purchases that previously were part of the Capital Budget are now part of the Operations Budget. We’re fine-tuning our approach to Capital Expenditures (CapEx) and Operating Expenses (OpEx), and specifically our approach to asset depreciation. CapEx are those purchases that have long-term benefits and can be depreciated over time. OpEx are purchases that are consumed (used) over a short time period or are used regularly for day-to-day business. Some OpEx purchases are depreciated as well, but they are depreciated over a very short time period and will appear in budgets as an operational expense.

- Prior to FY25, CSWD used the capital budget to purchase all operations-related equipment over a cost of \$7,500. Two years ago we increased the capital purchase threshold to \$25,000 and moved smaller purchases to operating budgets. This year, we're also using depreciation as a factor to determine which items should be purchased with capital dollars versus operating dollars.
- Travel and Training is budgeted slightly higher compared to FY24 (7.8%), however we continue to struggle to fully utilize this line item. Scheduling coverage for key personnel is an ongoing challenge, and our ranks are thin in several operational positions. I continue to stress to all CSWD staff that I strongly support continuing professional development and skill building, and we will review our approach to trainings in FY25 to try to better understand how to be more successful in this area.
- Administrative costs are down 16.5%, reflecting (among other things) budgeting based on known actuals at our leased space in South Burlington.
- Materials Management is up only modestly (4.6%) for the first time in several years, reflecting a modicum of pricing stabilization across key inputs, such as diesel fuel costs. Materials Management is how we refer to hauling services we use to move materials we produce (compost, recyclables) to market, and move materials we collect (MSW from Drop-Off Centers, trash we generate, etc.) to disposal.

RESERVE FUNDS

Please see the FY25 Reserve Funds memo included in the budget packet for details on the reserve balances.

In FY22, the District revised the Reserve Fund Guideline and structure. The new structure establishes a priority funding mechanism, minimum and maximum balances, and proposes to restrict certain funds (Closed Landfill, Facility Closure, and Biosolids). As each priority reserve reaches its maximum, remaining excess revenue flows (“waterfalls”) to the next priority reserve fund in order, as illustrated below:

Reserve Type	Reserve Name	Minimum Carry Value	Maximum Carry Value
Restricted	Biosolids Reserve	Current depreciation of Biosolids Trailers, as contracted	\$650,000 or cost of replacing Biosolids trailers
Restricted	Landfill Post Closure Reserve	Original cost of calculated closure less operating reduction	Original cost of calculated closure
Temporarily Restricted	Material Recycling Facility Reserve	10% of total Bond	10% of total Bond

Reserves Subject to Funding Priority Waterfall			
Assigned	Solids Waste Management Reserve (General Fund)	3 months of budgeted administrative expenses	6 months of budgeted administrative expenses, or highest past calculated cost
Assigned	Operating Reserve	3 months of budgeted operating expenses	6 months of budgeted operating expenses, or highest past calculated cost
Assigned	Capital Reserve	Current value of fully depreciated assets	Current value of total asset depreciation
Unrestricted, Unassigned	Undesignated Fund	5% of budgeted revenue	10% of budgeted revenue

Reserves Using a Set Calculation			
Reserve Type	Reserve Name	Minimum Carry Value	Maximum Carry Value
Assigned	Facilities Decommission Reserve	Calculated cost of facilities decommissions	Highest past calculated cost of facilities decommissions
Restricted	Facilities Solid Waste Termination Reserve	Calculated cost of facility solid waste termination	Highest past calculated cost of facility solid waste termination
Assigned	Community Clean Up Fund	Current balance due to communities	Maximum carry over allowed to communities

RESTRICTED FUNDS

The Biosolids, Closed Landfill, and Facilities Closure reserve funds are considered Restricted Funds as a best practice. The Materials Recycling Facility Reserve is required by the Vermont Municipal Bond Bank as part of the bonding agreement. Restricting these reserves means that the funds attributed to these programs may be used only for the expenses of these programs. Excess funds, after their restricted use, may be redistributed as deemed appropriate by management or, in the case of the Biosolids Reserve, returned to the member cities/towns that contribute specifically to that reserve. Interest revenue resulting from the investment of monies from these funds are returned to these funds.

ASSIGNED FUNDS

The remaining reserve funds (except the Undesignated Reserve) are assigned but not restricted. This means that those funds have a specific intended use but are available to be reassigned to other reserves if needed. These funds are organized in priority order and are filled with revenue in excess of expenses at the end of the fiscal year. When the first priority fund is full, the remaining excess revenue is assigned (flows as a waterfall) to the next priority fund. Four reserves make up the “waterfall”

reserves: Solid Waste Management Fee, Operating, Capital, and Undesignated reserves, in that order. When the Undesignated Reserve maximum is met, any remaining excess revenue will be assigned to the Capital Reserve. The Facilities Decommission and Facilities Solid Waste Termination Reserves were seeded with excess solid waste management fee revenue. The Community Clean Up Fund is also funded with solid waste management fees and is capped at \$95,000.

BOTTOM LINE

Each year we need to “get to zero.” In FY25, we are projecting a deficit of \$287,837, which if realized would require a draw from reserves. We are budgeting conservatively in several areas, such as Sale of Materials, healthcare utilization, and tipping fee revenue from the DOCs and ORF. Should actuals perform better than the budget, the need for a reserve transfer will be reduced or eliminated.

Revenue	\$15,957,869	
Cost of Goods Sold	\$162,411	
Gross Profit		\$15,795,458
Expenses		<i>\$16,083,295</i>
Income from Operations		(\$287,837)
Transfer from (to) Closed Landfill Reserve	\$39,125	
Transfer from (to) SWMF Reserve	(\$381,701)	
Transfer from (to) Biosolids Reserve	(\$47,000)	
Transfer from (to) Operating Reserve	\$582,413	
Transfer from (to) Capital Reserve	\$0	
Transfer from (to) Community Clean Up Reserve	\$95,000	
Facility Closure Reserve	\$0	
Net		-

Chittenden Solid Waste District
FY25 Proposed Budget
Summary

	Actual	Budget	Forecast	Change from FY24 to FY25	
	FY23	FY24	FY25	\$	%
Income					
Tipping Fees	\$ 5,978,341	\$ 7,470,630	\$ 7,574,853	\$ 104,223	1.4%
Hazardous Waste	97,010	62,000	92,500	30,500	49.2%
Biosolids	1,350,510	1,404,358	1,405,000	642	0.0%
Solid Waste Management	3,476,118	3,335,702	3,780,540	444,838	13.3%
Sale of Materials	2,261,553	2,628,603	2,612,482	(16,121)	-0.6%
License Fees, Fines & Penalties	15,423	14,000	14,000	-	0.0%
Rental Income	73,500	75,000	12,000	(63,000)	-84.0%
Product Stewardship & Reimbursements	171,502	169,000	167,500	(1,500)	-0.9%
Interest & Dividends	172,202	61,000	182,000	121,000	198.4%
Charges for Services & Miscellaneous Income	187	75,000	10,524	(64,476)	-86.0%
Grant Revenue	106,850	106,470	106,470	-	0.0%
Equipment Sale/Trade	(5,437)	-	-	-	0.0%
Total Income	13,697,758	15,401,763	15,957,869	556,106	3.6%
Cost of Goods Sold					
Bins & Containers	1,117	-	-	-	0.0%
Paint	(3,855)	19,000	19,000	-	0.0%
Organics	203,145	102,405	143,411	41,006	40.0%
Total Cost of Goods Sold	200,407	121,405	162,411	41,006	33.8%
Gross Profit	13,497,351	15,280,358	15,795,458	515,099	3.4%

Chittenden Solid Waste District
 FY25 Budget
 Summary

	Actual FY23	Budget FY24	Forecast FY25	Change from FY24 to FY25	
				\$	%
Expenses					
Salaries & Wages	3,236,495	3,752,336	4,200,898	448,562	12.0%
Benefits	1,374,524	1,630,639	1,897,751	267,113	16.4%
Payroll Expenses	4,611,018	5,382,975	6,098,649	715,675	13.3%
Travel & Training	47,516	118,175	127,432	9,257	7.8%
Administrative Costs	79,244	182,885	152,753	(30,131)	-16.5%
Professional Fees	201,044	280,690	345,691	65,001	23.2%
Equipment & Fleet	630,966	772,074	1,284,628	512,554	66.4%
Supplies	105,636	133,644	131,813	(1,831)	-1.4%
Materials Management	5,959,886	6,691,366	6,998,897	307,530	4.6%
Property Management	548,396	597,111	686,715	89,605	15.0%
Promotion & Education	137,728	142,178	150,317	8,139	5.7%
Community Support	32,346	100,950	106,400	5,450	5.4%
Total Expense	12,353,781	14,402,047	16,083,295	1,681,248	11.7%
Net Ordinary Income	1,143,570	878,311	(287,837)	(1,166,148)	-132.8%

Chittenden Solid Waste District
FY25 Budget
Summary

	Actual FY23	Budget FY24	Forecast FY25
Other Income			
Subsidies & Transfers			
Solid Waste Management Fee Subsidy	-	3,342,938	3,398,839
Capital Reserve	136,753		
Landfill Post Closure Transfer		-	159,125
Operating Reserve Subsidy	-	177,452	2,619,395
CCUF Transfer	27,323	95,000	95,000
Depreciation	1,019,262	-	-
Total Subsidies & Transfers	<u>1,183,337</u>	<u>3,615,390</u>	<u>6,272,359</u>
Total Other Income	<u>1,183,337</u>	<u>3,615,390</u>	<u>6,272,359</u>
Other Expense			
Reserve Transfers			
Transfer Capital Reserve		934,614	-
Transfer Solid Waste Management Reserve	910,820	3,335,702	3,780,540
Transfer Biosolids Reserve	46,375	45,500	47,000
Transfer Operating Reserve	297,208	176,385	2,036,982
Transfer Facility Closure Reserve	1,883	500	-
Transfer Landfill Post Closure Reserve	51,359	1,000	120,000
Transfer Investment in Assets	1,019,262	-	-
Total Reserve Transfers	<u>2,326,907</u>	<u>4,493,701</u>	<u>5,984,522</u>
Total Other Expense	<u>2,326,907</u>	<u>4,493,701</u>	<u>5,984,522</u>
Other Income and Expenses	<u>(1,143,570)</u>	<u>(878,311)</u>	<u>287,837</u>
Net Income	<u>0</u>	<u>(0)</u>	<u>(0)</u>

Chittenden Solid Waste District
Administrative Descriptions

Administration Program

The Administrative program encompasses the expenses of human resources, the Executive Director, risk management, information and technology, infrastructure and general support services.

Compliance Program

The Compliance program oversees the Solid Waste Management Ordinance and ensures the regulated community maintains compliance. Additionally, the Compliance program oversees the District Safety program.

Finance Program

The Finance program provides management, oversight, and control of CSWD financial assets, as well as accurate and timely financial information to facilitate sound management decisions.

Outreach and Communications (O&C)

The Outreach and Communications program manages statutory mandates for raising awareness of CSWD services and educating residents, businesses, and institutions in reducing and properly managing the waste they generate.

Attachment D

Chittenden Solid Waste District
 FY25 Proposed Budget
 Administrative Summary

	Administration	Compliance	Finance	Outreach & Communication	Solid Waste Management	Total Administrative
Income						
Solid Waste Management Fee	\$ -	\$ -	\$ -	\$ -	\$ 3,780,540	\$ 3,780,540
License Fees, Fines & Penalties	-	14,000	-	-	-	14,000
Interest & Dividends	-	-	120,000	-	-	120,000
Total Income	-	14,000	120,000	-	3,780,540	3,914,540
Gross Profit	-	14,000	120,000	-	3,780,540	3,914,540
Expenses						
Salaries & Wages	633,516	146,998	339,237	599,124	-	1,718,875
Benefits	222,846	56,929	156,610	218,150	-	654,535
Payroll Expenses	856,362	203,927	495,846	817,274	-	2,373,409
Travel & Training	49,543	7,300	2,303	31,761	-	90,907
Administrative Costs	37,636	6,570	2,980	33,848	-	81,034
Professional Fees	112,732	13,500	35,000	61,559	-	222,791
Equipment & Fleet	199,962	5,570	86,400	13,565	-	305,497
Supplies	5,794	950	3,350	38,126	-	48,220
Materials Management	2,000	-	-	-	-	2,000
Property Management	140,014	-	-	-	-	140,014
Promotion & Education	-	-	-	144,567	-	144,567
Community Support	-	-	95,000	4,400	-	99,400
Total Expense	1,404,043	237,817	720,879	1,145,100	-	3,507,839
Net Ordinary Income	(1,404,043)	(223,817)	(600,879)	(1,145,100)	3,780,540	406,701
Other Income						
Subsidies & Transfers						
Solid Waste Management Fee Subsidy	1,404,043	223,817	625,879	1,145,100	-	3,398,839
Total Subsidies & Transfers	1,404,043	223,817	625,879	1,145,100	-	3,398,839
Total Other Income	1,404,043	223,817	625,879	1,145,100	-	3,398,839
Other Expense						
Reserve Transfers						
Transfer Solid Waste Management Reserve	-	-	-	-	3,780,540	3,780,540
Transfer Community Clean Up Reserve	-	-	(95,000)	-	-	(95,000)
Transfer Landfill Post Closure Reserve	-	-	120,000	-	-	120,000
Total Reserve Transfers	-	-	25,000	-	3,780,540	3,805,540
Total Other Expense	-	-	25,000	-	3,780,540	3,805,540
Other Income and Expenses	1,404,043	223,817	600,879	1,145,100	(3,780,540)	(406,701)
Net Income	-	-	(0)	(0)	-	(0)

Chittenden Solid Waste District
Operating Descriptions

Operating Administration

The Operating Administration program (formerly Engineering) provides resources for compliance, design, project management, and applicable permitting. Additionally, this program oversees capital projects through the lifecycle of feasibility, design, and construction management.

Drop Off Centers (DOCs)

CSWD Drop Off Centers provide residents and small businesses with economical options for the management of their trash, recycling, food scraps, compostable yard debris, and certain special recyclables.

Hazardous Waste

The Hazardous Waste program includes both the Environmental Depot and Paint Depot. The Environmental Depot manages the hazardous waste of the residents and small businesses of Chittenden County. The Paint Depot manages discarded paint and produces recycled paint for the CSWD Local Color Program.

Materials Recovery Facility (MRF)

The Materials Recovery Facility manages single stream recycling from Chittenden County and Northern Vermont through sorting and preparing recyclables for domestic commodity sales.

Organics Diversion Facility (ODF)

The Organics Diversion Facility manages the acceptance, processing, and transfer of organics for use in compost and anaerobic digestion.

Property Management

The Property Management department maintains and protects CSWD's investment in residential and business tenant property.

Maintenance & Roll-off

The Maintenance department provides material hauling and supports facility operations through ongoing maintenance of CSWD assets.

Chittenden Solid Waste District
FY25 Proposed Budget
Operating Summary

Attachment F

	Drop Off Center DOC	Materials Recycling Facility	Organics Recycling Facility	Property Management	Hazardous Waste	Operating Administration	Maintenance & RollOff	Total Operating
Income								
Tipping Fees	\$ 2,938,000	\$ 4,320,000	\$ 316,853	\$ -	\$ -	\$ -	\$ -	\$ 7,574,853
Hazardous Waste	15,000	-	-	-	77,500	-	-	92,500
Sale of Materials	230,202	1,440,000	896,780	-	45,500	-	-	2,612,482
Rental Income	-	-	-	12,000	-	-	-	12,000
Product Stewardship & Reimbursements	36,000	-	-	-	131,500	-	-	167,500
Charges for Services & Miscellaneous Income	8,000	-	2,524	-	-	-	-	10,524
Grant Revenue	-	-	-	-	111,323	-	-	111,323
Total Income	3,227,202	5,760,000	1,216,157	12,000	365,823	-	-	10,581,182
Cost of Goods Sold								
Paint	-	-	-	-	19,000	-	-	19,000
Organics	-	-	143,411	-	-	-	-	143,411
Total Cost of Goods Sold	-	-	143,411	-	19,000	-	-	162,411
Gross Profit	3,227,202	5,760,000	1,072,746	12,000	346,823	-	-	10,418,771
Expenses								
Salaries & Wages	865,588	55,775	458,068	-	387,819	347,702	333,223	2,448,175
Benefits	502,696	21,384	230,525	-	204,407	95,858	185,666	1,240,536
Payroll Expenses	1,368,284	77,159	688,593	-	592,226	443,560	518,888	3,688,711
Travel & Training	3,000	6,265	13,560	-	6,350	2,100	3,250	34,525
Administrative Costs	27,900	28,000	10,154	-	2,500	1,000	800	70,354
Professional Fees	7,650	2,000	4,500	1,000	2,750	-	-	17,900
Equipment & Fleet	171,805	292,500	307,356	-	26,100	-	181,370	979,131
Supplies	26,350	1,150	19,743	1,000	17,500	-	17,600	83,343
Materials Management	1,305,900	3,761,812	101,005	-	432,800	-	-	5,601,517
Property Management	82,551	121,014	125,916	81,846	74,150	-	22,623	508,100
Promotion & Education	-	-	5,750	-	-	-	-	5,750
Community Support	7,000	-	-	-	-	-	-	7,000
Total Expense	3,000,440	4,289,900	1,276,577	83,846	1,154,376	446,660	744,531	10,996,331
Net Ordinary Income	226,762	1,470,100	(203,831)	(71,846)	(807,553)	(446,660)	(744,531)	(577,560)

Biosolids Program

The Biosolids program provides efficient and effective residuals management for participating community members. This program is developed to be self-funding.

Closed Landfill Program

The Closed Landfill program oversees the 30-year post closure period through responsible maintenance, reporting and monitoring according to the safety standards of applicable governing bodies. This program is funded through monies reserved at the launch of the closing project.

Chittenden Solid Waste District
FY25 Proposed Budget
Biosolids

Income	
Biosolids	\$ 1,405,000
Total Income	<u>1,405,000</u>
Gross Profit	<u>1,405,000</u>
Expenses	
Travel & Training	2,000
Administrative Costs	1,000
Professional Fees	5,000
Materials Management	1,350,000
Total Expense	<u>1,358,000</u>
Net Ordinary Income	<u>47,000</u>
Other Expense	
Reserve Transfers	
Transfer Biosolids Reserve	47,000
Total Reserve Transfers	<u>47,000</u>
Total Other Expense	<u>47,000</u>
Other Income and Expenses	<u>(47,000)</u>
Net Income	<u>-</u>

Chittenden Solid Waste District
FY25 Proposed Budget
Closed Landfill

Income	
Interest & Dividends	\$ 62,000
Total Income	<u>62,000</u>
Gross Profit	<u>62,000</u>
Expenses	
Salaries & Wages	33,849
Benefits	2,681
Payroll Expenses	<u>36,529</u>
Administrative Costs	365
Professional Fees	100,000
Supplies	250
Materials Management	45,380
Property Management	38,601
Total Expense	<u>221,125</u>
Net Ordinary Income	<u>(159,125)</u>
Other Income	
Subsidies & Transfers	
Landfill Post Closure Transfer	159,125
Total Subsidies & Transfers	<u>159,125</u>
Total Other Income	<u>159,125</u>
Other Income and Expenses	<u>159,125</u>
Net Income	<u>-</u>

To: Board of Commissioners
From: Josh Estey, Director of Compliance and Hazardous Waste
Date: February 2, 2024
RE: Fiscal Year 2025 Capital Budget

Operating Capital

Presented in this enclosure is a capital budget and timeline for FY25, FY26, and FY27 as well as, for the first time, an overview of previously approved capital projects that are in progress and are yet to be completed. This memo highlights the projects and procurements planned for FY25.

As has been presented to this committee, the Executive Board, and the full Board of Commissioners over the last few months, the initial estimates of the cost of the new MRF have come in significantly higher than initially planned, leaving the District in a position (from a capital reserve point of view) tighter than in years past. Previously approved capital projects have been provided in the 3-year outlook for that reason, so the full picture of capital needs and capital reserve position can be understood. Staff has completed a thorough review of previously approved capital projects and those that had not/will not begin have been removed from the capital project outlook and the dollars associated with those projects have been returned to the capital reserve fund.

Staff has worked to diligently to reduce the overall capital project expenditure projection not just for FY25 but for fiscal years to come in light of the increased cost estimation of the new MRF. Additionally, staff has been working to identify capital projects that have a higher likelihood to be covered by potential grant opportunities in the next few years, including aspects of the new MRF, with the knowledge that some federal monies will be flowing to the state this calendar year (the actual dollar amount will be understood later this spring/early summer). The capital budget does not specify which projects are likely to be funded, as grant funding is never guaranteed. The budget is presented as though all expenditures will come from capital reserve funds.

Highlights of the FY25 projected capital projects list include an increase to the monies dedicated to the Milton Drop-Off Center expansion and improvement project (the result of an updated cost estimation exercise), a new hook truck to be used by our maintenance department to haul specific containers (food scraps and some recycling containers), and a shredder that will be used for both reducing yard to waste to produce a suitable carbon feedstock for ORF as well as potentially shredding tires to reduce the number of trips to Maine. The shredder, of all the projects, seems to have the highest potential for grant coverage. The last project to note is plans for the Drop-Off Center in Burlington to become a "fast trash" operation utilizing existing space and built infrastructure. Equipment purchased for this project could be readily removed and relocated if the Pine Street location were to no longer be available in the future.

Please note that this is a description of intended projects and procurements and is inclusive of all potential capital expenses for FY25. Approval of the budget does not mean work will proceed without a proper bidding process and associated Board approvals according to CSWD financial policies. All capital projects greater than \$50,000 will require approval from the Executive Board of Commissioners and all capital projects greater than \$100,000 will require approval from the Board of Commissioners. In addition to Board notice of projects exceeding \$100,000, Staff will regularly report updates of facility projects that are under the \$100,000 threshold.

CHITTENDEN SOLID WASTE DISTRICT
CAPITAL PROJECTS 3 YEAR PLAN

Previously Budgeted
Works in Progress

FY27

FY26

FY25

MATERIALS RECOVERY FACILITY

Building & Building Repair

Building Roof									
Sub Total	\$	-	\$150,000	\$0	\$150,000	\$0	\$0	\$0	\$0

Capital Equipment

Single Stream System									
Sub Total	\$	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Rolling Stock

Scissor Lift	\$	35,000.00							
MSW Compactor	\$	25,000.00							
Skid Steer #2	\$	58,600.00							
Sub Total	\$	118,600.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0

New MRF Project

Site and Design Plan & Attorney	\$	209,200.00							
Sub Total	\$	209,200.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total MRF	\$	327,800.00	\$150,000	\$0	\$150,000	\$0	\$0	\$0	\$0

ORGANICS DIVERSION FACILITY

Site Work

Concrete Patching (water abatement)	\$	78,000.00							
ASP Water System	\$	35,000.00							
Expansion Phase III Site Grading	\$	150,000.00							
Sub Total	\$	263,000.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Building & Building Repair

Main ASP Pad Repair									\$25,000
Concrete Pad Replacement (mixing bay)								\$60,000	\$60,000
Sub Total	\$	-	\$0	\$0	\$0	\$0	\$0	\$60,000	\$25,000

Capital Equipment

Single-shaft shredder (Eggersmann F25 or Equivalent)			\$750,000						
Eggersmann Air Separator V 60									
Aeras air classification			\$50,000						
Komtech L3 Screener	\$	750,000.00							
F550 Organics Collection Insert	\$	100,000.00							
Sub Total	\$	850,000.00	\$800,000	\$0	\$0	\$0	\$0	\$0	\$0

Rolling Stock

644k Loader								\$350,000	
Pump Truck Refurbishment	\$	25,000.00						\$350,000	\$0
Sub Total	\$	25,000.00	\$0	\$0	\$0	\$0	\$0	\$350,000	\$0

Hauling			
Second Hauling Truck (non-CDL)			
Hauling Infrastructure (Heated Garage, Wash Pad, etc.)	\$	-	\$0
Sub Total			\$0

ORF New Projects			
Compost pad expansion - lagoon pad, bunker for YW/FW expansion			
Greenhouse			\$50,000
East-end redesign/repurposing (1042, greenhouse, bagging building, pole barn, fueling station, hill carve)	\$	-	\$50,000
Sub Total			\$50,000
Total ODF	\$	1,138,000.00	\$850,000
			\$460,000
			\$25,000

Closed LF			
Site Work			
East side base remediation		\$15,000	\$50,000
Total Closed LF	\$	-	\$15,000
			\$50,000

Biosolids			
Total Biosolids		\$0	\$0

Roll-Off and Maintenance			
Building & Building Repair			
Building Maintenance (Roof, Systems,...)	\$	65,000.00	\$ 50,000
Lean-to and building renovation	\$	65,000.00	\$ 50,000
Sub Total			\$ -

Rolling Stock			
2012 KENWORTH TRUCK T800 #31			\$ 275,000
Overage needed 2012 KENWORTH TRUCK T800 #31 - (FY2307)	\$	255,000.00	\$ 20,000
New Hook Truck			\$ 175,000
Overage needed for new Deere 644P (FY2409)	\$	250,000.00	\$ 86,500
Sub Total	\$	505,000.00	\$ 281,500
Total Roll-Off and Maintenance	\$	570,000.00	\$ 331,500
			\$ -
			\$ 275,000

Drop Off Centers			
Site Work			
BUR			\$ 90,000
MIL	\$	185,000.00	\$ 520,000
MIL	\$	45,000.00	
BUR			
Sub Total	\$	230,000.00	\$ 610,000
			\$ -

Building & Building Repair			
Sub Total	\$	-	\$ -

Capital Equipment			
Sub Total	\$	-	\$ -

Total Drop Off Centers	\$	230,000.00	\$	610,000	\$	-	\$	-
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HAZARDOUS WASTE AND LATEX PAINT

Sitework

Paving	\$	80,000.00	\$	10,000				
Sub Total	\$	80,000.00	\$	10,000				

Building & Building Repair

Waste Oil Heater	\$	45,000.00						
Storage Building #1	\$	40,000.00						
Storage Building #2	\$	40,000.00						
Sub Total	\$	125,000.00	\$	-	\$	-	\$	-

Rolling Stock

Rover Truck	\$	115,000.00						
Forklift	\$	25,000						
Sub Total	\$	115,000.00	\$	25,000				

Total HAZARDOUS WASTE AND LATEX PAINT

Total HAZARDOUS WASTE AND LATEX PAINT	\$	320,000.00	\$	10,000	\$	25,000	\$	-
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Property Management

Total Property Management			\$0	\$0	\$0	\$0	\$0	\$0
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Administration

Site Work

Building Site Design & Permitting	\$	55,000.00						
Sub Total	\$	55,000.00	\$	-	\$	-	\$	-

Intangible

Revenue Sufficiency Analysis	\$	55,000.00						
Website Upgrades	\$	99,000.00						
Sub Total	\$	154,000.00	\$	-	\$	-	\$	-
Total Administration	\$	209,000.00	\$	-	\$	-	\$	-

Miscellaneous

Miscellaneous			\$	50,000	\$	50,000	\$	50,000
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Total Cap Cost	\$	2,794,800	\$	2,016,500	\$	585,000	\$	350,000
Program Input								
General Fund Support	\$	2,001,500	\$	535,000	\$	350,000	\$	350,000
Closed Landfill Reserve	\$	15,000	\$	50,000	\$	50,000	\$	-



ADMINISTRATIVE OFFICE
1021 Redmond Road
Williston, VT 05495

Attachment K

EMAIL info@cswd.net
TEL (802) 872-8100

www.cswd.net

MEMORANDUM

TO: Sarah Reeves
FROM: Jon Dorwart
DATE: January 25, 2024
RE: FY 2025 Projected SWMF Revenue

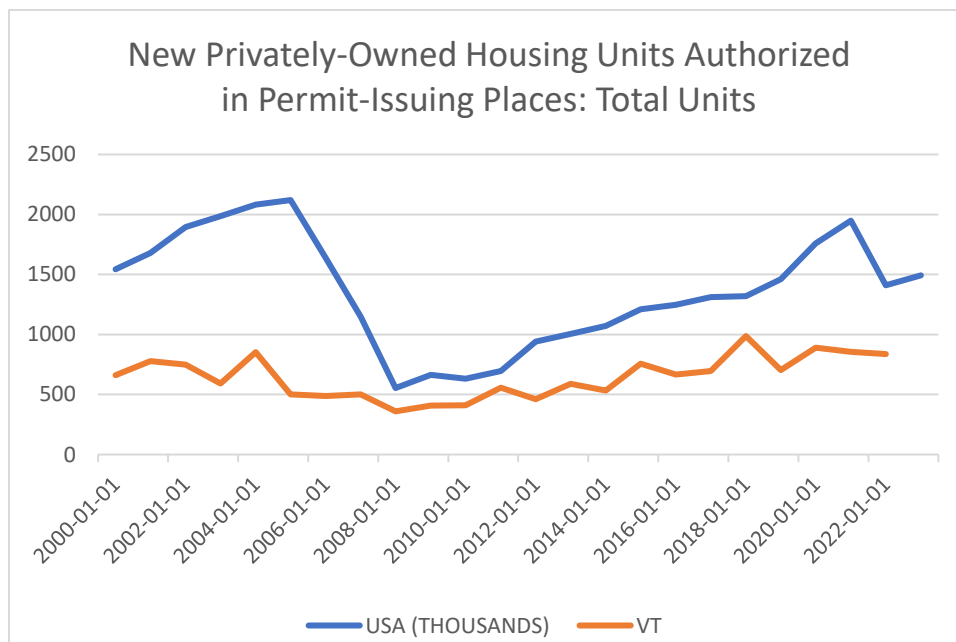
As you know, CSWD's Solid Waste Management Fee (SWMF or Fee) is imposed on all solid waste generated in the District as established in Article VIII of CSWD's Solid Waste Management Ordinance. Certain materials are exempt from the SWMF or are subject to a reduced Fee. Generally, the Fee is assessed at disposal sites, such as transfer stations and the landfill in Coventry. Haulers, including CSWD, which hauls waste from the District's Drop-Off Centers, recover the cost from their customers (the waste generators) through the rates they charge. The SWMF was originally set at \$17.61 in 1993. It was raised to \$22.06 in 2009 and to \$27.00 in 2013. The SWMF is anticipated to be increased to \$30 for FY25.

Estimated SWMF revenue for FY 2025 is \$3,780,540. The estimate is based on projections of waste generation and diversion from the Solid Waste Disposal and Diversion Trends Model prepared for CSWD by Skumatz Economic Research Associates. Variables impacting projections in the Model were updated including the expected economic growth rate for the coming year.

SWMF revenues rose 3.2% from FY 2022 to FY 2023, with both years enjoying a much higher than average amount of alternative daily cover due to ongoing demolition and construction at Burlington High School and other projects. The CY 2023 receipts are 7.0% higher than CY 2022 for the same reason. Calendar year disposed tons for 2023 were 159,946, a 16.0% jump from CY 2022. Total tons disposed is always greater than the total SWMF tons since ADC material is discounted by 75%, and by Board motion, asphalt shingles collected by Myers and disposed at the landfill for beneficial use is also exempt temporarily due to a lack of markets. Green Up Day material collected in the spring is also not subject SWMF, but this amount of material is a small increment of the

year total. There is no guarantee either of the ADC trends will continue to climb or not substantially decrease in the next projected fiscal year, which could impact the SWMF collected. As the high school demolition winds down, we expect our ADC rates to be lower and more in line with historical averages.

As usual projections under unusual conditions continue to be extremely difficult to prepare (i.e. waning pandemic related issues, international conflict, reduced labor force, supply chain disruptions, and shifting consumer preferences). It will not be surprising that waste generation will return to pre-pandemic levels in FY25, as economic activity has improved, the impact of federal investment continues, and we appear to be headed for a 'soft landing' avoiding a recession. However, inflation or excessive changes to monetary policy driving the risk of recession, commercial real estate instability, potential domestic turmoil during the upcoming presidential election and international political volatility continue to be countervailing forces. On the upside, the State of Vermont's Joint Fiscal Office's forecast (<https://lifo.vermont.gov/subjects/revenue-and-tax/state-forecasts/consensus-revenue-forecasts-legislative-economic-outlook>) points toward the positive impact of unspent appropriated federal funds and strong consumer spending despite broadly partisan sentiment (exceeding expectations in first half of '23 by 1.9%). Likewise, numerous large-scale real estate projects remain underway in the County and indicates continued strengthening in the current construction cycle despite higher interest rates. Continuation of building is favored by historically low vacancy rates, though data is somewhat limited to confirm that this trend will necessarily continue.



Whether we will enjoy as high or increasing diversion rates in the future also could be in question since recent increases may have been driven in part by the pandemic response, though the diversion rate did increase last

year and appears stable. Ultimately, a wide variety of factors could impact the amount of disposed material in potentially unpredictable ways.

Given the Vermont economic forecast and using the Skumatz model, the SWMF is projected to be 2.0% higher than the FY 2024 projection and 7.0% lower than the actuals for CY 2023 resulting in a baseline of 129,618 tons at \$3,780,540 in revenue for FY 2025.

Disposal data from recent calendar and fiscal years and SWMF projections are shown in the following table:

TONS DISPOSED	MSW	C&D	C&D Road Build*	ADC*	TOTAL	SWMF TONS
CY 2021 actual	88,485	34,806	1	11,352	134,644	126,129
CY 2022 actual	86,148	37,724	0	14,090	137,962	127,395
FY 2023 actual	87,321	39,702	0	17,205	144,228	131,324
CY 2023 actual	87,317	40,531	0	32,098	159,946	135,873
FY 2024 budget projection	86,595	36,500	800	1,000	124,895	123,545
FY 2025 budget projection	83,361	41,457	800	4,000	129,618	126,018
25% of SWMF FY 2024			200	1,000		
SWMF Tons	126,018					
SWMF Revenue	\$3,780,540					

*These are regular C&D fines from the C&D recycling facility plus painted concrete from demolition projects in FY21 & beginning of FY22 used in landfill road building. The SWMF rate for these and ADC is 25% of the full rate.

Excess income is allocated to specified reserve accounts based on their established priority and reserve type.

Reserve Types include:

Restricted Reserves: resources subject to constraints. Due to the nature of their restriction, expenses must be tracked to prove the funds are used as authorized.

Committed Reserves: include encumbrances not otherwise reflected in Restricted Reserves. Limitations on spending imposed by the annual operating budget naturally lapse with the passage of time and thus do not remain binding indefinitely. Committed Reserves allows for the inclusion of encumbrances committed to, but not yet obtained.

Assigned Reserves: may be established by the Board from time to time to meet the future needs of CSWD. These reserves are established and may be changed by resolution of the Board in accordance with the Open Meeting Law requirements.

Undesignated Funds: not considered special revenue fund and include the unrestricted surplus funds not accounted for and reported in another fund

In FY25, CSWD will manage the following Restricted Reserves:

Biosolids Reserve – established by the contract with the members of wastewater treatment plants for the disposal of sludge. Reserves are often designated to reduce the impact of market conditions on the fees assessed from biosolids or to collect funds for the purchase of capital equipment. Budget projections for FY25 indicate **an increase of \$47,000**.

Landfill Post Closure Reserve – designated to assure funding exists to meet the requirements of the 30-year process of closing the landfill that began in 1996. Members of the operations team perform an annual audit to review the current closing cost and adjust for inflation and alterations, as necessary. Excess funds will remain in this fund until CSWD reaches custodial care through resolution with the state, expected no sooner than Fiscal Year 2025. A portion of the reserve earns interest through interest-bearing accounts. Both expected expenditures and expected interest earned are included in the annual budget. Budget projections for FY25 indicate **a reduction of \$39,125**.

Facilities Solid Waste Termination Reserve – mandated to safely remove solid waste from closed operating facilities as required by state law. Members of the operations team perform an annual review of the current termination cost adjusting for inflation and alterations, as necessary. Funds for this reserve reside in an interest-bearing account; revenue from the account is included in the Finance budget. Budget projections for FY25 indicate **the reserve will remain unchanged**.

In FY25, CSWD will manage the following Temporarily Restricted Reserves:

Materials Recycling Facility Reserve- developed in FY23 to maintain a minimum fund balance per the bond agreement. Funds will be deposited as available, until management is confident bond payments can be completed through the net ordinary income at the Materials Recycling Facility.

Chittenden Solid Waste District
Fiscal Year 25 Proposed Budget
Reserve Funds

In FY25 CSWD will manage the following Assigned Reserves:

Solid Waste Management Reserve – designated to provide support to management services as described in the Charter through a management fee structure. Budget projections for FY25 indicate **an increase of \$381,701.**

Operating Reserve – designated to provide funds to operating programs and reduce the reliance on the solid waste management subsidy. It is assumed contributions are made in years when operation allocations balances are in excess; withdraws are made when operational allocations balances are insufficient. In the event operating reserves are depleted, funding will be withdrawn from the Solid Waste Management Reserve. Budget projections for FY25 indicate a **decrease of \$577,560.**

Capital Reserves – established to preserve funding for future capital projects, asset upgrades and replacement of depreciated or disposed assets. In FY25 the capital budget projects a **decrease of \$2,016,500.**

Community Clean Up Fund – designated to member communities for local permissible projects. Budget projections for FY25 indicate a **decrease of \$95,000.**

	Actual	Beginning Balance	Budgeted	Budgeted Beginning Balance	Proposed Budget
Reserve	FY23	FY24	FY24	FY25	FY25
Biosolids	335,224	335,224	380,724	380,724	427,724
Landfill Post Closure	608,302	608,302	430,850	430,850	391,725
Facilities Closure	1,466,062	1,466,062	1,466,062	1,466,062	1,466,062
Solid Waste Management	1,910,820	1,000,000	1,284,546	1,000,000	1,381,701
Operating	2,047,208	1,750,000	1,794,566	1,750,000	1,172,440
Designated for Capital*	9,653,950	10,834,655	10,834,655	11,068,767	11,068,767
Community Clean Up	67,677	95,000	-	95,000	-
Undesignated	882,101	882,101	882,101	882,101	882,101
	<u>16,971,343</u>	<u>16,971,343</u>	<u>17,073,503</u>	<u>17,073,503</u>	<u>16,790,518</u>

*designated for capital balance assumes Work In Progress remains in progress

CHITTENDEN SOLID WASTE DISTRICT
FY 24 SCHEDULE OF PROGRAM TIPPING FEES

Attachment M

	FY23	FY24	FY25	Change from FY24 to FY25
MATERIALS RECYCLING FACILITY				
<i>Materials Sales fluctuate with market price.</i>				
Budgeted Tipping Fees:				
In-District materials, per ton	\$ 80.00	\$ 85.00	\$ 90.00	\$ 5.00
Out-of-District materials, per ton	\$ 80.00	\$ 85.00	\$ 90.00	\$ 5.00
DROP-OFF CENTERS				
<i>Items accepted vary by facility</i>				
Household Trash				
Small - up to 13 gallons	\$ 2.00	\$ 3.00	\$ 3.00	-
Medium - 14 to 35 gallons	\$ 6.00	\$ 8.00	\$ 8.00	-
Large - 36 to 45 gallons	\$ 8.00	\$ 11.00	\$ 11.00	-
per cubic yard	\$ 42.00	\$ 48.00	\$ 48.00	-
at Drop-Off Center in Burlington, per pound	n/a	n/a	n/a	
Recycling				
Blue-bin Recyclables, with paid trash items	No charge	No charge	No charge	
Blue-bin Recyclables ONLY	\$ 2.00	\$ 2.00	\$ 2.00	-
Organics				
Food Scraps, with paid trash items	No charge	No charge	No charge	
Food Scraps (per 5 gallons), without paid trash items	\$ 1.00	\$ 1.00	\$ 1.00	-
Tree limbs, trunks, clean stumps, & brush (Williston no longer accept '24):				
Up to 1 cubic yard (Milton, SB & Essex) (up to 3 cy in '24)	No charge	No charge	No charge	
Up to 3 cubic yards (up to 2 cubic yards starting '24)	No charge	No charge	No charge	
Each cubic yard in excess of 3 cy (changed to 2 cy in 2024)	\$ 5.00	\$ 5.00	\$ 5.00	-
Pallets & clean lumber:				
Up to 1 cubic yard (Milton, SB & Essex)	No charge	No charge	No charge	
Up to 3 cubic yards (Williston) (changed to 5 in '24)	No charge	No charge	No charge	
Each cubic yard in excess of 1 cy	\$ 5.00	\$ 5.00	\$ 5.00	-
Per ton	\$ 50.00	\$ 50.00	\$ 50.00	-
Yard debris	No Charge	No Charge	No Charge	
Special Materials				
Non-covered Electronics ~ per pound (by appt. only)	\$ 0.18	\$ 0.18	\$ 0.18	-
Gypsum wallboard (clean, new scrap):				
Small loads (up to 2 cy), per cubic yard	\$ 22.50	\$ 22.50	\$ 28.00	\$ 5.50
Large loads, per ton	\$ 90.00	\$ 90.00	\$ 100.00	\$ 10.00
Tires ~ up to 16" (bike tires up to 20)	\$ 3.00	\$ 3.00	\$ 4.00	\$ 1.00
Tires ~ 16.5" to 19"	\$ 3.00	\$ 3.00	\$ 4.00	\$ 1.00
Tires ~ per ton	\$ 225.00	\$ 225.00	\$ 250.00	\$ 25.00
Propane cylinders over 20 lbs.	\$ 5.00	\$ 5.00	\$ 5.00	-
Mercury-containing products*	No charge	No charge	No charge	
Propane cylinders 20 lbs. & under*	No charge	No charge	No charge	
Construction & Demolition Materials				
up to 13-gallon bag/barrel	\$ 5.00	\$ 5.00	\$ 6.00	\$ 1.00
up to 33-gallon bag/barrel	\$ 10.00	\$ 10.00	\$ 16.00	\$ 6.00
up to 45-gallon bag/barrel	\$ 15.00	\$ 15.00	\$ 22.00	\$ 7.00
up to 64-gallon bag/barrel	n/a	n/a	\$ 30.00	new category
per cubic yard	\$ 82.00	\$ 82.00	\$ 96.00	\$ 14.00

CHITTENDEN SOLID WASTE DISTRICT
FY 24 SCHEDULE OF PROGRAM TIPPING FEES

	FY23	FY24	FY25	Change from FY24 to FY25
DROP-OFF CENTERS, continued				
<i>Items accepted vary by facility</i>				
Other Items				
Appliances without refrigerants	\$ 5.00	\$ 5.00	\$ 5.00	\$ -
Appliances with refrigerants	\$ 15.00	\$ 15.00	\$ 15.00	eliminated range
Batteries (household and lead acid)*	No charge	No charge	No charge	
Electronics -non-covered	No charge	\$ -	\$ 2.00	\$ 2.00
Electronics - items covered by State program	No charge	No charge	No charge	
Fluorescent lamps*	No charge	No charge	No charge	
XS Furniture Item	n/a	n/a	\$ 3.00	new category
Small furniture item	\$4-11	\$4-11	\$ 8.00	eliminated range
Medium Furniture item	n/a	n/a	\$ 11.00	new category
Large furniture item	\$16- 22	\$16- 22	\$ 15.00	eliminated range
XL furniture item	n/a	n/a	\$ 24.00	new category
Twin box spring	\$ 20.00	\$ 20.00	\$ 20.00	\$ -
Twin mattress	\$ 20.00	\$ 20.00	\$ 20.00	\$ -
Full/double/queen mattress	\$ 25.00	\$ 25.00	\$ 25.00	\$ -
Full/double/queen box spring	\$ 25.00	\$ 25.00	\$ 25.00	\$ -
King mattress	\$ 30.00	\$ 30.00	\$ 30.00	\$ -
King box spring	\$ 30.00	\$ 30.00	\$ 30.00	\$ -
Crib mattress	\$ 6.00	\$ 6.00	\$ 8.00	\$ 2.00
Hard cover books*	\$ -	\$ -	\$ -	\$ -
Scrap metal	No charge	No charge	No charge	
Textiles*	No charge	No charge	No charge	
Tires	\$ 3.00	\$ 3.00	\$ 4.00	\$ 1.00
Tires ~ Up to 19.5"	\$ 3.00	\$ 3.00	\$ 4.00	\$ 1.00
Tires ~ 20" to 24.5"	\$ 15.00	\$ 15.00	\$ 15.00	\$ -
Tires ~ large equipment tires	\$ 56.00	\$ 56.00	\$ 56.00	\$ -
Tires ~ XL equipment tires	n/a	n/a	\$ 100.00	new category
Used oil*	No charge	No charge	No charge	
Used oil filters*	No charge	No charge	No charge	
Ashes (accepted as trash)	\$2-8; \$42 (Cubic Yard)	\$2-8; \$42 (Cubic Yard)	\$3-15; \$48 (Cubic Yard)	\$6/cubic yard
HAZARDOUS WASTE - ENVIRONMENTAL DEPOT & ROVER				
Environmental Depot				
Household hazardous waste	No Charge	No Charge	No Charge	
Business hazardous waste ~ Conditionally Exempt Generators	Call For Pricing	Call For Pricing	Call For Pricing	
Rover				
Household hazardous waste	No Charge	No Charge	No Charge	
Organics Diversion Facility				
Food Waste				
Tip fee, per ton	\$ 65.00	\$ 70.00	\$ 70.00	\$ -
Solid Waste Management				
Budgeted Fee:				
Management Fee, per ton	\$ 27.00	\$ 27.00	\$ 30.00	\$ 3.00

FY 25 PROPOSED CSWD ORGANIZATIONAL CHART

