

## DRAFT

CHITTENDEN SOLID WASTE DISTRICT – Administrative Office  
FINANCE COMMITTEE MINUTES  
Zoom/Call-in Meeting  
Thursday, May 26, 2022 – 5:00 p.m.

**FINANCE COMMITTEE PRESENT:** Leslie Nulty, Bryn Oakleaf, Tim Loucks  
Other Board members present:  
**CSWD STAFF PRESENT:** Nola Ricci, Sarah Reeves  
**OTHERS PRESENT:** Paul Ruess, Board Chairperson

**AGENDA ITEM:**

1. Agenda
2. Public Comment Period
3. Consent Agenda – Minutes of April 5, 2022
4. Quarterly Reporting
5. Allocation Discussion
6. Other Business
7. Adjourn

L.Nulty called the meeting to order at 5 p.m.

**Agenda # 1.**

S. Reeves asks to switch the Allocation and Quarterly Reporting discussion as she needs to leave the meeting early.

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

**Agenda #3. Consent Agenda** - Accepted without change.

**Agenda #4. Allocation Discussion-** Robust discussion was held on T. Loucks’ proposal to begin using a *true-cost* view of lines of business for the purpose of identifying what money is being spent and providing a basis of shared understanding for staff and board in terms of review fund allocations. T. Loucks’ felt a *true-cost* view of funds would provide these, and would allow staff and Board to see trends over time based on revenues charged, and expenses accrued. Finally, this type of view might also aid the Board in the assumed goal of having programs and funding “break even”.

T. Loucks clarifies that this program would especially benefit in three regards. First, there are not a lot of levers to pull in the case expenses need to decrease; identifying where spending is occurring will give us a better image of where this might happen in case it is needed. Second, would address the question of what a “self-funded” category is. Finally, this could be an unaudited, pro-forma process done by staff which he believed would allow for a clearer understanding of the financial picture of CSWD’s programs.

Discussion follows this proposal, with staff noting that allocation is not opposed, but would require a specific reasoning or formula. S. Reeves notes that T. Loucks is correct in that the

Board does want to break-even, except in cases like the Depot; also clarifies that some of the programs noted as potential overhead are actually required by state. Further clarification is made regarding audits of finances and state regulations (done yearly), and why these state regulations are not included in governance documents due to their rate of change (every five to six years). Discussion is held regarding possible uses of solid waste management fee revenues. Debate is held on whether this is an approach that is needed, given the way information is already provided to the Board, noting that P&Ls already provide a net figure of each program. There is also concern this approach might overburden staff, or if this is over-directing staff and wouldn't be better suited for managers discussion rather than Board committee. Finally, there is debate on whether this is a tool best suited for measuring CSWD's finances, as a unique municipal/ not for profit organization.

Finally, a decision is reached to task Sarah with referring the question of whether a new financial measuring system (*true-cost* analysis) would be beneficial to them; it is also recommended that in next year's Financial Committee, a member without extensive understanding of finances is appointed to better be a barometer of layperson understanding.

**Agenda #5. Quarterly Reporting** – N. Ricci presented the balance sheets for review by the Finance Committee. Overall, the committee notes CSWD is doing great compared to the conservative budgeting.

Staff requested further review by the Investment Committee to funds in the Checking Account. MRF financials are also reviewed. A possible land assessment is noted to provide a better understanding of the value of land owned. Questions are raised as to how the District would respond if departments can overspend their capital budget and run up a negative budget. Nola discusses the review of the funds, which are done annually, but a recommendation is done to make the review quarterly. Requests regarding changing the structure of information provided were also made – including narrative, labels, and change of year overall to quarter. Discussion is also held on which information to show to the Finance Committee vs the overall Board.

**Agenda #6. Other Business - None**

**Agenda #7. L. Nulty asked for a motion to adjourn the Finance Committee Meeting. Motion by Bryn Oakleaf, SECOND by Paul Ruess to adjourn the meeting. VOTING: unanimous; motion carried.**

The meeting was adjourned at 6:43 p.m.

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Amy Jewell

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

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Amy Jewell, Secretary