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TO: Finance Committee
FROM: Nola Ricci, Director of Finance
DATE: Friday, January 27, 2023
RE: **FINANCE COMMITTEE MEETING**

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DATE:	Wednesday, February 1, 2023
TIME:	5:00 P.M.
PLACE:	Zoom Meeting/ CSWD Administrative Office – 1021 Redmond Road Williston

MEETING AGENDA

1. Agenda
2. Public Comment Period
3. (E) Consent Agenda – Minutes from January 24, 2023
4. (E) FY24 Budget Revisions
 - a. FY24 Self Funded Roll Up Summary
 - b. FY24 Operations Roll Up Summary
 - c. FY24 Administrative Roll Up Summary
5. Other Business
6. Adjourn

CHITTENDEN SOLID WASTE DISTRICT
Finance Committee Meeting
MEETING INSTRUCTIONS
FOR THE PUBLIC- remote access

Date: Wednesday, February 1, 2023
Time: 5:00 P.M.
Place: ZOOM MEETING/ADMINISTRATIVE OFFICE – 1021 REDMOND ROAD WILLISTON VT

IMPORTANT:

CSWD will hold a virtual meeting accessible by computer or phone, or in person at 1021 Redmond Road Williston VT.

Members of the public, joining the meeting remotely, are asked to preregister online using the link below and attend remotely by computer or telephone. Following the meeting a recording will be available upon request.

Register in advance for this webinar:

You are invited to a Zoom webinar.

When: Feb 1, 2023 05:00 PM Eastern Time (US and Canada)
Topic: Finance Committee Meeting

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_tJHqDzNfQDSSCMgaMh6uYw

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.

DRAFT

**CHITTENDEN SOLID WASTE DISTRICT – Administrative Office
FINANCE COMMITTEE MINUTES
Zoom Meeting
Tuesday, January 24, 2023 – 5:00 p.m.**

FINANCE COMMITTEE PRESENT:

Leslie Nulty, Paul Stabler, Rick McCraw

Other Board members present:

Paul Ruess, Ken Spencer

CSWD STAFF PRESENT:

Nola Ricci, Sarah Reeves, Amy Jewell, Jen Holliday,
Beth Parent, Michele Morris, Alise Certa, Josh Estey

AGENDA ITEM:

1. Agenda
2. Public Comment Period
3. Consent Agenda Draft Minutes – January 18, 2023
4. Administrative Budgets
 - a. Administrative Overview
 - b. Administration & IT
 - c. Compliance & Safety
 - d. Finance
 - e. Outreach & Communications
 - f. Solid Waste Management Fee
5. Total Compensation Review
6. Other Business

Leslie Nulty called the meeting to order at 5:02 p.m.

Agenda # 1. No changes to the Agenda.

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

Agenda #3. Consent Agenda – Consent Agenda was approved following review of the 01.18.2023 minutes to include multiple corrections.

Agenda #4. Administrative Budgets

The committee stated appreciation for the layout of the administrative overview. No discussion was held on the overview.

- **Administration Budget** – A. Jewell provided the overview of the Administrative Budget and noted a 25% increase over the FY 23 Budget: a result of moving data related work from the O&C Program to the Admin Program and leasing office space in South Burlington. Staff training and IT expenses are budgeted in the Admin budget, with the exception of training specific to a program (e.g., mechanic's training would lie in the Maintenance budget) and IT expenses for voice and data connection lie within that program.

Discussion was held on:

- L. Nulty asked for clarification of KPIs regarding turnover and employee satisfaction. S. Reeves stated that as a result of internal employee surveys, several items rose to the surface that were flagged as training opportunities – including work related to the Justice, Equity, Diversity, and Inclusion which would apply to internal and external interactions.
- IT Security – included in the Managed Service Provider expenses. Discussion was held on the maintenance server and network uptime. Uptime is at 99%, and R. McCraw noted that this number should be 99.9%. J. Dorwart said this should be feasible with the new admin building and fewer power outages.
- Discussion on banning firearms at facilities. J. Estey noted that if someone is licensed to carry weapons, we do not have grounds to ban them from bringing them to our facilities. Active Shooter Training is incredibly challenging and expensive given the 13 plans that would be needed. CSWD has conducted training regarding run, hide, fight.

Compliance Budget – J. Estey noted that this budget includes Compliance and the Safety Program and there are no major changes to the budget other than the inclusion of a “Safety Bucks Program” to be developed during FY24.

Discussion was held on:

- CPR/AED training moving into the Safety budget from the Admin budget.
- No proposals to increase fees for penalties. It was noted that increased fines require an Ordinance change and when a Notice of Alleged Violation is issued, historically we have had quick responses and changes made.

Finance Budget – N. Ricci noted no significant changes and a 2% increase to the program budget.

Discussion:

- KPI suggestion – L. Nulty asked that the financial modeling show interest coverage ratio, which would be operating income/debt service to maintain coverage ratio of 1.2 or better. The committee suggested that the interest coverage ratio should be monitored.

Outreach & Communications Budget – J. Holliday introduced the O&C managers present at the meeting and noted that the most significant change is the retirement of Michele Morris. This change will occur in the fall of 2023, as she works to finish up the website overhaul project. The data related work is being moved to the Administration Department (IT services). The O&C and Administration Departments will be sharing an AmeriCorps volunteer in FY 24.

Discussion was held on:

- P. Stabler asked about Chuck-It Guides. M. Morris explained that the full guide was eliminated during Covid because of the dynamic changes at that time. A mini Chuck-It Guide has been created in its place and is available to the public.
- R. McCraw asked for clarification on crisis management related to public relations issues
- L. Nulty asked for KPI clarifications regarding the website metrics to gauge the success of the changes
- Rewording Training in significant changes to clarify the need for training for new employees

Solid Waste Management Budget - S. Reeves noted downward reduction in the Solid Waste Management Fee (SWMF) revenue, which corresponds to our mission to reduce tons disposed. The methodology to determine the calculation for tonnage was provided to the Board with the

preliminary budget; It was requested that it be resent. It was noted that the SWMF is \$27.00/ton and hasn't been changed since 2013, which at the time was \$22/ton. Discussion was held on the opportunity to raise the SWMF.

FY 24 Total Compensation Review – A. Jewell noted the 11.08% increase to wages and benefits, which is 36.64% of District revenue, up from 36% of revenue totals in FY 23. It was noted that the increase is a result of the proposed cost of living adjustment of 7% and modest staffing increases.

Discussion:

- Noted the change to MVP's Bronze Plan and discussion regarding cost savings
- L. Nulty suggested showing that the FY 24 total compensation amount per FTE is an increase of 4.3% from the FTE amount in FY 23, which is a modest increase, given the COLA, wages, and health insurance costs. The modest increase in total compensation/FTE should be highlighted in the presentation to the Board.

Agenda #6. Adjourn. Motion by P.Stabler, SECOND by R. McGraw to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 6:50 p.m.

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.

Amy Jewell, Secretary

CHITTENDEN SOLID WASTE DISTRICT
Fiscal Year 2024 Proposed Budget
ROLL UP w/HIGHLIGHTED ADJUSTMENTS

Listed below are the changes made to the draft FY2024 budget, based on input from the Finance Committee.

	FY22 Actual	FY23 Approved Budget	FY24 Proposed Budget	FY24 Proposed Budget as Adjusted
Operating Revenues	16,557,115	14,031,725	14,596,600	15,504,459
Operating Expenditures	11,367,426	13,263,119	14,710,907	14,680,694
Net Revenues over Expenditures	5,189,689	768,606	(114,307)	823,765
Transfer to Reserves	(5,339,393)	(957,525)	(171,337)	(1,040,439)
Transfer from Reserves	149,750	188,919	285,643	216,674
Undesignated	(46)	0	0	0
Balance	-0-	-0-	-0-	-0-

Adjustments – Revenues:

Operating Revenues increased by \$907,859 in the adjusted FY24 Proposed Budget

1. **Tipping Fee**- As discussed during the Operating Budget session, Drop Off Center revenue was increased reflecting an increase in bag prices and additional revenue from expanded services at the DOC in Burlington. MRF revenue was increased to reflect the increase in tip fee from \$80/ton to \$85/ton.
2. **Interest** – As presented during the Administrative Budget session, Finance revenue was increased to include interest earned and allocated to reserve funds

Adjustments – Expenditures:

Operating Expenditures decreased by \$30,213 in the adjusted FY24 Proposed Budget

1. **Organics Diversion** – the decrease in expenses was derived from reductions in the Organics Diversion budget (reduced equipment contingency and changes to the Maintenance allocation).

	FY22 Actual	FY23 Approved Budget	FY24 Proposed Budget	FY24 Proposed Budget as Adjusted
Operating Revenues				
Solid Waste Management Fees	\$ 3,409,238	3,381,750	3,335,702	3,335,702
Tipping Fees	7,571,754	7,723,784	7,937,037	9,039,181
Material Sales and Other	5,576,123	2,926,191	3,069,576	3,129,576
Total Revenue	16,557,115	14,031,725	14,342,315	15,504,459
Operating Expenditures				
Payroll Expenses	4,470,819	4,799,558	5,406,899	5,378,282
Administrative & Professional	791,441	978,634	1,188,392	1,173,424
Material Mgmt. & Supplies	5,972,281	7,215,575	7,877,187	7,885,859
Promotion & Community	132,885	269,352	238,428	243,128
Total Expenditures	11,367,426	13,263,119	14,710,906	14,680,694
Net Revenues over Expenditures	5,189,689	768,606	(368,591)	823,765
Transfers From (to) from Reserves				
Capital	(686,583)	(497,683)	(45,500)	(45,500)
Solid Waste Management	(786,724)	(429,225)	7,246	5,232
Operating	(3,865,259)	(30,617)	128,448	(994,939)
Landfill Post Closure	133,470	188,919	183,397	176,442
Other Reserve	15,362	0	95,000	35,000
Other Transfers				
Undesignated	45	0	0	0
Balance	-0-	-0-	-0-	-0-

Chittenden Solid Waste District
FY24 Budget
Self Funded and Maintenance

	Biosolids	Closed Landfill	Maintenance & RollOff
INCOME			
Biosolids	1,404,358.00	-	-
Interest & Dividends	-	1,000.00	-
Total Income	1,404,358.00	1,000.00	-
Gross Profit	1,404,358.00	1,000.00	-
EXPENSES			
Payroll Expenses			
Salaries & Wages	-	10,318.73	311,938.01
Benefits	-	845.10	149,501.78
Total Payroll Expenses	-	11,163.83	461,439.79
Travel & Training	2,960.00	-	3,250.00
Administrative Costs	1,950.00	100.00	1,200.00
Professional Fees	4,600.00	113,500.00	-
Equipment & Fleet	-	-	169,650.00
Supplies	-	250.00	21,400.00
Materials Management	1,349,348.00	40,150.00	-
Property Management	-	12,278.00	22,857.00
Total Expense	1,358,858.00	177,441.83	679,796.79
Net Ordinary Income	45,500.00	(176,441.83)	(679,796.79)
Subsidies, Reserve Transfers & Year End Adjustments			
Other Income			
Transfer from Closed Landfill Reserve	-	176,441.83	-
Maintenance Internal Transfers	-	-	679,796.79
Total Other Income	-	176,441.83	679,796.79
Other Expense			
Transfer to Biosolids Reserve	45,500.00	-	-
Total Other Expense	45,500.00	-	-
Net Income	-	-	-

Chittenden Solid Waste District

FY24 Budget

Operations Summary

	Operating Administration	Drop Off Center DOC	Materials Recovery Facility	Total Hazardous Waste	Organics Diversion Facility	Property Management	Total Operating
Income							
Tipping Fees	-	2,550,428.84	3,996,090.00	-	296,195.00	-	6,842,713.84
Special Waste	-	730,109.00	-	-	-	-	730,109.00
Hazardous Waste	-	-	-	62,000.00	-	-	62,000.00
Sale of Materials	-	217,565.25	1,589,070.00	52,750.00	769,587.42	-	2,628,972.67
Rental Income	-	-	-	-	-	75,000.00	75,000.00
Product Stewardship	-	37,500.00	-	131,500.00	-	-	169,000.00
Other Income	-	75,000.00	-	-	-	-	75,000.00
Grant Revenue	-	133.52	-	106,470.00	-	-	106,603.52
Total Income	-	3,610,736.61	5,585,160.00	352,720.00	1,065,782.42	75,000.00	10,689,399.03
Cost of Goods Sold							
Paint	-	-	19,000.00	-	-	19,000.00	38,000.00
Organics	-	-	-	102,404.98	-	102,404.98	204,809.96
Total Cost of Goods Sold	-	-	-	19,000.00	102,404.98	-	121,404.98
Gross Profit	-	3,610,736.61	5,585,160.00	333,720.00	963,377.44	75,000.00	10,567,994.05
Expenses							
Payroll Expenses							
Salaries & Wages	258,224.83	822,804.05	13,512.10	348,421.64	425,623.23	-	1,868,585.85
Benefits	37,343.40	469,788.95	2,079.40	160,462.09	203,204.41	-	872,878.24
Total Payroll Expenses	295,568.23	1,292,592.99	15,591.50	508,883.73	628,827.64	-	2,741,464.09
Travel & Training	-	1,500.00	6,465.00	4,300.00	12,900.00	-	25,165.00
Administrative Costs	-	78,650.00	28,034.00	-	8,248.82	-	114,932.82
Professional Fees	-	150.00	1,725.00	2,750.00	3,050.00	-	7,675.00
Equipment & Fleet	-	47,640.44	42,100.00	24,900.00	229,272.88	-	343,913.32
Supplies	-	20,250.00	1,100.00	22,000.00	21,944.00	1,000.00	66,294.00
Materials Management	-	1,208,034.74	3,694,010.00	396,700.00	160,008.36	-	5,458,753.10
Property Management	-	72,795.62	113,468.30	71,150.00	99,283.80	66,481.58	423,179.30
Promotion & Education	-	-	-	-	6,200.00	-	6,200.00
Community Support	-	1,250.00	-	-	-	-	1,250.00
Maintenance & Roll Off	-	591,423.21	6,797.97	37,388.82	37,388.82	6,797.97	679,796.79
Total Expenses	295,568.23	3,314,286.99	3,909,291.77	1,068,072.55	1,207,124.32	74,279.55	9,868,623.42
Net Ordinary Income	(295,568.23)	296,449.62	1,675,868.23	(734,352.55)	(243,746.88)	720.45	699,370.64

Chittenden Solid Waste District
FY24 Budget
Operations Summary

	Operating Administration	Drop Off Center DOC	Materials Recovery Facility	Total Hazardous Waste	Organics Diversion Facility	Property Management	Total Operating
Subsidies, Reserve Transfers & Year End Adjustments							
Other Income							
Subsidies & Transfers							
Solid Waste Management Subsidy	295,568.23	-	-	-	-	-	295,568.23
Transfer from Operating Reserve	-	-	-	734,352.55	243,746.88	-	978,099.43
Total Subsidies & Transfers	295,568.23	-	-	734,352.55	243,746.88	-	1,273,667.67
Total Other Income	295,568.23	-	-	734,352.55	243,746.88	-	1,273,667.67
Other Expenses							
Reserve Transfers							
Transfer to Capital Reserve	-	-	-	-	-	720.45	720.45
Transfer to Operating Reserve	-	296,449.62	1,675,868.23	-	-	-	1,972,317.85
Total Reserve Transfers	-	296,449.62	1,675,868.23	-	-	720.45	1,973,038.30
Total Other Expenses	-	296,449.62	1,675,868.23	-	-	720.45	1,973,038.30
Net Income	-	-	-	-	-	-	-

Chittenden Solid Waste District
FY24 Budget
Administrative Summary

	Administration	Compliance	Finance	Outreach & Communication	Solid Waste Management Fee	Total Administrative
INCOME						
Solid Waste Management Fee	-	-	-	-	3,335,702	3,335,702
License Fees, Fines & Penalties	-	14,000	-	-	-	14,000
Interest & Dividends	-	-	60,000	-	-	60,000
Total Income	-	14,000	60,000	-	3,335,702	3,409,702
Gross Profit	-	14,000	60,000	-	3,335,702	3,409,702
EXPENSES						
Payroll Expenses						
Salaries & Wages	537,379	119,290	323,423	586,036	-	1,566,129
Benefits	193,952	29,129	147,866	224,760	-	595,707
Total Payroll Expenses	731,331	148,419	471,289	810,795	-	2,161,835
Travel & Training	39,100	7,000	1,450	34,900	-	82,450
Administrative Costs	30,165	6,900	3,900	22,487	-	63,452
Professional Fees	39,560	8,500	55,000	28,855	-	131,915
Equipment & Fleet	178,926	5,200	80,000	4,720	-	268,846
Supplies	5,300	800	6,000	33,600	-	45,700
Materials Management	-	-	150	-	-	150
Property Management	130,960	-	2,400	-	-	133,360
Promotion & Education	-	-	-	135,978	-	135,978
Community Support	-	-	95,000	4,700	-	99,700
Total Expense	1,155,342	176,819	715,189	1,076,035	-	3,123,386
Net Ordinary Income	(1,155,342)	(162,819)	(655,189)	(1,076,035)	3,335,702	286,316

Chittenden Solid Waste District
FY24 Budget
Administrative Summary

	Administration	Compliance	Finance	Outreach & Communication	Solid Waste Management Fee	Total Administrative
Subsidies, Reserve Transfers & Year End Adjustments						
Other Income						
Subsidies & Transfers						
Solid Waste Management Subsidy	1,155,342	162,819	620,189	1,076,035	(3,014,386)	-
Community Clean Up Fund	-	-	95,000	-	-	95,000
Total Subsidies & Transfers	1,155,342	162,819	715,189	1,076,035	(3,014,386)	95,000
Total Other Income	1,155,342	162,819	715,189	1,076,035	(3,014,386)	95,000
						-
Other Expenses						-
Reserve Transfers						-
Transfer to Solid Waste Mangement Reserve	-	-	-	-	321,316	321,316
Transfer to Landfill Post Closure Reserve	-	-	-	-	-	-
Transfer to Facility Closure Reserve	-	-	500	-	-	500
Transfer to Capital Reserve	-	-	59,500	-	-	59,500
Total Reserve Transfers	-	-	60,000	-	321,316	381,316
Total Other Expenses	-	-	60,000	-	321,316	381,316
						-
Net Income	-	-	(0)	-	-	(0)