



ADMINISTRATIVE OFFICE

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TO: Finance Committee
FROM: Nola Ricci, Director of Finance
DATE: Thursday, December 29, 2022
RE: **FINANCE COMMITTEE MEETING**

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DATE:	Wednesday, January 4, 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 –
 - a. Draft Minutes December 14, 2022
 - b. FY 24 Budget – Meeting schedule
4. (E) FY 24 Budget Overview & Reserves
5. Other Business
6. Adjourn

CHITTENDEN SOLID WASTE DISTRICT
Investment Committee (Finance Committee Meeting to follow)
MEETING INSTRUCTIONS
FOR THE PUBLIC- remote access

Date: Wednesday, January 4, 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:

Hi there,

You are invited to a Zoom webinar.

When: Jan 4, 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_oAgWfMJoT9CiAlw0fDMthQ

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.

APPROVED

**CHITTENDEN SOLID WASTE DISTRICT – Administrative Office
FINANCE COMMITTEE MINUTES
Zoom Meeting
Wednesday, December 14, 2022 – 6:20 p.m.**

FINANCE COMMITTEE PRESENT:

Other Board members present:

CSWD STAFF PRESENT:

Leslie Nulty, Paul Stabler, Rick McCraw

Paul Ruess, Ken Spencer, Tim Loucks

Nola Ricci, Sarah Reeves, Amy Jewell

OTHERS PRESENT:

AGENDA ITEM:

1. Agenda
2. Public Comment Period
3. Consent Agenda
4. FY 23 First Quarter
5. Other Business
6. Adjourn

L. Nulty called the meeting to order at 6:20 p.m.

Agenda # 1. No changes to the Agenda

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

Agenda #3. Consent Agenda – accepted as presented

Agenda #4. FY 23 First Quarter

N. Ricci reviewed the FY 23 First Quarter financials. She noted that managers are attempting to divide the budget month-to-month and be more aligned with monthly expectations and understand there will be some discrepancy in the variance reporting. N. Ricci said that based on actual net income, CSWD is meeting budgetary goals. Income is currently keeping pace with expectations, but the average commodity revenue collected through the sale of materials at the MRF is decreasing. L. Nulty said that a narrative with general terms is not helpful and should include dollar information including why it's higher or lower.

Further discussion was held on improving the narrative to support the board with helpful information. This will be revised and brought to the Board next week.

Agenda #5. Other Business – A request to resend the budget meeting dates.

Agenda #6. Adjourn. Motion by Paul Stabler, SECOND by Rick McCraw, to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 6:36 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 12/14/2022 meeting held via Zoom.

Amy Jewell, Secretary

To: Finance Committee
 From: Nola Ricci
 Date: December 29, 2022
 RE: FY 24 Budget – Schedule of Meetings

Wednesday January 4, 2023	Budget: Overview & Reserves
Wednesday January 11, 2023	Budget: Operating
Wednesday January 18, 2023	Budget: Capital & Self-Funded
Tuesday January 24, 2023	Budget: Administration & Wage/Bene
Wednesday February 1, 2023	Budget: Overview Wrap Up Potential Investment Committee: Cash Available for Treasury Bonds
Wednesday March 15, 2023	FY23 Q2 Financials Followed by Investment Committee
Wednesday June 14, 2023	FY23 Q3 Financials Followed by Investment Committee

Please reach out if you have questions.

To: Finance Committee
From: Nola Ricci, Director of Finance
Date: December 28, 2022
RE: Fiscal Year 2024 Budget Summary

Enclosed you will find the Fiscal Year 2024 (FY24) Budget Summary. This provides a high-level overview of the draft budget prepared by CSWD management for, FY24 beginning July 1, 2023 and ending June 30, 2024. The summary page includes actuals from FY21 and, the approved budget for FY22, FY22, the FY23 approved budget, actuals from the first Quarter of FY23, and the draft budget for FY24. Included are calculations comparing the FY24 budget to the FY23 budget by both a dollar amount and a percentage.

Income

FY24 is budgeting \$14,596,600 in revenue.

Overall, revenue increases approximately 3.9% over FY23 budget. With Burlington DOC returning to a more traditional facility and assumed increases in self hauling specific materials, the overall expected increase in tipping fees is \$467,538 (5.7%). Of note is that we pulled Special Waste items out of the overarching Tipping Fee account (appearance of a 91.9% increase). This will allow both Finance and Operating teams to receive a clearer picture of the impact of the subsidized items managed at the facilities. The \$3,335,702 revenue for Solid Waste Management Fee does not include an increase and maintains the \$27 per ton price issued in 2013. As Drop Off Centers are fitted with appropriate services, we will begin to implement credit card processing at all locations. With this service, we will issue a small credit card fee as detailed in Other Income (\$75,000). This fee will be no more than 4% of each credit card transaction charged on all transaction and should offset most of the expense of providing this convenience.

Cost of Goods Sold

FY24 is budgeting \$121,405 for costs of goods.

This is a decrease of approximately 41.8% from the FY23 budget and is primarily due to discontinuing the sale of bins and containers.

Expenses

FY24 is budgeting \$14,589,502 in expenses.

Managers have made best efforts to mitigate the increasing cost of inflation, however there is an overall increase of about 10% in expenses. Salaries and Wages increased due to additional staffing needs and the higher-than-average Consumer Price Index as calculated by the U.S. Bureau of Labor Statistics - Northeast Urban classification. Benefits rose by 12.4% amid best efforts to moderate the 20% inflation of healthcare costs. Training costs also increased as management intends to increase staff education through focused conferences across all departments. The Communications team has revised their budget to better place some of their dues and subscription services out of Promotion and Education (20% increase from FY23 budget). Administrative costs include a 31.1% increase (\$55,627), primarily due to the expected increase in additional credit card fees as DOC locations begin to accept electronic payments. Property Management includes an increase of nearly \$113,000 (18.7%) due to the newly leased administrative building and associated costs. Promotion and Education appears to have a decrease of 14.7%, however, as described above the external education and promotion services are not declining. Community Support continues to include the assumption that towns will exhaust their Community Clean Up Fund accounts and submit reimbursements for Green Up Day.

Net Ordinary Income

The total accumulated net ordinary income will be a loss of \$114,306.
Below is a recommendation of funding to use for to balance this loss.

Subsidies, Reserve Transfers & Year End Adjustments

An expected subsidy of \$7,246 will be needed from the Solid Waste Management Reserve to balance the Administrative budget.

The Landfill Post Closure reserve will require a transfer of \$183,397, leaving a balance of approximately \$169,625. The original assumed custodial care begins after FY25, we are currently working with consultants to determine if that date can be met.

If all Community Clean Up Funds are utilized, \$95,000 will be transferred from that reserve.

As a restricted reserve, the balance of \$45,500 from Biosolids will be transferred to the Biosolids Reserve.



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\$125,837 remains to be transferred into the Operating Reserve.

Chittenden Solid Waste District
FY24 Draft Budget

	FY21 Actual	FY22 Actual	FY23 Q1 Actual	FY23 Approved Budget	FY24 Drafted Budget	Change from FY23 Budget to FY24 Budget	
						\$	%
Income							
Tipping Fees							
Tipping Fees	7,772,544	6,071,345	1,586,710	6,317,097	6,019,487	(297,610)	-4.9%
Special Waste	-	89,911	16,923	59,250	730,109	670,859	91.9%
Hazardous Waste	-	70,333	23,533	68,000	62,000	(6,000)	-9.7%
Biosolids	-	1,340,166	323,345	1,279,437	1,379,726	100,289	7.3%
Total Tipping Fees	7,772,544	7,571,754	1,950,511	7,723,784	8,191,322	467,538	5.7%
Solid Waste Management	3,263,750	3,409,238	946,284	3,381,750	3,335,702	(46,048)	-1.4%
Sale of Materials	3,039,400	4,815,492	714,947	2,540,711	2,628,973	88,262	3.4%
License Fees, Fines & Penalties	15,917	15,834	14,394	14,910	14,000	(910)	-6.5%
Rental income	74,183	71,600	17,850	71,400	75,000	3,600	4.8%
Product Stewardship	252,321	213,028	40,968	190,700	169,000	(21,700)	-12.8%
Interest, Dividends	16,856	12,720	6,260	2,000	1,000	(1,000)	-100.0%
Other Income	11,592	749	28	-	75,000	75,000	100.0%
Grant Revenue	661,336	277,801	-	106,470	106,604	134	0.1%
Equipment Sale/Trade In	-	168,899	1,266	-	-		
Total Income	15,107,899	16,557,115	3,692,508	14,031,725	14,596,600	564,875	3.9%
Cost of Goods Sold							
Total Cost of Sales	156,718	239,942	41,386	172,197	121,405	(50,792)	-41.8%
Gross Profit	14,951,181	16,317,173	3,651,122	13,859,528	14,475,195	615,667	4.3%
Expenses							
Payroll Expenses							
Salaries & Wages	3,068,147	3,163,688	712,215	3,344,986	3,747,111	402,125	10.7%
Benefits	1,206,229	1,307,131	270,820	1,454,572	1,659,788	205,216	12.4%
Total Payroll Expenses	4,274,376	4,470,819	983,035	4,799,558	5,406,899	607,341	11.2%
Travel & Training	30,250	53,282	16,883	96,568	120,775	24,207	20.0%
Administrative Costs	43,424	49,720	5,190	123,474	179,101	55,627	31.1%
Professional Fees	202,391	177,566	31,996	268,330	280,690	12,360	4.4%
Equipment & Fleet	548,092	807,663	151,051	772,967	852,109	79,142	9.3%
Supplies	64,745	120,559	16,158	119,623	137,894	18,271	13.3%
Materials Management	5,192,050	4,804,118	1,010,680	6,150,788	6,765,779	614,991	9.1%
Property Management	482,664	510,873	168,329	490,262	603,126	112,864	18.7%
Promotion & Education	50,215	109,675	5,622	163,052	142,178	(20,874)	-14.7%
Community Support	18,704	23,210	262	106,300	100,950	(5,350)	-5.3%
Total Expense	10,906,911	11,127,484	2,389,205	13,090,922	14,589,502	1,498,580	10.3%
Net Ordinary Income	4,044,270	5,189,689	1,261,917	768,606	(114,306)	(882,913)	772.4%

Chittenden Solid Waste District
FY24 Draft Budget

	FY21 Actual	FY22 Actual	FY23 Q1 Actual	FY23 Approved Budget	FY24 Drafted Budget
Subsidies, Reserve Transfers & Year End Adjustments					
Other Income					
Subsidies & Transfers					
Solid Waste Management Subsidy	-	-	-	-	7,246
Operating Subsidy	-	-	-	-	-
Landfill Post Closure	60,374	133,984	-	188,919	183,397
Community Cleanup Fund (CCUF)	-	15,766	-	-	95,000
Total Subsidies & Transfers	60,374	149,750	-	188,919	285,643
Total Other Income	60,374	149,750	-	188,919	285,643
Other Expenses					
Reserve Transfers					
Transfer Investment in Assets	367,757	(1,004,617)	-	-	-
Transfer Solid Waste Management Reserve	624,655	786,724	-	429,225	-
Transfer Biosolids Reserve	63,651	62,012	-	46,375	45,500
Transfer Operating Reserve	-	3,865,259	-	30,617	125,837
Transfer to Capital Reserve	664,128	624,571	-	451,308	-
Transfer Facility Closure Reserve	-	404	-	-	-
Transfer Landfill Post Closure Reserve	-	514	-	-	-
Transfer Undesignated Funds	2,012,652	(46)	-	-	-
Total Reserve Transfers	3,732,843	4,334,823	-	957,525	171,337
Year End Adjustments					
Depreciation	-	1,004,617	-	-	-
Admin Support Allocation	371,801	-	-	-	-
Total Year End Adjustments	371,801	1,004,617	-	-	-
Other Expense	4,104,644	5,339,439	-	957,525	171,337
Other Income and Expenses	(4,044,270)	(5,189,689)	-	(768,606)	114,306
Net Income	-	0	1,261,917	0	(0)

Chittenden Solid Waste District
FY24 Draft Budget Reserves

	As of Jul 2022	Assumed Changes per Budget FY23	Assumed Balance as of Jun 2023	Waterfall Effect, if completed	Waterfall Balance Jul 2023	Assumed Changes per Budget FY24	Assumed Balance as of Jun 2024	Waterfall Effect	Waterfall Balance Jul 2024
RESTRICTED									
Landfill Post Closure Reserve	541,943	(188,919)	353,024		353,024	(183,397)	169,627		169,627
Biosolids Reserve	288,849	46,375	335,224		335,224	45,500	380,724		380,724
DESIGNATED									
Facilities Closure Reserve	1,464,178	-	1,464,178		1,464,178	-	1,464,178		1,464,178
Solid Waste Management Reserve	1,000,000	429,225	1,429,225	(429,225)	1,000,000	(7,246)	992,754	7,246	1,000,000
Operating Reserve	1,750,000	30,617	1,780,617	(30,617)	1,750,000	125,837	1,875,837	(125,837)	1,750,000
Capital	10,490,751	451,308	10,942,059	459,842	11,401,901	-	11,401,901	23,591	11,425,492
Community Clean Up Reserve	95,000	-	95,000		95,000	(95,000)	-	95,000	95,000
Undesignated	1,000,000	-	1,000,000		1,000,000		1,000,000		1,000,000
Net Income		768,606				(114,306)			
Balance			17,399,327	-	17,399,327		17,285,021	-	17,285,021