

**Minutes
NWSWD Board of Supervisors Meeting**

November 7, 2018

The Board of Supervisors of the Northwest Vermont Solid Waste Management District held their regularly scheduled board meeting on Wednesday November 7, 2018 at the District Offices, 158 Morse Drive Georgia, VT at 6:30 PM.

Chairman Al Voegele called the meeting to order at 6:32 PM.

Supervisors Present:

Terry Anderson, Isle La Motte
Tim Green, Richford
Mike Kemsley, Grand Isle
Paul Lambert, Georgia
Leitz, Tom, St. Albans City
James Lintereur, Bakersfield
David Clark, Fletcher

Carlo Micheli, Swanton
Jim Richards, No. Hero
Bill Rowe, So. Hero
Jaime Tibbits, Fairfield
Al Voegele, St. Albans Town
April St. Francis, Highgate

Supervisors Absent:

Barry Kade, Montgomery
Jennifer Bright, Enosburg
Amy Mashtare, Alburgh
Dave Supernault, Sheldon

Others Present:

John Leddy, Executive Director
Pam Bolster, Business Manager

Guests:

Full Board Meeting

1) Agenda Review-Additions/Deletions: No Changes, Additions or Deletions.

2) VOTE: Minutes of the June 6, 2018 NWSWD Board Meeting:

Mr. Voegele requested a motion to accept minutes of June 6, 2018 as Presented. Jim Lintereur made the Motion, Mr. Rowe seconded. All were in favor and the motion passed with abstentions from those not present.

3) Old Business:

a) Directors Report:

Mr. Leddy directed the board to the handout. He noted the following District areas of business. The Residential Compost Route is up to 55 Residents and are looking forward to the addition of an apartment complex bringing it to over 100 residents. In

Commercial Composting News we brought on Swanton School at the beginning of the school year and have commitment from every school in the district either with us, composting on site or using another hauler. Discussion Ensued. Mr. Leddy noted that Mr. Domina has been doing a lot of outreach and had discussions with Breezy Acres who has interest in being a compost facility. It is in Montgomery so could help with the logistics of hauling from the northern areas. The District will continue to work with him.

A Discussion ensued about the potential of a temporary closing of the Bakersfield Site for work at the site. It will be an improvement for the District. Mr. Leddy said that the District heard from Enosburg about a potential site across from Sticks and Stuff. It could potentially be ready at the time of the Bakersfield site. Mr. Leddy handed out an eight step guide about where, when and how to site drop off sites. He will bring it up again at a future meeting.

b) Finance Report:

Ms. Bolster directed the board to the finance package reflected on the screen. She notes the completion of the first quarter. She noted that she did an analysis compared to last year and that trash and recycling activity is up. Surcharge income is exceeding where it was expected for this time. Overall income looks really good. On the expense side Ms. Bolster notes that all looks good with the exception of benefits which seem high for this time of year. She will analyze. Ms. Bolster informed the board that she just made the November bond payment, over 62K which was the principal and interest payment. Receipts and Payments are on target with no issues noted. Outstanding AR is in a good place with the exception of Hannaford which Ms. Bolster is working on. Drop off sites are doing well as noted in the trash and recycling activity.

Ms. Bolster mentioned that the Gauthier's Audit is on-going but should be wrapped up shortly. Gauthier's has not been splitting their loads appropriately as their routes within the district also include a small amount of Chittenden County Waste. They have been attributing more to Chittenden than they should and their will be money owed to the NWSWD. We have informed them of the proper split for the loads going forward. Discussion Ensued.

Audit Completion – Final has been received. Audit went extremely well, they were in and out in a day with no issues noted. Everything went smooth. Ms. Bolster noted the appx. \$51.7K in unexpected surplus and reviewed with the board the reasons for this including the composting grant extension, the loan payment calculated to pay in June when it paid in July etc. She asked the board to begin thinking about the distribution of the surplus to either Capital Maintenance or to Reserve Funds to be discussed later in the meeting. She also stated that she would send the electronic copy of the full audit to the board after she has reviewed the final figures and that hard copies will be available at the next meeting.

4) New Business:

a) Discussion and Vote: Shall the Board hold a Public Hearing on the Draft FY20 District Administrative Budget on Wednesday December 5, 2018 at 6PM at the District Office?

Ms. Bolster first explained the methodology of the budget work from averages to current trends. Data is gathered, analyzed, Ms. Bolster does a draft, then Mr. Leddy and Ms. Bolster pick it apart and make any changes necessary. Mr. Clark noted that the biggest change seemed to be in trash income. Ms. Bolster explained that the District has consistently under budgeted in this area. She did an analysis and shows a 10% increase per year in trash income over the last three years. The budget takes this into consideration as over the first quarter of FY19 this same trend continues. Discussion Ensued. Other budget line items were reviewed with historical back up data, both income and expense. E-Waste was discussed as we now will be paying for non-program e-waste. The district will remove from the waste stream as much as possible, where possible to minimize the cost. Future composting income and expense was discussed. Insurance expense was discussed both property and casualty as well as benefits. Our health plan increased this year appx. 3% much less than last year's increase of 9%. Ms. Bolster explained the offer through BRS and VACE of the Associated Plans now available as parts of the ACA have been repealed. Though the plan has some savings and is close to what we currently have through the exchange though without the wellness benefits. VLCT stated that a few people have made the change but many people are waiting a year to see. Mr. Voegele felt that waiting a year to see what happens is probably the best approach. Personnel was discussed. Ms. Bolster explained that currently our fuel/maintenance/repair costs were calculated into one line item for our mobile vehicles, and that she decided that it would serve the district better to track the fuel separately on the P&L so this line item has been split into Fuel and then separately Maintenance and Repairs. She noted some line item expenses that will be calculated into long term capital maintenance planning rather than into our FY20 budget. Ms. Bolster noted the signing of a contract with Casella's for the next three years for all their locations which guarantee's disposal costs as well as giving us a one year reprieve from the mattress/furniture disposal cost by piece that Casella's now charges. We will be looking at alternative mattress and furniture disposal for the future as the cost with Casella's will be great. Discussion of some options occurred. 45K is slotted from the budget to add to capital maintenance and no surplus outside of that is planned for.

Mr. Greene made a motion to accept the FY20 draft budget as presented and to hold a public hearing on Wednesday December 5, 2018 at 6 PM. Mr. Lintereur seconded. All were in favor and the motion passed.

b) Discussion and Vote: Shall the Board authorize a portion of the FY18 Budget surplus to Capital Maintenance Reserve Funds or Revenue Reserve Funds?

Discussion Tabled, to be determined after the Capital Maintenance Planning Discussion.

c) Discussion: District Capital Reserve Fund

Ms. Bolster began by explaining at the request of the board chair, the difference between Capital Maintenance Reserves and Revenue Reserves. Capital Maintenance Reserves, allocated by the board, with usage only by board approval. The funds are intended for replacement of capital assets which include our vehicles, as well as improvements or changes to our building and/or it's footprint.

Capital Reserve Funds are intended as emergency funds for worse case scenarios, ie: commodity market crashes. These funds would cover payroll and other accounts payable until the situation was changed. She gave a synopsis of what is currently in each of these two accounts, both debits and credits and when the board had authorized each. Current total in Capital Maintenance Funds including = \$66,380.00 with an additional 22,702.00 scheduled for FY19 and an additional 45,944.00 scheduled for FY20 if the budget passes without changes giving us a total allocated by end of FY20 \$135,026.00. Current total in Capital Reserve Funds = 44,533.00 with no additional allocations currently planned.

As there are additional surplus funds that remained as working capital which can also be allocated, Ms. Bolster gave a rundown of the current cash availability and what is needed for daily operations to run smoothly. Total Cash Available is 662,687 K out of which 110,933 is already allocated as shown above, reduced by 250,000 necessary operating cash flow, and reduced by outstanding AR which cannot be counted on leaves, \$255,472.00 for either capital maintenance reserves or revenue reserves.

At this point Mr. Voegele suggested that we table the rest of the presentation until the next meeting due to the late hour. Mr. Rowe made the motion. All were in favor and the motion passed.

5) Other Business: None

6) Public Comment: None

Full Board Adjourned 8:40 PM.