

**Minutes
Board of Supervisors
January 8, 2014**

The Board of Supervisors of the Northwest Vermont Solid Waste Management District held its regular monthly meeting on Wednesday January 8, 2014 at the District Offices, 158 Morse Drive Georgia, VT at 6:30 PM.

Board Chair Bill Rowe called the meeting to order at 6:35 PM.

Supervisors Present:

David Clark, Fletcher
Bill Rowe, So. Hero
Mary Robinson, Richford
Chris Leach, Swanton
Paul Lambert, Georgia
Barry Kade, Montgomery

Al Voegele, St. Albans Town
Dave Supernault, Sheldon

Supervisors Absent:

David Jacobs, No. Hero
Pierre Letourneau, Enosburg
Doug Medor, Alburg
James Lintereur, Bakersfield
Terry Anderson, Isle La Motte
W.G. Cioffi, City of St. Albans

Vacant, Berkshire
Vacant, Grand Isle
Vacant, Fairfield

Others Present:

John Leddy, Executive Director
Pam Bolster, Business Manager

Teresa Kajenski, CPA, Fothergill,
Segale & Valley

- 1) Vote: Minutes of the Board meeting of December 4, 2013.** Mr. Rowe called for a motion to approve the minutes as written. Noted missing was the motion for approval of the FY2015 District Budget. Mr. Clark had made the motion to approve the FY2015 budget, Mr. Lintereur had seconded that motion. Ms. Bolster will add that information to the minutes. Mr. Clark moved to approve the December 4th minutes with this correction. Mr. Kade seconded the motion and it passed without opposition but with an abstention from Mr. Supernault who was not at that meeting.

2) Old Business:

a) Executive Director's Report.

Mr. Leddy noted that in general things have been slower at the Georgia facility and at the drop off sites due to time of year and weather. He stated that staff has been working hard in the warehouse at plastic separation. We are still working out some issues, the trial and error of a new process but we are getting there. It is anticipated that even at

the high labor rate as it is taking longer being a new process, we will still be making more money. A discussion ensued.

Mr. Leddy stated that as a follow-up to the last Board Meeting, he drafted and sent a letter to Alburg as directed by the Board of Supervisors. We did not receive a direct response to that letter; however we did receive contact from them that they would not be in attendance for this meeting. This contact was positive and held a tone that indicated that they were still interested in the district. Later in the day Mr. Leddy received a request for the letter that he had done last year giving Alburg detail as to what the District does for Alburg. Mr. Leddy stated that he received a correspondence from the State who is interested in having a hauler meeting to discuss Act 148. Mr. Leddy stated his interest in participating.

Mr. Rowe asked for a voice vote to move into new business to hear the audit review. All were in favor.

Mr. Leddy proceeded to discuss participating in the hauler meeting planned by the state. A discussion ensued with some brief discussion on the possibility of franchising with the suggestion of a franchising discussion to be held in the future. A discussion of composting in regards to hauler relations ensued.

b) Finance Report:

Ms. Bolster noted that the logging operation on the Sheldon Property is complete having just received the last check of appx. \$7,400.00. The total NWSWD income earned from the logging operation was a little over of \$37,000, with the total income earned being a little over 80K. Mr. Kade asked when it was anticipated that the property would be ready to be logged again. Ms. Bolster asked Mr. Leddy to address this. Mr. Leddy stated how impressed with the loggers he was after visiting the property after the logging had ceased. He said that Nancy Patch had said that she felt they could have logged more in this phase; however the next phase of the management plan should occur within the next 5 years or so. A brief discussion occurred about logging and regeneration.

Ms. Bolster stated that next month she will come to the board with paperwork for a board resolution for the bank, showing the new board members and as well authorizing Ms. Bolster to have access to place stop payments, and receive phone information about the bank accounts. This does not give Ms. Bolster the authorization to sign checks.

She noted that VLCT is utilizing a new organization for DOL Drug and Alcohol testing for CDL Drivers. The new organization is insistent on reviewing all Drug and Alcohol policies. Our policy currently is vague stating that "Drug and Alcohol usage is prohibited, termination could occur.." Our policy now needs to touch on Testing for CDL Drivers. Mr. Clark asked if VLCT had a sample policy. Ms. Bolster stated that she had the policy. Mr. Clark asked that she forward the sample policy to

the board before the next board meeting and put it on the Agenda for a possible vote at that time.

Ms. Bolster said that on the finance front all looks great. The District is 7 months into the fiscal year and we are where we should be at this time. She noted no concerns with income or expense at this point. She did note the high utility costs so far this winter but it is due to the unusual cold spells that this winter has brought.

She touched upon the outstanding AR for both Burns and Duffy's and told the board the contact that she has had with both and she is working to get them to clear these balances. Mr. Kade mentioned that it might be a good idea to have a policy that if they are outstanding a certain limit that we put a lien on their equipment. It is an idea to explore. Mr. Clark asked when haulers district licensing comes due and if this could be utilized to get them to clear up past due balances. Ms. Bolster stated that it is already utilized, that The District two years ago added that no hauler will be licensed with a past due balance more than 60 days out. Other options were discussed as well as shutting them down from tipping in Highgate which Casella's has stated they would assist with if necessary. Mr. Kade said we would need to suspend their license first. Ms. Bolster agreed.

Mr. Rowe asked that with the switch in haulers in South Hero to Gauthier's, he asked if there was any way to see what Gauthier's has collected in the past from South Hero. Ms. Bolster stated that she should be able to accurately enough collect data that will show what Gauthier's has reported collecting in South Hero in the past year.

c) Act 148 Discussion:

Mr. Leddy reported that the state sent out their draft material management plan (state's solid waste plan), soliciting comments. He said he would forward it to board members for their input. This is the plan that we will base our solid waste plan on. The question was asked, what role any given town will have in complying with this new plan. Mr. Leddy explained, none if they are a part of a solid waste district, if not, they will need to comply with all requirements, including development of their own solid waste plan. A discussion ensued and will be continued as time goes on.

3) New Business:

a) Guest Presentation: Teresa Kajenski, CPA, Fothergill Segale and Valley.

Ms. Kajenski directed the board to the audit package specifically to the communication letter dated December 26, 2013. This explains the highlights of the audit. She noted the corrected and uncorrected mis-statements. She noted the four adjustments that they recommended, two grants receivable accrual adjustments, a correction to accrued compensated balances, and the depreciation adjustment. Ms. Bolster stated she was in agreement with these adjustments and has made the entries. Ms. Kajenski

as well stated that there was overstated AP for work that was not completed by June 30th and there was accrued interest from the CAT payment that had not been booked. She explained that they did not ask for adjustments for these but noted that Ms. Bolster would book the accrued interest next year (noting that we have never booked this interest in the past but that it really should be done) and asked that Ms. Bolster correct the overstated AP.

Ms. Kajenski asked the board to go to page 7 of the audit and gave an overview of our balance sheet in comparison to last year, noting the unrestricted net position fund balance of approximately \$430,000, stating a strong retainage which is good. Approximately \$508,000 of our net position is invested in capital assets. She stated that the increase in the net position for the year is approximately 130,000, very similar to last year. She noted revenue is almost exactly the same as last year with expenditures up just a little bit. She reviewed how the cash flows through the organization.

She stated that they had no material discussions to report and they had no internal control findings. She stated that they had no significant comments and noted that the first few years they had audited The District that had some comments to internal controls feeling that some things needed to be done. Mr. Voegele asked "To summarize, are you saying that this is a clean audit, no management issues." She answered yes. Mr. Voegele then stated "so we should complement staff", to which Ms. Kajenski stated yes.

Ms. Bolster mentioned the period of risk with the bank that the auditors believe we were not insured for, appx. 36K, for a short period of time just prior to the Bond's Principal payment in November. In speaking with the bank at the time that this was occurring, the bank had said that we are insured up to \$250,000 per officer or per signer on the account. Ms. Bolster asked Ms. Kajenski if she had heard of this type of situation. She responded that she had heard of it but requested more information suggesting that in addition to speaking again with the bank that Ms. Bolster visit the FDIC website for more information. Ms. Bolster stated that she would look into it further and make any adjustments necessary to ensure complete coverage of the funds through the FDIC.

Mr. Rowe asked for a voice vote to move back to Old Business to finish the director's report. All were in favor.

- b) Mr. Lambert asked about the possibility of obtaining a wall mounted flat screen with a VGA cord so that we can eliminate paper at our board meetings. Other options were suggested as well, from projectors to new Google technology and beyond. Ms. Bolster will look into viable options.
- c) A brief discussion of drop off sites including, new staff, register and other problems due to the extreme cold etc.

4) Other Business.

- a) Schedule Committee Meetings for the coming month: None scheduled.

5) Public Comment. None.

6) Adjourn. 8:05 PM