



# Addison County Solid Waste Management District



1223 Route 7 South  
Middlebury, VT 05753

P. 802-388-2333  
F. 802-388-0271  
E. [acswmd@acswmd.org](mailto:acswmd@acswmd.org)

## 2019 Annual Report

and Proposed Budget  
for Calendar Year 2020

## BOARD OF SUPERVISORS

### ADDISON

Rep: Bill Munoff  
Alt: Alden Harwood

### BRIDPORT

Rep: Ed Payne  
Alt: Andrew Manning

### BRISTOL

Rep: Joel Bouvier  
Alt: Valerie Capels

### CORNWALL

Rep: Bill Kernan

### FERRISBURGH

Rep: Steve Huffaker  
Alt: David Olson

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### LEICESTER

Rep: Richard Reed  
Alt: Diane Benware

### LINCOLN

Rep: Bill Finger  
Alt: Oakley Smith

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### MONKTON

Rep: Deborah Gaynor  
Alt: Jessica Demeritt

### NEW HAVEN

Rep: Patrick Palmer

### ORWELL

Rep: Karl Thomsen  
Alt: Thomas Audet

### PANTON

Rep: Paul Sokal

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Rep: Steven Zwicky  
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### SALISBURY

Rep: Vacant  
Alt: Vacant

### SHOREHAM

Rep: Randy Orvis  
Alt: Jason Paquette

### STARKSBORO

Rep: Susan Reit deSalas

### VERGENNES

Rep: Cheryl Brinkman\*\*  
Alt: Mathew Chabot

### WALTHAM

Rep: Andrew Martin  
Alt: Timothy Ryan

### WEYBRIDGE

Rep: Tim Wickland\*

### WHITING

Rep: Eric Zuesse  
Alt: Carolyn Schmidt

\* Vice Chair \*\* Chair

## DISTRICT MISSION STATEMENT

*The Addison County Solid Waste Management District is a union municipality that exists to cooperatively and comprehensively address the solid waste management interests of its member municipalities. The mission of the District is to:*

- promote waste reduction and pollution prevention;
- maximize diversion of wastes through reuse, recycling, and composting;
- provide for the disposal of remaining wastes; and
- seek environmentally sound and cost-effective solutions in all of its programs, services and facilities.

## DISTRICT STAFF

District Manager.....Teresa Kuczynski  
Business Manager.....Patti Johnson  
Program Manager.....Donald Maglienti  
Transfer Station Supervisor.....Gary Hobbs  
Public Outreach Coordinator.....Jessie-Ruth Corkins  
Administrative Assistant.....Chantel Bolduc  
Transfer Station Operators.....Richard Cota  
Chad Kimball  
Jake Vukas  
Transfer Station Attendants (P/T).....Wes Kimball  
Kim Kimler  
Ricky Rheume  
Scalehouse Operator .....Shelly Edson

## DISTRICT TRANSFER STATION and OFFICE

Location: 1223 Route 7 South, Middlebury, VT  
Telephone: (802) 388-2333  
Fax: (802) 388-0271  
Email: acswmd@acswmd.org  
Website: www.AddisonCountyRecycles.org

Transfer Station Hours: Mon-Fri, 7 AM - 3 PM  
Sat, 8 AM - 1 PM

HazWaste Center Hours  
(at District Transfer Station): Mon-Fri, 8 AM - 2 PM,  
Sat, 8 AM - 1 PM

District Office Hours: Mon-Fri, 8 AM - 4 PM



## ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

1 223 ROUTE 7 SOUTH  
MIDDLEBURY, VT 05753

ADDISON  
BRIDPORT  
BRISTOL  
CORNWALL  
FERRISBURGH  
GOSHEN  
LEICESTER  
LINCOLN  
MIDDLEBURY  
MONKTON  
NEW HAVEN  
ORWELL  
PANTON  
RIPTON  
SALISBURY  
SHOREHAM  
STARSBORO  
VERGENNES  
WALTHAM  
WEYBRIDGE  
WHITING

October 15, 2019

TO: Select Boards, Aldermen and Interested Citizens of Addison County

We are pleased to present the 2019 Annual Report of the Addison County Solid Waste Management District. The attached report highlights the District's activities over the past calendar year. It also includes a **proposed budget** for the 2020 calendar year and the results of an independent audit of the District's financial statements for the year ending December 31, 2018.

The District continues to fulfill its mission of promoting waste reduction and maximizing diversion of waste through reuse, recycling and composting. The District serves as an important resource for its member municipalities in providing responsible planning and management of solid waste, particularly with respect to the ongoing implementation of Vermont's Universal Recycling Law. In addition to owning and operating a full-service, award-winning Transfer Station in Middlebury, the District provides its residents and businesses with high quality services and options such as hazardous waste management, waste audits and advice on waste diversion for businesses, community composting classes, and school programs on reuse, recycling and composting. The District will continue to plan for sustainable solid waste services, limit future liabilities, foster competition and minimize costs to its member municipalities.

The District's website, [www.AddisonCountyRecycles.org](http://www.AddisonCountyRecycles.org), serves as a resource for news and information on managing waste in Addison County. We also encourage you to find us on Facebook by searching, "Addison County Solid Waste Management District."

Please take a few moments to review the 2019 Annual Report and the proposed 2020 Annual Budget. We welcome your comments and suggestions. A **public hearing** on the proposed budget will be held on **Thursday, November 21, at 7:00 PM at the Addison County Regional Planning Commission Office at 14 Seminary Street in Middlebury**. The Board of Supervisors will consider any comments and adopt a final budget on or before December 31, 2019.

We look forward to seeing you at the public hearing!

Sincerely,

Teresa A. Kuczynski  
District Manager  
cc: ACSWMD Board of Supervisors

# 2019 Community Feedback

"It was very informative and the handouts were very helpful."

"Thank you so much for the workshop. My kids helped set up a bin and are super jazzed about composting now. Even my skeptical boyfriend has been on board especially with the reduced garbage cost (and smell) when we drop off our trash."

## 2019 Backyard Composting Workshops

"Great community building event!"

"I have had a compost heap for almost 40 years, and learned that what I have been doing is okay, and also some ways of doing it better!"

## Repair Fair, February 14, 2019 Hannaford Career Center

"This was wonderful! I hope you are able to expand it or offer it frequently!"

"Very well run, expert people, great communication."

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**An electronic version of this Annual Report is available at  
[www.AddisonCountyRecycles.org](http://www.AddisonCountyRecycles.org).**

# 2019 Annual Report

## History of the District

The Addison County Solid Waste Management District is a union municipal District formed in November 1988 to cooperatively and comprehensively address the solid waste management interests of its 21 member municipalities: Addison, Bridport, Bristol, Cornwall, Ferrisburgh, Goshen, Leicester, Lincoln, Middlebury, Monkton, New Haven, Orwell, Panton, Ripton, Salisbury, Shoreham, Starksboro, Vergennes, Waltham, Weybridge, and Whiting.

## Board of Supervisors

The Addison County Solid Waste Management District is governed by a Board of Supervisors comprised of one representative and one alternate from each of the 21 member municipalities. Each member municipality appoints its representative and alternate every year after Town Meeting Day and before the Board's Annual Organizational Meeting held on the second Thursday in April. Anyone interested in serving on the Board of Supervisors is encouraged to contact their selectboard to express interest in the position. There is no limit to the number of successive terms. The Board regularly meets on the third Thursday of the month at 7 PM in the conference room of the Addison County Regional Planning Commission Office, 14 Seminary Street, Middlebury, VT. Meeting dates are subject to change, so be sure to call the District Office at (802) 388-2333, or check the schedule posted at [www.AddisonCountyRecycles.org/about/boards/supervisors](http://www.AddisonCountyRecycles.org/about/boards/supervisors). Board meetings are open to the public, with a public comment period offered at each meeting.

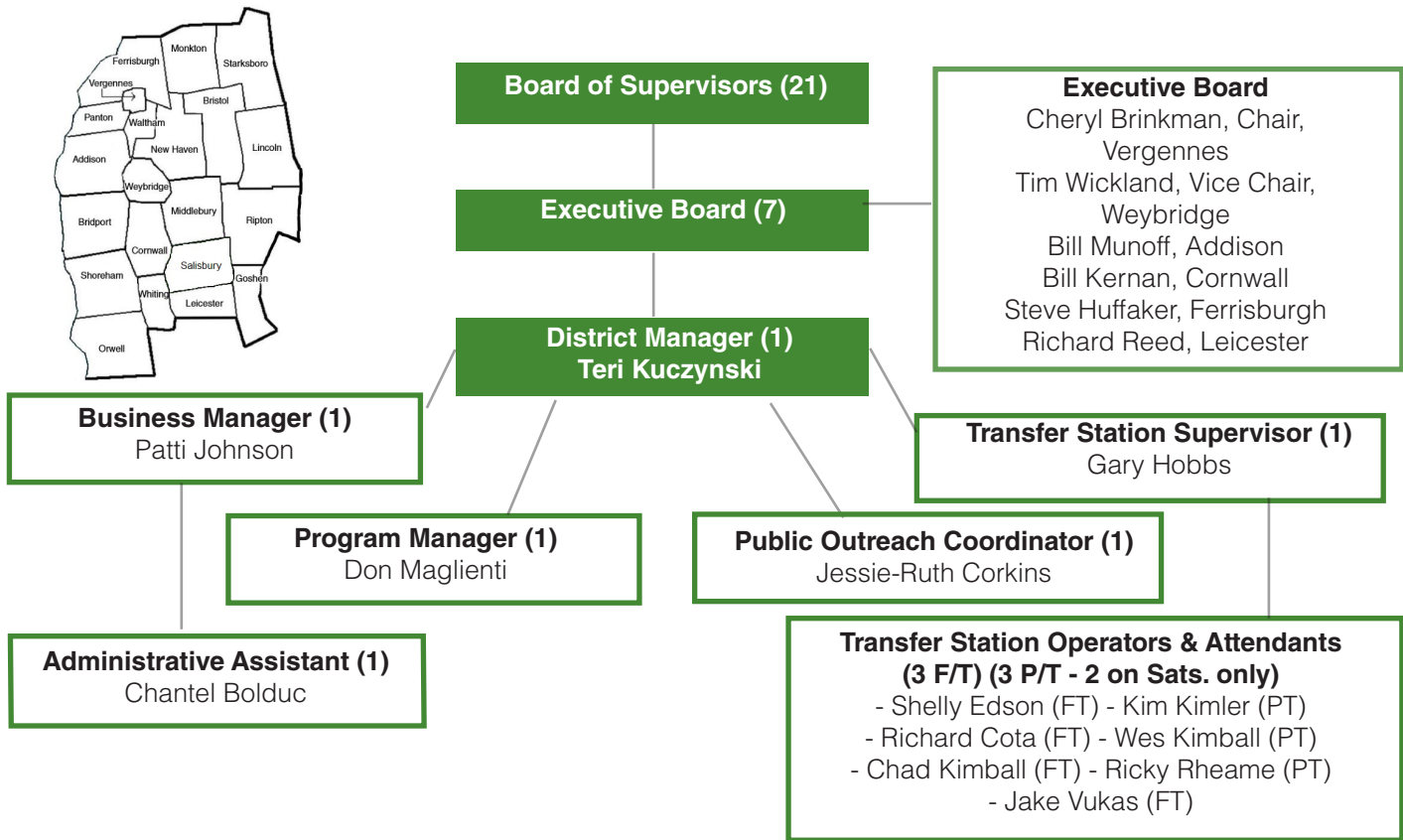


Left: Cheryl Brinkman, Chair of the Board of Supervisors. Right: Eric Murray, Middlebury Representative.

## Executive Board

The Executive Board, a subgroup of the Board of Supervisors, meets on a monthly basis, eight days prior to the monthly Board meetings (usually on the second Wednesday), at 3 PM in the conference room of the Addison County Solid Waste Management District office at 1223 Rte. 7 South, Middlebury, VT. The Board of Supervisors delegates specific roles to the Executive Board such as financial and personnel functions, and acting as an appeal board for ordinance enforcement decisions of the District Manager. Meeting dates are subject to change, so be sure to call the District office at (802) 388-2333 or check the schedule posted at [www.AddisonCountyRecycles.org/about/boards/executive](http://www.AddisonCountyRecycles.org/about/boards/executive). Executive board meetings are open to the public, with a public comment period offered at each meeting.

# District Organization Chart



# District Manager's Report

The Addison County Solid Waste Management District (District) Board of Supervisors is pleased to announce the inclusion this fall of the Town of Salisbury as a member! This addition, which will bring membership up to 21 towns, will benefit both the Town and the District. The Board looks forward to including the Town in its future solid waste planning and implementation of the remaining mandates of the Universal Recycling Law (Act 148). Increased food scrap diversion continued to be the major goal in 2019. Haulers are required to collect food scraps from residential properties with 4 or more units, and from commercial businesses. With the landfill ban for food scraps to take effect on July 1, 2020, the District has focused its efforts this year on ensuring that residents and businesses have town and District drop-off options for their food scraps. This year, more businesses and schools transitioned to a sustainable diversion system for food scraps. Our efforts included increased outreach, training for businesses, and cost-effective solutions for haulers who wanted to add organics to their curbside collection. The District also increased its workshops and training on



# District Manager's Report

backyard composting this year. With a grant from the State, the District was able to offer discounts on compost bins for workshop attendees.

## Recycling

The decline in market prices for most recyclables continued in 2019. As we reported in 2018, the combination of a lack of domestic markets and a halt to most exports of recyclables to China has resulted in a glut of recycled materials in the U.S. Under the Chinese National Sword, acceptable levels of contamination in imported bales of recycled commodities are so low that facilities in the U.S. have struggled to meet the new standard. This has brought market revenues for recycling to historic lows, and prompted materials recovery facilities to charge a processing fee for recycling these materials. That is why it is more important than ever to keep recyclables moving and to reduce processing costs. The District has worked with the haulers, other districts/alliances and the State to promote the mandated recycling guidelines to ensure that we can collectively weather this crisis until local markets are more available. Fortunately, the District's financial position has been strong enough to weather the recycling losses, which are estimated to reach \$35,000 by the end of the calendar year. In spite of these challenges, the District's commitment to recycling remains steadfast.



On the positive side, the Legislature passed Act No. 69 (S.113) this past session. This law enacts multiple requirements for single-use products provided by a store or food establishment, which will go into effect on July 1, 2020. A store or food establishment will be prohibited from providing single-use plastic carryout bags. Expanded polystyrene food service products will not be allowed to be sold in Vermont. A store or food service establishment will not be able to provide food or beverages in expanded polystyrene food service products. Plastic straws will be available upon request only, and plastic stirrers will be banned. A study committee has emerged from Act 69 to further examine ways to manage packaging and printed materials.

## Product Stewardship

As a method of controlling costs and keeping unwanted and banned items out of the landfill, the District has continued to be a strong advocate for Extended Producer Responsibility (EPR) laws. EPR laws are a useful tool to help distribute the cost of recycling and safe management of these products between industries, government, and consumers. EPR can alleviate the financial burden for municipalities and residents, while mitigating environmental impacts from disposal by increasing collection and recycling rates of covered products. Vermont has the second highest number of EPR laws in the U.S. The success of these laws and their economic benefits to the 21 towns in the District have prompted efforts by the VT Product Stewardship Council – of which the District is a member - to investigate the feasibility of similar laws for household hazardous waste, as well as packaging and printed materials.



## Diversification in the District

The State Materials Management Plan required the districts and alliances to measure the diversion rate of Municipal Solid Waste (MSW) that was recycled, reused, reduced and composted in 2018. The District's July 2019 Solid Waste Implementation Report showed that the District reached a MSW Diversion Rate of 55.82% in 2018. This is the highest diversion rate so far. The District has exceeded the State goal of 50% diversion since 2006, due to the amazing efforts of our residents and businesses to source separate their items, thereby reducing the waste they send to the landfill for disposal. Thank you for caring for the environment and for taking the time to separate out these materials that can have a second life.



## DISTRICT TRANSFER STATION

The District Transfer Station is a regional solid waste management facility owned and operated by the District. Located at 1223 Rt. 7 South in Middlebury, the Facility accepts Municipal Solid Waste (MSW) and Construction & Demolition Debris (C&D) and transfers it to out-of-District disposal sites. Other waste materials are accepted, from member municipalities only, at the Transfer Station for reuse, recycling and composting. The Transfer Station is also a registered Collector of Vermont-generated Electronic Waste (E-Waste), Mercury-Containing Devices, Paint (member municipalities only), and Batteries under the State's Extended Producer Responsibility (EPR) programs.

The District HazWaste Center, located at the Transfer Station, is open year-round for residents and businesses of member municipalities. Also located at the Transfer Station is the District **REUSE IT OR LOSE IT!** program, which provides separate drop-and-swap areas for household goods and reusable building materials. The District office, co-located at the Transfer Station, provides information and technical assistance on a wide range of waste management, reduction and recycling topics. For a complete list of items and any associated fees collected at the Transfer Station, please refer to the inside back cover of this report. This information is also available on the District's website, [www.AddisonCountyRecycles.org](http://www.AddisonCountyRecycles.org).



# 2019 Outreach Summary

The District promotes its mission of waste reuse, reduction, recycling and organics composting through direct outreach to the community in various formats. This generally includes presentations and workshops to schools, businesses, community groups and institutions, in addition to spreading awareness through our biannual *News to Reuse* newsletter, on social media outlets such as Front Porch Forum and Facebook, in ads in local newspapers, on the radio, and at a number of special events.



The District provides, free of charge, one 18-gallon recycling “blue bin” to all new residents and replacement bins for anyone who needs them. Blue bins are also made available at town clerks’ offices throughout the District. The District provides businesses with tall recycling bins, small office recycling bins, 4-gallon food scrap buckets, and signage, guides, and window decals to let customers know of their local businesses’ great environmental stewardship efforts. Portable recycling bins are being loaned to a growing number of public events each year. These bins are free for the event organizers to use, and are a great way to boost recycling awareness. The District provides liner bags, set-up instructions, and in some cases, materials collection at no cost.

The District also provides 5-gallon buckets to any household that brings food scraps to either the 17 drop-offs that accept food scraps, or the District Transfer Station. These resources will continue to be available to help District residents reach the final phase of compliance with the Universal Recycling Law in 2020.

District staff offer free backyard composting workshops onsite as well as tours of the Transfer Station in Middlebury for school groups and others interested in learning more about how recyclables and waste are managed. In addition, staff is always available to provide educational presentations on waste reduction, recycling, composting and hazardous waste to any interested audience. The District’s Master Composter certified staff is also available for compost management troubleshooting and advice.



The District’s website, [www.AddisonCountyRecycles.org](http://www.AddisonCountyRecycles.org), is a great resource for tips on waste reduction, reuse, composting and hazardous waste, as well as quick answers to everyday trash and recycling questions. The website includes a searchable library and links to other websites with useful information. The District’s online A-Z Disposal Guide features reuse, recycling or disposal options for over 100 common and unique materials.

## 2019 School Outreach



District staff have directly assisted 9 District schools in various ways. Four student groups visited the District Transfer Station to get an insider's perspective on waste management and to discuss broader challenges regarding local awareness and materials markets. District staff visited two schools for multi-class presentations on improving recycling habits and minimizing food waste. District staff also worked with two environmental clubs at area schools to discuss organics management on site and how to decrease contamination in current recycling and food scrap programs. In the picture on the left, Ollie Cultrara, our AmeriCorps member, is cutting hardware cloth to go under a SoilSaver that is in its second year of use at the Leicester Central School.

## 2019 Business Outreach



District staff have performed 38 formal waste management check-ins with area businesses. At these check-ins, we discuss the waste streams the business is generating, evaluate their current processes, and offer suggestions and guidance for improvement and compliance. This year we partnered with Vermont Department of Environmental Conservation staff to visit Addison County gas stations, delis and restaurants in anticipation of the upcoming ban on food scraps. We have also assisted many other businesses this year via email, phone calls and by dropping off compost liner bags and buckets.

## 2019 Community Outreach



District staff have held 10 backyard composting workshops and given 12 other presentations to area businesses, retirement communities and community groups. District staff have tabled at 7 community events, and loaned trash, recycling and compost bins to 8 community events. Finally, District staff have hosted 1 Repair Fair, with 1 in the works for November 14th!

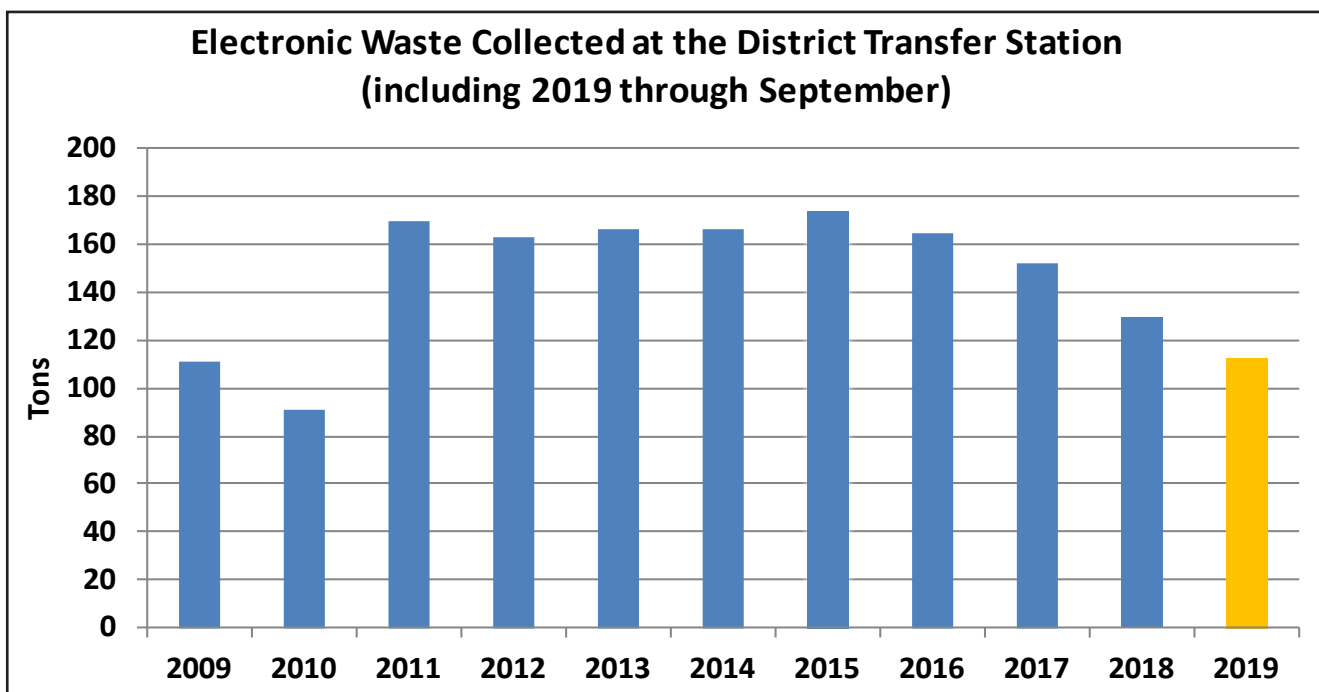
# 2019 Programs Report

## Electronic Waste

Electronic waste (E-Waste) refers to a broad category of waste products that typically contain various electrical components, circuit boards, batteries, and in many cases, a variety of heavy metals and other toxic materials. Solid waste districts in Vermont have long identified E-Waste as a priority for diversion from landfills, and the Addison County Solid Waste Management District was one of the first in the State to begin recycling E-Waste 19 years ago. Vermont's E-Cycles Law, which began in 2011, categorizes two types of E-Waste: "covered" devices, and "non-covered" devices. Covered devices are TVs, computers, printers, and computer peripherals. Covered devices are those E-Wastes for which manufacturers have to pay the cost of recycling, and are therefore accepted at the District Transfer Station at no charge. Non-covered devices include items such as universal power supplies (UPS), fax machines, VCRs, DVD players, stereos, CD players, shredders, photocopiers, and small items such as telephones, adaptors, CDs, DVDs and tape cassettes. The District charges a fee for these items to cover the cost of recycling them. For a list of all fees, please refer to the inside back page of this Report or the District's website.

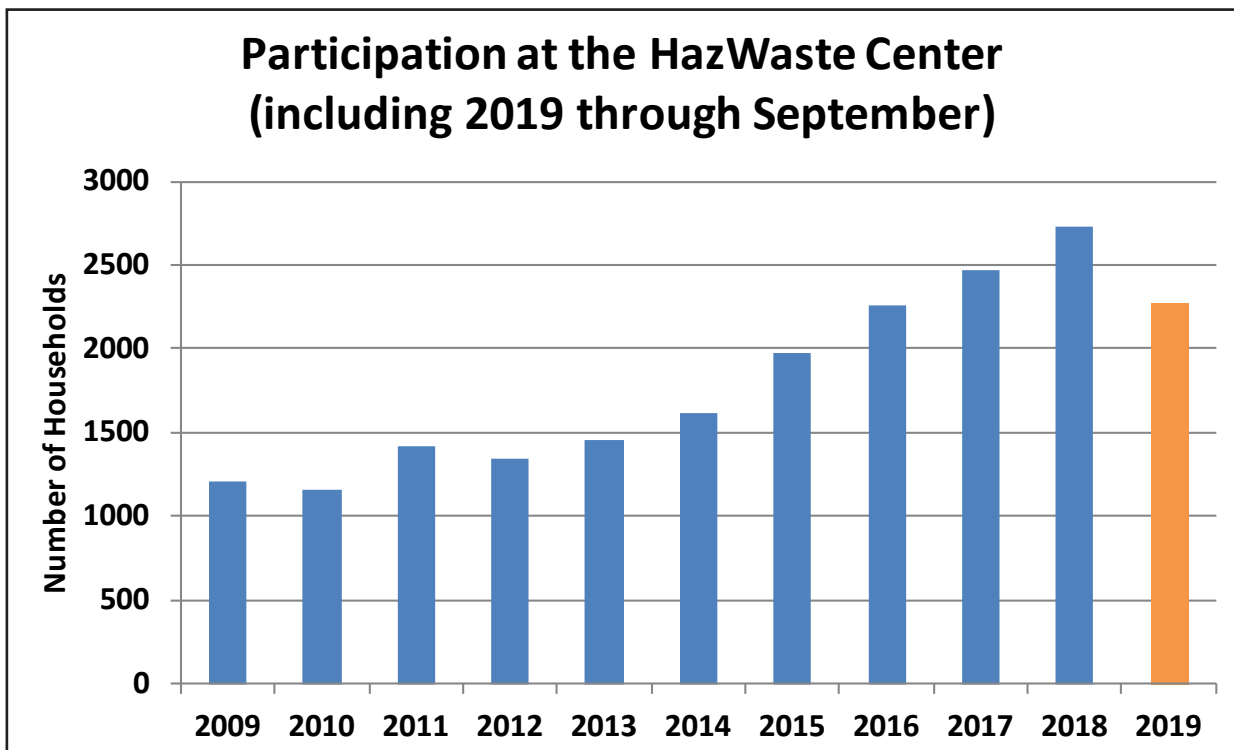


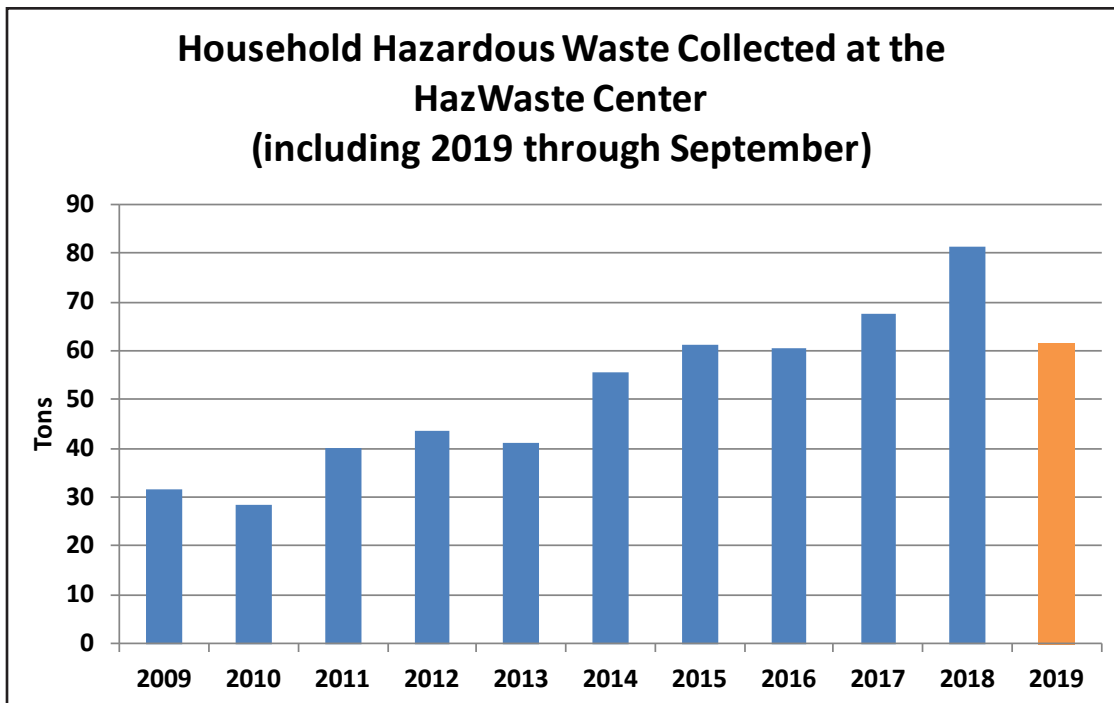
The chart below summarizes the annual amounts of E-Waste collected at the District Transfer Station from 2005 through September 2019. A steady decline in tonnage since 2015 may indicate a shift toward less heavy electronic devices, as cathode ray tube screens are replaced by flat screens. The District has recycled more than 113 tons of E-Waste through September 2019.



## Household Hazardous Waste (HHW) and Conditionally-Exempt Generator (CEG) Hazardous Waste Diversion

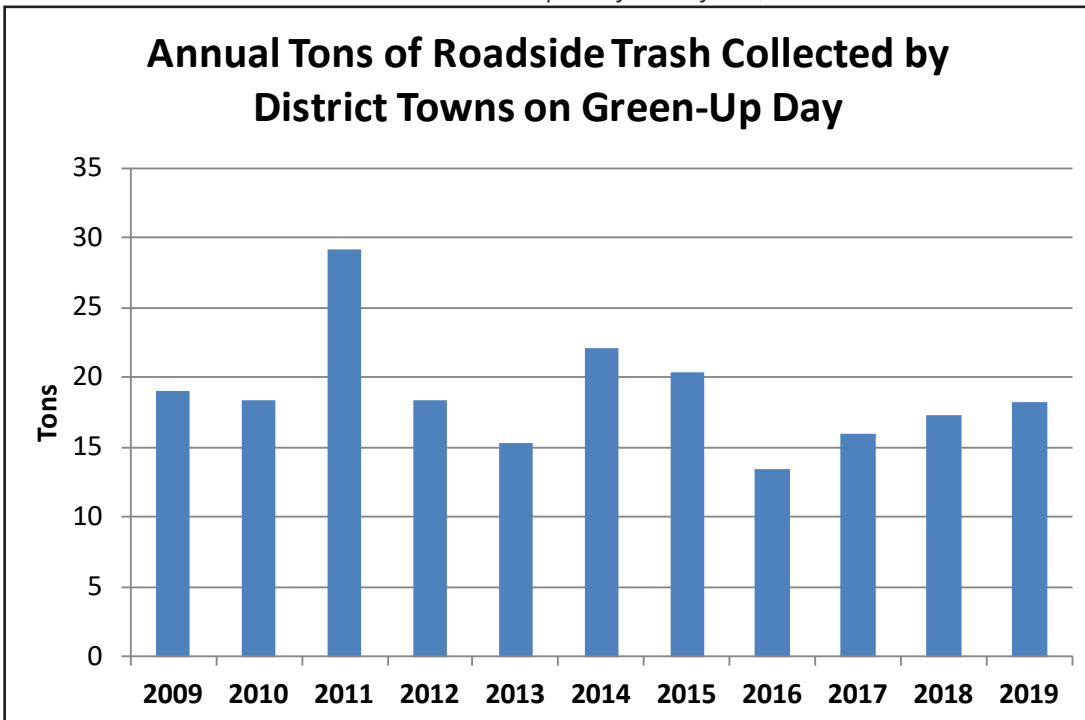
The District's HazWaste Center, located at the Transfer Station, continues to provide year-round collection of unregulated hazardous waste from residents and small businesses in the District. In 2018, residential participation reached a record high of 2,727 households, a 10.4% increase over the 2017 participation. Through the end of September 2019, a total of 2,277 residents dropped off their HHW, and 83 small businesses brought in their CEG hazardous waste. This year the District also held three remote collection events for HHW. The number of businesses taking advantage of our reasonably-priced CEG hazardous waste disposal services has remained steady due to the convenience of a safe, year-round collection center. Paint still constitutes the largest percentage of waste material collected at the HazWaste Center. All architectural paints collected through the HazWaste Center were managed through the Vermont PaintCare program, a manufacturer take-back program that provides significant savings for the District, as well as for local businesses needing to dispose of paint. Last year, the HazWaste Center collected 162,693 lbs of hazardous waste, of which 104,215 lbs (64%) was paint or paint-related products. Through the end of September 2019, the HazWaste Center collected a total of 129,015 lbs of hazardous waste, of which 76,837 lbs (60%) was paint, including both oil-based paint and latex paint (see chart below). The District does receive partial funding for its HHW diversion program through grants from the VT Agency of Natural Resources and the VT Agency of Agriculture, Food & Markets.





### Illegal Burning & Disposal

The District contracted with the Addison County Sheriff's Department in 2019 to enforce its Illegal Burning & Disposal Ordinance. The Sheriff's office investigates all illegal burning/disposal complaints, which may result in the issuance of a warning or a ticket. The District continues to serve as County Coordinator for Green-Up Day, Vermont's annual litter clean-up event. In addition to assisting the many area volunteers who organize collection of roadside litter, the District provides free disposable gloves for all participants, prizes for kids, and most importantly, free disposal of all accumulated roadside waste. On Green-Up Day this year, the District subsidized disposal of 17.8 tons of



roadside trash, 7.49 tons of tires, 3 automotive batteries, 11 electronic devices, 9 appliances, and various other abandoned hazardous wastes for a total economic benefit to its member towns of \$3,622. As a reminder, Act 148 requires all publicly accessed spaces in public buildings and on public land to place a recycling bin next to any trash bin (except for bathrooms).

## Organics Diversion

Act 148, Vermont's Universal Recycling Law, has directed much of the District's efforts on organics diversion this year. On July 1, 2017, the organics mandate under Act 148 required food scrap generators of 18 or more tons/year to divert that material if any certified organics recycling facility with available capacity is located within 20 miles and is willing to accept these materials. Generators may also donate quality food to food shelves, provide appropriate food scraps to farmers for animal feed, and manage food scraps onsite, provided certain requirements are met. Also in 2017, all facilities (including non-mobile drop-off stations) had to begin offering collection of food scraps. In 2018, the law was amended to require "fast trash" and mobile facilities to begin collecting food scraps. In 2019, the law was amended again to require haulers to offer food scrap collection only to nonresidential customers and apartment buildings with four or more residential units, unless another hauler will already provide that service. By July 1, 2020, all generators, including residents, must divert food scraps, and a landfill ban on food scraps takes effect. The District is committed to working with each of its member towns, haulers and businesses to help them decide how best to comply with these new rules.



The District is continuing to implement the Act 148 organics diversion requirements by focusing on commercial food waste collection, community and school outreach, promoting backyard composting, and ensuring that a regional compost facility and/or anaerobic digester is available to manage the food scraps. The District continues to sell home compost bins, solar digesters and kitchen compost collectors to any area resident. This year the District received funding through a State grant to sell discounted backyard compost bins directly to residents. The discounts were also effective at increasing outreach efforts and training for residents, since receipt of the discount was contingent upon residents attending a District-sponsored workshop. For those unable to compost at home, the Transfer Station accepts residential food scraps at no charge, and provides free 5-gallon food waste collection pails for residents. All of the 17 town drop-off facilities within the District also accept food scraps at a charge determined by the haulers who operate individual drop-offs. Haulers can also distribute the District's free 5-gallon buckets at the drop-offs to all participants. The District promotes food scrap diversion and composting awareness in area schools through individual classroom presentations, technical assistance, and grant opportunities.



So far in 2019, the District sold 284 Kitchen Collectors (\$5), gave out 33 4-gallon compost buckets to area businesses, gave out 367 5-gallon compost buckets to area residents and businesses, sold 192 Soil Savers (\$45) and sold 26 Green Cones (\$125).

## Recycling

The District Transfer Station began accepting single stream recyclables from commercial haulers in 2012, and the volume of recyclables collected continues to increase. Through September of this year, 1,774 tons of single stream recyclables were received at the Transfer Station, representing a 13.1% increase above the first three quarters of 2018. A decreasing percentage of the roughly 4,100 tons of single stream recyclables generated in the District is hauled directly to material recovery facilities. The District Transfer Station currently serves as a local option for commercial haulers and local businesses for more than half of this tonnage.

As a reminder, all generators - residents and businesses - are required by state law and District ordinance to separate mandated recyclables from their waste. A State landfill ban of mandated recyclables took effect on 7/1/15. A list of mandated recyclables is available by contacting the District office or by visiting the District website. Recyclables collected in the District are now part of a “single stream” system, meaning they may be co-mingled in one recycling container. Commercial haulers in the District have the option to offer collection of plastics #3-#7 in addition to the list of mandated recyclables. The single stream recyclables are hauled to a materials recovery facility, where they are mechanically sorted, baled and marketed.

Other types of Special Wastes and Prohibited Wastes are required by state regulations and/or District ordinance to be separated from the waste by the generator, and commercial haulers are not allowed to collect these wastes mixed with the trash. Complete lists of Special Wastes and Prohibited Wastes are available on the District’s website or by calling the District office.

All commercial hauling companies operating within member municipalities must be licensed by the District and the State, and all licensed commercial haulers who provide curbside waste collection are required by state law and District ordinance to offer recycling collection service to their customers. For residential customers, commercial haulers must imbed the cost of recycling in the trash bag rate.

Facilities are now allowed to charge for residential and business recyclables.

In 2019, 20 District municipalities had access to town or private recycling drop-off centers. A list of the Drop-Off facilities can be found in Appendix B of this Report. The Town of Goshen provides curbside collection of trash and recyclables for its residents and businesses. Businesses and commercial haulers are able to drop off recyclables at the District Transfer Station.



## Reuse

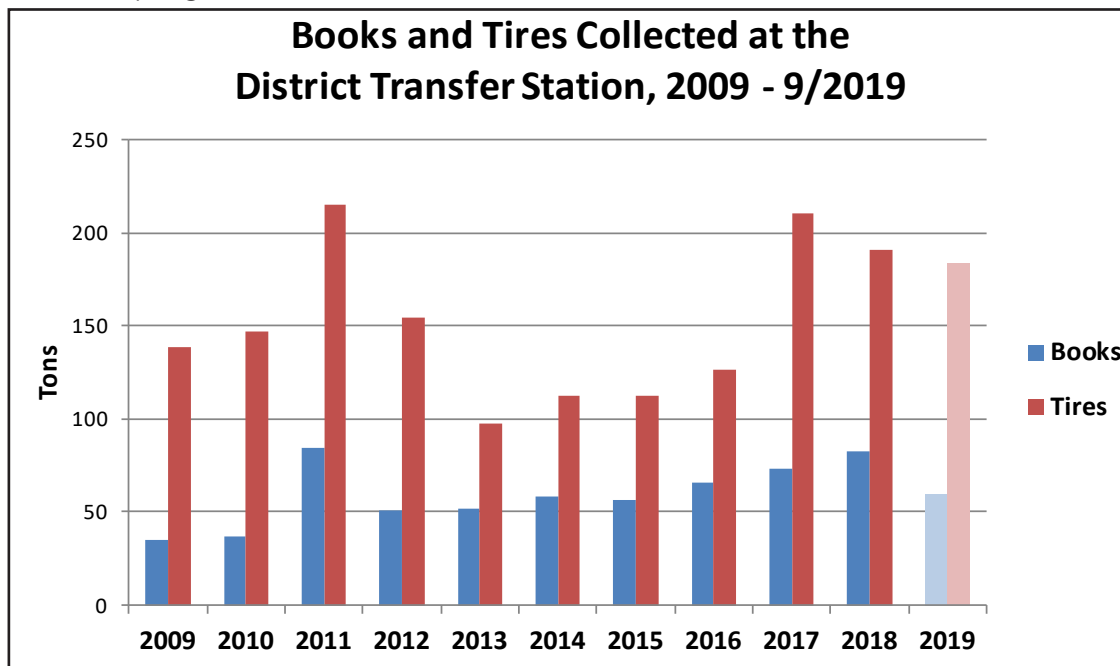
The **REUSE IT OR LOSE IT!** Sheds at the Transfer Station continue to be busy. One shed is for reusable household goods such as lamps, furniture, dishware, toys, etc.; and a second shed is for reusable building materials such as windows, doors, cabinets, lumber and hardware. Program details, as well as guidelines for accepting materials for reuse, are available on the District’s website, [www.Addison-CountyRecycles.org](http://www.Addison-CountyRecycles.org).



The District hosted Addison County's second Repair Fair in February in partnership with the Hanaford Career Center. The free community event promoted repair in order to keep usable, fixable items out of the landfill. Repair experts from the community generously volunteered their time to fix participants' broken household items. Over 85 people attended from 14 District towns. Many participated in the repair of their items, and many learned new skills. The most common items were: clothing and textiles; appliances and electrical items such as toasters, radios, and lamps; jewelry; and furniture. Of the approximately 90 items brought in for repair, over 65% were completely or partially repaired by our awesome team of volunteer fixers! Due to popular demand, Ollie Cultrara, the District's ECO AmeriCorps member is currently organizing a third Repair Fair for this November.

### Books & Tires

Last year, the Transfer Station received 83 tons of books for recycling into paper, and 191 tons of tires for use as tire-derived fuel (see chart below). Through September, the District collected 61 tons of books and 184 tons of tires. Used books are also typically available to the public in the household **REUSE IT OR LOSE IT!** program.



### Other Items

Other items collected so far this year were: 304 tons of scrap metal; 2,200 gallons of waste oil; 52 drums of oil filters; 160 grill-size propane cylinders; 970 small propane cylinders; 145 fire extinguishers; and 2,500 lbs of used maple sap tubing, which was recycled into new plastic products.

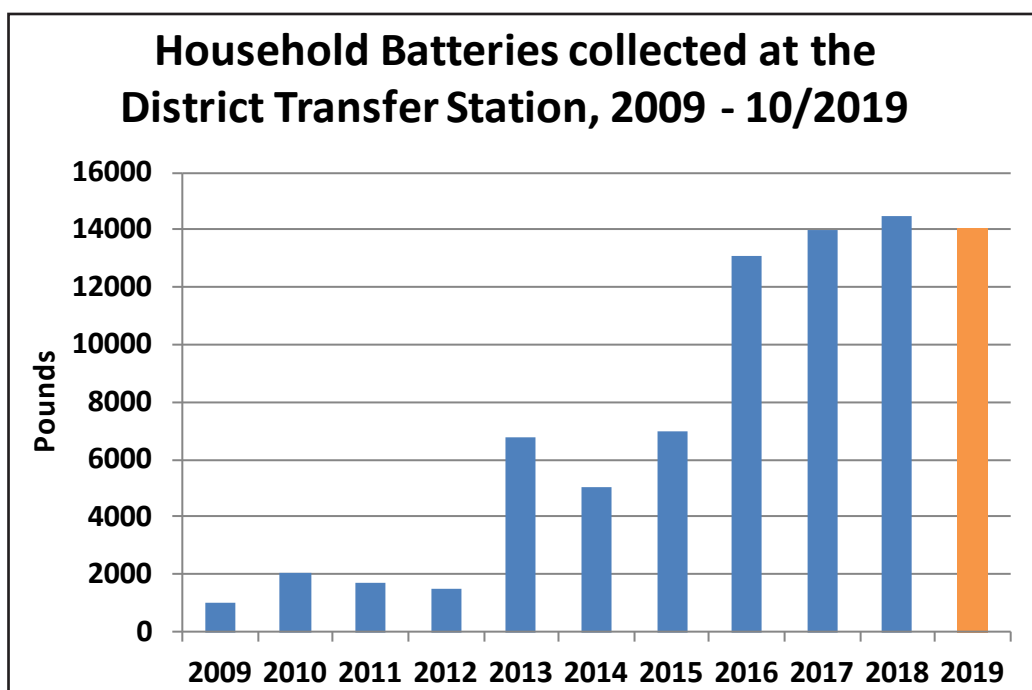
### Plastic Bags

This year the District began a new collection program at its Transfer Station for polyethylene thin-film plastic, including grocery bags, wood pellet bags, resealable storage bags, shrink wrap, product overwrap, and a variety of additional types of thin film plastic. All of this film plastic is consolidated with film plastic collected from other VT solid waste districts, and marketed to a recycling company. This new program was designed to provide District residents with another option for recycling these

materials besides returning them to grocery stores. It is also part of a regional effort to reduce contamination in household recycling, since plastic bags are still one of the largest problems at materials recovery facilities where household recycling is sorted. When bags reach these facilities, they become tangled in the machinery, which adds a tremendous cost to the processing of recyclables. It is therefore important to keep plastic bags, and all types of film plastic, out of household recycling bins. So far this year, the District has collected more than 9,000 lbs of film plastic for recycling.

### Batteries

As a Collector under the VT Primary Battery Stewardship Law, the District recycles all “primary cell” batteries, which include non-rechargeable alkaline and carbon-zinc batteries. Last year the District collected 5,598 lbs of primary cell household batteries, and 8,903 lbs of rechargeable household batteries. Through September of this year, the District collected 5,432 lbs of primary cell batteries, and 8,385 lbs of rechargeable batteries. The District also continues to recycle non-rechargeable lithium batteries and button cell batteries. The Battery Stewardship Law in Vermont has a goal for calendar year 2019 of collecting 18% of all primary cell batteries sold in the State. This will be a challenge, since last year's goal of collecting 15% was missed by a small percentage.

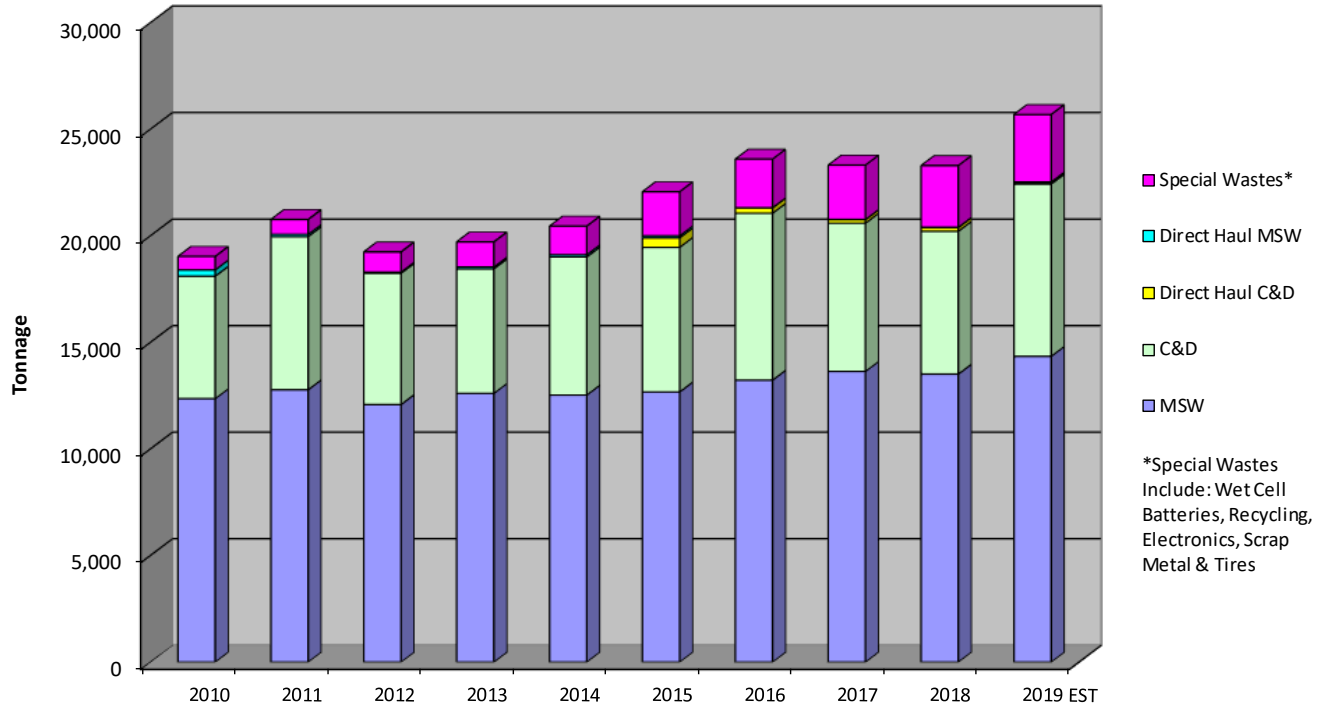


### Mercury-Containing Lamps

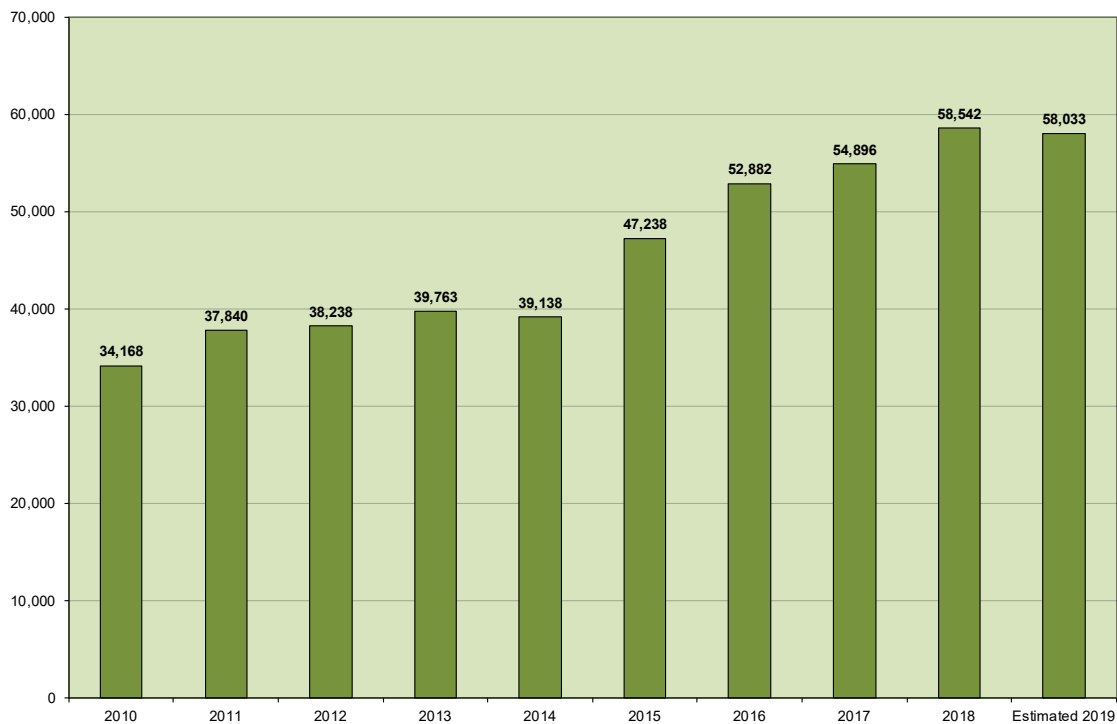
The District Transfer Station continues to serve as a Collector under the Vermont’s Mercury-containing Lamp Law, which requires manufacturers to take back and pay for recycling of fluorescent lamps. The District Transfer Station accepts general purpose fluorescent lamps in quantities of 10 or fewer per day, as well as any quantity of compact fluorescent lamps (CFLs), at no charge. A nominal fee applies for larger quantities (>10 lamps/day) of general purpose lamps and for all specialty bulbs such as high intensity discharge and ultraviolet bulbs, which are not covered by the program. All mercury-containing lamps are banned from landfill disposal in Vermont. Through September of this year, the Transfer Station recycled 6.68 tons of fluorescent lamps, which include numerous CFLs, as well as U-shaped, circular, ultraviolet, and many straight tubes of various lengths. All mercury lamps are recycled at a certified facility that recovers the aluminum end caps, glass, phosphor powder, and mercury.

# Solid Waste & Transaction Summary Charts

Compilation of MSW, C&D, & Special Wastes Delivered to Transfer Station, and ACSWMD Waste Direct Hauled 2010-2019



Transfer Station Growth in Transactions 2010-2019



# 2020 Proposed Annual Budget

The Addison County Solid Waste Management District's proposed Annual Budget for the 2020 calendar year is \$3,523,752. This represents a 9.3% increase from the 2019 Annual Budget of \$3,223,095. The District has based the proposed 2020 Annual Budget on receiving an estimated 22,096 tons of municipal solid waste and construction and demolition debris. The District continues to maintain \$100,000 in a Recycling Rate Stabilization Fund and \$100,000 in an Organics Rate Stabilization Fund. These funds will give the District the flexibility of withstanding the volatility of recycling market prices, and enable us to assist our member towns and local haulers with organics collection programs. The Capital Reserve, Closure, Rate Stabilization and Municipal & School Diversion Grant Funds will continue to be funded in 2020.

## Rates in 2020

The District Board proposes the following rate changes for 2020:

Program	2019 Rate	2020 Proposed Rate
Municipal Solid Waste (MSW) and Construction & Demolition (C&D)	\$126 per ton	\$128 per ton
District Fee	\$33.40 per ton	\$34.00 per ton
Single Stream Recycling Commercial Haulers	\$92 per ton	\$120 per ton
Single Stream Recycling Self-hauled Businesses	\$5 min. fee 1 CY or less \$92/ton > 1 CY	\$9 minimum fee 1 CY or less \$120 per ton > 1 CY
Oil filters from businesses - 5-gal pail	\$5 per pail	\$7 per pail
Oil filters from businesses - 55-gal drum	\$65 per drum	\$70 per drum
Film Plastic & Plastic Bags from businesses (Max load 1 CY/week per business customer)	\$0	\$10 per CY or less
Asphalt Shingle and Drywall C&D Recycling	-	\$110 per ton

As with prior years, the 2020 Annual Budget will be funded by a combination of: (1) tipping fees collected at the Transfer Station; (2) a per-ton District Fee on all waste generated within the District and destined for disposal; (3) donations or fees at special events sponsored by the District; (4) the sale of items such as compost bins; (5) grants, if available; (6) profit sharing of single stream recyclables and scrap metal; and (7) manufacturer EPR reimbursements. **No assessments to member municipalities are proposed for 2020.**

We encourage you to attend the District's Public Hearing on the Proposed 2020 Annual Budget. The hearing is scheduled for **Thursday, November 21, 2019 at 7:00 pm, at the Addison County Regional Planning Commission Office, 14 Seminary Street, Middlebury.** Your comments and suggestions are always welcome. We look forward to seeing you there!

# ACSWMD 2020 Budget - Draft

	2019 Approved Budget	Estimated 2019 Year End Total	2020 Proposed Budget
<b>General Operating Budget</b>			
<b>Revenues</b>			
Carry Over from Prior Year	291,513	340,885	334,360
Basic District Fee - Direct Haul	3,741	752,172	751,264
Basic District Fee - ADC	800	300	2,000
Admin Fee	24,348	28,000	28,000
Penalty Surcharges	1,500	5,425	1,500
Interest	5,995	8,557	4,998
Rental Income	3,900	3,900	3,900
Governmental Tip Fees (Direct)	333,992	346,438	396,762
Due From Other Funds	52,028	52,094	47,028
Transfer Station MSW & C&D Tip Fees	2,603,374	2,077,018	2,067,971
Transfer Station Other Tip Fees - Tires	29,525	31,967	32,275
Asbestos	1,000	1,084	1,000
Certified Weights	1,700	1,145	1,200
Bond Interest	1,992	1,992	2,047
<b>Total Revenues</b>	<b>\$3,355,408</b>	<b>\$3,650,977</b>	<b>\$3,674,305</b>
<b>Expenditures</b>			
Personal Emoluments	989,663	945,404	1,092,580
General Office Expense	86,995	92,051	91,841
Transfer Station General	89,504	92,230	99,298
Transfer Station Direct	1,265,675	1,372,653	1,372,440
Utilities	24,860	23,729	24,725
Indirect Maintenance	22,378	22,000	22,150
Insurance	61,000	51,336	55,500
Local PILOT	22,000	22,000	22,000
Training/ Travel	22,360	21,357	22,580
Professional Expenses	9,200	9,260	14,000
Programs	408,740	444,589	476,538
Debt Service	0	0	0
Bad Debt	100	8	100
Designated Funds	220,620	220,000	230,000
<b>Total Expenditures</b>	<b>\$3,223,095</b>	<b>\$3,316,617</b>	<b>\$3,523,752</b>
<b>Net Gain (Loss)</b>	<b>\$132,313</b>	<b>\$334,360</b>	<b>\$150,552</b>

# ACSWMD 2020 Budget - Draft

2019 Approved Budget      Estimated 2019 Year End Total      2020 Proposed Budget

## Capital Reserve Fund Budget

### Revenues

Capital Res from Prior Year End	569,185	678,827	789,602
Funding from Cur. Year Budget	220,000	220,000	230,000
Fund Balance Transfer	0	100,000	0
Loans/ Sale of Equipment	0	0	0
<b>Total Funding</b>	<b>\$789,185</b>	<b>\$998,827</b>	<b>\$1,019,602</b>

### Expenditures

Capital Acquisitions	13,000	88,225	135,000
Capital Development	277,000	121,000	275,000
<b>Total Expenditures</b>	<b>\$290,000</b>	<b>\$209,225</b>	<b>\$410,000</b>
<b>Net Gain (Loss)</b>	<b>\$499,185</b>	<b>\$789,602</b>	<b>\$609,602</b>

## Grant Fund & Transfer Budget

### Revenues

Beginning Budgeted Balance	52,028	52,094	47,028
----------------------------	--------	--------	--------

### Expenditures

Due to General Operating Budget	(52,028)	(52,094)	(47,028)
Due to Capital Reserve Budget			
<b>Net Gain (Loss)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Rate Stabilization Fund - Tip Fee

### Revenues

Beginning Balance	101,886	101,903	100,000
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### Expenditures

	0	-1,903	0
<b>Fund Balance</b>	<b>\$101,886</b>	<b>\$100,000</b>	<b>\$100,000</b>

## Closure Fund

### Revenues

Beginning Balance	56,497	56,442	56,442
-------------------	--------	--------	--------

Interest Revenue	0	0	1,905
------------------	---	---	-------

Transfer from General Fund	620	0	0
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<b>Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>
---------------------	----------	----------	----------

<b>Fund Balance</b>	<b>\$57,117</b>	<b>\$56,442</b>	<b>\$58,347</b>
---------------------	-----------------	-----------------	-----------------

	2019 Approved Budget	Estimated 2019 Year End Total	2020 Proposed Budget
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### Municipal Diversion Grant Fund

#### Revenues

Beginning Balance	30,544	31,162	29,100
-------------------	--------	--------	--------

#### Expenditures

	-10,000	-2,062	-10,000
--	---------	--------	---------

<b>Fund Balance</b>	<b>\$20,544</b>	<b>\$29,100</b>	<b>\$19,100</b>
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### Rate Stabilization Fund - Recycling

#### Revenues

Beginning Balance	101,126	100,000	100,000
-------------------	---------	---------	---------

Funds Transfer		0	
----------------	--	---	--

#### Expenditures

	0	0	0
--	---	---	---

<b>Fund Balance</b>	<b>\$101,126</b>	<b>\$100,000</b>	<b>\$100,000</b>
---------------------	------------------	------------------	------------------

### Rate Stabilization Fund - Organics

#### Revenues

Beginning Balance	203,482	200,000	100,000
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#### Expenditures

	0	-100,000	0
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<b>Fund Balance</b>	<b>\$203,482</b>	<b>\$100,000</b>	<b>\$100,000</b>
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### School Diversion Grant Fund

#### Revenues

Beginning Balance	50,565	52,845	41,845
-------------------	--------	--------	--------

Fund balance transfer from GF	0	0	
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#### Expenditures

	-10,000	-11,000	-10,000
--	---------	---------	---------

<b>Fund Balance</b>	<b>\$40,565</b>	<b>\$41,845</b>	<b>\$31,845</b>
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# Appendix A

Audited Financial Statements and  
Other Financial Information

## Addison County Solid Waste Management District

December 31, 2018



*Proven Expertise and Integrity*



ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

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## INDEPENDENT AUDITORS' REPORT

Board of Supervisors  
Addison County Solid Waste Management District  
Middlebury, Vermont

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Addison County Solid Waste Management District, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Addison County Solid Waste Management District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

3 Old Orchard Road, Buxton, Maine 04093

Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609

[www.rhrsmith.com](http://www.rhrsmith.com)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Addison County Solid Waste Management District as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Addison County Solid Waste Management District's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Governmental Funds, Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Proprietary Fund and combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedule - Budgetary Basis - Budget to Actual - Governmental Funds, Budgetary Comparison Schedule - Budgetary Basis - Budget to Actual - Proprietary Fund and combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures,

including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Governmental Funds, Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Proprietary Fund and combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2019, on our consideration of the Addison County Solid Waste Management District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Addison County Solid Waste Management District's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
March 22, 2019

**ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2018  
Unaudited**

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The discussion and analysis of the financial performance of the Addison County Solid Waste Management District ("District") provides an overall review of the District's financial activities for the year ended December 31, 2018. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements immediately following this discussion, to enhance their understanding of the District's financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2018 are as follows:

- The District began CY2018 with \$461,168 in undesignated funds in the General Fund ("GF"). The Capital Reserve Fund ("CRF"), Rate Stabilization Fund ("RSF"), Municipal Diversion Grant Fund ("MDGF") and School Diversion Grant Fund ("SDGF") continued to be fully funded in 2018.
- In order to prepare for further implementation of the Universal Recycling Law ("Act 148"), the District carried over from CY2017 contingencies of \$100,000 in a Recycling Rate Stabilization Fund ("RRSF") and \$200,000 in an Organics Rate Stabilization Fund ("ORSF"). These funds were to give the District the flexibility of transitioning into these programs without a major rate increase. These funds were in separate CDARS through the National Bank of Middlebury (NBM). In anticipation of year-end Single Stream Recycling losses, the RRSF was removed from the CDAR on 8/23/2018 in order to make the funds available to the District Board of Supervisors ("Board") in the event they voted to cover the recycling losses using the RRSF funds at the end of the year. The Board ultimately chose not to access the RRSF funds, as other District revenues were sufficient to cover the recycling losses.
- The Closure Fund ("CLF") sits in a six-month CD through the NBM, for the purpose of increasing the amount of interest earned on the principal balance of the restricted fund. The CD rolls over automatically every six months. The CLF carried over to 2018 was \$56,442.
- **Rates:** Although the Board adopted a few specific, per-piece rate changes, it did not adopt any per-ton rate changes for Municipal Solid Waste ("MSW") or Construction & Demolition Debris ("C&D") disposal or for Single Stream Recyclables at the District Transfer Station ("Transfer Station") in 2018. The Transfer Station tipping fee remained at \$123/ton for MSW and C&D. The District Fee of \$33.40/ton on all solid waste destined for disposal, and \$10/ton on contaminated soils approved by the VT Agency of Natural Resources ("ANR") for use as Alternative Daily Cover ("ADC") at the landfill remained the same. The tipping fee for Single Stream Recyclables from Commercial Haulers remained at \$50/ton and at no charge for self-haul businesses. Due to a rapid drop in recycling market prices, the District had to pay to recycle rather than receive any revenue sharing. The 2018 Average Commodity Revenue (ACR) in the Casella Waste Management ("CWM") Hauling & Recycling contract began at \$36.67/ton on 1/1/18 and finished at \$31.05/ton on 12/31/18. Because the contract established a \$75/ton processing fee, the District had to pay the difference for any ACR below \$75/ton, for a total of \$94,805 in additional, unbudgeted ACR fees paid.

- The assets of the District exceeded its liabilities at the close of the year ended December 31, 2018 by \$3,398,373 (net position). Of this amount, a loss of (\$120,283) in undesignated net position was incurred (12/31/17 undesignated fund balance of \$461,168, less 12/31/18 undesignated loss equals 12/31/18 undesignated fund balance of \$340,885). The designated net position of \$540,450 includes: \$100,000 in the RSF; \$56,442 in the CLF; \$100,000 in the RRSF; \$200,000 in the ORSF; \$31,162 in the MDGF; and \$52,846 in the SDGF. In addition, \$1,838,211 is invested in capital assets net of related debt.
- The Board voted to transfer \$25,000 from the GF to the SDGF. The District awarded five School Diversion Grants this year for a total of \$8,720.27: \$1,101.32 to Orwell Village School for a compost sorting table; \$1,050.00 to the MUHS for a Composting and Recycling Station; \$5,723.15 to the Addison Central School District for installation of water bottle refill stations and compost sorting tables at several District Schools; \$473.59 to Leicester Central School to purchase materials to set up an outdoor composting classroom; and \$372.21 to the Bridge School for outdoor composting bins and a new trash/ recycling/ compost sorting station in their lunchroom.
- The District awarded a Municipal Diversion Grant of \$4,381.80 to the Town of Starksboro for the purchase of a 40-cu.yd roll-off for Single Stream Recyclables.

### **Other Highlights**

- In Feb. 2018, the District made the final payment on its five-year, \$520,000 construction loan through NBM.
- The District completed year three of a three-year extended contract with CWM for the hauling & disposal of MSW/C&D. Diesel fuel costs have remained steady in 2018, hovering at \$2.50/gallon for most of the year. At the end of 2018, diesel fuel was approximately \$2.50/gallon, far below the contracted \$4.09/gallon threshold where CWM could begin adding a surcharge for its fuel costs.
- On 10/29/18, the District Transfer Station's full certification was renewed by ANR for a 10-year period, to 9/30/28.
- GASB, Statement 49 for Accounting and Financial Reporting for Pollution Remediation Obligations mandates that municipalities with pollution remediation obligations account for the cost of this liability on their balance sheets. The District has no pollution remediation obligations to report for 2018. We will continue, through careful monitoring and adherence to strict policies and state regulations, to reduce the risk of any such event.
- The District Transfer Station continued to collect scrap metal under a recycling contract with New England Quality Service, Inc. d/b/a Earth Waste Systems. The revenue sharing in the contract is based on a negotiated market price indicator. Scrap metal market prices began the year at \$142.05 /ton but declined to \$118.40/ton by year's end.
- The District's contract for the transport and recycling of Electronic Waste ("E-Waste") with NCER, the product stewardship organization of the VT E-Cycles program, was extended for a one-year period of 1/1/18 – 12/31/18. The contract provided for the District to receive reimbursement of \$0.08/lb for all "Covered" E-Waste. In July 2018, Good Point Recycling notified all program collectors that it would begin charging \$0.15/lb for "Non-Covered" E-Waste. This charge was never implemented.

- In 2018, the District continued with its BCBS/VT Qualified Health Plan and the VT Health Exchange and opted to purchase health insurance on behalf of all employees (who work at least 30 hrs/wk) and their dependents.
- The District renewed an agreement with Eco AmeriCorps to have an AmeriCorps Member assist with public education and outreach in the areas of recycling, waste reduction and composting. Our new AmeriCorps member began her term in September 2018 and will serve until August 2019.
- The District devoted most of its resources in 2018 toward assisting towns, haulers, schools and businesses in preparing for new Act 148 mandates that took effect: (1) all food scrap generators of 18 tons/yr (1/3 ton/wk) or more having to divert their food scraps; and (2) transfer stations and drop-off facilities having to begin offering food scrap collection by 7/1/2018. The 2018 deadline for haulers to offer residential curbside collection of food scraps was extended by the Legislature to 7/1/2020. However, an Act 148 amendment mandated that the commercial haulers collecting trash in fast trash trucks parked at town drop-offs and /or other sites had to begin offering food scrap collection.
- The District received a Grant of \$4,492.29 from VLCT PACIF to assist the District in the purchase of a new security camera system for increased safety and monitoring of Transfer Station activity.

### **USING THIS ANNUAL FINANCIAL REPORT**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions. The basic financial statements of the District include both government-wide statements and fund financial statements.

The Statement of Net Position and Statement of Activities - also referred to as the “government-wide” financial statements - provide information about the activities of the whole District, presenting both an aggregate view of the District’s finances and a longer-term view of those assets. These statements distinguish between the governmental and business-type activities of the District.

Major fund financial statements provide the next level of detail about the District’s funds. The fund financial statements report on the operating results and financial position of the District’s most significant funds in more detail than the government-wide statements. Separate statements for each fund category - Governmental and Proprietary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds. For governmental funds, these statements tell how grants were spent in the short-term as well as what dollars remain for future spending. For proprietary funds, operating revenues result from exchange transactions associated with the principal activity of the fund.

The District reports on: (1) the Governmental Fund - the General Fund; and (2) the Proprietary Fund - the Transfer Station Fund, or Enterprise Fund. The Government-wide and Proprietary Fund financial statements are reported using the accrual basis of accounting. Governmental Funds are reported using the modified accrual basis of accounting.



## REPORTING THE DISTRICT AS A WHOLE

### Statement of Net Position and Statement of Activities

While this document contains information about the funds used by the District to provide services to its citizens, the view of the District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2018?” The Statement of Net position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting, similar to the accounting used by the private sector companies. This basis of accounting takes into consideration all of the current year’s revenues and expenses regardless of when the cash is received or paid.

These two statements report the District’s net position and the change in those assets. This change in net position is important because it tells the reader whether the overall financial position of the District has improved or diminished. However, in evaluating the overall position of the District, non-financial information, such as changes in the condition of the District’s capital assets, also needs to be evaluated.

In the Statement of Net position and the Statement of Activities, the District is divided into two kinds of activities:

- *Governmental Activities* – Governmental activities are generally financed through the District Fees, state or federal grants, manufacturer EPR reimbursements, recycling revenue sharing and miscellaneous non-exchange transactions.
- *Business-Type Activities* – Business-type activities are financed in whole or in part by fees charged to external parties.

### Changes in Net Position

The Statement of Activities on page 15 of the Audit shows that the 2018 net position of the District was \$3,398,373, a decrease of \$5,212. Of that total, the net position of the District’s Governmental Activities increased by \$90,749, and the net position of the Enterprise Fund decreased by (\$95,961).

## REPORTING THE DISTRICT’S MOST SIGNIFICANT FUNDS

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: Governmental Funds and Proprietary Funds. Fund financial reports provide detailed information about the District’s major funds. In the case of the District, the Governmental Fund is the General Fund, and the Proprietary Fund is the Enterprise (Transfer Station) Fund.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the

fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is more than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Governmental Fund financial statements can be found on pp. 16-19 of this report.

**Proprietary Funds:** The District maintains one type of Proprietary Fund – the Enterprise Fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District's Enterprise Fund accounts for the Transfer Station operations. The Proprietary Fund financial statements can be found on pp. 20-22 of this report.

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on p. 23 of this report.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$3,398,373 (\$1,676,908 in Governmental activities and \$1,721,465 in Business-type activities) on 12/31/2018. The District's capital assets net of accumulated depreciation - such as land, buildings and equipment - less outstanding debts used to acquire those assets, amounted to \$1,838,211. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's solvency - the ability to fulfill its total obligations - is measured by comparing debt-to-assets ratio and debt-to-net position ratio. Debt-to-assets ratio, which equals 8.0%, a decrease of .4%, computes the percent of assets financed with debt. Debt-to-net position ratio, which equals 8.7%, a decrease of .5%, computes the amount that is owed for debt on every dollar that the District has available for use in providing services and programs.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position: for the government as a whole, as well as for its separate Governmental and Business-type activities.

### **Governmental Activities**

The District administrative activities and programs relate to the governing body and staff in performance of their primary duties and subsidiary activities. These activities directly support other programs of the District and service its citizens.

**Grants:** The District continued to pursue and acquire grants provided by State government. ANR continued to allocate Solid Waste Implementation Plan (“SWIP”) Grants to solid waste districts, alliances and municipalities based on a combination of population and number of communities in each. SWIP Grants are funded by the \$6/ton State Franchise Tax on VT-generated waste destined for disposal. SWIP Grant funds are limited to Household Hazardous Waste (“HHW”) activities, organics diversion activities and new diversion programs. In 2018, the District used the \$39,028 in SWIP Grant funds toward its HHW costs.

On 7/11/18, the District approved a Pesticides Grant from the VT Agency of Agriculture, Food & Markets (“AAF”) for a two-year term with a not-to-exceed \$26,000 for the disposal of pesticides that would otherwise have to be paid by the generators of the District. The cost of collection and disposal of pesticides invoiced to this grant and reimbursed in CY2018 was \$11,142.54.

The District also received a 2018 Universal Recycling Truck Wrap Grant of \$3,150.00 from ANR to place a truck wrap with recycling and composting symbols on the sides of its International Box Truck.

Including interest revenue of \$6,831, total revenues from Governmental activities were \$938,375.

**Recycling & Extended Producer Responsibility (EPR):** The District procured, negotiated, and/or maintained favorable contracts for scrap metal recycling, Single Stream hauling/ recycling, CFC removal from appliances, HHW/CEG hazardous waste disposal, book recycling, pressurized cylinder recycling, confidential document shredding/recycling, plastic film recycling, maple tubing recycling, and clean wood grinding into chips for the public at no charge. The District also procured and negotiated favorable rates for recycling services for waste oil and oil filters, fluorescent lamps, E-Waste, ballasts and batteries. The District is a registered collector under the following EPR programs: VT E-Cycles, VT Mercury Lamp Recycling, VT PaintCare, and VT Primary Battery Recycling. The District was reimbursed \$16,718.64 from the VT E-Cycles program to pay for collection, transportation and recycling of the “covered devices” under the law. The District was reimbursed \$2,656.13 from the VT Mercury Lamp Recycling program to pay for recycling of “covered” mercury-containing lamps. The VT PaintCare program covered all costs associated with transportation and recycling of leftover architectural paint collected by the District. Under the VT Primary Battery Recycling program, the District received free transportation and recycling of all household dry-cell batteries, as well as \$4,613.30 to help defray the costs of collection.

**Ordinances:** The District continued to contract with the Addison County Sheriff’s Department to provide enforcement of the District’s Illegal Burning & Disposal Ordinance. The District also utilized the auditing services of the Vermont Compliance Investigator, whose salary is paid in part by a grant from ANR, to monitor waste hauler compliance with the District’s Waste Management Ordinance.

### **Business-Type Activities**

In 2018, the District continued to operate its Transfer Station in Middlebury. General and tipping fee revenues from Business-type activities were \$2,069,068. Including the interest revenue of \$1,367 and Grant Revenue of \$5,018, the total revenue from Business-type activities was \$2,075,453.

## FINANCIAL ANALYSIS OF DISTRICT FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Type Funds**

#### **General Fund**

The focus of the District's Governmental Fund, or General Fund, is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

In 2018, the Financial Statements took into account all of the "governmental" or program activities and show both the direct and indirect revenues as well as expenses in this fund. This fund continues to include all grant activities as well. P. 18 of the financial statements shows the statement of revenues, expenses and changes in fund equity for all governmental fund types.

The General Fund is the chief operating fund of the District. On 12/31/2018, the District's Governmental Funds reported combined ending fund balances of \$0.

#### **Proprietary Type Funds**

The Proprietary-type Fund used by the District is the Transfer Station Fund, or Enterprise Fund. It is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing transfer station services to the general public on a continuing basis are financed through user fees and other sources earmarked for these purposes.

Due to a trend in decreasing MSW and C&D disposal tonnage over the past few years, the District was conservative in budgeting 2018 tonnage at 21,284. Actual 2018 tonnage (including tires) was 21,097 tons.

Starting in January 2018, by the direction of ANR and by vote of the Board, the District began tracking tire disposal tonnage as a part of our proprietary revenue, rather than recycling revenue. This is due to a lack of recycling markets for tires, which are now being managed as tire-derived fuel rather than recycled. For 2018, the District budgeted for disposal of 190 tons of tires, and actual disposal was 190 tons, an expense of \$22,802. For 2019, the District will continue to book tire revenue and expense as a proprietary rather than a recycling line item, as tires continue to be burned as fuel rather than recycled. For 2019, the District budgeted 180 tons of tires disposed of at \$130/ ton. The rate increase is due to an expected per-ton rate increase charged by the vendor.

The 2018 year-end GF balance turned out to be higher than budgeted. Although unrestricted funds decreased by (\$120,283), the 2018 year-end, unrestricted GF Balance of \$340,885 was higher than the budgeted \$285,789.

Designated funds were at a 2018 year-end balance of \$540,450, consisting of the following: (1) Closure Fund (CLF - \$56,442); (2) Rate Stabilization Fund for unanticipated hauling and disposal rate increases (RSF - \$100,000); (3) Recycling Rate Stabilization Fund for unanticipated recycling rate increases (RRSF - \$100,000); (4) Organics Rate Stabilization Fund for unanticipated organics management costs, or to comply with Act 148 (ORSF - \$200,000); (5) Municipal Diversion Grant Fund (MDGF - \$31,162); and (6) School Diversion Grant Fund (SDGF - \$52,846).

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

The District's investment in capital assets for its Governmental and Business-type activities as of 12/31/2018 amounted to \$1,838,211 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, and equipment and machinery (including transfer trailers). Note 4 (Capital Assets) of the financial statements summarizes capital asset activity during 2018.

Major capital asset events during 2018 included the following budgeted items:

- The District's total fixed assets decreased by (\$184,485), mostly due to Depreciation.
- The 30-year-old Stationary Compactor, used to collect Single Stream Recyclables in the Transfer Station Hopper Building, began to malfunction in third quarter 2018 and was anticipated to fail at any time. The Board went out to bid for a new replacement Compactor, and awarded the contract on 11/15/18 to Sebright Products, Inc. for \$96,315. A deposit of \$22,575 was paid to Sebright to commence construction, with the installation to occur in 2019. As this was an unbudgeted, emergency expenditure, the Board transferred \$100,000 from the GF to the CRF acquisitions to cover the purchase.
- On 2/28/2018, the District completed paying the five-year, \$520,000 construction loan with the NBM.
- The District spent \$4,700 for an Engineering Stormwater/sewerage study. Weston & Sampson – the design and engineering company for the last Transfer Station expansion – reviewed the site capacity for diverting wastewater and leachate to the Town WWTF. They researched options and costs of constructing a lift station v. continuing to pump out the leachate and septic tanks on a regular basis. They determined that the Town of Middlebury WWTF would not accept leachate in its sewer lines, and estimated that the cost of a lift station for the sewage would be \$400,000. The Board rejected that option due to its high cost and asked Weston & Sampson to prepare a plan for modifying the existing sewage lines and leachfields to meet capacity.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

- Predicting the tonnage for 2019 remains a challenge. However, it is reasonable to assume that MSW and C&D will either plateau or continue to decline slowly due to diversion efforts. The 2019 Annual Budget was therefore conservatively estimated at 20,774 tons v. a 2018 estimated year-end tonnage of 21,284 tons. With the VT Architectural Waste Recycling Law ("Act 175") and an expanded focus on C&D diversion opportunities, it is risky to forecast an increase in C&D tonnage. In the SWIP, the District is required by ANR to establish a recycling collection program for drywall and for asphalt shingles by 12/30/19.

- On 11/16/18, the Board adopted the 2019 Annual Budget of \$3,223,095, an increase of 7.69%. The District has based the proposed 2019 Annual Budget on receiving an estimated 20,774 tons of MSW/C&D. The 2019 general operating revenues were budgeted at \$3,355,407, with a projected net gain of \$132,312. This assumed a 2019 Beginning Fund Balance (“BFB”) in the unrestricted GF of \$291,513. The audited BFB is \$340,885.
- The 2019 rate for MSW and C&D at the Transfer Station will be increased to \$126/ton. This will be the first MSW/C&D tip fee increase since 2013. The District Fees of \$33.40/ton on all waste destined for disposal, and \$10/ton on contaminated soils approved by ANR for use as ADC at the landfill will remain the same.
- The Transfer Station rate for Single Stream Recyclables in 2019 will be raised to \$92/ton for Commercial Haulers and for self-haul businesses, in answer to a continued decline in recycling markets and commodity prices and a resulting increase in the District’s recycling costs. The District’s 2019 contract with CWM was changed to a base rate of \$75/ton, with increases for higher per-ton costs. This is due to China’s “National Sword” restrictions: (a) a ban on imported mixed paper and numerous types of plastics; and (b) a 0.5% contamination standard that is difficult to meet. High recycling costs can be expected for 2019, as the MRFs invest in reducing contamination rates and new domestic markets need time to develop in the U.S.
- Of the total adopted budget, 42.43% is directly related to the Proprietary Fund – the direct costs associated with the transfer and disposal of MSW and C&D. The remaining 57.57% supports District programs, services and administration. As with prior years, the 2019 Annual Budget will be funded by a combination of: (1) tipping fees and administrative fees collected at the District Transfer Station; (2) a per-ton District Fee on all waste generated within the District and destined for disposal; (3) donations or fees at special events sponsored by the District; (4) the sale of items such as compost bins; (5) state and federal grants, if available; (6) revenue sharing of recyclables such as scrap metal; and (7) EPR reimbursements from manufacturers. The Board adopted no assessments to member municipalities for 2019.
- The \$100,000 in RRSF funds will be returned to a CDAR at NBM in 2019, as the Board decided in Nov. 2018 not to use a portion of the funds to cover year-end Single Stream Recycling losses. The ORSF funds will remain in a CDAR through the NBM until November 2019, at which point the Board will make the decision to reinvest the funds or return them to the GF.
- In 2019, the District will receive a SWIP Grant from ANR in the amount of \$39,027.54. The 2019 SWIP Grant includes a one-time increase of \$10,000 due to extra funds available to ANR for grants. Along with the other solid waste planning entities, the District will receive a subsidized rate of \$31.44 per unit on a bulk order of compost bins, as long as the bins are offered at a discount to the general public as part of attending composting classes offered by the District.
- On 7/11/18, the District approved a Pesticides Grant from the AAFM for a two-year term with a not-to-exceed \$26,000 for the disposal of pesticides. The cost of collection and disposal of pesticides invoiced to this grant and reimbursed in CY2018 was \$11,142.54, leaving \$14,857.46 available for the first half of 2019. The District will request additional grant funds from the AAFM at the beginning of their FY2020 in July.
- The District will apply to Eco AmeriCorps for a third year to have an AmeriCorps Member assist the District in public education and outreach in the areas of recycling, waste reduction and composting after the current term ends in mid-August 2019.

- On October 31, 2018, the CWM contract for transport and Single Stream Recycling services was extended to 12/31/19. The contract replaced the ACR formula with a minimum \$75/ton processing fee, which will vary based on actual costs. On 1/1/19, CWM raised its per-haul rate from \$287.92 to \$293.68, a 2.0% annual CPI increase allowed under the terms of the contract. The District had budgeted for this increase.
- The District contract with CWM for hauling and disposal services will continue for the third year of a three-year contract term. On 1/1/19, CWM raised its per-ton disposal rate from \$58.15/ton to \$59.40/ton, a .097% annual CPI increase allowed under the terms of the contract. The District had budgeted for a disposal rate of \$59.32/ton, slightly lower than the actual increase. The CWM contract also allows for a Fuel Surcharge to be adjusted each month using the prior month's average fuel index from EIA/ Gov New England (PADD1A) index. At the end of 2018, diesel fuel was approximately \$2.50/gallon, far below the contracted \$4.09/gallon threshold where CWM could begin adding a surcharge for its fuel costs.
- The District contract with NCER for E-Waste recycling was extended to 12/31/19 under the same terms.
- The District will extend its contract with Shred-Ex under the same terms for another year in 2019 for the recycling of books and the shredding/ recycling of confidential documents at the Transfer Station.
- On December 10, 2018, the District entered into an Admission Agreement with the Town of Salisbury to become a member of the District. The Town voted to approve the Admission Agreement at Town Meeting Day on March 5, 2019. The Town is now eligible to temporarily enjoy the benefits of District membership while other conditions of the Admission Agreement are met, including ceasing operations at the Salisbury Town Landfill, by 11/30/19.
- The District will continue to promote expansion of food waste collection and composting projects with local haulers and VT Natural Ag Products and will provide technical assistance, training and bin liners for participating businesses. The District will continue to promote backyard composting by offering regular composting classes and the sale of composters to residents.
- In order to comply with its SWIP, the District anticipates spending extra funds on outreach to its residents, institutions and businesses in 2019, including copies, legal ads, displays at public events, and mailings. The District will again be providing three HHW collection events for outlying municipalities, as required by the State.
- The District will work with Weston & Sampson to review options for restructuring the septic/leachfield system at the Transfer Station, and to obtain all stormwater permits necessary to meet the operational needs of the District.

### **Contacting the District's Financial Management**

This financial report is designed to provide our customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Business Manager at 1223 Route 7 South, Middlebury, Vermont 05753.

STATEMENT A  
ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

STATEMENT OF NET POSITION  
DECEMBER 31, 2018

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 678,827	\$ 622,392	\$ 1,301,219
Investments	358,673	56,339	415,012
Accounts receivable (net of allowance for uncollectibles)	-	12,349	12,349
Grants receivable	-	39,028	39,028
Inventory	-	26,919	26,919
Prepaid items	-	63,318	63,318
Internal balances	184,008	(184,008)	-
Total current assets	<u>1,221,508</u>	<u>636,337</u>	<u>1,857,845</u>
Noncurrent assets:			
Capital assets:			
Land, infrastructure, and other assets not being depreciated	198,000	-	198,000
Buildings and equipment, net of accumulated depreciation	259,631	1,380,580	1,640,211
Total noncurrent assets	<u>457,631</u>	<u>1,380,580</u>	<u>1,838,211</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,679,139</u></u>	<u><u>\$ 2,016,917</u></u>	<u><u>\$ 3,696,056</u></u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ -	\$ 111,418	\$ 111,418
Accrued liabilities	-	43,588	43,588
Due to other governments	2,231	-	2,231
Current portion of long-term obligations	-	7,437	7,437
Total current liabilities	<u>2,231</u>	<u>162,443</u>	<u>164,674</u>
Noncurrent liabilities:			
Accrued compensated absences	-	22,312	22,312
Total noncurrent liabilities	<u>-</u>	<u>22,312</u>	<u>22,312</u>
<b>TOTAL LIABILITIES</b>	<u>2,231</u>	<u>184,755</u>	<u>186,986</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue	-	110,697	110,697
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>110,697</u>	<u>110,697</u>
<b>NET POSITION</b>			
Net investment in capital assets	457,631	1,380,580	1,838,211
Restricted	1,219,277	-	1,219,277
Unrestricted	-	340,885	340,885
<b>TOTAL NET POSITION</b>	<u>1,676,908</u>	<u>1,721,465</u>	<u>3,398,373</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$ 1,679,139</u></u>	<u><u>\$ 2,016,917</u></u>	<u><u>\$ 3,696,056</u></u>

See accompanying independent auditors' report and notes to financial statements.



## STATEMENT B

## ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Program Revenues			Net (Expense) Revenue & Changes in Net Position			
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
Governmental expenses	\$ 1,293,693	\$ 700,684	\$ 174,565	\$ -	\$ (418,444)	\$ -	\$ (418,444)
Depreciation expense	181,071	-	-	-	(181,071)	-	(181,071)
Total governmental activities	<u>1,474,764</u>	<u>700,684</u>	<u>174,565</u>	<u>-</u>	<u>(599,515)</u>	<u>-</u>	<u>(599,515)</u>
<b>Business-type activities:</b>							
Transfer station	1,544,276	2,069,068	5,018	-	-	529,810	529,810
Total business-type activities	<u>1,544,276</u>	<u>2,069,068</u>	<u>5,018</u>	<u>-</u>	<u>-</u>	<u>529,810</u>	<u>529,810</u>
Total government	<u>\$3,019,040</u>	<u>\$2,769,752</u>	<u>\$ 179,583</u>	<u>\$ -</u>	<u>(599,515)</u>	<u>529,810</u>	<u>(69,705)</u>
<b>General revenue:</b>							
Intergovernmental Transfers					56,295	-	56,295
Total general revenues and transfers					<u>627,138</u>	<u>(627,138)</u>	<u>-</u>
Change in net position					90,749	(95,961)	(5,212)
NET POSITION - JANUARY 1, RESTATED					<u>1,586,159</u>	<u>1,817,426</u>	<u>3,403,585</u>
NET POSITION - DECEMBER 31					<u>\$ 1,676,908</u>	<u>\$ 1,721,465</u>	<u>\$ 3,398,373</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT C

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2018

	General Fund	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 678,827	\$ -	\$ 678,827
Investments	-	-	358,673	358,673
Due from other funds	-	-	184,008	184,008
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 678,827</u>	<u>\$ 542,681</u>	<u>\$ 1,221,508</u>
<b>LIABILITIES</b>				
Due to other governments	\$ -	\$ -	\$ 2,231	\$ 2,231
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>2,231</u>	<u>2,231</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	56,442	56,442
Committed	-	-	-	-
Assigned	-	678,827	484,008	1,162,835
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>-</u>	<u>678,827</u>	<u>540,450</u>	<u>1,219,277</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ -</u>	<u>\$ 678,827</u>	<u>\$ 542,681</u>	<u>\$ 1,221,508</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT D

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2018

	<u>Total Governmental Funds</u>
Total Fund Balances	\$ 1,219,277
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	<u>457,631</u>
Net position of governmental activities	<u>\$ 1,676,908</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT E

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Intergovernmental	\$ 56,295	\$ -	\$ -	\$ 56,295
Charges for services	700,684	-	-	700,684
Program revenues	174,565	-	-	174,565
Interest income	1,485	639	4,707	6,831
<b>TOTAL REVENUES</b>	<b>933,029</b>	<b>639</b>	<b>4,707</b>	<b>938,375</b>
<b>EXPENDITURES</b>				
Wages and benefits	752,756	-	-	752,756
Office expenses	70,271	-	-	70,271
General expenses	9,550	-	-	9,550
Insurance	49,538	-	-	49,538
Maintenance	10,528	-	-	10,528
Travel	17,096	-	-	17,096
Utilities	18,436	-	-	18,436
Program expenses	283,408	-	13,102	296,510
Professional expenses	11,737	-	-	11,737
Local pilot	17,939	-	-	17,939
Transfer station	262	-	-	262
Capital outlay	-	40,330	-	40,330
<b>TOTAL EXPENDITURES</b>	<b>1,241,521</b>	<b>40,330</b>	<b>13,102</b>	<b>1,294,953</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(308,492)</b>	<b>(39,691)</b>	<b>(8,395)</b>	<b>(356,578)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	558,470	300,000	25,000	883,470
Transfers (out)	(249,978)	-	(6,354)	(256,332)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>308,492</b>	<b>300,000</b>	<b>18,646</b>	<b>627,138</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>260,309</b>	<b>10,251</b>	<b>270,560</b>
<b>FUND BALANCES - JANUARY 1</b>	<b>-</b>	<b>418,518</b>	<b>530,199</b>	<b>948,717</b>
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ -</b>	<b>\$ 678,827</b>	<b>\$ 540,450</b>	<b>\$ 1,219,277</b>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT F

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 270,560</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	1,260
Depreciation expense	<u>(181,071)</u>
	<u>(179,811)</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 90,749</u></u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT G

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
DECEMBER 31, 2018

	Enterprise Funds
	Transfer Station
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 622,392
Investments	56,339
Accounts receivable (net of allowance for uncollectibles)	12,349
Grants receivable	39,028
Inventory	26,919
Prepaid items	63,318
Total current assets	820,345
Noncurrent assets:	
Capital assets:	
Depreciable assets, net of accumulated depreciation	1,380,580
Total noncurrent assets	1,380,580
<b>TOTAL ASSETS</b>	\$ 2,200,925
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 111,418
Accrued expenses	43,588
Due to other funds	184,008
Current portion of long-term obligations	7,437
Total current liabilities	346,451
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Accrued compensated absences	22,312
Total noncurrent liabilities	22,312
<b>TOTAL LIABILITIES</b>	368,763
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred revenue	110,697
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	110,697
<b>NET POSITION</b>	
Net investment in capital assets	1,380,580
Unrestricted	340,885
<b>TOTAL NET POSITION</b>	1,721,465
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	\$ 2,200,925

See accompanying independent auditors' report and notes to financial statements.

STATEMENT H

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Funds
	Transfer Station
<b>REVENUES</b>	
Intergovernmental	\$ 5,018
Charges for services	2,069,068
<b>TOTAL REVENUES</b>	<b>2,074,086</b>
<b>EXPENSES</b>	
Payroll	150,629
Administrative	12,601
Professional services	2,349
Repairs and maintenance	77,424
Travel	2,762
Facilities	14,334
Insurance	9,913
Direct	1,234,347
Depreciation	36,233
Local pilot	3,590
<b>TOTAL EXPENSES</b>	<b>1,544,182</b>
<b>OPERATING INCOME (LOSS)</b>	<b>529,904</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest income	1,367
Interest expense	(94)
Transfers in	6,354
Transfers (out)	(633,492)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(625,865)</b>
<b>CHANGE IN NET POSITION</b>	<b>(95,961)</b>
<b>NET POSITION - JANUARY 1</b>	<b>1,817,426</b>
<b>NET POSITION - DECEMBER 31</b>	<b>\$ 1,721,465</b>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT I

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Funds
	Transfer Station
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customer	\$ 2,039,060
Interfund activity	9,057
Payments to vendors	(1,331,163)
Payments to employees	(144,279)
Miscellaneous receipts	5,018
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>577,693</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Principal payments	(28,996)
(Increase) decrease in investments	(56,339)
Interest expense	(94)
Interest income	1,367
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>(84,062)</b>
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Transfers in/(out)	(627,138)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(627,138)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(165,066)
<b>CASH AND CASH EQUIVALENTS - JANUARY 1</b>	<b>787,458</b>
<b>CASH AND CASH EQUIVALENTS - DECEMBER 31</b>	<b>\$ 622,392</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ 529,904
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	36,233
Changes in assets, liabilities and deferred inflows of resources:	
(Increase) decrease in accounts receivable	(238)
(Increase) decrease in grants receivable	(9,757)
(Increase) decrease in inventory	(853)
(Increase) decrease in prepaid items	3,331
Increase (decrease) in accounts payable	10,840
Increase (decrease) in accrued expenses	15,317
Increase (decrease) in due to other funds	9,057
Increase (decrease) in accrued compensated absences	6,350
Increase (decrease) in deferred revenue	(22,491)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ 577,693</b>

See accompanying independent auditors' report and notes to financial statements.



ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The Addison County Solid Waste Management District was approved by voters on November 8, 1988. The District's charter was further approved by state legislation on May 5, 1989. The District is a union municipality that exists to cooperatively and comprehensively address the solid waste management interest of its member municipalities. The mission of the District is to promote waste reduction, maximize diversion of waste through reuse, recycling and composting, provided for the disposal of remaining waste, seek environmentally sound and cost effective solution in all of its programs, services and facilities.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the District has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the District has chosen not to do so.

The District's combined financial statements include all accounts and all operations of the District. We have determined that the District has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

**Implementation of New Accounting Standards**

During the year ended December 31, 2018, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.*" The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

interperiod equity and creating additional transparency. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 85, "Omnibus 2017." The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 86, "Certain Debt Extinguishment Issues." The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. Management has determined the impact of this Statement is not material to the financial statements.

**Government-Wide and Fund Financial Statements**

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds).

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's transfer station fund is categorized as a business-type activity. All other activities of the District are categorized as governmental.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (payroll, administrative,

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

professional services, etc.). The functions are also supported by general government revenues (certain intergovernmental revenues, miscellaneous revenues, etc.) excluding fiduciary activities. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (certain intergovernmental revenues and charges for services, etc.).

The District does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

**Measurement Focus - Basic Financial Statements & Fund Financial Statements**

The financial transactions of the District are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

Major Funds

- a. The General Fund is used to account for all revenues and expenditures that are used in the general operations of the governmental agency of the District. All general operating revenues that are not restricted by external sources are recorded in the General Fund.

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- b. The Capital Reserve Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

Nonmajor Funds

- c. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the District:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Accrual

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the District's policy to value investments at fair value. None of the District's investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. The District is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations, and credit unions
- Bankers' acceptances
- Commercial paper, rated in the highest tier by a nationally recognized rating agency
- Investment-grade obligations of state, provincial and local governments and public authorities
- Repurchase agreements whose underlying purchased securities consist of the aforementioned instruments
- Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Local government investment pools either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation

**Receivables**

Receivables include amounts due from governmental agencies. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. Allowances for uncollectible accounts netted with accounts receivable were \$51,377 for the year ended December 31, 2018. The allowance for uncollectible amounts is estimated to be \$200 as of December 31, 2018.

**Interfund Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

**Transactions Between Funds**

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

**Inventories**

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory of the Transfer Station Fund consists of supplies.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$750 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Buildings and improvements	20 - 30 years
Equipment	5 - 10 years

**Long-term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The District's long-term obligations consist of accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

**Compensated Absences**

The District's policies regarding vacation time does permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources,

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

while the proprietary funds report the liability as it is incurred. As of December 31, 2018, the District's liability for compensated absences is \$29,749.

**Net Position**

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

**Fund Balances**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned but only restricted is used by the District.

Nonspendable - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the District. The inhabitants of the District through District meetings are the highest level of decision-making authority of the District. Commitments may be established, modified, or rescinded only through an District meeting vote.



ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the Board of Supervisors.

Unassigned - This includes all other spendable amounts. Governmental funds can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District meeting vote has provided otherwise in its commitment or assignment actions.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently has no deferred outflows of resources.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, deferred revenues, which arises under the accrual basis of accounting that qualifies for reporting in this category. This item is reported in the statements of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services, or privileges provided; operating or capital grants and contributions, including special assessments).

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Operating/Nonoperating Proprietary Fund Revenues**

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Encumbrance Accounting**

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The District does not utilize encumbrance accounting for its general fund.

**Use of Estimates**

During the preparation of the District's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

State statutes require that all investments made by the District consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all District funds.

**Deposits:**

The District's investment policies, which follow state statutes, authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all District funds.

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The District does not have a policy covering custodial credit risk.

At December 31, 2018, the District's cash balance of \$1,301,219 was comprised of bank deposits of \$1,391,250. Of these bank deposits, \$500,000 were fully insured by federal depository insurance and consequently were not exposed to custodial credit risk. The remaining balance of \$891,250 was collateralized with securities held by the financial institution in the District's name.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 712,423
Money market accounts	<u>678,827</u>
	<u>\$ 1,391,250</u>

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District's policy on credit risk for investments is the same as that described for cash.

At December 31, 2018, the District's investments of \$415,012 were comprised of certificates of deposit that were fully insured by federal depository insurance and consequently were not exposed to custodial credit risk.

At December 31, 2018, the District's investments had the following maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Not Applicable</u>	<u>&lt; 1 Year</u>	<u>1 - 5 Years</u>	<u>&gt; 5 Years</u>
Certificates of deposit	<u>\$ 415,012</u>	<u>\$ -</u>	<u>\$ 200,448</u>	<u>\$ 214,564</u>	<u>\$ -</u>

Credit risk - Statutes for the State of Vermont authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

District does not have an investment policy on credit risk. Generally, the District invests excess funds in savings accounts and various insured certificates of deposit.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2018 consisted of the following individual fund receivables and payables:

	<u>Receivables</u> <u>(Due from)</u>	<u>Payables</u> <u>(Due to)</u>
Enterprise Funds	\$ -	\$ 184,008
Nonmajor Special Revenue Funds	184,008	-
	<u>\$ 184,008</u>	<u>\$ 184,008</u>

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2018:

	Balance, 1/1/18	Additions	Disposals	Balance, 12/31/18
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 198,000	\$ -	\$ -	\$ 198,000
	<u>198,000</u>	<u>-</u>	<u>-</u>	<u>198,000</u>
Depreciated assets:				
Building and improvements	705,032	1,260	-	706,292
Equipment	107,182	-	-	107,182
	<u>812,214</u>	<u>1,260</u>	<u>-</u>	<u>813,474</u>
Less: accumulated depreciation	<u>(372,772)</u>	<u>(181,071)</u>	<u>-</u>	<u>(553,843)</u>
	<u>439,442</u>	<u>(179,811)</u>	<u>-</u>	<u>259,631</u>
Net governmental capital assets	<u>\$ 637,442</u>	<u>\$ (179,811)</u>	<u>\$ -</u>	<u>\$ 457,631</u>
<u>Business-type activities</u>				
Depreciated assets:				
Building and improvements	\$ 2,618,518	\$ -	\$ -	\$ 2,618,518
Equipment	1,111,727	31,559	-	1,143,286
	<u>3,730,245</u>	<u>31,559</u>	<u>-</u>	<u>3,761,804</u>
Less: accumulated depreciation	<u>(2,344,991)</u>	<u>(36,233)</u>	<u>-</u>	<u>(2,381,224)</u>
	<u>1,385,254</u>	<u>(4,674)</u>	<u>-</u>	<u>1,380,580</u>
Net business-type capital assets	<u>\$ 1,385,254</u>	<u>\$ (4,674)</u>	<u>\$ -</u>	<u>\$ 1,380,580</u>
<u>Current year depreciation:</u>				
Governmental activities				
District-wide				\$ 181,071
Business-type activities				
District-wide				36,233
Total depreciation expense				<u>\$ 217,304</u>

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 5 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended December 31, 2018:

	Balance, 1/1/18	Additions	Deletions	Balance, 12/31/18	Current Portion
Note payable	\$ 28,996	\$ -	\$ (28,996)	\$ -	\$ -
Accrued compensated absences	23,399	6,350	-	29,749	7,437
	<u>\$ 52,395</u>	<u>\$ 6,350</u>	<u>\$ (28,996)</u>	<u>\$ 29,749</u>	<u>\$ 7,437</u>

NOTE 6 - OPERATING LEASE

The following is a description of the District's operating leases for the year ended December 31, 2018:

The District leases a copier, which includes a maintenance agreement, with Canon Financial Services for 36 months. Monthly payments are \$218 plus maintenance fees based on usage.

The following is a schedule of future minimum payments under this lease for the fiscal years ending:

2019	\$ 2,616
2020	2,616
2021	2,180
Total minimum lease payments	<u>\$ 7,412</u>

NOTE 7 - RESTRICTED FUND BALANCES

At December 31, 2018, the District had the following restricted fund balances:

Nonmajor special revenue funds (Schedule C) \$ 56,442

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 8 - ASSIGNED FUND BALANCES

At December 31, 2018, the District had the following assigned fund balances:

Capital reserve fund	\$ 678,827
Nonmajor special revenue funds (Schedule C)	<u>484,008</u>
	<u>\$ 1,162,835</u>

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District participates in the Vermont League of Cities and Town Property and Casualty Intermunicipal Fund, Inc.

In addition, the District is a member of Vermont League of Cities and Towns Health Trust. The HealthTrust is a nonprofit corporations formed to provide insurance and risk management programs for Vermont cities and towns and is owned by the participating members. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association.

Based on the coverage provided by the insurance purchased, the District feels it is not aware of any material actual or potential claim liabilities which should be recorded at December 31, 2018. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

NOTE 10 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the District's financial position.

The District participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the District's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 11 - RESTATEMENT

The beginning net position for the governmental and business-type activities has been restated as of January 1, 2017. This balance was restated to segregate the capital reserve fund and special revenue funds from the business-type activities. The governmental activities net position was increased by \$948,717 from \$637,442 to \$1,586,159. The business-type activities net position was decreased by \$948,717 from \$2,766,143 to \$1,817,426.

The governmental activities fund balance was increased by \$948,717 from \$0 to \$948,717.



### Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds

## ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2018

	Special Revenue Funds	Total Nonmajor Governmental Funds
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Investments	\$ 358,673	\$ 358,673
Due from other funds	184,008	184,008
<b>TOTAL ASSETS</b>	<u>\$ 542,681</u>	<u>\$ 542,681</u>
<b>LIABILITIES</b>		
Due to other governments	\$ 2,231	\$ 2,231
<b>TOTAL LIABILITIES</b>	<u>2,231</u>	<u>2,231</u>
<b>FUND BALANCES</b>		
Nonspendable	-	-
Restricted	56,442	56,442
Committed	-	-
Assigned	484,008	484,008
Unassigned	-	-
<b>TOTAL FUND BALANCES</b>	<u>56,442</u>	<u>56,442</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 58,673</u>	<u>\$ 58,673</u>

See accompanying independent auditors' report and notes to financial statements.

## ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Revenue Funds	Total Nonmajor Governmental Funds
	<u>          </u>	<u>          </u>
REVENUES		
Interest income	\$ 4,707	\$ 4,707
TOTAL REVENUES	<u>4,707</u>	<u>4,707</u>
EXPENDITURES		
Program expenses	13,102	13,102
TOTAL EXPENDITURES	<u>13,102</u>	<u>13,102</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,395)</u>	<u>(8,395)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	25,000	25,000
Transfers (out)	<u>(6,354)</u>	<u>(6,354)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>18,646</u>	<u>18,646</u>
NET CHANGE IN FUND BALANCES	10,251	10,251
FUND BALANCES - JANUARY 1	<u>530,199</u>	<u>530,199</u>
FUND BALANCES - DECEMBER 31	<u>\$ 540,450</u>	<u>\$ 540,450</u>

See accompanying independent auditors' report and notes to financial statements.

## Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

SCHEDULE C

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2018

	Rate Stabilization Fund	Closure Fund	School Diversion Grant Fund	Municipal Grant Fund	Recycling Rate Stabilization Fund	Organic Rate Stabilization Fund	Total
<b>ASSETS</b>							
Investments	\$ 101,783	\$ 56,442	\$ -	\$ -	\$ -	\$ 200,448	\$ 358,673
Due from other funds	-	-	52,846	31,162	100,000	-	184,008
<b>TOTAL ASSETS</b>	<b>\$ 101,783</b>	<b>\$ 56,442</b>	<b>\$ 52,846</b>	<b>\$ 31,162</b>	<b>\$ 100,000</b>	<b>\$ 200,448</b>	<b>\$ 542,681</b>
<b>LIABILITIES</b>							
Due to other governments	\$ 1,783	\$ -	\$ -	\$ -	\$ -	\$ 448	\$ 2,231
<b>TOTAL LIABILITIES</b>	<b>1,783</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>448</b>	<b>2,231</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	56,442	-	-	-	-	56,442
Committed	-	-	-	-	-	-	-
Assigned	100,000	-	52,846	31,162	100,000	200,000	484,008
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>100,000</b>	<b>56,442</b>	<b>52,846</b>	<b>31,162</b>	<b>100,000</b>	<b>200,000</b>	<b>540,450</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 101,783</b>	<b>\$ 56,442</b>	<b>\$ 52,846</b>	<b>\$ 31,162</b>	<b>\$ 100,000</b>	<b>\$ 200,448</b>	<b>\$ 542,681</b>

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE D

ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Rate Stabilization Fund	Closure Fund	School Diversion Grant Fund	Municipal Grant Fund	Recycling Rate Stabilization Fund	Organic Rate Stabilization Fund	Total
REVENUES							
Interest income	\$ 1,407	\$ 56	\$ -	\$ -	\$ 771	\$ 2,473	\$ 4,707
Miscellaneous income	-	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>1,407</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>771</b>	<b>2,473</b>	<b>4,707</b>
EXPENDITURES							
Program expenses	-	-	8,720	4,382	-	-	13,102
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>8,720</b>	<b>4,382</b>	<b>-</b>	<b>-</b>	<b>13,102</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,407	56	(8,720)	(4,382)	771	2,473	(8,395)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	25,000	-	-	-	25,000
Transfers (out)	(1,903)	-	-	-	(1,197)	(3,254)	(6,354)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,903)</b>	<b>-</b>	<b>25,000</b>	<b>-</b>	<b>(1,197)</b>	<b>(3,254)</b>	<b>18,646</b>
NET CHANGE IN FUND BALANCES	(496)	56	16,280	(4,382)	(426)	(781)	10,251
FUND BALANCES - JANUARY 1	100,496	56,386	36,566	35,544	100,426	200,781	530,199
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ 100,000</b>	<b>\$ 56,442</b>	<b>\$ 52,846</b>	<b>\$ 31,162</b>	<b>\$ 100,000</b>	<b>\$ 200,000</b>	<b>\$ 540,450</b>

See accompanying independent auditors' report and notes to financial statements.



*Proven Expertise and Integrity*

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Supervisors  
Addison County Solid Waste Management District  
Middlebury, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Addison County Solid Waste Management District as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Addison County Solid Waste Management District's basic financial statements, and have issued our report thereon dated March 22, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Addison County Solid Waste Management District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Addison County Solid Waste Management District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Addison County Solid Waste Management District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

3 Old Orchard Road, Buxton, Maine 04093  
Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609  
www.rhrsmith.com

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Addison County Solid Waste Management District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RHR Smith & Company*

Buxton, Maine  
March 22, 2019



# ACSWMD Town Drop-Off Information

**Addison:** Town Clerk Office, 65 VT Rte. 17 West  
 Day and Time: Saturdays, 9am-11am  
 Hauler: R&L Rubbish (388-6288)

**Orwell:** Seguin Services, 344 Rte. 22A  
 Day and Time: Saturdays, 9am-12pm  
 Hauler: Seguin Services (948-2912)

**Bridport:** Old Town Landfill on Happy Valley Rd.  
 Day and Time: Saturdays, 7:30am-12pm  
 Hauler: Moose Rubbish and Recycling (897-5637)

**Ripton:** Town Shed, 333 Peddler's Bridge Rd.  
 Day and Time: 1st & 3rd Saturday, 9am-12pm  
 Recycling only: 1st Wednesday of the month, 5pm-7pm  
 Contact: Warren King (388-4082)  
 Haulers: Webb and Sons (388-4532), Casella (388-2915)

**Bristol:** Town Garage on Pine St.  
 Day and Time: Saturdays, 8am-12pm  
 Hauler: R&L Rubbish (388-6288)

**Salisbury:** Old Town Landfill, Upper Plains Rd.  
 Day and Time: Saturdays, 8am-1pm  
 Hauler: R&L Rubbish (388-6288)

**Cornwall:** Bingham Memorial School, 112 School St.  
 Day and Time: Saturdays, 1pm-3pm  
 Hauler: R&L Rubbish (388-6288)

**Shoreham:** Behind Congregational Church, Rte. 74  
 Day and Time: Saturdays, 9am-12pm  
 Hauler: Moose Rubbish and Recycling (897-5637)

**Goshen:** Curbside Trash & Recycling  
 Day and Time: Wednesdays  
 Contacts: Marci Hayes (247-3133), David Sabatini (247-6350)

**Starksboro:** Town Garage, 3904 Rte. 116  
 Day and Time: 1st & 3rd Saturday, 8am-11am  
 Contact: Jen Turner (453-2639)  
 Hauler: Moose Rubbish and Recycling (897-5637)

**Leicester:** Town Shed, 2241 Fern Lake Rd.  
 Day and Time: 1st & 3rd Saturday, 9am-12pm  
 Contact: Van Denton (247-8340)

**Vergennes\*:** Intersection of Canal & West St.  
 Day and Time: Saturdays, 8am-12pm & Wednesdays, 2pm-6pm  
 Hauler: R&L Rubbish (388-6288)

**Lincoln:** 1111 Downingsville Rd.  
 Day and Time: Saturdays, 8am-1pm  
 Hauler: Moose Rubbish and Recycling (897-5637)

**Weybridge:** Behind Town Garage, 460 Quaker Village Rd.  
 Day and Time: Saturdays, 9:30am-11am  
 Contact: Chris Anderson (545-2874)  
 Hauler: Kimball (545-2891), Casella (388-2915)

**Middlebury:** Desabrais Glass, 198 Boardman St.  
 Day and Time: Saturdays, 8am-10am  
 Hauler: Desabrais Trash (989-4332)

**Whiting:** Between Fire Dept. & School, 79 So. Main St.  
 Day and Time: 2nd & 4th Saturday, 9:00am-11am  
 Contact: Gayle Quenneville (623-7813)  
 Hauler: BK Services (483-2800)

**Monkton:** 4047 States Prison Hollow Rd.  
 Day and Time: 2nd & 4th Saturday, 9am-12pm  
 Contact: Jessica Demeritt (453-5686)  
 Haulers: PDS (453-7548), Casella (388-2915)

**Whiting:** Between Fire Dept. & School, 79 So. Main St.  
 Day and Time: 2nd & 4th Saturday, 9:00am-11am  
 Contact: Gayle Quenneville (623-7813)  
 Hauler: BK Services (483-2800)

**New Haven:** Next to Fire station on Rte. 17 East  
 Day and Time: Saturdays, 8am-12pm  
 Contact: Town Clerk (453-3516)  
 Hauler: R&L Rubbish (388-6288)

**Whiting:** Between Fire Dept. & School, 79 So. Main St.  
 Day and Time: 2nd & 4th Saturday, 9:00am-11am  
 Contact: Gayle Quenneville (623-7813)  
 Hauler: BK Services (483-2800)

\* Addison, Ferrisburgh, Pantton and Waltham may also use this facility



= Food Scrap Collection  
 = Recycling  
 = Leaf & Yard waste  
 = Trash  
 (Contact your hauler to learn about their seasonal pick-up.)

## Appendix B

## Appendix C

# 2020 Proposed Rate Schedule ACSWMD Transfer Station & District Fees

<b>MSW (Trash), Construction &amp; Demolition Debris.....</b>	<b>\$128/ton</b>
<b>Minimum Fee - Minimum Load Size - 1/2 ton for MSW only.....</b>	<b>\$64</b>
Minimum Fee - 100 lbs. or less - mixed debris.....	\$7/load
(Telephone poles must be cut into 10' sections)	
Appliances w/ CFCs (refrigerator, freezer, window A/C, water fountain... vending machine, dehumidifier).....	\$10/ea.
Commercial-Grade A/C units & outdoor residential A/C units.....	At Cost
Appliances - no CFCs (furnace, washer, dryer, hot water heater, stove... dishwasher, microwave, woodstove, etc.).....	No Charge
Asbestos, Non-Friable (packaging requirements apply).....	\$250/ton
<b>Asphalt Shingles and Drywall Recycling.....</b>	<b>\$110/ton</b>
Ashes (wood).....	\$1/load
Batteries (wet-cell, automotive).....	No Charge
Batteries (small dry-cell, cell phones, rechargeable, button cell, lithium... lithium ion, NiMH, NiCad).....	No Charge
Books (hard and soft cover)	
Residential.....	\$1/load
Business.....	\$5/load
Clean Wood, brush, branches, (cut into 16" logs if > 6" diameter)...	
Residential, small car only.....	\$2.50/load
Residential, regular pick-up truck or small trailer.....	\$5/load
Trucks (larger than pick-up truck), & ALL commercial loads.....	\$50/ton
Mulch loading assistance (upon request).....	\$5/scoop
Cooking Oil (Large quantities call ahead).....	No charge
Documents (Secure Destruction), small amounts only.....	No charge
Electronics (large items or quantities charged by weight at the discretion... of the scalehouse operator).....	\$0.23/lb
Computers, whole systems (includes everything).....	\$11/ea. (or no charge*)
Computers, by piece (monitor or CPU or printer).....	\$6/pc. (or no charge*)
Televisions (Regular size TV).....	\$7/ea. (or no charge*)
(Console size TV).....	\$15/ea. (or no charge*)
Desktop Photocopier.....	\$11/pc.
Small Electronics (Fax, VCR, DVD/CD, Stereo, Telephones, etc.).....	\$2.50/pc.
Mixed Bag (cords, adapters, CDs, tapes, cassettes, DVDs, chips, cards... grocery bag size).....	\$5/bag
Film Plastic & Plastic Bags (must meet acceptance criteria, Residential).....	No charge
<b>Business (limit 1 CY per week or less).....</b>	<b>\$10</b>
Fire Extinguishers – >5 lbs.....	\$5/ea.
Fluorescent Light Bulbs – Compact Fluorescent Lamps.....	No Charge
U-Tube, Circular or Straight Tubes 4 ft. or shorter.....	\$0.35/ea. (or no charge**)
Straight Tubes longer than 4 ft.....	\$0.60/ea. (or no charge**)
HID Lamps.....	\$1/ea. (or no charge**)
UV, Neon or other Specialty Lamps.....	\$1.95/ea.

Food Waste (Residential only).....	No Charge
(Business, containers up to 5-gal).....	\$1.25/ea.
(Business, 35-gallon container).....	\$11/ea.
(Business, 48-gallon container).....	\$15/ea.
Hazardous Waste (Residential) – (including all paint).....	No Charge
Hazardous Waste (Business, CEG) (including all paint)	
Must call for appointment day/time.....	Actual Cost+\$5 Fee***
Leaf & Yard Waste (grass clippings, leaves, small twigs) - 3 CY or less .....	\$1/load
Over 3 CY.....	\$10/load
Light Ballasts (containing PCBs).....	\$2.25/ea.
Maple Tubing (call for acceptance guidelines, by appointment only)	
Loads with fittings removed.....	No Charge
Loads with fittings still attached.....	\$20/CY
Mercury Devices (intact thermometers, thermostats, etc.).....	No Charge
Motor Oil (Residential, uncontaminated only, 10 gal or less per day) .....	No Charge
Residential greater than 10 gal, uncontaminated only.....	\$0.30/gal.
Business any amount, uncontaminated only, drums by appt.....	\$0.30/gal.
Oil Filters (Residential).....	No Charge
(Business) Individual filters.....	\$0.25/ea.
<b>(Business) 5-gallon pail full (crushed or uncrushed) .....</b>	<b>\$7/pail</b>
<b>(Business) 55-gallon drum full (crushed or uncrushed).....</b>	<b>\$70/drum</b>
Propane Tanks, 1-lb (Residential).....	No Charge
1-lb (Business).....	\$1/ea.
20-lb or larger (grill size, resident or business).....	\$3/ea.
<b>Recycling – Single Stream Recyclables from Commercial Haulers.....</b>	<b>\$120/ton</b>
<b>Single Stream self-hauled from Businesses -Min. Fee 1 CY or less.....</b>	<b>\$9.00</b>
<b>Single Stream self-hauled from Businesses &gt; 1 CY.....</b>	<b>\$120/ton</b>
Reuse It or Lose It! (for items accepted at the discretion of the scalehouse operator)	
Per Visit - Dropping off (50 lbs or less) or Just Visiting Admin Fee.....	\$1.00/visit
Household goods weighing >50 lbs.....	\$4/ea.
Construction Materials (reusable lumber, doors, fixtures, windows, etc.).....	No Charge
Scrap Metal.....	No Charge
Stumps.....	\$15/CY
Textiles (Must be clean, dry, and in bags).....	No Charge
Tires - Passenger Tires.....	\$2.25/ea.

**District Fee – \$34/ton on all MSW and C&D disposed of (included in Transfer Station tip fee),**  
and \$10/ton on contaminated soils approved by ANR for use as ADC.

**Scale Weights** are \$5.00 per vehicle.

\* VT E-Waste Law – No charge for households, 501(c)(3) charities, school districts, small businesses (10 or < employees) OR 7 or < covered items/visit.

\*\* VT Mercury Lamp Law – No charge for general purpose mercury bulbs, 10 or </per day.

\*\*\* VT Paint Law – No charge for architectural paint. The \$5-per-visit admin. Fee will be waived on paint-only loads.

**Tel: (802) 388-2333 | Email: [acswmd@acswmd.org](mailto:acswmd@acswmd.org) | URL: [www.AddisonCountyRecycles.org](http://www.AddisonCountyRecycles.org)**



# Addison County Solid Waste Management District

1223 Route 7 South • Middlebury, Vermont 05753  
p. 802-388-2333 • f. 802-388-0271  
[AddisonCountyRecycles.com](http://AddisonCountyRecycles.com)

**2019**