



**SOLID WASTE AGENCY OF LAKE COUNTY, IL**

**MEMORANDUM**

To: Michael Talbott, Chairman, Executive Committee

From: Walter S. Willis, Executive Director *WSW*

Subject: October 2016 Meeting Notice Information

Date: September 29, 2016

Attached you will find the agenda for this month's meeting, the minutes from the September 2016 meeting, and the referenced consent, action and information items.

Please let Amy Bartemio know if you will be attending and what your lunch order is. Remember, the meeting is Wednesday, October 5<sup>th</sup> at 11:30 am.

**SOLID WASTE AGENCY OF LAKE COUNTY, IL  
EXECUTIVE COMMITTEE**

**Wednesday, October 5, 2016 11:30 am  
1311 N. Estes Street Gurnee, IL 60031**

1. CALL TO ORDER ..... Chairman Talbott
2. ROLL CALL ..... Secretary
3. APPROVAL OF MINUTES  
*September 8, 2016*
4. NEW AGENDA ITEMS
5. PUBLIC COMMENT ON AGENDA ITEMS
6. EXECUTIVE COMMITTEE ITEMS ..... Chairman Talbott

**Consent Item**

1. Expenditure Report (*August 2016*)

**Action Items**

1. Proposed FY 2017 SWALCO Budget
2. Proposed Capital Replacement Fund Expenditures for FY 2016
3. Proposed 2017 Calendar of Meetings

**Information Items**

1. Project and Program Updates

7. EXECUTIVE SESSION
8. ADJOURNMENT

# SOLID WASTE AGENCY OF LAKE COUNTY (SWALCO) EXECUTIVE COMMITTEE

SIGN IN SHEET

September 8, 2016

COMMUNITY	REPRESENTATIVE	TITLE
ELLIS	<i>Mike Ellis</i>	VILLAGE MANAGER
MANDEL	<i>Dawn Mandel</i>	LAKE COUNTY BOARD
MUETZ	<i>Pat</i>	VILLAGE ADMINISTRATOR
NORRIS	<i>John Norris</i>	MAYOR
SOTO		MAYOR
TALBETT	<i>Michael Talbett</i>	VILLAGE ADMINISTRATOR
WAGENER	<i>John Wagener</i>	TRUSTEE
WARDA	<i>Howard Warda</i>	SENIOR PLANNER
RYBACK	<i>Jean Ryback</i>	SWALCO BOD CHAIRMAN

REPRESENTATIVE	SWALCO EXECUTIVE BOARD VOTING RECORD/09.08.16									
	Consent Expenses JUN & JULY									
Attendance	A	N	A	N	A	N	A	N		
MIKE ELLIS	✓	✓								
STEVEN MANDEL	✓	✓								
PATRICK MUETZ	✓	✓								
JOHN NORRIS	✓	✓								
LINDA SOTO		✗								
MICHAEL TALBETT	✓	✓								
JOHN WAGENER	✓	✓								
NIMROD WARDA	✓	✓								

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# PUBLIC SIGN-IN SHEET

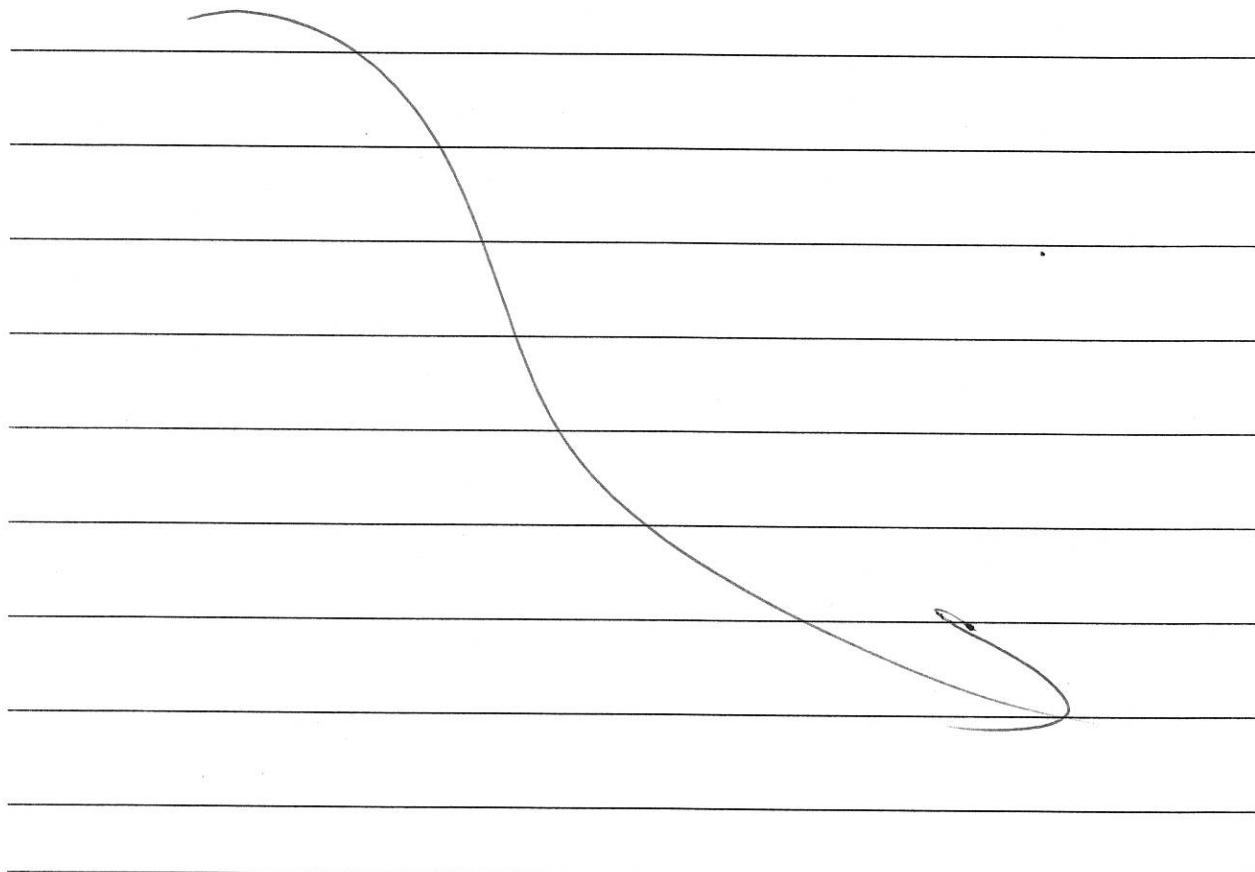
(Executive Committee Meeting)

Name

Address

Representing

none



Date: 09/08/16

MINUTES

**SOLID WASTE AGENCY OF LAKE COUNTY, IL**

EXECUTIVE COMMITTEE

Thursday, September 8, 2016 12:00 NOON

1311 N. ESTES STREET, GURNEE, IL 60031

**CALL TO ORDER**

Chairman Talbott called the meeting to order at 12:04 pm with 7 members present.

**APPROVAL OF MINUTES**

Motion by *Steven Mandel* seconded by *Mike Ellis* to approve the Executive meeting minutes of 7.14.16  
*Motion was unanimously approved.*

**NEW AGENDA ITEMS**

**PUBLIC COMMENT - *None***

**EXECUTIVE COMMITTEE ITEMS – *None***

**CONSENT ITEM**

Expenditure Reports (June & July 2016).  
Motion by *John Norris*, seconded by *Mike Ellis*.  
*Motion was approved.*

**ACTION ITEMS – *None***

**INFORMATION ITEMS**

**1. Proposed FY 2017 SWALCO Budget**

Walter Willis presented the FY 2017 budget, highlighting proposed expenditures and estimated revenues including the reviews of the cash replacement and cash balance funds. Proposed expenditures for FY 2017 are \$1,015,937 compared to \$1,026,580 in FY 2016, a decrease of \$10,643 or approximately 1%. Revenues are estimated at \$1,016,160 compared to \$1,026,950 in FY 2016, a decrease of \$10,790 or approximately 1%. Walter noted that the current cash reserve balance is approximately \$1.8 million and capital project reserve is \$500,000. Executive Committee feedback will be incorporated into a final draft and the final version, which also include the five-year budget projection, will be presenting at the Board of Directors in October for approval.

**2. 2<sup>nd</sup> Quarter 2016 Electronics Program Update**

Pete Adrian gave a brief report of the electronics recycling program for the second quarter of 2016. During the 2<sup>nd</sup> quarter of 2016, a total of 1,235,436 pounds of electronics were collected by the five host collection sites. Comparing the second quarter of 2015 to volume collected at the same time last year (1,113,350 lbs.) there has been a 10% increase in volume collected during the same period. Over the course of the second quarter the program experienced a near seamless transition in recycling vendors from Vintage Tech Recyclers to Electronic Recyclers International (ERI). Though the new agreement with ERI contains language where the Agency could incur charges for certain material, staff has worked diligently with the sites to avoid incurring most cost and has been able to keep expenses to \$120 for the second quarter. In late May staff received notice from the City of Waukegan that it would stop operating a public collection beginning July 1, the City continues to collect for Waukegan residents only. Proof of residency is required to utilize the site.

### **3. 2<sup>nd</sup> Quarter 2016 Recycling and Per Ton Payment Report**

Pete Adrian gave a brief report of tabulations of curbside recyclable material tonnage and recycling, by member community for the second quarter of 2016. The first six months of 2016 illustrate that 27,816 tons of recyclables were collected from Lake County communities. Compared to previous year's first half totals, Lake County communities have experienced a less than 1% decrease in recycling volume as compared to the same period of 2015 (27,946 tons). Waste generation rates during this same period reflect illustrate a 4.6% increase. Overall, the volume of both waste and recycling collected during this period has increase by approximately 3.4% from the same period of 2015. Market values, for all recyclables extended their slow trend upwards yielding a \$4.50 Per Ton Payment to members for June. This is the first time since January of 2015 that a Per Ton Payment will be paid by Waste Management Recycle America. Market values for recyclables are predicted to continue to improve through to the end of the year. The prolonged weakness in markets appears to have had some effect on a few our member's collection service contracts. Some haulers have requested approval to moved recyclables away from the WMRA facility so to either avoid extra costs or internalize this volume within their own facilities. Regardless of the reason, the effect has reduced the volume being delivered to WMRA and in turn reducing potential revenue for our members and the Agency. For example, during the months of April, May and June, Groot and Lakeshore Recycling Services reported that they diverted away from the WMRA facility a total of 2,034 tons of recyclables. 645 of those tons were collected in June when a \$4.50 Per Ton Payment was paid to the members. This equals a \$2,902.50 reduction in revenue to the members along with an additional \$645 not realized by the Agency for the \$1 per ton education credit WMRA provided to the Agency.

### **4. Project and Program Updates – Brief Updates Given by Walter Willis**

Walter Willis provided summaries and updates regarding several projects and programs we are currently working on:

- SWALCO is working with the Lake County Finance Department and the Health Department to conduct audits of the host fee and local surcharge payments being made by the two landfills and the transfer station. The goal is to conduct the audits in October.
- Pete Adrian and I toured the ERI electronics recycling facility in Plainfield, IN on August 25, 2016. The facility is well run and is safely managing our electronics. As pointed out in Pete's information item, the program is going strong and the costs have been very minimal, much thanks to our collection site partners.
- Legislative efforts continue for the electronics issue. A meeting/tour was held in Peoria on July 26<sup>th</sup> that Walter attended along with several stakeholders, including Representative McAsey. Walter also met with Senator Althoff on July 19<sup>th</sup> and the new IEPA director on July 25<sup>th</sup>. Walter has prepared a summary of the negotiations to date (see attachment) and it has been sent out to the stakeholders. Another stakeholder negotiation meeting has been scheduled for September 16<sup>th</sup> in Will County. The goal is to arrive at a consensus bill and to try and pass it during the fall veto session or the January 2017 lame duck session. A status update meeting is being held by the Chicago Metropolitan Mayors Caucus on September 27<sup>th</sup> at the Kane County Government Center with the goal of updating the area's mayors and elected officials on the current status of the State's escrap program. Walter will be presenting at this meeting.
- Pete Adrian and I met with WMRA on August 23<sup>rd</sup> to discuss extending the current Agreement. WMRA made an offer to enhance the payment table as part of a 3-year extension. Staff has scheduled another meeting in late September. A key issue is the destination of recyclables collected by Lakeshore and Groot, both are now taking recyclables out of Lake County to their own facilities, this impacts the \$1 per ton payment SWALCO receives and the potential for a bonus payment if we bring more than 42,000 tons per year to the MRF. Both the Agency and WMRA are making efforts to find a compromise with Lakeshore and Groot.
- SWALCO staff worked with the Lake County Communications Department to make a "how to" video on food scrap composting. The next project is another dirty jobs production with Aaron Lawlor going to the Grayslake MRF to sort recyclables and point out the numerous sources of contamination. The food scrap composting video should be used by all members to educate your residents on their options for managing food scraps to continue the growth of the program.

- Mundelein is close to voting on an extension of its hauling contract with Groot. Volo is reviewing its options, and Lake Bluff has decided to go out for bid. Lake Bluff's bid may contain a year round organics collection option as part of the base service. Mundelein was able to negotiate a rate reduction along with program enhancements for food scraps and free electronics collection at the curb.
- Groot has requested a meeting with Walter and Barry Burton on September 14th to discuss the contract language in most members' hauling contracts regarding using a "SWALCO approved landfill". Groot has informed us that they intend to have their attorney present, Larry Clark has been asked to attend this meeting as a result. This has been an issue that Walter has attempted to talk to Groot about for several months as they have numerous contracts that require use of a SWALCO approved landfill.
- SWALCO staff has discussed holding an annual awards and appreciation night as part of the November Board of Directors meeting, starting November 2017. We typically cancel this meeting as we get our work done in October. The thought is to use that meeting instead to celebrate the recycling and composting achievements here in Lake County, and to possibly hold it at the Round Lake Beach Civic Center.

**EXECUTIVE SESSION:** None

**NEXT EXECUTIVE COMMITTEE MEETING:** Thursday, October 5, 2016 - 11:30 a.m.

**NEXT BOARD MEETING:** Thursday, October 20, 2016 - 7:00 p.m. Hainesville Village Hall, 100 N. Hainesville Road, Hainesville, IL 60030

**ADJOURNMENT (1:08 p.m.):** Motion by *John Norris*, seconded by *Mike Ellis* to adjourn.  
*Motion was approved.*

**Consent - 1. Expenditure Approval**

**ISSUE:** Approve Expenditures

**RECOMMENDATION:** We recommend approval

**TIMING:** Routine

**BACKGROUND:** The Board of Directors authorized the Executive Director to pay expenditures under \$20,000. The Executive Director submits the monthly expenditures to the Board for approval.

The total for Administration \$48,351.93; Education \$14,871.07 Household Chemical Waste \$13,069.66; Recycling \$129.29; *Total expenditures for August 2016 - \$76,421.95*

**ENCLOSED DOCUMENTS:** Account Analysis Report

**STAFF:** Walter Willis, Executive Director

Amy Bartemio, Executive Office Manager

## SWALCO - AUGUST 2016 EXPENDITURE REPORT

SWALCO 1- Solid Waste Prog-SWALCO Administration-Regular Salaries And Wages----				
Budget	360,374.040	Funds	85,501.20	Beginning Balance for Period
Amount:		Available:		247,062.43
				<b>Total Expenditures</b>
				<b>27,810.41</b>
				Ending Balance for Period
				274,872.84
SWALCO 1- Solid Waste Prog-SWALCO Administration-Part Time Salaries And Wages----				
Budget	49,727.04	Funds	5,266.57	Beginning Balance for Period
Amount:		Available:		41,118.15
				<b>Total Expenditures</b>
				<b>3,342.32</b>
				Ending Balance for Period
				44,460.47
SWALCO 1- Solid Waste Prog-SWALCO Administration-Special Pay----				
Budget	17,100.00	Funds	4,592.40	Beginning Balance for Period
Amount:		Available:		11,256.84
				<b>Total Expenditures</b>
				<b>1,250.76</b>
				Ending Balance for Period
				12,507.60
SWALCO 1- Solid Waste Prog-SWALCO Administration-Food and Provisions----				
Budget	2,210.00	Funds	952.24	Beginning Balance for Period
Amount:		Available:		1,077.26
				<b>Total Expenditures</b>
				<b>180.50</b>
				Ending Balance for Period
				1,257.76
SWALCO 1- Solid Waste Prog-SWALCO Administration-Trips And Training----				
Budget	10,400.00	Funds	7,744.92	Beginning Balance for Period
Amount:		Available:		1,122.22
				<b>Total Expenditures</b>
				<b>1,532.86</b>
				Ending Balance for Period
				2,655.08
SWALCO 1- Solid Waste Prog-SWALCO Administration-Gas For Heating----				
Budget	15,000.00	Funds	7,496.35	Beginning Balance for Period
Amount:		Available:		5,884.77
				<b>Total Expenditures</b>
				<b>1,618.88</b>
				Ending Balance for Period
				7,503.65
SWALCO 1- Solid Waste Prog-SWALCO Administration-Electricity----				
Budget	12,000.00	Funds	2,520.30	Beginning Balance for Period
Amount:		Available:		8,391.17
				<b>Total Expenditures</b>
				<b>1,088.53</b>
				Ending Balance for Period
				9,479.70
SWALCO 1- Solid Waste Prog-SWALCO Administration-Water & Sewer----				
Budget	400.00	Funds	167.66	Beginning Balance for Period
Amount:		Available:		169.32
				<b>Total Expenditures</b>
				<b>63.02</b>
				Ending Balance for Period
				232.34
SWALCO 1- Solid Waste Prog-SWALCO Administration-Telephone----				
Budget	6,500.00	Funds	2,384.70	Beginning Balance for Period
Amount:		Available:		3,672.95
				<b>Total Expenditures</b>
				<b>442.35</b>
				Ending Balance for Period
				4,115.30

SWALCO I- Solid Waste Prog-SWALCO Administration-Equip Rental----				
Budget	3,300.00	Funds Available:	-137.44	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>172.37</b>
Ending Balance for Period				
				<b>2,535.15</b>
SWALCO I- Solid Waste Prog-SWALCO Administration-H/L/D Employee Benefits----				
Budget	83,270.01	Funds Available:	27,473.03	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>6,155.38</b>
Ending Balance for Period				
				<b>55,796.98</b>
SWALCO I- Solid Waste Prog-SWALCO Administration-Retirement Benefits/FICA----				
Budget	31,372.97	Funds Available:	7,878.17	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>2,381.96</b>
Ending Balance for Period				
				<b>23,494.80</b>
SWALCO I- Solid Waste Prog-SWALCO Administration-Retirement Benefits/IMRF----				
Budget	3,527.00	Funds Available:	838.29	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>256.39</b>
Ending Balance for Period				
				<b>2,688.71</b>
SWALCO I- Solid Waste Prog-SWALCO Administration-Miscellaneous Contingency----				
Budget	3,500.00	Funds Available:	1,925.00	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>1,575.00</b>
Ending Balance for Period				
				<b>1,575.00</b>
SWALCO I- Solid Waste Prog-SWALCO Administration-Miscell Contractual Services----				
Budget	12,960.00	Funds Available:	2,866.40	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>481.20</b>
Ending Balance for Period				
				<b>6,373.60</b>
SWALCO I- Solid Waste Prog-SWALCO Education-Rain Barrel/Compost Bin Expenses----				
Budget	0.00	Funds Available:	-16,495.00	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>14,125.00</b>
Ending Balance for Period				
				<b>16,495.00</b>
SWALCO I- Solid Waste Prog-SWALCO Education-Clothing Recycling Expenses----				
Budget	0.00	Funds Available:	-8,233.08	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>215.97</b>
Ending Balance for Period				
				<b>8,233.08</b>
SWALCO I- Solid Waste Prog-Education-Advertising----				
Budget	2,500.00	Funds Available:	-510.50	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>530.10</b>
Ending Balance for Period				
				<b>2,480.40</b>

SWALCO I- Solid Waste Prog-Household Hazard Waste-Operational Supplies----				
Budget	15,000.00	Funds Available:	3,047.30	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>2,673.98</b>
Ending Balance for Period				
				9,429.57
SWALCO I- Solid Waste Prog-Household Hazard Waste-Laboratory Supplies----				
Budget	100.00	Funds Available:	28.93	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>21.21</b>
Ending Balance for Period				
				71.07
SWALCO I- Solid Waste Prog-Household Hazard Waste-Miscellaneous Commodities----				
Budget	500.00	Funds Available:	294.16	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>61.01</b>
Ending Balance for Period				
				205.84
SWALCO I- Solid Waste Prog-Household Hazard Waste---Consultants----				
Budget	162,700.00	Funds Available:	17,382.34	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>9,092.97</b>
Ending Balance for Period				
				91,700.16
SWALCO I- Solid Waste Prog-Household Hazard Waste---Garbage Disposal----				
Budget	10,650.00	Funds Available:	5,550.00	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>632.59</b>
Ending Balance for Period				
				3,395.59
SWALCO I- Solid Waste Prog-Household Hazard Waste---Motor Vehicle Maintenance----				
Budget	1,375.00	Funds Available:	1,265.27	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>61.84</b>
Ending Balance for Period				
				109.73
SWALCO I- Solid Waste Prog-Household Hazard Waste---All Other Maintenance----				
Budget	15,250.00	Funds Available:	1,457.14	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>376.06</b>
Ending Balance for Period				
				12,218.98
SWALCO I- Solid Waste Prog-Household Hazard Waste---Miscell Contractual Services----				
Budget	4,200.00	Funds Available:	-5,169.00	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>150.00</b>
Ending Balance for Period				
				3,460.25
SWALCO I- Solid Waste Prog-Recycling---Miscellaneous Commodities----				
Budget	6,350.00	Funds Available:	3,971.56	Beginning Balance for Period
Amount:				<b>Total Expenditures</b>
				<b>28.54</b>
Ending Balance for Period				
				1,989.64

SWALCO I- Solid Waste Prog-Recycling---Miscell Contractual Services----				
Budget	2,000.04	Funds Available:	Beginning Balance for Period	0.00
Amount:			<b>Total Expenditures</b>	<b>100.75</b>
			Ending Balance for Period	67,899.25

**TOTAL EXPENDITURES \$ 76,421.95**

### **A – 1. Proposed FY 2017 SWALCO Budget**

**ISSUE:** Whether to recommend that the Board of Directors approve the proposed fiscal year 2017 SWALCO budget.

**RECOMMENDATION:** SWALCO staff recommends that the Executive Committee recommend approval of the 2017 SWALCO budget.

**BACKGROUND:** Attached to this memo are the proposed FY 2017 budget and a spreadsheet comparing the FY 2016 budget vs. the proposed FY 2017 budget. This item also provides an update on the Capital Replacement Fund and the Cash Balance Fund.

#### *Proposed FY 2017 Budget*

The highlights of the proposed budget are as follows:

1. Proposed expenditures for FY 2017 are \$1,015,937 compared to \$1,026,580 in 2016, a decrease of \$10,643 or approximately 1 %. Please note the following: 1) a 2% salary increase was assumed (the County Board must still vote on this suggested increase), 2) the major reductions in expenditures were a reduction of one mobile event and one drop off event for HCW, lower than anticipated insurance costs (non-health), a cut in trips/training, and lower than anticipated health insurance costs.
2. Total FY 2017 revenues are estimated at \$1,016,160 compared to \$1,026,950 in 2016 a decrease of \$10,790 or approximately 1%. Revenue from the landfill surcharge for 2017 is estimated at \$615,000, a decrease of \$80,000 from last year, which is partially offset by the anticipated host fee revenue from the Round Lake Park Transfer Station of \$62,100 per year. Another significant revenue loss is Waukegan's O&M fee which is \$36,490 and was assumed not to be paid for next fiscal year. These revenue losses are tempered by the increased growth in revenue anticipated from the textile and shoe program (increase of \$17,600) and the WMRA payments for recyclables (increase of \$10,000). Overall the revenue from non-landfill sources (transfer station host fee, O&M Fee, revenue from the textile/shoe program and the rain barrel/compost bin sales, and misc. revenues) now account for 33% of our revenue compared to 31% last year.
3. Revenues are expected to exceed expenditures by \$223 (\$1,016,160 – \$1,015,937). Our current reserve balance is approximately \$1.84 million.

The following table shows the estimated revenues, from the four primary funding sources that support SWALCO's operations, and expected expenditures for fiscal years 2017-2021. The table also shows the approximate cash fund balance moving forward.

<b>SWALCO Revenue, Expenditure and Fund Balance Projections - Fiscal Years 2017 - 2021</b>					
<u>Revenues/Expenditures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Operations & Maintenance Fee	\$241,160	\$241,160	\$241,160	\$241,160	\$241,160
Landfill surcharge, TS host fees,	\$677,100	\$677,100	\$677,100	\$677,100	\$677,100
Textile and Shoe Income	\$37,600	\$39,480	\$41,455	\$43,525	\$45,700
Interest Income	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
Misc. Revenue (hauler licensing, WMRA per ton, rain barrel composter sales)	<u>\$51,300</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$40,000</u>
Estimated Revenue	\$1,016,160	\$1,006,740	\$1,008,715	\$1,010,785	\$1,012,960
Estimated Exp.	\$1,015,937	\$1,026,096	\$1,036,357	\$1,046,720	\$1,057,188
Surplus/Deficit	<b>\$223</b>	<b>(\$19,356)</b>	<b>(\$27,642)</b>	<b>(\$35,935)</b>	<b>(\$44,228)</b>
Estimated Cash Balance	<b>\$1,836,655</b>	<b>\$1,836,432</b>	<b>\$1,817,076</b>	<b>\$1,789,434</b>	<b>\$1,753,499</b>

Several assumptions were made in preparing the above table:

- The O&M fee will remain at \$1.25 per household per year, and it is assumed that the City of Waukegan will not be paying its fee.
- Local landfill surcharge and transfer station host fee revenues will remain steady for FY 2017 through FY2021. The Countryside Landfill indicated in its January 1, 2016 annual capacity report to IEPA that it will be out of capacity in 2023.
- Textile and shoe income will increase 5% per year.
- Interest paid on the surcharge balance will continue to be approximately \$9,000 per year.
- Miscellaneous revenue will decrease in FY 2018 to \$40,000 per year and remain steady through 2021. The main driver of the misc. revenues is the per ton payment to SWALCO under the WMRA agreement, it is not possible to forecast commodity markets for such a long period of time, so this revenue source is highly volatile.
- Expenditures will increase by 1% per year using \$1,015,937 as the base expenditure in FY 2017. Given SWALCO's recent budgets (the expenditures budgeted in FY 2010 were \$1,013,600, an increase of a little over \$2,000 in 7 years) assuming a 1% increase is reasonable.

#### *Capital Replacement Fund*

At the June 25, 2015 Board of Directors meeting the Board approved transferring funds from the Cash Balance Fund to the Capital Replacement Fund so that the Capital Replacement Fund balance was \$500,000. A separate action item for this agenda has been prepared for anticipated expenditures from the Capital Replacement Fund (Fund #932) for the remainder of this current fiscal year. Staff anticipates preparing another budget request for the paving of the driveway and parking lot next year, but will likely prepare that item in the winter of 2017 for Board approval. All procurement associated with these projects will be done in accordance with SWALCO's Procurement Policy.

*Cash Balance Fund*

At the June 25, 2015 Board of Directors meeting the Board also established a minimum cash fund balance of \$1,200,000. Based on the projected spending for the next 5 fiscal years the Agency will come within about \$550,000 of reaching that minimum fund balance, which if reached will trigger the re-formation of the Finance Committee. There are many factors that may impact the Agency's revenues and expenditures over the next five years, and it will be up to the Executive Director, the Executive Committee and the Board of Directors to recommend and to take action at the appropriate time to ensure the long term financial stability of the Agency.

**ENCLOSED DOCUMENTS:** Proposed FY 2017 Budget, and spreadsheet comparing FY 2016 vs. FY 2017 expenditures and revenues, and spending on the 2016 budget through August 31<sup>st</sup>.

**STAFF:** Walter Willis, Executive Director

Solid Waste Agency of Lake County  
FY 2017 Budget, Final

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	DETAIL
<b>ADMINISTRATION 9200010</b>					
930	51110	SW0	REGULAR SALARIES AND WAGES	\$ 367,278	Assumes 2% increases, Exec. Director increase effective August 1, 2017 per employment contract at 3%
930	51120	SW0	PART TIME SALARIES AND WAGES	\$ 50,643	Assumes 2% increase, maintaining 28 hours per week
930	51150	SW0	SICK PAY REIMBURSEMENT	\$ -	Assumes no sick pay reimbursement
930	51180	SW0	SPECIAL PAY - AUTO ALLOWANCE	\$ 17,100	3 FT (\$385/mo.) and 1 PT (\$270/mo.) Employee
<b>50000 SERIES TOTAL (Administrative)</b>				<b>\$ 435,021</b>	
930	61010	SW0	OFFICE SUPPLIES	\$ 1,250	Office supplies; petty cash; recycling specific supplies
930	61040	SW0	OPERATIONAL SUPPLIES	\$ 500	Plaques and awards for November Awards Ceremony
930	61080	SW0	FOOD & PROVISIONS	\$ 2,000	Executive Committee lunches, staff meeting lunches, and BOD meetings
930	65180	SW0	MISCELLANEOUS COMMODITIES	\$ 250	Misc. purchases
<b>60000 SERIES TOTAL (Administrative)</b>				<b>\$ 4,000</b>	
930	71110	SW0	AUDITING AND ACCOUNTING	\$ 8,100	County extended contract with Baker Tilly for one more year
930	71140	SW0	LEGAL SERVICES	\$ 7,000	Larry Clark
930	71150	SW0	CONSULTANT FEES	\$ 37,750	Kip Kolkmeier, second year of two year contract
930	71270	SW0	EMAIL ARCHIVAL	\$ -	No longer a necessary expense
930	71500	SW0	TRIPS AND TRAINING	\$ 8,400	ILCSWMA/SWANA/IRA (3 people, \$1,500); OSHA Training (2 people, \$400); IDOT Training (1 person, \$500); SWANA Wastecon (\$2,000); Resource Recycling Conf (\$2,000); NAHMMA (\$2,000)
930	71810	SW0	DUES AND SUBSCRIPTIONS	\$ 6,500	Official Board Markets, Resource Recycling, BioCycle, Recycled Products Guide (\$1,100); Membership dues for IRA, SWANA, ILCSWMA, LCML, CHMM, NAHMMA, PSI, IFSC and IEC (\$5,400)
930	71910	SW0	GAS FOR HEATING	\$ 14,000	Air make-up, hot water, furnace
930	71920	SW0	ELECTRICITY	\$ 14,000	Parking lights, storage facility and office lights and baseboard heat
930	71930	SW0	WATER AND SEWER CHARGES	\$ 300	Water and sewer services
930	71940	SW0	TELEPHONE	\$ 6,000	Line charges, local and AT&T; cell phones and Ipad

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	DETAIL
	71970	SW0	COURIER SERVICES	\$ 75	Federal Express
930	72110	SW0	LIABILITY INSURANCE	\$ 56,158	Public Officials ( \$7,220 last year); Building and property (\$11,750 last year); general/Pollution liability insurance (\$32,506 last year); auto (\$2,008 last year); assumed approximate 5% increase in premiums
930	72140	SW0	UNEMPLOYMENT COMPENSATION	\$ 625	\$125 per employee (5)
930	72260	SW0	OFFICE EQUIP MAINT AND REPAIRS	\$ 1,200	Fire alarm and burglar alarm
930	72410	SW0	ALL OTHER MAINT AND REPAIRS	\$ -	
930	72530	SW0	EQUIPMENT RENTAL	\$ 3,700	Copy machine lease fee and copy fee
930	72820	SW0	POSTAGE	\$ 50	Postage for meter, supplies for meter
930	72830	SW0	PRINTING SERVICES	\$ -	
930	73195	SW0	INDIRECT COST ALLOCATIONS	\$ 52,203	12% of all 50000 series payroll costs
930	74080	SW0	H/L/D EMPLOYEE BENEFITS	\$ 75,707	Assume 2.5% increase from current monthly cost of \$6,155
930	74100	SW0	RETIREMENT CONTRIBUTIONS FICA	\$ 31,971	All employee salaries x 7.65%
930	74110	SW0	RETIREMENT CONTRIBUTIONS IMRF	\$ 3,552	Employee Salaries x 0.85%
930	79930	SW0	MISCELLANEOUS CONTINGENCY	\$ 2,000	Contingency for unanticipated expenses
930	79940	SW0	MISC CONTRACTUAL SERVICES	\$ 11,250	Office Cleaning (\$2,100), special facility handyman (\$500); snow and lawn maint. (\$8,000); pest control (\$200); and window cleaning (\$450)
<b>70000 SERIES TOTAL (Administrative)</b>				<b>\$ 340,541</b>	
930	82010	SW0	BUILDINGS AND STRUCTURES	\$ -	Misc. Unknown capital expenses
930	84040	SW0	COMPUTER, WEB HOSTING	\$ 1,575	Software licenses covered by indirect fee to county
930	84060	SW0	FURNITURE AND OFFICE EQUIPMENT	\$ 1,000	Misc. office furnishings; recycled art; New desktop computer
<b>80000 SERIES TOTAL (Administrative)</b>				<b>\$ 2,575</b>	
<b>TOTAL 9200010 ADMINISTRATION</b>				<b>\$ 782,137</b>	

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Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	DETAIL
<b><i>EDUCATION 9200020</i></b>					
930	61040	SW2	OPERATIONAL SUPPLIES	\$ 4,000	Public information/school education: plaques, flags, awards, promo items. Supplies for other events
930	65180	SW2	MISCELLANEOUS COMMODITIES	\$ 6,000	Supplies, materials & other expenses for workshops, displays, open houses, programs, training, etc. Supplies for member events and to assist schools with events
<b>60000 SERIES TOTAL (Education)</b>				<b>\$ 10,000</b>	
930	72830	SW2	PRINTING SERVICES	\$ 500	Print work: guides, annual report, newsletters, brochures, flyers, workshop invites, media kits, and other needed public info materials
930	79940	SW2	MISC CONTRACTUAL SERVICES	\$ 4,800	Funding for entertainers and speakers for schools
930	71635	SW2	TEXTILE AND SHOE PAYOUTS	\$ 6,000	Payouts to textile and shoe collection partners which average about 19% of the revenue collected
930	71850	SW2	ADVERTISING	\$ 2,650	Special ads for SWALCO programs
<b>70000 SERIES TOTAL (Education)</b>				<b>\$ 13,950</b>	
930	85070	SW2	ALL OTHER CAPITAL OUTLAY	\$ -	
<b>80000 SERIES TOTAL (Education)</b>					
<b>TOTAL 9200020 EDUCATION</b>				<b>\$ 23,950</b>	

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	DETAIL
<b>HOUSEHOLD CHEMICAL WASTE (HCW) 9200030</b>					
930	65020	SW2	LABORATORY SUPPLIES	\$ 100	Supplies for Unknown Test Kit
930	61040	SW2	OPERATIONAL SUPPLIES	\$ 14,500	Safety Gear, OilDry, Brooms, Tape, Visqueen, Spill Cleanup, FirstAid Kits, Respirator Cartridges, Pallets, Etc.
930	65180	SW2	MISCELLANEOUS COMMODITIES	\$ 500	Grease for crusher, bottled water, etc.
<b>60000 SERIES TOTAL (HCW)</b>				<b>\$ 15,100</b>	
930	71150	SW2	CONSULTANT FEES	\$ 152,300	Mobile events \$69.5k (\$13.5k/event x 5 + 3%); Public Drop-offs \$56.9k (\$2.4k/event x 23 + 3%); Paint Bulking \$14.8k (\$1.2k/month x 12 + 3%); Suppl Labor \$1.6k (\$45/hrx2x8hrsx3events); Food \$3k; PHARM Labor \$5.2k (\$840/eventx6+3%)
930	71630	SW2	GARBAGE DISPOSAL	\$ 8,900	Mobile Events 2.6k(\$500 x 5 events +3%) + Office \$2k (\$165/month x 12 months +3%) + Xtra Service(\$300). PHARM \$4k (1.5 drums/event X 6 events x \$450/drum)
930	79940	SW2	MISC. CONTRACTUAL SERVICES	\$ 5,000	Burris fork lift=\$2.5k (\$425/event x 5 events+3%); Tents=\$1.8k (\$900/event x 2 events); LZ Oil Program (\$150); Porta John (\$500),
930	72110	SW2	LIABILITY INSURANCE	\$ -	Covered under Administrative 930-72110, Liability Insurance
930	72210	SW2	MOTOR VEHICLE MAINT & REPAIR	\$ 1,300	Truck (\$1k), Fuel (\$200) Truck safety inspections (\$100)
930	72410	SW2	ALL OTHER MAINT AND REPAIRS	\$ 16,750	Dock Lock\$1k, BF preventers \$1k, Fire sys PM \$2k, Whouse Maint \$2.5k, Generator \$1.5k, HVAC \$4.5k, Elec Services \$1.5k, Fork lift \$500, Can Crusher \$500, Alarm \$500, Overhead Doors \$500, Fire Exting \$750
<b>70000 SERIES TOTAL (HCW)</b>				<b>\$ 184,250</b>	
930	82010	SW2	BUILDINGS AND STRUCTURES	\$ -	
930	83010	SW2	MOTOR VEHICLES	\$ -	
930	84060	SW2	FURNITURE AND OFFICE EQUIPMENT	\$ -	
930	85070	SW2	ALL OTHER CAPITAL OUTLAY	\$ -	
<b>80000 SERIES TOTAL (HCW)</b>				<b>\$ -</b>	
<b>TOTAL 9200030 HCW</b>				<b>\$ 199,350</b>	

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Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	DETAIL
<b><i>RECYCLING 9200040</i></b>					
930	65180	SW8	MISCELLANEOUS COMMODITIES	\$ 4,500	Electronics Collections, supplies, signage and labels (\$2,500); Hospitality for collections (\$250); Special Events/collection containers (\$3,000); and Signage and labels (\$600)
<b>60000 SERIES TOTAL (Recycling)</b>				\$ 4,500	
930	72830	SW8	PRINTING SERVICES	\$ -	
930	79940	SW8	MISC. CONTRACTUAL SERVICES	\$ 6,000	Electronics collection costs associated with drop-off sites, and current vendor ERI
<b>70000 SERIES TOTAL (Recycling)</b>				\$ 6,000	
<b><i>TOTAL 9200040 RECYCLING</i></b>				\$ 10,500	

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	DETAIL
<b>GRAND TOTAL (All Series)</b>				<b>\$ 1,015,937</b>	

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Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	DETAIL
<b>REVENUES 40000</b>					
930	47230	SW0	REVENUE FROM LANDFILL SURCHARGE & TS HOST FEE	\$ 677,100	Countryside LF (\$195,000); Zion LF (\$420,000); and Groot TS (\$62,100)
930	48010	SW0	INTEREST INCOME FROM SURCHARGE BALANCE	\$ 9,000	Based on FY 2015 Interest Income
930	45380	SW0	REVENUE FROM MUNICIPALITIES	\$ 241,160	O&M Fee at \$1.25 per hh per year, assumed Waukegan would not pay its fee
930	48145	SW0	REVENUE FROM TEXTILES AND SHOES	\$ 37,600	Shoes (\$26,000), Textile/Bin Program (\$8,000) and Savers/POD program (\$3,600)
930	48149	SW0	REVENUE FROM RAIN BARRELS AND COMPOSTERS	\$ 9,000	Due to excess inventory from the 2016 sale the agency will not have to buy new supplies for the 2017 sale
930	49910	SW0	MISCELLANEOUS REVENUES	\$ 42,300	Hauler Licensing (\$1,950); WMRA bonus payment (\$30,000); and Surcharge reimbursement from WMI for Deerfield (\$6,350) and from Mundelein (\$4,000)
<b>TOTAL REVENUES</b>			<b>\$ 1,016,160</b>		

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Fund:	Management Center	Account	DESCRIPTION	2016 APPROVED	2016 Expended YTD (%)	2017 REQUESTED	DETAIL
<b>ADMINISTRATION 9200010</b>							
930	51110	SW0	REGULAR SALARIES AND WAGES	\$ 360,374	72.4%	\$ 367,278	Assumes 2% increases, Exec. Director increase effective August 1, 2017 per employment contract at 3%
930	51120	SW0	PART TIME SALARIES AND WAGES	\$ 49,727	86.0%	\$ 50,643	Assumes 2% increase, maintaining 28 hours per week
930	51150	SW0	SICK PAY REIMBURSEMENT	\$ -		\$ -	Assumes no sick pay reimbursement
930	51180	SW0	SPECIAL PAY - AUTO ALLOWANCE	\$ 17,100	69.5%	\$ 17,100	3 FT (\$385/mo.) and 1 PT (\$270/mo.) Employee
<b>50000 SERIES TOTAL (Administrative)</b>				<b>\$ 427,201</b>	<b>74.1%</b>	<b>\$ 435,021</b>	
930	61010	SW0	OFFICE SUPPLIES	\$ 1,250	62.2%	\$ 1,250	Office supplies; petty cash; recycling specific supplies
930	61040	SW0	OPERATIONAL SUPPLIES	\$ -		\$ 500	Plaques and awards for November Awards Ceremony
930	61080	SW0	FOOD & PROVISIONS	\$ 2,210	48.7%	\$ 2,000	Executive Committee lunches, staff meeting lunches, and BOD meetings
930	65180	SW0	MISCELLANEOUS COMMODITIES	\$ 500	16.0%	\$ 250	Misc. purchases
<b>60000 SERIES TOTAL (Administrative)</b>				<b>\$ 3,960</b>	<b>48.9%</b>	<b>\$ 4,000</b>	
930	71110	SW0	AUDITING AND ACCOUNTING	\$ 7,800	100.0%	\$ 8,100	County extended contract for this year
930	71140	SW0	LEGAL SERVICES	\$ 7,000	0.0%	\$ 7,000	Larry Clark
930	71150	SW0	CONSULTANT FEES	\$ 37,750	100.0%	\$ 37,750	Kip Kolkmeier, second year of two year contract
930	71270	SW0	EMAIL ARCHIVAL	\$ 225	0.0%	\$ -	No longer necessary expense
930	71500	SW0	TRIPS AND TRAINING	\$ 10,400	11.0%	\$ 8,400	ILCSWMA/SWANA/IRA (3 people, \$1,500); OSHA Training (2 people, \$400); IDOT Training (1 person, \$500); SWANA Wastecon (\$2,000); Resource Recycling Conf (\$2,000); NAHMMA (\$2,000)
930	71810	SW0	DUES AND SUBSCRIPTIONS	\$ 5,750	63.0%	\$ 6,500	Official Board Markets, Resource Recycling, BioCycle, Recycled Products Guide (\$1,100); Membership dues for IRA, SWANA, ILCSWMA, LCML, CHMM, NAHMMA, PSI, IFSC and IEC (\$5,400)
930	71910	SW0	GAS FOR HEATING	\$ 15,000	50.0%	\$ 14,000	Air make-up, hot water, furnace
930	71920	SW0	ELECTRICITY	\$ 12,000	79.0%	\$ 14,000	Parking lights, storage facility and office lights and baseboard heat
930	71930	SW0	WATER AND SEWER CHARGES	\$ 400	58.1%	\$ 300	Water and sewer services
930	71940	SW0	TELEPHONE	\$ 6,500	63.3%	\$ 6,000	Line charges, local and AT&T; cell phones and iPad
930	71970	SW0	COURIER SERVICES	\$ 150	13.7%	\$ 75	Federal Express
930	72110	SW0	LIABILITY INSURANCE	\$ 60,900	87.8%	\$ 56,158	Public Officials (\$7,220 last year); Building and property (\$11,750 last year); general/Pollution liability insurance (\$32,506 last year); auto (\$2,008 last year), assumed approximate 5% increase in premiums
930	72140	SW0	UNEMPLOYMENT COMPENSATION	\$ 625	100.0%	\$ 625	\$125 per employee (5)
930	72260	SW0	OFFICE EQUIP MAINT AND REPAIRS	\$ 1,200	86.0%	\$ 1,200	Fire alarm and burglar alarm
930	72410	SW0	ALL OTHER MAINT AND REPAIRS	\$ -		\$ -	
930	72530	SW0	EQUIPMENT RENTAL	\$ 3,300	76.8%	\$ 3,700	Copy machine lease fee and copy fee
930	72820	SW0	POSTAGE	\$ 100	20.0%	\$ 50	Postage for meter, supplies for meter
930	72830	SW0	PRINTING SERVICES	\$ -		\$ -	
930	73195	SW0	INDIRECT COST ALLOCATIONS	\$ 51,264	100.0%	\$ 52,203	12% of all 50000 series payroll costs
930	74080	SW0	H/L/D EMPLOYEE BENEFITS	\$ 83,270	63.3%	\$ 75,707	Assume 2.5% increase from current monthly cost of \$6,155
930	74100	SW0	RETIREMENT CONTRIBUTIONS FICA	\$ 31,373	71.1%	\$ 31,971	All employee salaries x 7.65%

Fund:	Management Center	Account	DESCRIPTION	2016 APPROVED	2016 Expended YTD (%)	2017 REQUESTED	DETAIL
930	74110	SW0	RETIREMENT CONTRIBUTIONS IMRF	\$ 3,527	72.6%	\$ 3,552	Employee Salaries x 0.85%, still low due to switch from County IMRF
930	79930	SW0	MISCELLANEOUS CONTINGENCY	\$ 3,500	45.0%	\$ 2,000	Contingency for unanticipated expenses
930	79940	SW0	MISC CONTRACTUAL SERVICES	\$ 12,960	48.7%	\$ 11,250	Office Cleaning (\$2,100); special facility handyman (\$500); snow and lawn maint. (\$8,000); pest control (\$200); and window cleaning (\$450)
<b>70000 SERIES TOTAL (Administrative)</b>				<b>\$ 354,994</b>	<b>72.9%</b>	<b>\$ 340,541</b>	
930	82010	SW0	BUILDINGS AND STRUCTURES	\$ -	\$ -	\$ -	Misc. Unknown capital expenses
930	84040	SW0	COMPUTER, WEB HOSTING	\$ -	\$ -	\$ 1,575	Website hosting fee from CivicPlus
930	84060	SW0	FURNITURE AND OFFICE EQUIPMENT	\$ 1,500	0.0%	\$ 1,000	Misc. office furnishings; recycled art; New desktop computer
<b>80000 SERIES TOTAL (Administrative)</b>				<b>\$ 1,500</b>	<b>12.5%</b>	<b>\$ 2,575</b>	
<b>TOTAL 9200010 ADMINISTRATION</b>				<b>\$ 787,655</b>	<b>74.3%</b>	<b>\$ 782,137</b>	

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Fund:	Management Center	Account	DESCRIPTION	2016 APPROVED	2016 Expended YTD (%)	2017 REQUESTED	DETAIL
<b>EDUCATION 9200020</b>							
930	61040	SW2	OPERATIONAL SUPPLIES	\$ 5,000	15.9%	\$ 4,000	Public information/school education: plaques, flags, awards, promo items. Supplies for other events
930	65180	SW2	MISCELLANEOUS COMMODITIES	\$ 8,000	7.0%	\$ 6,000	Supplies, materials & other expenses for workshops, displays, open houses, programs, training, etc. Supplies for member events and to assist schools with events
930	65179	SW2	RAIN BARREL, COMPOST SUPPLIES	\$ -	0.0%	\$ 1,000	Purchase of supplies for rain barrel and compost bin annual sale
<b>60000 SERIES TOTAL (Education)</b>				\$ 13,000	10.0%	\$ 10,000	
930	72830	SW2	PRINTING SERVICES	\$ 500	7.0%	\$ 500	Print work: guides, annual report, newsletters, brochures, flyers, workshop invites, media kits, and other needed public info materials
930	79940	SW2	MISC CONTRACTUAL SERVICES	\$ 4,800	37.5%	\$ 4,800	Funding for entertainers and speakers for schools
930	71635	SW2	TEXTILE AND SHOE PAYOUTS	\$ -	0.0%	\$ 6,000	Payouts to textile and shoe collection partners which average about 19% of the revenue collected
930	71850	SW2	ADVERTISING	\$ 2,500	99.0%	\$ 2,650	Special ads for SWALCO programs
<b>70000 SERIES TOTAL (Education)</b>				\$ 7,800	55.3%	\$ 13,950	
930	85070	SW2	ALL OTHER CAPITAL OUTLAY			\$ -	
<b>80000 SERIES TOTAL (Education)</b>							
<b>TOTAL 9200020 EDUCATION</b>				\$ 20,800	27.3%	\$ 23,950	

Fund:	Management Center	Account	DESCRIPTION	2016 APPROVED	2016 Expended YTD (%)	2017 REQUESTED	DETAIL
<b>HOUSEHOLD CHEMICAL WASTE (HCW) 9200030</b>							
930	65020	SW2	LABORATORY SUPPLIES	\$ 100	49.9%	\$ 100	Supplies for Unknown Test Kit
930	61040	SW2	OPERATIONAL SUPPLIES	\$ 15,000	59.6%	\$ 14,500	Safety Gear, OilDry, Brooms, Tape, Visqueen, Spill Cleanup, FirstAid Kits, Respirator Cartridges, Pallets, Etc.
930	65180	SW2	MISCELLANEOUS COMMODITIES	\$ 500	29.0%	\$ 500	Grease for crusher, bottled water, etc.
<b>60000 SERIES TOTAL (HCW)</b>				\$ 15,600	44.6%	\$ 15,100	
930	71150	SW2	CONSULTANT FEES	\$ 162,700	56.1%	\$ 152,300	Mobile events \$69.5k (\$13.5k/event x 5 + 3%); Public Drop-offs \$56.9k (\$2.4k/event x 23 + 3%); Paint Bulking \$16.1k (\$1.3k/month x 12 + 3%); Suppl Labor \$1.6k (\$50/hrx28hrsx2events); Food \$3k; PHARM Labor \$5.2k (\$840/event x 6+3%)
930	71630	SW2	GARBAGE DISPOSAL	\$ 10,650	31.9%	\$ 8,900	Mobile Events 2.6k(\$500 x 5 events +3%) + Office \$2k (\$165/month x 12 months +3%) + Xtra Services(\$300). PHARM \$4k (1.5 drums/event x 6 events x \$450/drum)
930	79940	SW2	MISC. CONTRACTUAL SERVICES	\$ 4,200	78.8%	\$ 5,000	Burris fork lift=\$2.5k (\$425/event x 5 events+3%) Tents=\$1.8k (\$900/event x 2 events); LZ Oil Program (\$150); Porta John (\$500) (\$165 per event x 3 events + 3%)
930	72110	SW2	LIABILITY INSURANCE	\$ -		\$ -	Covered under Administrative 930-72110, Liability Insurance
930	72210	SW2	MOTOR VEHICLE MAINT & REPAIR	\$ 1,375	8.0%	\$ 1,300	Truck (\$1k), Fuel (\$200) Truck safety inspections (\$100)
930	72410	SW2	ALL OTHER MAINT AND REPAIRS	\$ 15,250	77.7%	\$ 16,750	Dock Lock\$1k, BF preventers \$1k, Fire sys PM \$2k, Warehouse Maint \$2.5k; Generator \$1.5k, HVAC \$4.5k, Elec Services \$1.5k, Fork lift \$500, Can Crusher \$500, Alarm \$500, Overhead Doors \$500, Fire Exting \$750
<b>70000 SERIES TOTAL (HCW)</b>				\$ 194,175	56.6%	\$ 184,250	
930	82010	SW2	BUILDINGS AND STRUCTURES	\$ -		\$ -	
930	83010	SW2	MOTOR VEHICLES	\$ -		\$ -	
930	84060	SW2	FURNITURE AND OFFICE EQUIPMENT	\$ -		\$ -	
930	85070	SW2	ALL OTHER CAPITAL OUTLAY	\$ -		\$ -	
<b>80000 SERIES TOTAL (HCW)</b>				\$ -		\$ -	
<b>TOTAL 9200030 HCW</b>				\$ 269,725	56.8%	\$ 199,350	

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Fund:	Management Center	Account	DESCRIPTION	2016 APPROVED	2016 Expended YTD (%)	2017 REQUESTED	DETAIL
<b>RECYCLING 9200040</b>							
930	65180	SW8	MISCELLANEOUS COMMODITIES	\$ 6,350	31.0%	\$ 4,500	Electronics Collections, supplies, signage and labels (\$2,000); Special Events/collection containers (\$2,000); and Signage and labels (\$500)
<b>60000 SERIES TOTAL (Recycling)</b>				\$ 6,350	31.0%	\$ 4,500	
930	72830	SW8	PRINTING SERVICES	\$ -	\$ -	\$ -	
930	79940	SW8	MISC. CONTRACTUAL SERVICES	\$ 2,000	0.0%	\$ 6,000	Electronics collection costs associated with drop off program, and current vendor, ERI
<b>70000 SERIES TOTAL (Recycling)</b>				\$ 2,000	0%	\$ 6,000	
<b>TOTAL 9200040 RECYCLING</b>				\$ 8,350	23.5%	\$ 10,500	

Fund:	Management Center	Account	DESCRIPTION	2016 APPROVED	2016 Expended YTD (%)	2017 REQUESTED	DETAIL
<b>GRAND TOTAL (All Series)</b>				<b>\$ 1,026,580</b>	<b>60.7%</b>	<b>\$ 1,015,937</b>	

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FY 2017 Budget v. 2016

Fund:	Management Center	Account	DESCRIPTION	2016 APPROVED	2016 Expended YTD (%)	2017 REQUESTED	DETAIL
<b>REVENUES 40000</b>							
930	47230	SW0	REVENUE FROM LANDFILL SURCHARGE & TS HOST FEE	\$ 695,000	60.0%	\$ 677,100	Countryside LF (\$195,000); Zion LF (\$420,000); Groot TS (\$62,100)
930	48010	SW0	INTEREST INCOME FROM SURCHARGE BALANCE	\$ 9,000	100.0%	\$ 9,000	Based on FY 2015 Interest Income
930	45380	SW0	REVENUE FROM MUNICIPALITIES	\$ 277,650	87.0%	\$ 241,160	O&M Fee at \$1.25 per hh per year, assumed Waukegan would not pay its fee.
930		SW0	REVENUE FROM TEXTILES AND SHOES	\$ 20,000		\$ 37,600	Shoes (\$26,000), Textiles/Bin Program (\$8,000), Savers/POD program (\$3,600)
930		SW0	REVENUE FROM RAIN BARRELS AND COMPOSTERS	\$ 5,000		\$ 9,000	Due to excess supply of rain barrels and composters from the 2016 sale, we will not have to buy new supplies for the 2017 sale
930	49910	SW0	MISCELLANEOUS REVENUES	\$ 20,300	93.0%	\$ 42,300	Hauler Licensing (\$1,950); WMRA bonus payment (\$30,000); and Surcharge reimbursement from WMII for Desfield (\$8,350) and from Mundelein (\$4,000)
<b>TOTAL REVENUES</b>				<b>\$ 1,026,950</b>	<b>75.0%</b>	<b>\$ 1,016,160</b>	

## A – 2. Proposed Capital Replacement Fund Expenditures for FY 2016

**ISSUE:** Whether to approve expenditures in the sum of \$30,690 from the Capital Replacement Fund to pay for needed repairs to the forklift and facility maintenance projects this current fiscal year.

**RECOMMENDATION:** SWALCO staff recommends approval of the expenditures this fiscal year.

**BACKGROUND:** On June 25, 2015 the SWALCO Board approved a revised Capital Replacement Fund Policy that raised the fund balance to \$500,000 from \$120,000. These funds are kept by Lake County in a separate fund (Fund #932) from our regular ongoing budget fund (Fund #930). We recently had a major repair issue with the fork lift and due to its specialized nature repairs have been quite costly. We are still waiting for parts to finalize the repairs and in the meantime have had to rent a forklift to continue operations. The table below shows the proposed repairs to the forklift and 3 other facility maintenance related projects we would like to complete this fiscal year.

	<b>Repair Item</b>	<b>Repair Description</b>	<b>Cost Estimate</b>	<b>Written Quote</b>
1	Forklift	Replace leaking Hydraulic tank and pressure hoses. Intrinsically safe forklift requires extensive and meticulous disassembly. Rental unit required during maintenance.	\$22,500	Partial quote provided.
2	Fire Suppression System	5yr maintenance required. Replace all gauges, disassemble and cleanout all valves, flush piping and "Y" strainers. Analyze foam concentrate.	\$1,800	Yes
3	Facility Exterior Windows & Doors	Replace dry rotted window gaskets. Replace broken door thresholds, faulty hinges and rework malfunctioning locks.	\$1,800	Yes
4	Oil Tank Enclosure Doors	Door hinges rusted and broken off. Requires replacement hinges and welding services.	\$1,800	No
		<b>Subtotal</b>	\$27,900	
		<b>Contingency 10%</b>	\$ 2,790	
		<b>Estimated Total Cost</b>	<b>\$30,690</b>	

**ENCLOSED DOCUMENTS:** None

**STAFF:** Walter Willis, Executive Director, and Steve Nelson, HCW Engineer

**A – 3. Proposed 2017 Calendar of Meetings**

**ISSUE:** Whether to approve SWALCO Meeting Calendar for 2017

**RECOMMENDATION:** SWALCO Staff recommend approval.

**TIMING:** Routine

**BACKGROUND:** The Executive Committee will meet eight times during the course of the year as described below. The Board of Directors will meet six during the course of the year as described below. If the Executive Director and Chairman of the Board deem a meeting necessary at any time during the year, a special meeting will be called and the Board Members and public will be notified. This procedure is in accordance with Article VII, Section 2 of the By-Laws.

Please note, selected monthly meetings have been tentatively adapted to accommodate yearly events and outings, in particular, the City Managers Outing, the IML Conference in as well as the LCML Annual Dinner. Actual event dates are forthcoming and may lead to further modifications.

The Executive Committee will continue to meet at noon at the SWALCO office  
at 1311 N. Estes Street, Gurnee, IL 60031.

The Board of Directors meetings will continue to meet a 7:00 p.m. at the Hainesville Village Hall  
at 100 N. Hainesville Road.

**Board of Directors Meetings**

January 19, 2017  
April 13, 2017  
June 15, 2017  
August 24, 2017  
October 19, 2017  
November 16, 2017

**Executive Committee Meetings**

February 16, 2017  
March 16, 2017  
May 18, 2017  
July 13, 2017  
August 10, 2017  
September 7, 2017  
October 5, 2017  
December 14, 2017

**ENCLOSED DOCUMENTS:** SWALCO 2017 Calendar of Meetings

**STAFF:** Walter Willis, Executive Director  
Amy Bartemio, Executive Office Manager

# SWALCO 2017 Calendar of Meetings

January						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
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29	30	31				

February						
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March						
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May						
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July						
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September						
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October						
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November						
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December						
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31						

## Executive Committee Meetings

1311 N. Estes Street, Gurnee, IL. 12:00 p.m. to 1:00 p.m.

## Board of Directors Meetings

100 N. Hainesville Road, Hainesville, IL. 7:00 p.m. to 8:00 p.m.

## **I – 1. Project and Program Updates**

**BACKGROUND:** The following are updates on several projects and programs we are currently working on:

1. Legislative efforts continue for the electronics issue. A stakeholder negotiation meeting was held on September 16<sup>th</sup> in Will County and progress was made on the convenience standard recommendation, and funding for collectors, something SWALCO is pushing hard for so our sites can receive the needed compensation. The goal is still to arrive at a consensus bill and to try and pass it during the fall veto session or the January 2017 lame duck session.  
A status update meeting was held by the Chicago Metropolitan Mayors Caucus on September 27<sup>th</sup> at the Kane County Government Center and approximately 40 local officials attended the meeting. The goal is to keep electronics as a top legislative issue with the Mayors Caucus and all the Councils of Government (COGs) in the Chicago area, and to keep the pressure on for a solution.
2. Pete Adrian and I met with WMRA on September 28th to discuss extending the current Agreement. WMRA presented us with a revised offer that is predicated on receiving a certain percentage of the total of SWALCO's recyclables. In essence, the more recyclables we direct to the Grayslake MRF, the better the Per Ton Payment rate. Staff expects to have a contract amendment ready for the BOD meeting on October 20, 2016.
3. Walter, John Norris, Larry Clark and Barry Burton met with Groot on September 14th to discuss the contract language in most members' hauling contracts regarding using a "SWALCO designated pollution control facility". Groot requested the meeting and did alert us that they intended to bring their attorney, which is why we had Larry Clark attend the meeting. Groot is requesting that its transfer station be deemed a "SWALCO designated" facility. Much discussion was had as to how this designation is awarded. At the end of the meeting SWALCO agreed to inform the EC and BOD about Groot's request, and consider developing a more formal process for becoming a "SWALCO designated" facility. At the core of the issue is the fact this has been a SWALCO precedent for many years and this contract language insures that SWALCO waste is going to safe landfills that SWALCO has an agreement with that provides for environmental audits, landfill capacity, and host fee payment. Recall, in 2010 we entered into an agreement with Republic (at Republic's request) that provided for their landfills to become "SWALCO designated". We have asked that Groot consider having the landfill where our waste is taken (Winnebago County Landfill near Rockford) by Groot enter into a similar agreement with the Agency.
4. SWALCO staff is currently in negotiations with: 1) Chicago Textile Recycling to extend the clothing and shoe agreement, 2) Epaint Recycling Solutions for a blanket agreement to work with SWALCO on latex paint collection events where the agency would receive a payment for each can of paint, and 3) with Savers regarding the collection of hard goods and soft goods at permanent sites. We hope to have these agreements ready for the BOD meeting on October 20, 2016.

**ENCLOSED DOCUMENT:** None

**STAFF:** Walter Willis, Executive Director