



SOLID WASTE AGENCY OF LAKE COUNTY, IL

MEMORANDUM

To: Michael Talbett, Chairman, Executive Committee

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

Subject: September 2017 Meeting Notice Information

Date: September 1, 2017

Attached you will find the agenda for this month's meeting, the minutes from the July 2017 meeting, and the referenced information item (the entire focus of the meeting will be going over the draft budget for FY 2018).

Please let Amy Bartemio know if you will be attending, we will be ordering pizza for the meeting.

SOLID WASTE AGENCY OF LAKE COUNTY, IL
EXECUTIVE COMMITTEE
Thursday, September 7, 2017 12:00 pm
1311 N. Estes Street Gurnee, IL 60031

1. CALL TO ORDER.....Chairman Talbett
2. ROLL CALLSecretary
3. APPROVAL OF MINUTES
July 13, 2017
4. NEW AGENDA ITEMS
5. PUBLIC COMMENT ON AGENDA ITEMS
6. EXECUTIVE COMMITTEE ITEMSChairman Talbett

Information Items

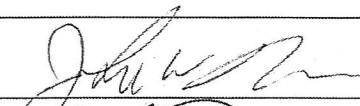
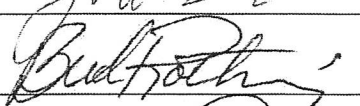
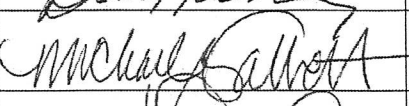
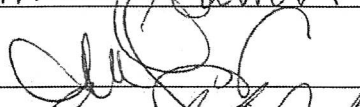
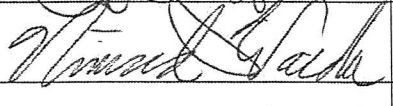
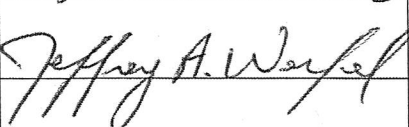
1. Draft FY 2018 Budget

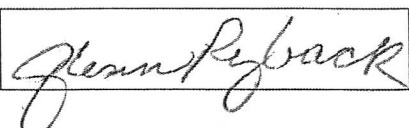
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7. EXECUTIVE SESSION
 8. ADJOURNMENT

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

SIGN IN SHEET

July 13, 2017

COMMUNITY	REPRESENTATIVE	TITLE
ELLIS		VILLAGE MANAGER
MUETZ		VILLAGE ADMINISTRATOR
NORRIS		MAYOR
ROTHING		VILLAGE PRESIDENT
TALBETT		VILLAGE ADMINISTRATOR
WAGENER		TRUSTEE
WARDA		SENIOR PLANNER
WERFEL		LAKE COUNTY BOARD

RYBACK		SWALCO BOD CHAIRMAN
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		SWALCO EXECUTIVE BOARD VOTING RECORD/07.13.17							
		Consent - May Expenses		Annual Review - Walter Mills Salary Increase Per Contract 3%					
REPRESENTATIVE									
Attendance		A	N	A	N	A	N	A	N
MIKE ELLIS		-		-					
PATRICK MUETZ		-		-					
JOHN NORRIS	✓	✓		✓					
BUD ROTHING	✓	✓		✓					
MICHAEL TALBETT	✓	✓		✓					
JOHN WAGENER	✓	✓		✓					
NIMROD WARDA	✓	✓		✓					
JEFF WERFEL		✓		✓					

(5)

(6)

(6)

Jeff Werfel arrived @ 12:06pm

MINUTES

SOLID WASTE AGENCY OF LAKE COUNTY, IL EXECUTIVE COMMITTEE

Thursday, July 13, 2017 12:00 pm
1311 N. ESTES STREET, GURNEE, IL 60031

CALL TO ORDER

Chairman Talbett called the meeting to order at 12:02 am with 5 members present.
Jeff Werfel arrived at 12:06 pm.

APPROVAL OF MINUTES

Motion by *John Norris* seconded by *Nimrod Warda* to approve the Executive meeting minutes of 05.18.17
Motion was unanimously approved.

NEW AGENDA ITEMS

PUBLIC COMMENT - *None*

EXECUTIVE COMMITTEE ITEMS – *None*

CONSENT ITEM

Expenditure Reports (May 2017).
Motion by *Bud Rothing*, seconded by *John Norris*.
Motion was approved.

ACTION ITEMS - *None*

INFORMATION ITEMS

1. 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:

- The electronics trailer bill (HB 1955) was approved by the Senate on July 4th and now awaits final action in the House. The original bill has been sent to the governor for his action.
- Walter Willis and Glenn Ryback will be attending the Waukegan Public Works Committee meeting on July 17th at 5:30 pm to discuss Waukegan's current status as a member of SWALCO. Mr. Willis will present the offer regarding Waukegan's 2016 O&M fee payment as discussed at the Board of Directors meeting on June 29th (that being the city must pass a resolution committing to staying as a member in good standing for the next 4 years and in return the Agency will forgive the 2016 O&M fee of \$36,490). The Agency will also offer to seek appointment of a City director or alternate to the Executive Committee at the meeting.
- The IEPA sponsored tire collection event is still uncertain due to the IEPA not receiving any bids from its most recent procurement effort. The IEPA has informed the Agency that it intends to re-bid the contract. Until the IEPA has a vendor we cannot move forward with the free event for local government.
- Under its host agreement with Groot for the Round Lake Park transfer station, and the County's host agreement with the two landfills, we both have the authority to audit the host fee payments. The agency also has an interest in tracking/auditing the payment of the \$1.27 per ton surcharge we share with the Lake County Health Department that is paid by both landfills. Last year the agency had discussions with Lake County's Finance Department about using some of its expertise in accounting and auditing to assist in doing an audit of the host fee and surcharge payments. Lake County is very willing to assist, but the problem has been finding the staff time to get the work done. We would like to discuss adding money to the FY 2018 budget to hire a consulting company to assist with the audits, and expect the cost to be no more than \$20,000, which puts us into the intermediate purchase category per SWALCO's Purchasing

Policy. Part of the discussion should also be on whether to go to bid for this consulting work or not, under the Purchasing Policy we are not required to go to bid but it is recommended where practicable.

EXECUTIVE SESSION: Executive Director Annual Review

Motion by *Michael Talbett* seconded by *John Norris* to go into Executive Session citing 5 ILCS 120/2(c)(1) to discuss Employee Evaluation (12:41 pm). ***Motion was approved on a roll call of 6 to 0.***

Motion by *John Norris*, seconded by *Bud Rothing* to return to open session (12:54 pm).
Motion was approved on a roll call of 6 to 0.

Motion by *John Norris*, seconded by *Nimrod Warda* to approve an annual increase of 3% for 2017 beginning July 30th, 2017 per the current employee contract. ***Motion was approved on a roll call of 6 to 0.***

NEXT EXECUTIVE COMMITTEE MEETING: Thursday, August 10, 2017 - 12:00 p.m.

NEXT BOARD MEETING: Thursday, August 24, 2017 - 7:00 p.m. Hainesville Village Hall,
100 N. Hainesville Road, Hainesville, IL 60030

ADJOURNMENT (12:59 p.m.): Motion by *John Wagener*, seconded by *John Norris* to adjourn.
Motion was approved.

I-1. Proposed FY 2017 SWALCO Budget

BACKGROUND: Attached to this memo is the proposed FY 2018 budget including approved budget amounts for FY 2017 for comparison purposes along with the percentage of the FY2017 budget that has been expended year to date (through August or $\frac{3}{4}$ of the budget year).

The highlights of the proposed budget are as follows:

1. Proposed expenditures for FY 2018 are \$1,053,163 compared to \$1,015,937 in FY 2017, an increase of \$37,226 or approximately 3.7%. Please note the following: 1) a 2.25% salary increase was assumed (we have yet to get final word from the county on whether there will be an increase and by how much), 2) the primary increase in expenditures, besides salary increases, was the budgeting for a consultant to assist with the host fee/local surcharge payment audit (\$20,000), the need to purchase 5 new computers per the County's requirement (\$6,000) and the need to paint the truck (\$3,500). Each of these items is a one-time expense.
2. Total FY 2018 revenues are estimated at \$1,060,246 compared to \$1,016,160 in FY 2017, an increase of \$44,086 or approximately 4.3%. Revenue from the landfill surcharge for FY 2018 is estimated at \$605,000 a decrease of \$10,000 from last year as the volume at both landfills continues to slowly decrease. The anticipated host fee from the Round Lake Park Transfer Station is \$63,720 per year, a slight increase from last year as volumes slowly increase at the Transfer Station. Other significant revenue increases include Waukegan's O&M fee of \$36,490, which was not paid last fiscal year, and increased revenue (\$16,000) assumed from the WMI recycling agreement.
3. Revenues are expected to exceed expenditures by \$7,083 (\$1,060,246 - \$1,053,163). The current cash reserve balance is approximately \$1.8 million and capital project reserve is \$500,000.

This month I will review the budget in detail with the Executive Committee and incorporate your feedback into a final draft. I then plan on presenting the budget to the Board of Directors at its October 19th meeting for approval. The board item next month will include a five year budget projection.

ENCLOSED DOCUMENTS: Table showing the proposed FY 2018 budget, with 2017 approved budget for comparison.

STAFF: Walter Willis, Executive Director

Solid Waste Agency of Lake County
FY 2018 Budget v. 2017

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	2017 Expended YTD (%)	2018 REQUESTED	DETAIL
ADMINISTRATION 9200010							
930	51110	SW0	REGULAR SALARIES AND WAGES	\$ 367,278	73.0%	\$ 379,796	Assumes 2.25% increases, Exec. Director increase effective August 1, 2018 per employment contract at 3%
930	51120	SW0	PART TIME SALARIES AND WAGES	\$ 50,643	80.0%	\$ 51,913	Assumes 2.25% 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
50000 SERIES TOTAL (Administrative)				\$ 435,021	74.0%	\$ 448,809	
930	61010	SW0	OFFICE SUPPLIES	\$ 1,250	66.0%	\$ 1,250	Office supplies; petty cash; recycling specific supplies
930	61040	SW0	OPERATIONAL SUPPLIES	\$ 500	3.0%	\$ 250	Plaques and awards
930	61080	SW0	FOOD & PROVISIONS	\$ 2,000	44.0%	\$ 1,750	Executive Committee lunches, staff meeting lunches, and BOD meetings
930	65180	SW0	MISCELLANEOUS COMMODITIES	\$ 250	4.0%	\$ 250	Misc. purchases
60000 SERIES TOTAL (Administrative)				\$ 4,000	43.0%	\$ 3,500	
930	71110	SW0	AUDITING AND ACCOUNTING	\$ 8,100	100.0%	\$ 8,500	County is out to bid, assumed \$400 increase from last year
930	71140	SW0	LEGAL SERVICES	\$ 7,000	0.0%	\$ 7,000	Larry Clark
930	71150	SW0	CONSULTANT FEES	\$ 37,750	64.0%	\$ 48,000	Mike Grady, Strategic Advocacy Group, year one of two year contract (\$28,000); \$20k for consultant to assist with LF and TS audits of fees paid
930	71500	SW0	TRIPS AND TRAINING	\$ 8,400	33.0%	\$ 8,400	ILCSWMA/SWANA(3 people, \$1,500); OSHA Training (2 people, \$400); IDOT Training (1 person, \$500); SWANA Wastecon (\$2,000); Resource Recycling Conf (\$2,000); NAHMMMA (\$2,000)
930	71810	SW0	DUES AND SUBSCRIPTIONS	\$ 6,500	35.0%	\$ 6,500	Official Board Markets, Resource Recycling, BioCycle, Recycled Products Guide (\$1,100); Membership dues for IRA, SWANA, ILCSWMA, LCML, CHMM, NAHMMMA, PSI, IFSCand IEC (\$5,400)
930	71910	SW0	GAS FOR HEATING	\$ 14,000	59.0%	\$ 14,000	Air make-up, hot water, furnace
930	71920	SW0	ELECTRICITY	\$ 14,000	75.0%	\$ 15,000	Parking lights, storage facility and office lights and baseboard heat
930	71930	SW0	WATER AND SEWER CHARGES	\$ 300	47.0%	\$ 300	Water and sewer services
930	71940	SW0	TELEPHONE	\$ 6,000	80.0%	\$ 6,100	Line charges, local and AT&T; cell phones and Ipad
930	71955	SW0	CELL PHONE ALLOWANCE	\$ -		\$ 660	Reimburse Amy B. cell phone costs
930	71970	SW0	COURIER SERVICES	\$ 75	0.0%	\$ 75	Federal Express
930	72110	SW0	LIABILITY INSURANCE	\$ 56,158	93.0%	\$ 53,769	Public Officials (\$7,220 last year); Building and property (\$11,750 last year); general/Pollution liability insurance (\$31,261 last year); auto (\$1,972 last year); assumed approximate 3% 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	87.0%	\$ 1,300	Fire alarm and burglar alarm
930	72410	SW0	ALL OTHER MAINT AND REPAIRS	\$ -		\$ -	
930	72530	SW0	EQUIPMENT RENTAL	\$ 3,700	62.0%	\$ 3,700	Copy machine lease fee and copy fee
930	72820	SW0	POSTAGE	\$ 50	53.0%	\$ 25	Postage for meter, supplies for meter
930	72830	SW0	PRINTING SERVICES	\$ -		\$ -	
930	73195	SW0	INDIRECT COST ALLOCATIONS	\$ 52,203	100.0%	\$ 53,857	12% of all 50000 series payroll costs
930	74080	SW0	H/L/D EMPLOYEE BENEFITS	\$ 75,707	70.0%	\$ 75,156	Assumes no increase from 2017 monthly costs of \$8,263
930	74100	SW0	RETIREMENT CONTRIBUTIONS FICA	\$ 31,971	71.0%	\$ 33,026	All employee salaries x 7.65%
930	74110	SW0	RETIREMENT CONTRIBUTIONS IMRF	\$ 3,552	72.0%	\$ 3,411	Employee Salaries x 0.75%, still low due to switch from County IMRF

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	2017 Expended YTD (%)	2018 REQUESTED	DETAIL
930	79930	SW0	MISCELLANEOUS CONTINGENCY	\$ 2,000	35.0%	\$ 2,000	Contingency for unanticipated expenses
930	79940	SW0	MISC CONTRACTUAL SERVICES	\$ 11,250	35.0%	\$ 11,250	Office Cleaning (\$2,100), special facility handyman (\$500), snow and lawn maint. (\$8,000), pest control (\$200), and window cleaning (\$450)
70000 SERIES TOTAL (Administrative)				\$ 340,541	69.0%	\$ 352,654	
930	82010	SW0	BUILDINGS AND STRUCTURES	\$ -		\$ -	Misc. Unknown capital expenses
930	84040	SW0	COMPUTER, WEB HOSTING	\$ 1,575	105.0%	\$ 1,750	Website hosting fee from CivicPlus
930	84060	SW0	FURNITURE AND OFFICE EQUIPMENT	\$ 1,000	20.0%	\$ 6,750	Misc. office furnishings; recycled art; New desktop computers for staff (\$6,000)
80000 SERIES TOTAL (Administrative)				\$ 2,575	72.0%	\$ 8,500	
TOTAL 9200010 ADMINISTRATION				\$ 782,137	77.0%	\$ 813,463	

Solid Waste Agency of Lake County
FY 2018 Budget v. 2017

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	2017 Expended YTD (%)	2018 REQUESTED	DETAIL
EDUCATION 9200020							
930	61040	SW2	OPERATIONAL SUPPLIES	\$ 4,000	16.0%	\$ 2,500	Public information/school education: plaques, flags, awards, promo items. Supplies for other events
930	65180	SW2	MISCELLANEOUS COMMODITIES	\$ 6,000	4.0%	\$ 4,000	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%	\$ 8,000	Purchase of supplies for rain barrel and compost bin annual sale
60000 SERIES TOTAL (Education)				\$ 10,000	10.0%	\$ 14,500	
930	72830	SW2	PRINTING SERVICES	\$ 500	0.0%	\$ 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	0.0%	\$ 4,800	Funding for entertainers and speakers for schools
930	71635	SW2	TEXTILE AND SHOE PAYOUTS	\$ 6,000	0.0%	\$ 4,800	Payouts to textile and shoe collection partners based on last year's payout of \$4,610, assumes increase in collections and therefore payouts
930	71850	SW2	ADVERTISING	\$ 2,650	61.0%	\$ 2,650	Special ads for SWALCO programs
70000 SERIES TOTAL (Education)				\$ 13,950	12.0%	\$ 12,750	
930	85070	SW2	ALL OTHER CAPITAL OUTLAY			\$ -	
80000 SERIES TOTAL (Education)							
TOTAL 9200020 EDUCATION				\$ 23,950	23.0%	\$ 27,250	

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	2017 Expended YTD (%)	2018 REQUESTED	DETAIL
HOUSEHOLD CHEMICAL WASTE (HCW) 9200030							
930	65020	SW2	LABORATORY SUPPLIES	\$ 100	207.0%	\$ 100	Supplies for Unknown Test Kit
930	61040	SW2	OPERATIONAL SUPPLIES	\$ 14,500	77.0%	\$ 15,000	Safety Gear, OilDry, Brooms, Tape, Visqueen, Spill Cleanup, FirstAid Kits, Respirator Cartridges, Pallets, Etc.
930	65180	SW2	MISCELLANEOUS COMMODITIES	\$ 500	63.0%	\$ 500	Grease for crusher, bottled water, etc.
60000 SERIES TOTAL (HCW)				\$ 15,100	77.0%	\$ 15,600	
930	71150	SW2	CONSULTANT FEES	\$ 152,300	49.0%	\$ 151,900	Mobile events \$67k (\$13k/event x 5 + 3%); Public Drop-offs \$59.5k (\$2.4k/event x 24 + 3%); Paint Bulking \$14.8k (\$1.2k/month x 12 + 3%); Suppl Labor \$1.6k (\$50/hrx28hrsx2events); Food \$3k; PHARM Labor \$6k (\$840/event x 7+3%)
930	71630	SW2	GARBAGE DISPOSAL	\$ 8,900	31.0%	\$ 8,900	Mobile Events 2.6k(\$500 x 5 events +3%) + Office \$2k (\$185/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	44.0%	\$ 4,000	Burris fork lift=\$2.5k (\$425/event x 5 events+3%) Tents=\$1k (\$1,000/event x 1 events); LZ Oil Program (\$150); Porta John (\$350) (\$185 per event x 2 events + 3%)
930	72110	SW2	LIABILITY INSURANCE	\$ -		\$ -	Covered under Administrative 930-72110, Liability Insurance
930	72210	SW2	MOTOR VEHICLE MAINT & REPAIR	\$ 1,300	733.0%	\$ 5,800	Truck (\$1k), Fuel (\$200), Truck safety inspections (\$100), Annual tune up (\$1k), Paint truck cab and decals (\$3.5k)
930	72410	SW2	ALL OTHER MAINT AND REPAIRS	\$ 16,750	48.0%	\$ 17,750	Dock Lock\$1k, Plumbing \$1k, Fire sys PM \$2.5k, Whouse Maint \$3k, Generator \$1.5k, HVAC \$4.5k, Elec Services \$1.5k, Fork lift \$500, Can Crusher \$500, Alarm \$500, Overhead Doors \$500, Fire Extings \$750
70000 SERIES TOTAL (HCW)				\$ 184,250	53.0%	\$ 188,350	
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	\$ -		\$ -	
80000 SERIES TOTAL (HCW)				\$ -		\$ -	
TOTAL 9200030 HCW				\$ 199,350	55.0%	\$ 203,950	

Solid Waste Agency of Lake County
FY 2018 Budget v. 2017

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	2017 Expended YTD (%)	2018 REQUESTED	DETAIL
RECYCLING 9200040							
930	65180	SW8	MISCELLANEOUS COMMODITIES	\$ 4,500	13.0%	\$ 4,500	Electronics Collections, supplies, signage and labels (\$2,000); Special Events/collection containers (\$2,000); and Signage and labels (\$500)
60000 SERIES TOTAL (Recycling)				\$ 4,500	13.0%	\$ 4,500	
930	72830	SW8	PRINTING SERVICES	\$ -		\$ -	
930	79940	SW8	MISC. CONTRACTUAL SERVICES	\$ 6,000	30.0%	\$ 4,000	Electronics collection costs associated with drop off program, and current vendor, ERI
70000 SERIES TOTAL (Recycling)				\$ 6,000	30%	\$ 4,000	
TOTAL 9200040 RECYCLING				\$ 10,500	23.0%	\$ 8,500	

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	2017 Expended YTD (%)	2018 REQUESTED	DETAIL
GRAND TOTAL (All Series)				\$ 1,015,937	71.0%	\$ 1,053,163	

Solid Waste Agency of Lake County
FY 2018 Budget v. 2017

Fund:	Management Center	Account	DESCRIPTION	2017 APPROVED	2017 Expended YTD (%)	2018 REQUESTED	DETAIL
REVENUES 40000							
930	47230	SW0	REVENUE FROM LANDFILL SURCHARGE & TS HOST FEE	\$ 677,100	60.0%	\$ 668,720	Countryside LF (\$190,000); Zion LF (\$415,000); Groot TS (\$63,720)
930	48010	SW0	INTEREST INCOME FROM SURCHARGE BALANCE	\$ 9,000	75.0%	\$ 8,800	Based on FY 2016 Interest Income
930	45380	SW0	REVENUE FROM MUNICIPALITIES	\$ 241,160	100.0%	\$ 278,726	O&M Fee at \$1.25 per hh per year
930		SW0	REVENUE FROM TEXTILES AND SHOES	\$ 37,600	75.0%	\$ 28,060	Shoes (\$21,460), Textiles/Bin Program (\$6,600)
930		SW0	REVENUE FROM RAIN BARRELS AND COMPOSTERS	\$ 9,000	113.0%	\$ 11,500	Based on income from FY 2017 with slight increase due to increased sale options (SWALCO special event sale)
930	49910	SW0	MISCELLANEOUS REVENUES	\$ 42,300	100.0%	\$ 64,440	Hauler Licensing (\$1,750); WMRA Per Ton Payment (\$34,000); WMRA bonus payment (\$12,000); ePaint paint collections (\$1,500); eWorks business escrow program (\$2,000); and Surcharge reimbursement from WMI for Deerfield (\$6,350), Lincolnshire (\$2,540) and from Mundelein (\$4,300)
TOTAL REVENUES				\$ 1,016,160	73.0%	\$ 1,060,246	