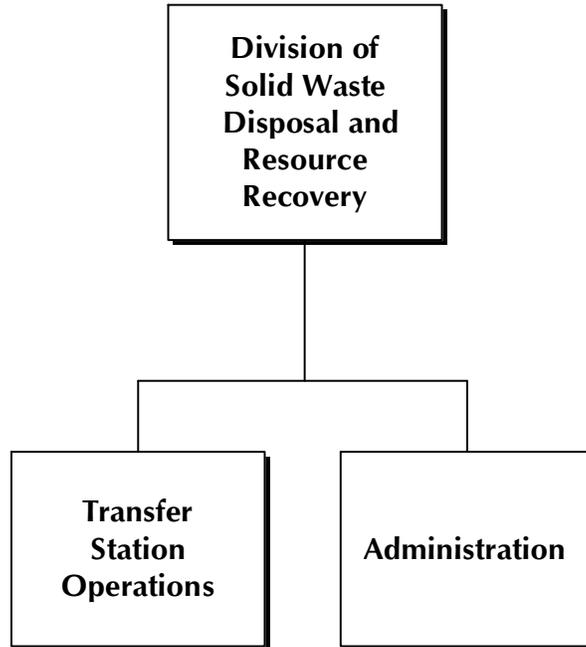


Fund 110 Refuse Disposal



Mission

To protect Fairfax County citizens against disease, pollution and other contamination associated with the improper disposal of refuse, through safe and sanitary transportation of solid waste from the I-66 Transfer Station to the I-95 Sanitary Landfill and the Energy/Resource Recovery Facility (E/RRF). The agency also transports debris generated through the Yard Waste program to disposal facilities in Prince William and Loudoun Counties. In addition, this agency operates the Household Hazardous Waste program and the Citizens' Disposal Facilities, including all associated technical and administrative functions.

Focus

Fund 110, Refuse Disposal, has the primary responsibility for coordinating the disposal of solid waste generated within Fairfax County by channeling the collected refuse to the E/RRF. Refuse that cannot be burned in the E/RRF is directed to a landfill or disposed of through a contractor. Yard debris is transported to Prince William County or a private compost facility. Other operations coordinated within this fund are the Citizens' Disposal Facilities (CDF), the Household Hazardous Waste (HHW) program, the Ordinance Enforcement program, the White Goods program and the Battery program. The Administrative Cost Center performs the tasks associated with the overall administrative, technical and management functions for



those funds that comprise the Division of Solid Waste Disposal and Resource Recovery. These funds are: 110, Refuse Disposal; 112, E/RRF; and 114, I-95 Refuse Disposal.

Fund 110 Refuse Disposal

The County's solid waste disposal program has come under significant financial pressure due to a number of factors, most notably the adverse 1994 United States Supreme Court decision affecting solid waste flow control which allows waste to be hauled out of the County for disposal, as well as the development of several large landfills within Virginia and in neighboring states which are less expensive disposal options than those offered by the County's comprehensive solid waste management system. Under the current industry environment, the County has implemented a competitive pricing system. The pricing has proved to be sufficient to cover a majority of disposal costs, however public interest, non-revenue generating programs and some capital improvements in the past have been partially supported through a General Fund Transfer. As part of its deliberations on the FY 2009 Budget Plan, the Board of Supervisors approved fully eliminating the \$2.5 million General Fund Transfer. The FY 2009 Advertised Budget Plan had proposed only a decrease of \$1.25 million in the transfer. In order to offset this decrease the agency plans to adjust the discounted disposal rate in order to increase revenue, and it will postpone a number of Capital Equipment purchases. The transfer elimination allows General Fund resources to be redirected to meet other County requirements in the FY 2009 budget. In addition, on December 3, 2007 the Board of Supervisors approved a service agreement with Covanta allowing for the sale of electricity in excess of 80 megawatts, as a result an estimated \$250,000 in additional revenue is anticipated to be generated in FY 2009.

In FY 2009, the system disposal charge is set at \$57 per ton, an increase of \$5 over FY 2008, to fully meet the operating and capital project requirements of this fund. A contractual discount disposal rate for FY 2009 will be negotiated with private waste haulers but is anticipated to be \$55 per ton, an increase of \$5.05 over the \$49.95 per ton total in FY 2008. The Citizen Disposal Facility system fee will remain at \$57 per ton. The Punch Card Program offered to customers at the Citizen Disposal Facility will be discontinued by the end of FY 2008, since the program has seen a significant reduction in usage since credit cards are now accepted. Based on these adjustments the total FY 2009 revenue for the fund is projected to be \$64,602,699, an increase of \$2,849,127 or 4.6 percent over the FY 2008 Adopted Budget Plan total of \$61,753,572.

Agency accomplishments, new initiatives and performance measures for Solid Waste are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2009 Adopted Budget Plan for those items.

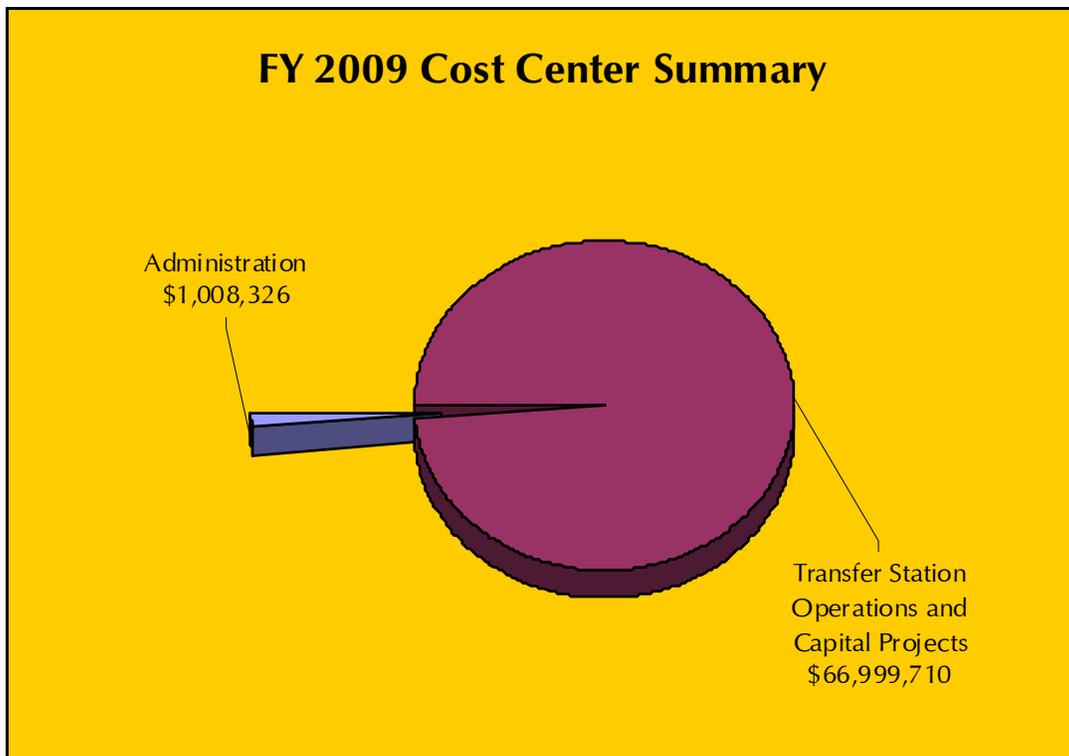
Budget and Staff Resources

Agency Summary					
Category	FY 2007 Actual	FY 2008 Adopted Budget Plan	FY 2008 Revised Budget Plan	FY 2009 Advertised Budget Plan	FY 2009 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	138/ 138	138/ 138	138/ 138	138/ 138	138/ 138
Expenditures:					
Personnel Services	\$8,552,820	\$9,613,710	\$9,613,710	\$9,977,130	\$10,074,528
Operating Expenses	50,881,264	53,087,129	53,142,782	51,725,610	51,725,610
Capital Equipment	1,706,589	2,497,600	1,703,662	2,528,000	2,279,000
Capital Projects	195,268	0	7,627,422	4,574,656	4,574,656
Subtotal	\$61,335,941	\$65,198,439	\$72,087,576	\$68,805,396	\$68,653,794
Less:					
Recovered Costs	(\$635,690)	(\$649,992)	(\$649,992)	(\$645,758)	(\$645,758)
Total Expenditures	\$60,700,251	\$64,548,447	\$71,437,584	\$68,159,638	\$68,008,036

Fund 110 Refuse Disposal

Summary by Cost Center					
Category	FY 2007	FY 2008	FY 2008	FY 2009	FY 2009
	Actual	Adopted Budget Plan	Revised Budget Plan	Advertised Budget Plan	Adopted Budget Plan
Administration	\$812,527	\$936,536	\$938,710	\$994,895	\$1,008,326
Transfer Station Operations	59,692,456	63,611,911	62,871,452	62,590,087	62,425,054
Subtotal	\$60,504,983	\$64,548,447	\$63,810,162	\$63,584,982	\$63,433,380
Capital Projects	\$195,268	\$0	\$7,627,422	\$4,574,656	\$4,574,656
Total Expenditures	\$60,700,251	\$64,548,447	\$71,437,584	\$68,159,638	\$68,008,036

Position Summary			
Administration		Transfer Station Operations	
1	Director, DSWDRR	1	Supervisor of Facilities Support
1	Public Works Environmental Services Manager	5	Assistant Refuse Superintendents
1	Engineer Technician II	3	Heavy Equipment Supervisors
1	Public Works Environmental Services Specialist	1	Management Analyst II
1	Management Analyst III	5	Engineering Technicians II
1	Management Analyst II	2	Engineering Technicians I
1	Network/Telecom Analyst II	3	Environmental Technicians II
1	Accountant II	8	Weighmasters
2	Administrative Assistants IV	68	Heavy Equipment Operators
3	Administrative Assistants III	1	Motor Equipment Operator
1	Administrative Assistant II	3	Senior Maintenance Workers
1	Administrative Assistant II	1	Welder II
		16	Maintenance Workers
		3	Maintenance Trade Helper II
		1	Administrative Assistant II
		1	Safety Analyst
		1	Code Specialist II
		1	Welder I
TOTAL POSITIONS			
138 Positions / 138.0 Staff Years			



Fund 110

Refuse Disposal

FY 2009 Funding Adjustments

The following funding adjustments from the FY 2008 Revised Budget Plan are necessary to support the FY 2009 program:

- ◆ **Employee Compensation** **\$363,420**
An increase of \$363,420 in Personnel Services is associated with salary adjustments necessary to support the County's compensation program. As a result of budget constraints, compensation adjustments for County employees have been reduced. For FY 2009, employee increases as part of the pay for performance system have been discounted by 50 percent and the impact of the lower pay for performance funding is reflected above.

- ◆ **Operating Expenses** **(\$1,626,443)**
A net decrease of \$1,626,443 in Operating Expenses includes a decrease of \$1,825,617 associated with decreased tipping fees charged by Fund 112, Energy/Resource Recovery Facility, based on trends in contractor compensation levels. This decrease is offset by an increase of \$199,174, primarily for rental costs related to the lease, rather than purchase, of five refuse tractors due to be replaced, because it is more cost-effective.

- ◆ **Capital Equipment** **\$2,528,000**
Funding of \$2,528,000 has been included for Capital Equipment primarily for the replacement of items that have outlived their useful lifespan based on age, mileage and repair costs. Of the funding for replacement items, \$1,065,000 is for the replacement for three rubber tire loaders bought under the Guaranteed Buy Back program. Other funding includes \$600,000 for the replacement of three stationary cranes, \$498,000 for the replacement of six refuse trailers, \$143,000 for the replacement of four pick ups, \$42,000 for the replacement of a tractor with broom, \$40,000 for the replacement of a forklift, and \$140,000 for one additional roll-off truck to support the redesigned Citizens Recycling Disposal Facility (CDF) at the I-66 Transfer Station. Purchase expenses will be partially offset by \$747,293 in projected revenue associated with sale of the equipment being replaced.

- ◆ **Department of Vehicle Services Charge** **\$264,924**
The Department of Vehicle Services Charge is a combined net increase based on adjustments for fuel price increases and vehicle maintenance requirements.

- ◆ **Recovered Costs** **\$4,234**
A decrease of \$4,234 to Recovered Costs reflects the anticipated level of recovered administration overhead costs from other Solid Waste funds, based on the FY 2009 Administration budget.

- ◆ **Capital Projects** **\$4,574,656**
Funding in the amount of \$4,574,656 has been included for Capital Projects for the construction of a Workers Facility at the I-66 Transfer Station to provide a suitable enclosed area for lunches, safety training, and storage of employee uniforms and equipment. This facility will replace two aged temporary trailers previously acquired from the Fire Department.

- ◆ **Carryover Adjustments** **(\$55,653)**
A decrease of \$55,653 for the one-time carryover of Operating Expenses.

Fund 110

Refuse Disposal

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2009 Advertised Budget Plan, as approved by the Board of Supervisors on April 28, 2008:

- ◆ **Pay for Performance** **\$97,398**
An increase of \$97,398 in Personnel Services is associated with the decision by the Board of Supervisors to eliminate the 50 percent reduction to employee increases as part of the pay for performance system. A reduction to pay for performance increases had been proposed in the FY 2009 Advertised Budget Plan due to budget constraints. However, as a result of the Board's decision, employees will be eligible for the full compensation increase for which they qualify based on performance.

- ◆ **General Fund Transfer** **(\$1,250,000)**
The Board of Supervisors approved the elimination of the General Fund Transfer of \$1,250,000 proposed in the FY 2009 Advertised Budget Plan. In order to continue these programs, the transfer will be replaced by \$980,901 in revenues by further increasing the proposed discounted rate charged to contractors to \$55 per ton, \$249,000 in Capital Equipment savings made possible by delaying the planned purchase of three refuse trailers, and \$20,099 in fund balances.

Changes to FY 2008 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2008 Revised Budget Plan since passage of the FY 2008 Adopted Budget Plan. Included are all adjustments made as part of the FY 2007 Carryover Review and all other approved changes through December 31, 2007:

- ◆ **Carryover Adjustments** **\$6,889,137**
As part of the *FY 2007 Carryover Review*, the Board of Supervisors approved an increase of \$6,889,137, including encumbered carryover of \$55,653 in Operating Expenses and \$812,062 in Capital Equipment. In addition the Board approved the carryover of \$4,021,422 in unexpended project balances and an additional appropriation from fund balance in the amount of \$2,000,000 for project construction at the Citizen's Disposal Facility including new disposal and recycling areas, a new stormwater management system and new asphalt pavement.

The following funding adjustments reflect all approved changes to the FY 2008 Revised Budget Plan from January 1, 2008 through April 21, 2008. Included are all adjustments made as part of the FY 2008 Third Quarter Review:

- ◆ The Board of Supervisors made no adjustments to this fund.

A Fund Statement, a Summary of Capital Projects, and a Project Detail Table for the projects funded in FY 2009 are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project). The Project Detail Table includes project location, description, and source of funding and completion schedules.

Fund 110 Refuse Disposal

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 110, Refuse Disposal

	FY 2007 Actual	FY 2008 Adopted Budget Plan	FY 2008 Revised Budget Plan	FY 2009 Advertised Budget Plan	FY 2009 Adopted Budget Plan
Beginning Balance	\$9,306,853	\$3,267,555	\$11,728,629	\$4,544,617	\$4,544,617
Revenue:					
Interest on Investment	\$620,649	\$154,040	\$154,040	\$215,637	\$215,637
Refuse Disposal Revenue	58,151,732	60,293,510	60,293,510	61,591,579	62,572,480
Miscellaneous Revenue:					
White Goods	\$439,819	\$425,022	\$425,022	\$437,289	\$437,289
Rent of Equipment, Space	314,547	360,000	360,000	350,000	350,000
Sale of Equipment	783,559	256,000	256,000	747,293	747,293
Licensing Fees	77,859	50,000	50,000	80,000	80,000
Miscellaneous	233,862	215,000	215,000	200,000	200,000
Subtotal Miscellaneous Rev.	<u>\$1,849,646</u>	<u>\$1,306,022</u>	<u>\$1,306,022</u>	<u>\$1,814,582</u>	<u>\$1,814,582</u>
Total Revenue	<u>\$60,622,027</u>	<u>\$61,753,572</u>	<u>\$61,753,572</u>	<u>\$63,621,798</u>	<u>\$64,602,699</u>
Transfers In: ¹					
General Fund (001)	\$2,500,000	\$2,500,000	\$2,500,000	\$1,250,000	\$0
Total Transfers In	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$1,250,000</u>	<u>\$0</u>
Total Available	<u>\$72,428,880</u>	<u>\$67,521,127</u>	<u>\$75,982,201</u>	<u>\$69,416,415</u>	<u>\$69,147,316</u>
Expenditures:					
Personnel Services	\$8,552,820	\$9,613,710	\$9,613,710	\$9,977,130	\$10,074,528
Operating Expenses	50,881,264	53,087,129	53,142,782	51,725,610	51,725,610
Capital Equipment ²	1,706,589	2,497,600	1,703,662	2,528,000	2,279,000
Recovered Costs	(635,690)	(649,992)	(649,992)	(645,758)	(645,758)
Capital Projects	195,268	0	7,627,422	4,574,656	4,574,656
Total Expenditures	<u>\$60,700,251</u>	<u>\$64,548,447</u>	<u>\$71,437,584</u>	<u>\$68,159,638</u>	<u>\$68,008,036</u>
Total Disbursements	<u>\$60,700,251</u>	<u>\$64,548,447</u>	<u>\$71,437,584</u>	<u>\$68,159,638</u>	<u>\$68,008,036</u>
Ending Balance³	<u>\$11,728,629</u>	<u>\$2,972,680</u>	<u>\$4,544,617</u>	<u>\$1,256,777</u>	<u>\$1,139,280</u>
Reserves:					
Equipment Reserve ⁴	\$3,129,027	\$2,015,907	\$3,037,975	\$1,229,700	\$1,114,785
Construction Reserve ⁵	8,547,399	892,806	1,442,675	0	0
PC Replacement Reserve	52,203	63,967	63,967	27,077	24,495
Unreserved Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Disposal Rate/Ton ⁶	<u>\$50.00</u>	<u>\$52.00</u>	<u>\$52.00</u>	<u>\$57.00</u>	<u>\$57.00</u>
Discounted Disposal Rate/Ton ⁷	<u>\$46.95</u>	<u>\$49.95</u>	<u>\$49.95</u>	<u>\$53.95</u>	<u>\$55.00</u>

Fund 110

Refuse Disposal

¹The FY 2009 Adopted Budget Plan eliminates a \$1.25 million General Fund Transfer. This subsidy is associated with specific refuse disposal programs that do not fully recover costs. Including the County's Recycling Program, the Household Hazardous Waste Program, the Citizen Disposal Facilities and the Code Enforcement Program. In order to continue these programs, funding will be offset by a \$980,901 increase in revenues by increasing the proposed discounted rate to \$55 per ton, a decrease of \$249,000 in Capital Equipment made possible by delaying the purchase of three refuse trailers, and fund balances of \$20,099.

²In FY 2009, some Capital Equipment purchases have been delayed or cancelled to balance out the elimination of the General Fund Transfer.

³Ending balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions, tipping fee negotiations, and expenditure requirements.

⁴The Equipment Replacement Reserve provides for the timely replacement of equipment required to operate the I-66 Transfer Station. Funds are transferred from Refuse Disposal revenue to the Equipment Replacement Reserve, as are proceeds from the sale of equipment. The reserve requirement is based on a replacement schedule, comprised of yearly payments to the reserve, which is based on the useful life of the vehicle/equipment.

⁵The Construction Reserve provides for improvements at the I-66 Transfer Station such as the redesign and reconstruction of the Citizens Disposal Facility and the construction of a permanent structure containing employee facilities. In FY 2009, all funds have been appropriated from this reserve.

⁶The System Disposal rate is projected to increase to \$57 per ton subject to market conditions.

⁷In August 1998 (FY 1999), Fairfax County implemented a contractual rate discount that was offered to any hauler that guaranteed all of its collected refuse or a specified tonnage amount would be delivered to the Energy/Resource Recovery Facility (E/RRF) or other County disposal sites. The FY 2007 discounted rate was \$46.95 per ton, the FY 2008 rate is \$49.95, and the FY 2009 rate is projected to increase to \$55.00 per ton subject to market conditions and negotiations.

Fund 110 Refuse Disposal

FY 2009 Summary of Capital Projects

Fund: 110 Refuse Disposal

Project #	Description	Total Project Estimate	FY 2007 Actual Expenditures	FY 2008 Revised Budget	FY 2009 Advertised Budget Plan	FY 2009 Adopted Budget Plan
174002	I-66 Transfer Station Expansion	\$20,443,330	\$111,231.43	\$7,616,567.13	\$0	\$0
174006	Citizens Disposal Facility	640,840	84,036.45	10,854.49	0	0
174007	Workers Facility	4,574,656	0.00	0.00	4,574,656	4,574,656
Total		\$25,658,826	\$195,267.88	\$7,627,421.62	\$4,574,656	\$4,574,656

Fund 110 Refuse Disposal

174007	Workers Facility
I-66 Transfer Station	Springfield
<p>Description and Justification: FY 2009 funding in the amount of \$4,574,656 is included to support the construction of a Workers Facility at the I-66 Transfer Station to replace the existing work and training space currently housed in a used trailer. This facility is anticipated to be a two story 12,000 square foot building that contains office space for supervisors, a lunch room, a large conference room for employee training, locker rooms, showers, and adequate number of bathrooms for employees.</p>	

	Total Project Estimate	Prior Expenditures	FY 2007 Expenditures	FY 2008 Revised Budget Plan	FY 2009 Advertised Budget Plan	FY 2009 Adopted Budget Plan	Future Years
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	0	0	0	0	0	0	0
Construction	4,574,656	0	0	0	4,574,656	4,574,656	0
Other	0	0	0	0	0	0	0
Total	\$4,574,656	\$0	\$0	\$0	\$4,574,656	\$4,574,656	\$0

Source of Funding				
General Funding	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$4,574,656	\$4,574,656