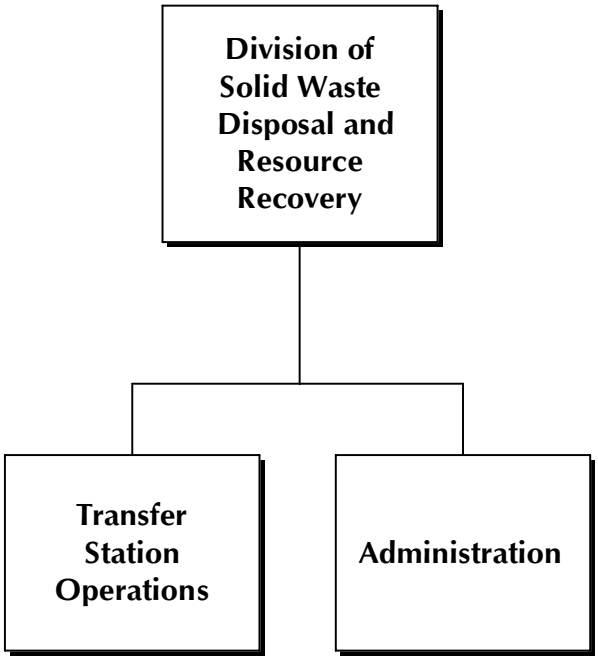
Fund 110
Refuse Disposal



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 must be at least partially supported through a General Fund Transfer. The FY 2009 General Fund Transfer will be reduced to $1.25 million, a decrease of 50 percent from the FY 2008 Adopted Budget Plan transfer of $2.5 million. This reduction is recommended based on limited availability of General Fund monies and the current level of program requirements and also accounts for the new service agreement with Covanta allowing for the sale of electricity in excess of 80 megawatts as approved by the Board of Supervisors on December 3, 2007. An estimated $250,000 in additional revenue is anticipated to be generated, reducing the General Fund transfer requirements by a like amount. The FY 2009 General Fund Transfer fully supports those programs that do not entirely recover costs such as, the County's Recycling Program, the Code Enforcement Program, the Household Hazardous Waste (HHW) program, and the Citizen's Disposal Facilities.

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. 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. In order to generate sufficient revenue to cover FY 2009 operational requirements, a contractual disposal rate for FY 2009 will be negotiated with private waste haulers but is anticipated to be $53.95 per ton, an increase of $4 over the $49.95 per ton total in FY 2008. Revenue increases are therefore projected based on this disposal charge increase. The total FY 2009 revenue for the fund is projected to be $63,621,798 an increase of $1,868,226 or 3.0 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 Advertised 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
Authorized Positions/Staff Years				
Regular	138/ 138	138/ 138	138/ 138	138/ 138
Expenditures:				
Personnel Services	$8,552,820	$9,613,710	$9,613,710	$9,977,130
Operating Expenses	50,881,264	53,087,129	53,142,782	51,725,610
Capital Equipment	1,706,589	2,497,600	1,703,662	2,528,000
Capital Projects	195,268	0	7,627,422	4,574,656
Subtotal	**$61,335,941**	**$65,198,439**	**$72,087,576**	**$68,805,396**
Less:				
Recovered Costs	($635,690)	($649,992)	($649,992)	($645,758)
Total Expenditures	**$60,700,251**	**$64,548,447**	**$71,437,584**	**$68,159,638**

Fund 110
Refuse Disposal

Summary by Cost Center

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

Position Summary

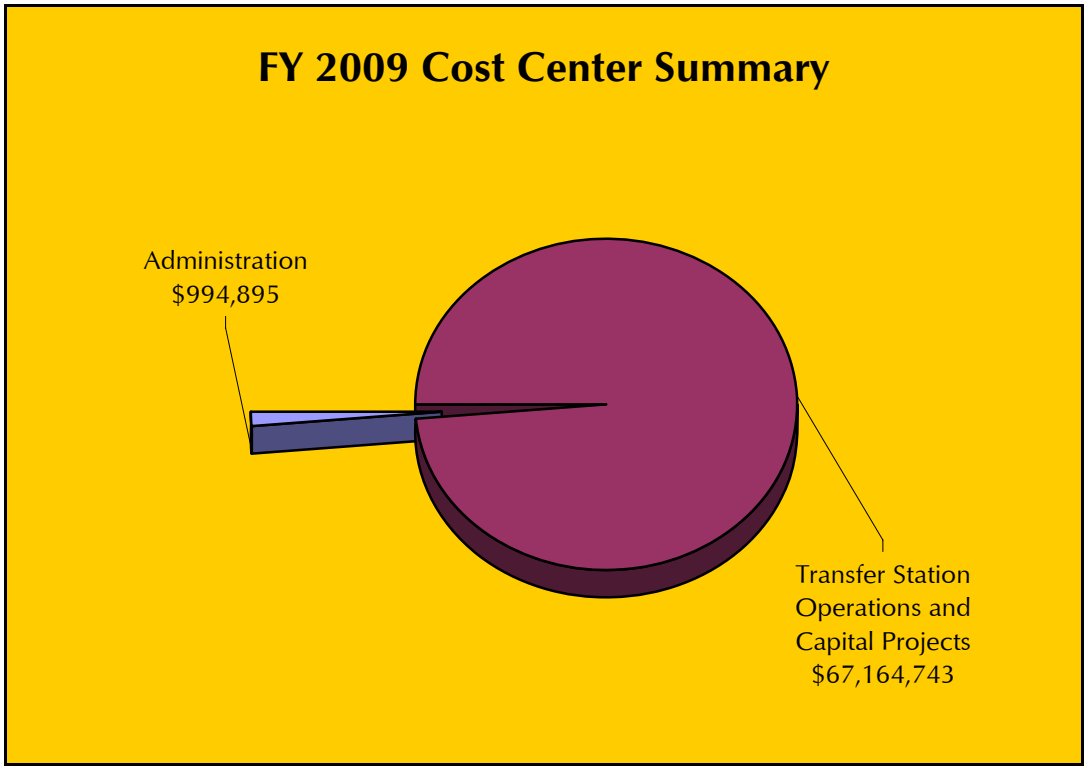
Administration

1 Director, DSWDRR
1 Safety Analyst
1 Engineer Technician II
1 Code Specialist II
1 Management Analyst III
1 Management Analyst II
1 Network/Telecom Analyst II
1 Accountant II
2 Administrative Assistants IV
3 Administrative Assistants III
1 Administrative Assistant II

Transfer Station Operations

1 Supervisor of Facilities Support
5 Assistant Refuse Superintendents
3 Heavy Equipment Supervisors
1 Management Analyst II
5 Engineering Technicians II
2 Engineering Technicians I
3 Environmental Technicians II
8 Weighmasters
70 Heavy Equipment Operators
1 Motor Equipment Operator
3 Senior Maintenance Workers
1 Welder II
17 Maintenance Workers
1 Maintenance Trade Helper II
1 Administrative Assistant II
1 Public Works Environmental Services Manager
1 Public Works Environmental Services Specialist

TOTAL POSITIONS
138 Positions / 138.0 Staff Years



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

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.

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

Fund 110
Refuse Disposal

[1] In order to account for revenues and expenditures in the proper fiscal year, audit adjustments of $3,404,365 have been made to revenues and audit adjustments of $3,053,283 have been made to expenditures, resulting in a net increase of $351,082 to fund balance. For revenues an audit adjustment in the amount of $3,160 has been included as an increase to reflect the actual interest on investments, an audit adjustment of $3,418,355 has been included as an increase to properly reflect disposal revenue accruals and an audit adjustment of ($17,150) reflects actual miscellaneous revenues and fees. For expenditures, an audit adjustment in the amount of $3,053,283 has been included to show actual expenditure accrual. These audit adjustments have been included in the FY 2007 Comprehensive Annual Financial Report (CAFR). Details of the FY 2007 audit adjustments will be included in the FY 2008 Third Quarter Package.

[2] The General Fund Transfer provides a subsidy allowing the County to continue to provide specific refuse disposal programs that do not fully recover costs. Subsidized programs include the County's Recycling Program, the Household Hazardous Waste Program, the Citizen Disposal Facilities and the Code Enforcement Program.

[3] Some of FY 2008 Capital Equipment purchases have been delayed or cancelled. These funds are now available in FY 2008 to support Project 174002, I-66 Citizens Disposal Facility Expansion.

[4] Ending 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.

[5] The 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.

[6] The 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.

[7] The System Disposal rate is projected to increase to $57 per ton subject to market conditions.

[8] In 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 $53.95 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
174002	I-66 Transfer Station Expansion	$20,443,330	$111,231.43	$7,616,567.13	$0
174003	Drainage Downchutes	184,179	0.00	0.00	0
174004	Access Road Reconstruction	39,815	0.00	0.00	0
174005	Groundwater Well Installation	136,425	0.00	0.00	0
174006	Citizens Disposal Facility	640,840	84,036.45	10,854.49	0
174007	Workers Facility	4,574,656	0.00	0.00	4,574,656
Total		**$26,019,244**	**$195,267.88**	**$7,627,421.62**	**$4,574,656**

Fund 110
Refuse Disposal

174007	Workers Facility
I-66 Transfer Station	Springfield

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.

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