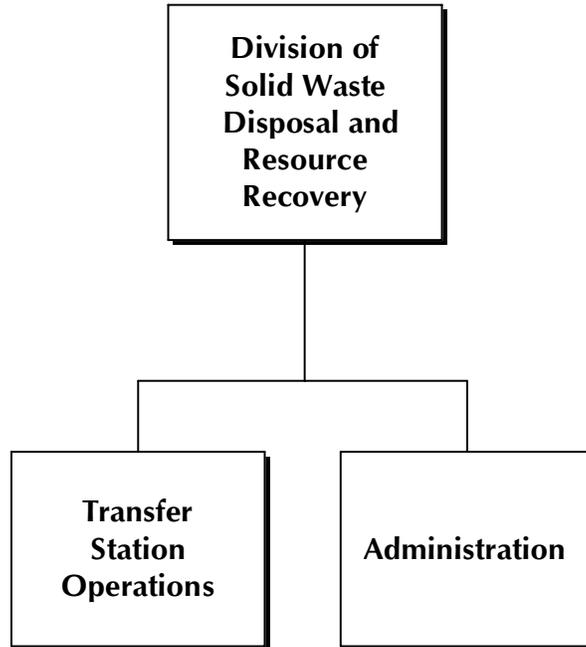


Fund 110 Refuse Disposal



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 Citizen's 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 Citizen's 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.

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. 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 and non-revenue generating programs must be funded through a General Fund transfer to subsidize the fund. The FY 2007 General Fund transfer remains unchanged at \$2.5 million. In FY 2007, the system disposal charge is set at \$50 per ton, an increase of \$2 over FY 2006. The Citizen Disposal Facility system fee will be increased from \$55 per ton to \$57 per ton. In order to generate sufficient revenue to cover operational requirements in FY 2007, a contractual disposal rate for FY 2007 will be negotiated with private waste haulers but is anticipated to be \$46.95 per ton, an increase of \$2 over the \$44.95 per ton total in

Fund 110 Refuse Disposal

FY 2006. Revenue increases are therefore projected based on this disposal charge increase. The total FY 2007 revenue for the fund is projected to be \$59,844,956, an increase of \$1,734,329 or 3.0 percent over the FY 2006 Adopted Budget Plan total of \$58,110,627.

Agency accomplishments, new initiatives and performance measures are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2007 Adopted Budget Plan for those items.

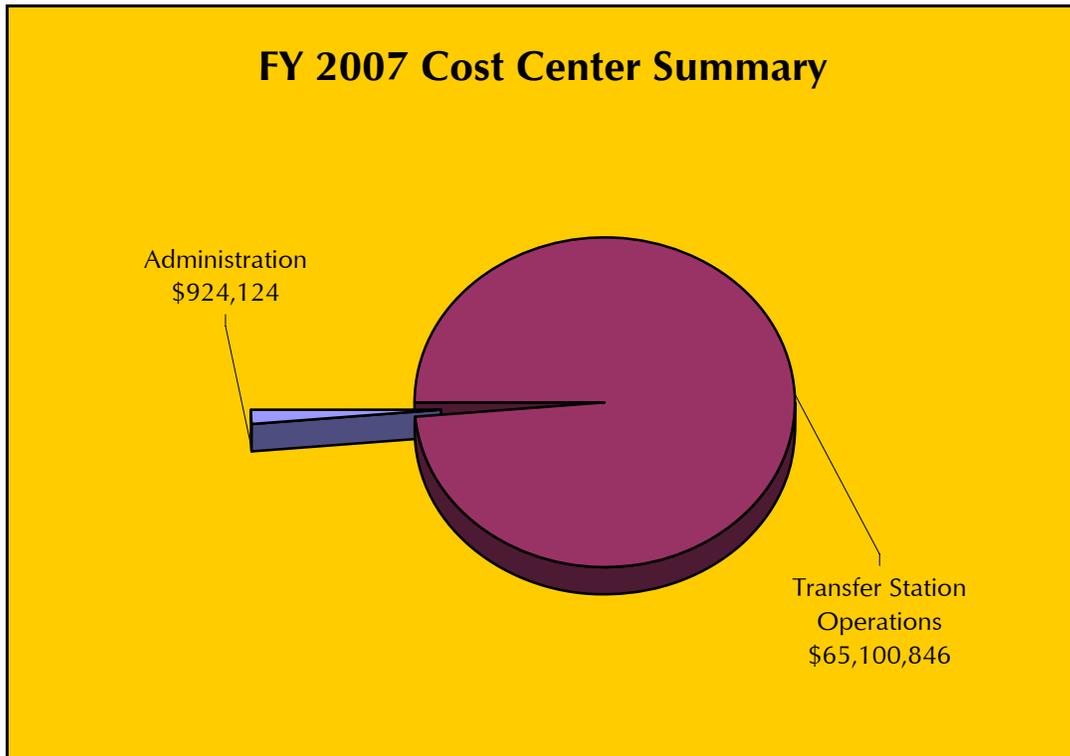
Budget and Staff Resources

Agency Summary					
Category	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	138/ 138	138/ 138	138/ 138	138/ 138	138/ 138
Expenditures:					
Personnel Services	\$7,743,264	\$8,704,274	\$8,704,274	\$9,093,837	\$9,093,837
Operating Expenses	45,609,355	50,964,150	51,017,750	52,996,109	52,996,109
Capital Equipment	566,012	2,581,000	3,370,268	1,708,800	1,708,800
Capital Projects	80,450	0	1,548,873	2,800,000	2,800,000
Subtotal	\$53,999,081	\$62,249,424	\$64,641,165	\$66,598,746	\$66,598,746
Less:					
Recovered Costs	(\$459,651)	(\$523,716)	(\$523,716)	(\$573,776)	(\$573,776)
Total Expenditures	\$53,539,430	\$61,725,708	\$64,117,449	\$66,024,970	\$66,024,970

Summary by Cost Center					
Category	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan
Administration	\$687,730	\$786,916	\$789,055	\$924,124	\$924,124
Transfer Station Operations	52,771,250	60,938,792	61,779,521	62,300,846	62,300,846
Subtotal	\$53,458,980	\$61,725,708	\$62,568,576	\$63,224,970	\$63,224,970
Capital Projects	\$80,450	\$0	\$1,548,873	\$2,800,000	\$2,800,000
Total Expenditures	\$53,539,430	\$61,725,708	\$64,117,449	\$66,024,970	\$66,024,970

Position Summary					
<u>Administration</u>		<u>Transfer Station Operations</u>			
1	Director, DSWDRR	1	Supervisor of Facilities Support	1	Welder II
1	Deputy Director/Engineer IV	5	Assistant Refuse Superintendents	17	Maintenance Workers
1	Engineer II	3	Heavy Equipment Supervisors	1	Maintenance Trade Helper II
1	Management Analyst III	1	Management Analyst II	1	Administrative Assistant II
1	Management Analyst II	5	Engineering Technicians II		
1	Network/Telecommunications Analyst II	2	Engineering Technicians I		
1	Accountant II	3	Environmental Technicians II		
1	Administrative Assistant IV	8	Weighmasters		
4	Administrative Assistants III	73	Heavy Equipment Operators		
1	Administrative Assistant II	1	Motor Equipment Operator		
		3	Senior Maintenance Workers		
TOTAL POSITIONS					
138 Positions / 138.0 Staff Years					

Fund 110 Refuse Disposal



FY 2007 Funding Adjustments

The following funding adjustments from the FY 2006 Revised Budget Plan are necessary to support the FY 2007 program:

- ◆ **Employee Compensation** **\$339,503**
 An increase of \$389,563 in Personnel Services is associated with salary adjustments necessary to support the County's compensation program partially offset by an increase of \$50,060 in Recovered Costs reflecting increased recovery of salary costs.
- ◆ **Tipping Fees** **\$756,328**
 An increase of \$756,328 in Operating Expenses is associated primarily with a projected increase in tonnages and the tipping fees charged by Fund 112, E/RRF. Anticipated waste received in FY 2007 will be 1,236,369 tons, an increase of 17,056 tons over the FY 2006 estimate.
- ◆ **Contractual Requirements** **\$273,876**
 An increase of \$273,876 in Operating Expenses is associated primarily with increased contractor costs for over-road waste transport, yard waste disposal and road repairs and maintenance at the I-66 complex.
- ◆ **Intergovernmental Charges** **\$412,982**
 An increase of \$412,982 in Operating Expenses is due to intergovernmental charges. Of this total, \$349,520 is for the Department of Vehicle Services charges for fuel, vehicle replacement, and maintenance costs; and an increase of \$63,462 is for Information Technology charges based on the agency's historic usage.
- ◆ **Other Operating Expenses** **\$535,173**
 An increase of \$535,173 in Operating Expenses is primarily due to increased costs required for the support of recycling operations as well as increased charges from the Director's office and the Facilities Management Department.

Fund 110 Refuse Disposal

- ◆ **Capital Projects** **\$1,251,127**
An increase of \$1,251,127 in Capital Projects for completion of Phase II of the Citizen Disposal Facility including a redesign of the facility and necessary infrastructure repairs.

- ◆ **Capital Equipment** **\$1,708,800**
Funding of \$1,708,800 has been included for Capital Equipment for the replacement of items that have outlived their useful lifespan based on age, mileage and repair costs. Of the funding for replacement items, \$1,581,800 is for 14 pieces of heavy equipment while the remaining \$127,000 provides for the replacement of a hydroseeder, a mulch loader and a mower with attachments. Purchase expenses will be partially offset by \$245,700 in revenue associated with sale of the equipment being replaced.

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2007 Advertised Budget Plan, as approved by the Board of Supervisors on May 1, 2006:

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

Changes to FY 2006 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2006 Revised Budget Plan since passage of the FY 2006 Adopted Budget Plan. Included are all adjustments made as part of the FY 2005 Carryover Review and all other approved changes through December 31, 2005:

- ◆ **Carryover Adjustments** **\$2,391,741**
As part of the FY 2005 Carryover Review, the Board of Supervisors approved encumbered carryover of \$842,868 including \$53,600 in Operating Expenses and \$789,268 in Capital Equipment as well as \$1,548,873 in unexpended capital project balances.

The following funding adjustments reflect all approved changes to the FY 2006 Revised Budget Plan from January 1, 2006 through April 24, 2006. Included are all adjustments made as part of the FY 2006 Third Quarter Review:

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

A Fund Statement and a Summary of Capital Projects 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).

Fund 110 Refuse Disposal

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 110, Refuse Disposal

	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan
Beginning Balance	\$8,834,956	\$5,511,578	\$9,237,634	\$5,730,812	\$5,730,812
Revenue:					
Interest on Investment	\$175,931	\$94,668	\$94,668	\$149,225	\$149,225
Refuse Disposal Revenue:					
Private Collectors ¹	\$34,049,679	\$38,279,690	\$38,279,690	\$39,805,572	\$39,805,572
Cities and Towns	1,253,168	1,561,203	1,561,203	1,442,022	1,442,022
County Collection	2,486,025	2,524,842	2,524,842	3,561,486	3,561,486
Treatment Plants	127,829	132,732	132,732	136,800	136,800
County Agency Routes	407,616	467,075	467,075	501,426	501,426
Other Agencies	62,721	68,774	68,774	72,209	72,209
Non-Fairfax County ¹	3,493,014	4,182,969	4,182,969	4,296,869	4,296,869
Citizens' Disposal Facilities	4,095,319	5,390,971	5,390,971	4,890,652	4,890,652
Debris	606,803	503,173	503,173	291,940	291,940
Supplemental Market	97,478	252,096	252,096	105,650	105,650
Subtotal	\$46,679,652	\$53,363,525	\$53,363,525	\$55,104,626	\$55,104,626
Other Revenue:					
Brush	\$495,462	\$450,000	\$450,000	\$405,984	\$405,984
Yard Waste	1,955,120	2,027,964	2,027,964	2,033,393	2,033,393
Tires	986,200	703,168	703,168	1,034,674	1,034,674
Subtotal	\$3,436,782	\$3,181,132	\$3,181,132	\$3,474,051	\$3,474,051
Miscellaneous Revenue:					
White Goods	\$467,012	\$412,000	\$412,000	\$427,000	\$427,000
Sale of Equipment	152,276	616,000	616,000	245,700	245,700
Licensing Fees	30,580	42,000	42,000	42,000	42,000
Miscellaneous	499,875	401,302	401,302	402,354	402,354
Subtotal	\$1,149,743	\$1,471,302	\$1,471,302	\$1,117,054	\$1,117,054
Total Revenue	\$51,442,108	\$58,110,627	\$58,110,627	\$59,844,956	\$59,844,956
Transfers In: ²					
General Fund (001)	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Total Transfers In	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Total Available	\$62,777,064	\$66,122,205	\$69,848,261	\$68,075,768	\$68,075,768
Expenditures:					
Personnel Services	\$7,743,264	\$8,704,274	\$8,704,274	\$9,093,837	\$9,093,837
Operating Expenses ³	45,609,355	50,964,150	51,017,750	52,996,109	52,996,109
Capital Equipment	566,012	2,581,000	3,370,268	1,708,800	1,708,800
Recovered Costs	(459,651)	(523,716)	(523,716)	(573,776)	(573,776)
Capital Projects	80,450	0	1,548,873	2,800,000	2,800,000
Total Expenditures	\$53,539,430	\$61,725,708	\$64,117,449	\$66,024,970	\$66,024,970
Total Disbursements	\$53,539,430	\$61,725,708	\$64,117,449	\$66,024,970	\$66,024,970
Ending Balance⁴	\$9,237,634	\$4,396,497	\$5,730,812	\$2,050,798	\$2,050,798

Fund 110 Refuse Disposal

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 110, Refuse Disposal

	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan
Equipment Reserve ⁵	\$2,293,205	\$1,732,929	\$1,968,091	\$2,002,138	\$2,002,138
Operating & Maintenance Reserve	1,053,802	0	0	0	0
Environmental Reserve ⁶	2,000,000	1,000,000	1,000,000	0	0
Construction Reserve ⁷	3,883,936	1,639,230	2,741,521	0	0
PC Replacement Reserve	6,691	24,338	21,200	48,660	48,660
Unreserved Balance	\$0	\$0	\$0	\$0	\$0
Disposal Rate/Ton	\$48.00	\$48.00	\$48.00	\$50.00	\$50.00
Discounted Disposal Rate/Ton ⁸	\$42.45	\$44.95	\$44.95	\$46.95	\$46.95

¹ In order to account for revenues in the proper fiscal year, audit adjustments totaling \$737,454.02 have been reflected as decreases to FY 2005 revenues to reflect the receivables balance related to the waste exchange agreement between Fairfax County and Prince William County as well as the posting of revenues to the proper funds. The audit adjustments have been included in the FY 2005 Comprehensive Annual Financial Report (CAFR). Details of the FY 2005 audit adjustments were included in the FY 2006 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 In order to account for expenditures in the proper fiscal year, audit adjustments totaling \$638,869.43 have been reflected as increases to FY 2005 expenditures to reflect the receivables balance related to the waste exchange agreement between the County and Prince William County as well as the posting of revenues to the proper funds. The audit adjustments have been included in the FY 2005 Comprehensive Annual Financial Report (CAFR). Details of the FY 2005 audit adjustments were included in the FY 2006 Third Quarter Package.

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. The yearly estimated reserve amount includes the annual portion of the replacement cost for new vehicles/equipment, and continued contributions for previously acquired vehicles/equipment for which the replacement requirement has not been met.

⁶ The Environmental Reserve provides contingency funds for future environmental control projects at the I-66 Transfer Station.

⁷ The Construction Reserve provides for improvements at the I-66 Transfer Station. Planned projects include redesign and reconstruction of the Citizens Disposal Facility and expansion of employee facilities.

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 2006 discounted rate is \$44.95 per ton, and the rate is projected to increase to \$46.95 per ton in FY 2007 subject to market conditions and negotiations.

Fund 110 Refuse Disposal

FY 2007 Summary of Capital Projects

Fund: 110 Refuse Disposal

Project #	Description	Total Project Estimate	FY 2005 Actual Expenditures	FY 2006 Revised Budget	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan
174002	I-66 Transfer Station Expansion	\$13,464,900	\$79,131.26	\$845,932.11	\$0	\$0
174003	Drainage Downchutes	188,000	0.00	3,821.39	0	0
174004	Access Road Reconstruction	233,600	0.00	193,785.00	0	0
174005	Groundwater Well Installation	177,213	0.00	40,788.24	0	0
174006	Citizens Disposal Facility	3,774,875	1,319.04	464,545.96	2,800,000	2,800,000
Total		\$17,838,588	\$80,450.30	\$1,548,872.70	\$2,800,000	\$2,800,000

Fund 110 Refuse Disposal

174006	Citizens Disposal Facility	
I-66 Transfer Station		Springfield
Description and Justification: This project provides for the completion of Phase II of the Citizen Disposal Facility including the redesign of the facility and necessary infrastructure repairs.		

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering	637,846	171,981	1,319	464,546	0	0	0
Construction	3,137,029	337,029	0	0	2,800,000	2,800,000	0
Other	0	0	0	0	0	0	0
Total	\$3,774,875	\$509,010	\$1,319	\$464,546	\$2,800,000	\$2,800,000	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$2,500,000	\$0	\$0	\$300,000	\$2,800,000

Operating Budget Impact: This ongoing project will have no measurable impact on the operating budget.
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