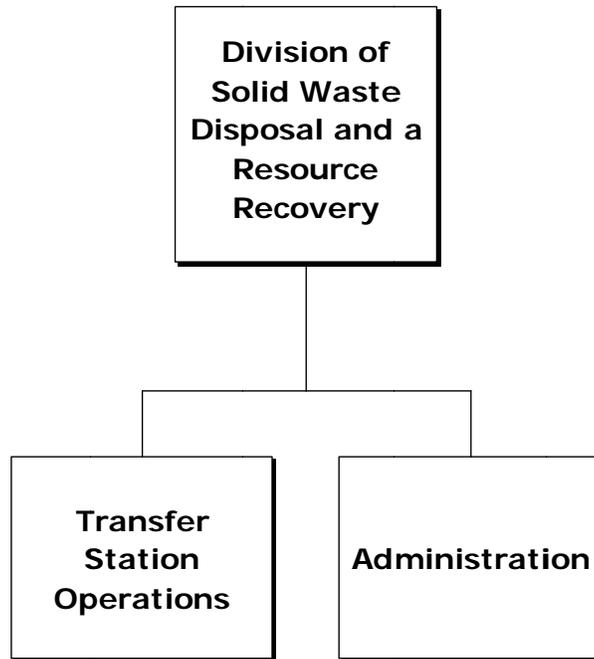


Fund 110 Refuse Disposal



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 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 Recycling and Disposal Center, 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 Recycling and Disposal Center, the Household Hazardous Waste (HHW) program, the Ordinance Enforcement program, the Bush Grinding program, the White Goods program and the Battery



Fund 110 Refuse Disposal

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, Energy Resources Recovery Facility; and 114, I-95 Refuse Disposal.

In the last year the system has experienced a substantial decrease in waste tonnage, reflecting lower consumer waste associated with the downturn in the regional and national economy. However, disposal refuse revenue in this fund remains adequate to fund operational requirements and reserves.

In FY 2012, both the system disposal charge and the recycling and disposal center fee will remain at \$60 per ton, the same as in FY 2011. A contractual discount disposal rate for FY 2012 will be negotiated with private waste haulers, but it is anticipated to be reduced to \$53 per ton, a \$2/ton decrease from FY 2011. Based on these adjustments and the current projected decrease in waste tonnage, the total FY 2012 revenue for the fund is projected to be \$51,242,247, a decrease of \$5,959,392 or 10.41 percent from the FY 2011 Adopted Budget Plan total of \$57,201,639.

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 2012 Adopted Budget Plan for those items.

Budget and Staff Resources

Agency Summary					
Category	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	136 / 136	136 / 136	144 / 144	144 / 144	144 / 144
Expenditures:					
Personnel Services	\$9,430,123	\$10,226,781	\$10,226,781	\$10,254,021	\$10,254,021
Operating Expenses	37,980,139	44,669,651	44,960,392	39,002,450	39,002,450
Capital Equipment	2,425,557	1,189,500	2,731,658	2,677,000	2,677,000
Capital Projects	351,564	0	4,177,078	0	0
Subtotal	\$50,187,383	\$56,085,932	\$62,095,909	\$51,933,471	\$51,933,471
Less:					
Recovered Costs	(\$669,169)	(\$688,840)	(\$688,840)	(\$688,840)	(\$688,840)
Total Expenditures	\$49,518,214	\$55,397,092	\$61,407,069	\$51,244,631	\$51,244,631

Summary By Cost Center					
Category ¹	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
Administration	\$924,907	\$1,402,560	\$1,403,166	\$1,458,800	\$1,458,800
Transfer Station Operations	48,241,743	53,994,532	55,826,825	49,785,831	49,785,831
Subtotal	\$49,166,650	\$55,397,092	\$57,229,991	\$51,244,631	\$51,244,631
Capital Projects	\$351,564	\$0	\$4,177,078	\$0	\$0
Total Expenditures	\$49,518,214	\$55,397,092	\$61,407,069	\$51,244,631	\$51,244,631

Fund 110

Refuse Disposal

Position Summary		
Administration 1 Director, DSWDRR 2 Public Works Environmental Services Managers 1 Engineering Technician II 1 Public Works Environmental Services Specialist 1 Management Analyst III 1 Management Analyst II 1 Network/Telecom Analyst II 1 Financial Specialist II 3 Administrative Assistants IV 2 Administrative Assistants III 3 Administrative Assistants II	Transfer Station Operations 5 Asst. Refuse Superintendents 1 Engineer III 3 Heavy Equipment Supervisors 2 Management Analysts II 5 Engineering Technicians II 2 Engineering Technicians I 3 Environmental Technicians II 10 Weighmasters 56 Heavy Equipment Operators 1 Motor Equipment Operator 3 Senior Maintenance Workers 19 Maintenance Workers	1 Code Specialist II 8 Lead Refuse Operators 3 Maintenance Trade Helpers II 2 Administrative Assistants II 1 Safety Analyst 1 Welder II 1 Welder I
TOTAL POSITIONS		
144 Positions / 144.0 Staff Years		

FY 2012 Funding Adjustments

The following funding adjustments from the FY 2011 Adopted Budget Plan are necessary to support the FY 2012 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on April 26, 2011.

- ◆
Employee Compensation \$0
 It should be noted that no funding is included for pay for performance or market rate adjustments in FY 2012.
- ◆
Other Post-Employment Benefits \$27,240
 An increase of \$27,240 is required to reflect increased costs associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. Before FY 2011, costs related to these benefits were paid solely by the General Fund; however, these annual costs are now spread across funds in order to more appropriately reflect benefit-related expenses for the employees within each fund. For more information on Other Post-Employment Benefits, please refer to Fund 603, OPEB Trust Fund, in Volume 2 of the FY 2012 Adopted Budget Plan.
- ◆
Reduced E/RRF Expenditures (\$5,667,201)
 A decrease of \$5,667,201 in Operating Expenses is primarily due to a reduction of \$5,019,449 resulting from a projected 7.3 percent decrease in waste tonnage from nearly 639,000 tons to just over 590,000 tons, continuing a trend that began in FY 2007. The remaining decrease of \$642,000 is due to a projected 16.9 percent decrease in yard waste tonnage from just over 42,000 tons to just over 35,000 tons, also continuing a trend beginning in FY 2007.
- ◆
Capital Equipment \$2,677,000
 Funding of \$2,677,000 in Capital Equipment includes \$840,000 for the replacement of six road tractors, \$658,000 for seven refuse trailers, \$70,000 for two pick-up trucks, \$234,000 for a street sweeper, \$25,000 for a small tractor, \$350,000 for a rubber tire loader, \$400,000 for two stationary cranes, and \$100,000 for fixtures and furniture associated with the renovation of the I-66 workers facility.

Fund 110

Refuse Disposal

Changes to FY 2011 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2011 Revised Budget Plan since passage of the FY 2011 Adopted Budget Plan. Included are all adjustments made as part of the FY 2010 Carryover Review, FY 2011 Third Quarter Review, and all other approved changes through April 12, 2011.

- ◆ **Carryover Adjustments** **\$6,009,977**
As part of the *FY 2010 Carryover Review*, the Board of Supervisors approved encumbered funding of \$290,741 in Operating Expenses, and \$1,542,158 in Capital Equipment. In addition, the Board approved the carryover of \$4,177,078 in unexpended project balances.

- ◆ **Position Changes** **\$0**
As part of the FY 2011 review of County position categories, a conversion of 8/8.0 SYE positions has been made. The status of limited term positions was reviewed in light of recent changes to federal regulations related to health care and other federal tax requirements. As a result of this review a number of existing limited term positions have been converted to Merit Regular status.

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 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
Beginning Balance	\$11,355,917	\$8,325,072	\$13,787,425	\$9,581,995	\$9,581,995
Revenue:					
Interest on Investment	\$62,700	\$70,308	\$70,308	\$85,310	\$85,310
Refuse Disposal Revenue	49,992,261	56,034,331	56,034,331	49,370,937	49,370,937
Miscellaneous Revenue:					
White Goods	\$589,811	\$340,000	\$340,000	\$900,000	\$900,000
Rent of Equipment, Space	241,024	302,000	302,000	282,000	282,000
Sale of Equipment	729,337	227,000	227,000	365,000	365,000
Licensing Fees	66,280	55,000	55,000	66,000	66,000
Miscellaneous	268,309	173,000	173,000	173,000	173,000
Subtotal Miscellaneous Revenue	<u>\$1,894,761</u>	<u>\$1,097,000</u>	<u>\$1,097,000</u>	<u>\$1,786,000</u>	<u>\$1,786,000</u>
Total Revenue	\$51,949,722	\$57,201,639	\$57,201,639	\$51,242,247	\$51,242,247
Total Available	\$63,305,639	\$65,526,711	\$70,989,064	\$60,824,242	\$60,824,242
Expenditures:					
Personnel Services	\$9,430,123	\$10,226,781	\$10,226,781	\$10,254,021	\$10,254,021
Operating Expenses	37,980,139	44,669,651	44,960,392	39,002,450	39,002,450
Capital Equipment	2,425,557	1,189,500	2,731,658	2,677,000	2,677,000
Recovered Costs	(669,169)	(688,840)	(688,840)	(688,840)	(688,840)
Capital Projects	351,564	0	4,177,078	0	0
Total Expenditures	<u>\$49,518,214</u>	<u>\$55,397,092</u>	<u>\$61,407,069</u>	<u>\$51,244,631</u>	<u>\$51,244,631</u>
Total Disbursements	\$49,518,214	\$55,397,092	\$61,407,069	\$51,244,631	\$51,244,631
Ending Balance¹	\$13,787,425	\$10,129,619	\$9,581,995	\$9,579,611	\$9,579,611
Reserves:					
Equipment Reserve ²	\$1,879,285	\$2,049,038	\$2,049,038	\$1,835,918	\$1,835,918
Operating and Maintenance Reserve ³	500,000	928,975	395,139	2,495,110	2,495,110
Environmental Reserve	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Construction Reserve ⁴	5,065,972	5,065,972	5,052,184	3,183,730	3,183,730
PC Replacement Reserve	61,293	85,634	85,634	64,853	64,853
Unreserved Balance	\$4,280,875	\$0	\$0	\$0	\$0
System Disposal Rate/Ton ⁵	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
Discounted Disposal Rate/Ton ⁶	\$55.00	\$55.00	\$55.00	\$53.00	\$53.00

Fund 110

Refuse Disposal

¹Ending 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.

²The Equipment 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.

³The Operating and Maintenance Reserve provides funds to react to unanticipated events such as significant changes in waste quantities, increases in contract disposal rates at composting facilities and landfills, increases in fuel costs, significant reductions in revenues, etc.. The reserve also acts as a rate stabilization reserve, allowing smooth transition to rate changes minimizing the impact on customers.

⁴The Construction Reserve provides for future improvements at the I-66 Transfer Station. A need for the renovation of the existing administrative offices at the I-66 Transfer Station has been identified. The building was originally constructed during 1982 and opened January 1983. The renovation work will include repairs and modifications to the HVAC system, replacement of the motor control center, remodeling of bathroom and locker room facilities, remodeling and modifications to the existing scale house, and remodeling of other existing administrative offices, hallways, and common areas to meet the present needs and building codes. The scoping and preliminary design phase will begin during FY 2012 and construction work is anticipated to commence in FY 2013.

⁵The FY 2012 System Disposal rate is projected to remain at \$60 per ton subject to market conditions.

⁶In 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 2012 System Disposal rate is expected to be reduced to \$53.00 per ton.

Fund 110 Refuse Disposal

FY 2012 Summary of Capital Projects

Fund: 110, Refuse Disposal

Project #	Description	Total Project Estimate	FY 2010 Actual Expenditures	FY 2011 Revised Budget	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
174002	I-66 Transfer Station Expansion	\$20,442,235	(\$2,920.79)	\$0.00	\$0	\$0
174006	Citizens Disposal Facility	640,840	0.00	0.00	0	0
174007	Workers Facility	4,650,751	354,485.24	4,177,077.69	0	0
Total		\$25,733,826	\$351,564.45	\$4,177,077.69	\$0	\$0