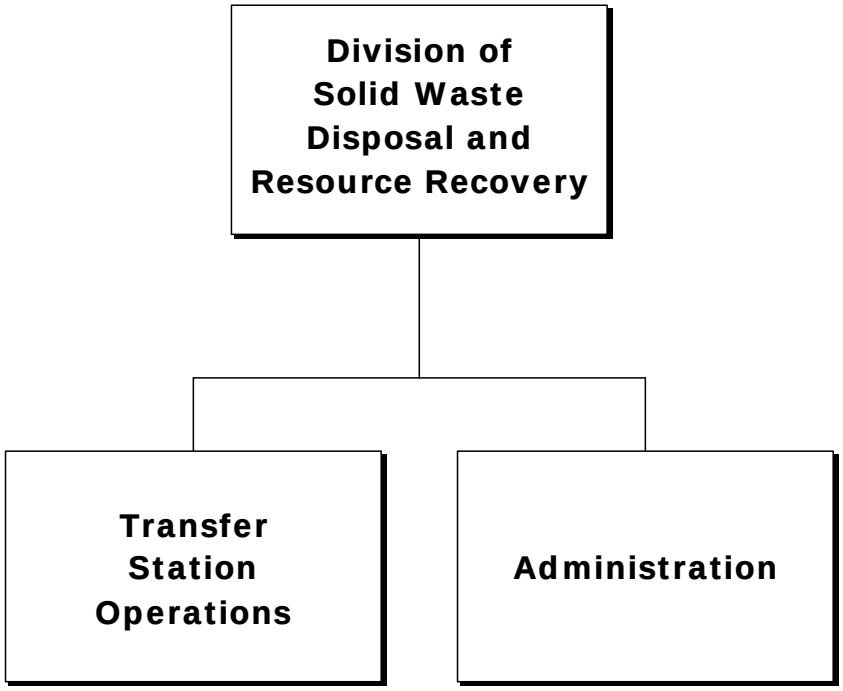
# Fund 110
# Refuse Disposal




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

The system has experienced a 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 2013, both the system disposal charge and the recycling and disposal center fee will remain at $60 per ton, the same as in FY 2012. A contractual discount disposal rate for FY 2013 will be negotiated with private waste haulers, but it is anticipated to remain $53 per ton, as in FY 2012. Based on these adjustments and the current projected decrease in waste tonnage, the total FY 2013 revenue for the fund is projected to be $50,253,752, a decrease of $988,495 or 1.93 percent from the FY 2012 Adopted Budget Plan total of $51,242,247.

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 2013 Adopted Budget Plan for those items.

## Budget and Staff Resources

| Agency Summary | | | | | |
|---|---|---|---|---|---|
| Category | FY 2011 Actual | FY 2012 Adopted Budget Plan | FY 2012 Revised Budget Plan | FY 2013 Advertised Budget Plan | FY 2013 Adopted Budget Plan |
| Authorized Positions/Staff Years | | | | | |
| Regular | 144 / 144 | 144 / 144 | 144 / 144 | 144 / 144 | 144 / 144 |
| Expenditures: | | | | | |
| Personnel Services | $10,007,328 | $10,254,021 | $10,368,874 | $10,611,495 | $10,709,528 |
| Operating Expenses | 35,301,005 | 39,002,450 | 39,281,328 | 38,683,304 | 38,683,304 |
| Capital Equipment | 1,586,725 | 2,677,000 | 3,760,510 | 2,843,000 | 2,843,000 |
| Capital Projects | 2,410,483 | 0 | 1,766,594 | 2,050,000 | 2,050,000 |
| **Subtotal** | **$49,305,541** | **$51,933,471** | **$55,177,306** | **$54,187,799** | **$54,285,832** |
| Less: | | | | | |
| Recovered Costs | ($630,190) | ($688,840) | ($688,840) | ($725,223) | ($725,223) |
| **Total Expenditures** | **$48,675,351** | **$51,244,631** | **$54,488,466** | **$53,462,576** | **$53,560,609** |

| Summary By Cost Center | | | | | |
|---|---|---|---|---|---|
| Category | FY 2011 Actual | FY 2012 Adopted Budget Plan | FY 2012 Revised Budget Plan | FY 2013 Advertised Budget Plan | FY 2013 Adopted Budget Plan |
| Administration | $995,096 | $1,458,800 | $1,475,269 | $1,499,455 | $1,512,959 |
| Transfer Station Operations | 45,269,772 | 49,785,831 | 51,246,603 | 49,913,121 | 49,997,650 |
| **Subtotal** | **$46,264,868** | **$51,244,631** | **$52,721,872** | **$51,412,576** | **$51,510,609** |
| Capital Projects | $2,410,483 | $0 | $1,766,594 | $2,050,000 | $2,050,000 |
| **Total Expenditures** | **$48,675,351** | **$51,244,631** | **$54,488,466** | **$53,462,576** | **$53,560,609** |

# Fund 110
# Refuse Disposal

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

## FY 2013 Funding Adjustments

*The following funding adjustments from the FY 2012 Adopted Budget Plan are necessary to support the FY 2013 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 May 1, 2012.*

- **Employee Compensation** **$265,355**
  An increase of $265,355 in Personnel Services reflects $167,322 for a 2.18 percent market rate adjustment (MRA) in FY 2013, effective July 2012, and $98,033 for a 2.50 percent performance-based scale and salary increase for non-uniformed merit employees, effective January 2013.

- **Full Year Impact of FY 2012 Market Rate Adjustment** **$150,496**
  As part of the *FY 2011 Carryover Review*, the Board of Supervisors approved an increase of $150,496 in Personnel Services for a 2.0 percent market rate adjustment (MRA), effective September 24, 2011.

- **Other Post-Employment Benefits** **$39,656**
  An increase of $39,656 in Personnel Services reflects required adjustments 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 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 2013 Adopted Budget Plan.

- **Reduced E/RRF Expenditures** **($319,146)**
  A decrease of $319,416 in Operating Expenses is primarily due to a projected 1.7 percent decrease in waste tonnage from nearly 947,000 tons to just over 930,000 tons.

- **Recovered Costs** **($36,383)**
  An increase of $36,383 in Recovered Costs reflects the anticipated level of recovered administration overhead costs from other Solid Waste funds and is associated with the salary adjustments necessary to support the market rate adjustments in FY 2013.

- **Capital Equipment** **$2,843,000**
  Funding of $2,843,000 in Capital Equipment includes $1,545,000 for the replacement of three caterpillar rubber tire loaders, $840,000 for six road tractors, $315,000 for three refuse trailers, $85,000 for one refuse trailer, $55,000 for one utility truck and $3,000 for a mower. These replacement items have all exceeded their useful life and are required to be replaced based on age, mileage, frequency of costly repairs, excessive downtime and overall condition of the equipment.

- **Capital Projects** **$2,050,000**
  Funding of $2,050,000 for Capital Projects has been included in FY 2013. Of this amount, $1,200,000 is included for the renovation of the existing permit and receiving center at the I-66 Transfer Station. The building was opened in 1983 and currently houses the permit offices, main scales, and limited locker room facilities. The renovation work includes the installation of a new HVAC system, renovations to bathroom facilities and conference areas, modifications to the existing scale house and other related modifications to meet present needs and building codes. In addition, $850,000 has been included for the renovation of the truck ramp retaining wall that provides access to the lower level of the transfer station below the refuse chutes at the I-66 Transfer Station. The ramp and retaining wall were built in 1995 and have significantly settled and displaced with the current danger of collapsing.

## Changes to FY 2012 Adopted Budget Plan

*The following funding adjustments reflect all approved changes in the FY 2012 Revised Budget Plan since passage of the FY 2012 Adopted Budget Plan. Included are all adjustments made as part of the FY 2011 Carryover Review, FY 2012 Third Quarter Review, and all other approved changes through April 24, 2012.*

- **Carryover Adjustments** **$3,119,875**
  As part of the *FY 2011 Carryover Review*, the Board of Supervisors approved funding of $114,853 in Personnel Services for a 2.0 percent market rate adjustment, effective September 24, 2011. In addition, the Board approved encumbered funding of $278,878 in Operating Expenses, $1,083,510 in Capital Equipment, as well as, $1,642,634 in unexpended project balances.

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 2011 Actual | FY 2012 Adopted Budget Plan | FY 2012 Revised Budget Plan | FY 2013 Advertised Budget Plan | FY 2013 Adopted Budget Plan |
|---|---|---|---|---|---|
| **Beginning Balance** | **$13,787,425** | **$9,581,995** | **$15,314,608** | **$12,068,389** | **$12,068,389** |
| Revenue: | | | | | |
| Interest on Investment | $56,453 | $85,310 | $85,310 | $55,977 | $55,977 |
| Refuse Disposal Revenue | 48,459,119 | 49,370,937 | 49,370,937 | 47,748,935 | 47,748,935 |
| Miscellaneous Revenue: | | | | | |
| White Goods | $835,396 | $900,000 | $900,000 | $900,000 | $900,000 |
| Rent of Equipment, Space | 301,255 | 282,000 | 282,000 | 280,000 | 280,000 |
| Sale of Equipment | 172,722 | 365,000 | 365,000 | 1,029,000 | 1,029,000 |
| Licensing Fees | 69,120 | 66,000 | 66,000 | 66,840 | 66,840 |
| Federal Emergency Assistance | 27,706 | 0 | 0 | 0 | 0 |
| Miscellaneous | 280,763 | 173,000 | 173,000 | 173,000 | 173,000 |
| Subtotal Miscellaneous Revenue | $1,686,962 | $1,786,000 | $1,786,000 | $2,448,840 | $2,448,840 |
| Total Revenue | $50,202,534 | $51,242,247 | $51,242,247 | $50,253,752 | $50,253,752 |
| **Total Available** | **$63,989,959** | **$60,824,242** | **$66,556,855** | **$62,322,141** | **$62,322,141** |
| Expenditures: | | | | | |
| Personnel Services | $10,007,328 | $10,254,021 | $10,368,874 | $10,611,495 | $10,709,528 |
| Operating Expenses | 35,301,005 | 39,002,450 | 39,281,328 | 38,683,304 | 38,683,304 |
| Capital Equipment | 1,586,725 | 2,677,000 | 3,760,510 | 2,843,000 | 2,843,000 |
| Recovered Costs | (630,190) | (688,840) | (688,840) | (725,223) | (725,223) |
| Capital Projects[1] | 2,410,483 | 0 | 1,766,594 | 2,050,000 | 2,050,000 |
| Total Expenditures | $48,675,351 | $51,244,631 | $54,488,466 | $53,462,576 | $53,560,609 |
| Transfers Out: | | | | | |
| General Fund[2] | $0 | $0 | $0 | $0 | $2,500,000 |
| Total Transfers Out | $0 | $0 | $0 | $0 | $2,500,000 |
| **Total Disbursements** | **$48,675,351** | **$51,244,631** | **$54,488,466** | **$53,462,576** | **$56,060,609** |
| **Ending Balance[3]** | **$15,314,608** | **$9,579,611** | **$12,068,389** | **$8,859,565** | **$6,261,532** |
| Reserves: | | | | | |
| Equipment Reserve[4] | $2,049,038 | $1,835,918 | $1,835,918 | $2,056,809 | $2,056,809 |
| Operating and Maintenance Reserve[5] | 4,052,119 | 2,495,110 | 5,107,848 | 3,731,226 | 1,133,193 |
| Environmental Reserve | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Construction Reserve[6] | 5,052,184 | 3,183,730 | 3,059,770 | 1,009,770 | 1,009,770 |
| PC Replacement Reserve | 85,634 | 64,853 | 64,853 | 61,760 | 61,760 |
| **Unreserved Balance** | **$2,075,633** | **$0** | **$0** | **$0** | **$0** |
| System Disposal Rate/Ton[7] | $60 | $60 | $60 | $60 | $60 |
| Discounted Disposal Rate/Ton[8] | $55 | $53 | $53 | $53 | $53 |

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[1] In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of $123,960.00 has been reflected as a decrease to FY 2011 expenditures due to expenditure accruals. This impacts the amount carried forward and results in an increase of $123,960.00 to the *FY 2012 Revised Budget Plan.* The project affected by this adjustment is Project 174007, Workers Facility. These audit adjustments have been included in the FY 2011 Comprehensive Annual Financial Report (CAFR).Details of the audit adjustments were included in the FY 2012 Third Quarter package.

[2] The Transfer Out to the General Fund represents an unused balance of an FY 2008 General Fund transfer into Fund 110, Refuse Disposal.

[3] 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.

[4] The 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. Reserve needs are calculated based on individual vehicle age, anticipated retirement date, and anticipated replacement value.

[5] The 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.

[6] The Construction Reserve provides for future improvements at the I-66 Transfer Station. A need for the renovation of the existing permit and receiving center at the I-66 Transfer Station has been identified. The building was opened in 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 offices, hallways, and common areas to meet the present needs and building codes. The scoping and preliminary design phase will begin in FY 2012 and construction work is anticipated to commence in FY 2013.

[7] The FY 2013 System Disposal rate is projected to remain at $60 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 2013 System Disposal rate is expected to remain the same at $53.00 per ton.

# Fund 110
# Refuse Disposal

## FY 2013 Summary of Capital Projects

**Fund: 110, Refuse Disposal**

| Project # | Description | Total Project Estimate | FY 2011 Actual Expenditures | FY 2012 Revised Budget | FY 2013 Advertised Budget Plan | FY 2013 Adopted Budget Plan |
|---|---|---|---|---|---|---|
| 174002 | I-66 Transfer Station Expansion | $20,442,235 | $0.00 | $0.00 | $0 | $0 |
| 174007 | Workers Facility | 4,650,751 | 2,410,483.38 | 1,766,594.31 | 0 | 0 |
| 174008 | Permit and Receiving Center | 1,200,000 | 0.00 | 0.00 | 1,200,000 | 1,200,000 |
| 174009 | Truck/Ramp Retaining Wall | 850,000 | 0.00 | 0.00 | 850,000 | 850,000 |
| **Total** | | **$27,142,986** | **$2,410,483.38** | **$1,766,594.31** | **$2,050,000** | **$2,050,000** |