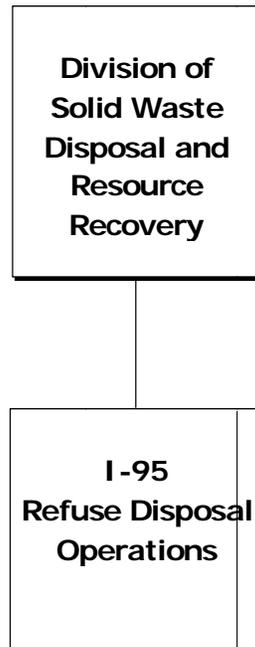


Fund 114

I-95 Refuse Disposal



Mission

To manage the I-95 Complex and to provide a site where solid waste and recyclable materials from County citizens are gathered and properly disposed, and a deposit site where ash from the Energy/Resource Recovery Facility (E/RRF) and other participating municipalities can be properly disposed.

Focus

The County has operated the I-95 Sanitary Complex for more than 25 years, and has served the solid waste disposal needs of the residents of the participating jurisdictions utilizing the facility. The municipal solid waste (MSW) section of the I-95 Complex closed in December 1995, and since that time the facility has accepted only ash material for land burial. The I-95 Ashfill continues to operate as a model facility - meeting permit requirements, inspection criteria, and availability requirements for the participating jurisdictions and customers of the facility. The I-95 Complex also serves as the focal point for the management of non-combustible material, which is redirected to debris landfills for final disposal.



The ash disposal fee in FY 2013 for Fund 114, I-95 Refuse Disposal will increase to \$17.50 per ton from \$15.50 per ton in FY 2012. In the past, high interest earning rates had provided sufficient funds to accommodate operating expenditures, as well as provide adequate reserve funding required for capital projects and post closure care. It had allowed the fund to maintain the lower ash disposal fee of \$11.50 per ton from FY 2001 to FY 2009. Since that time, interest earnings have continued to decline and operational requirements have exceeded available resources. This rate increase is part of a phased approach to stabilize the fund and begin to provide the state and federally mandated post closure requirements.

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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 Advertised 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
Authorized Positions/Staff Years				
Regular	41 / 41	41 / 41	41 / 41	41 / 41
Expenditures:				
Personnel Services	\$3,204,872	\$3,186,976	\$3,223,376	\$3,438,685
Operating Expenses	4,094,365	4,255,570	4,604,027	4,255,570
Capital Equipment	340,309	769,000	1,311,657	1,475,000
Capital Projects	581,511	0	13,402,634	700,000
Total Expenditures	\$8,221,057	\$8,211,546	\$22,541,694	\$9,869,255

Position Summary				
1 Engineer V	4 Engineering Technicians II	1 Motor Equipment Operator		
1 Engineer III	2 Engineering Technicians I	2 Weighmasters		
1 Sr. Environmental Specialist	1 Refuse Superintendent	1 Management Analyst I		
3 Public Works Environmental Services Specialists	3 Asst. Refuse Superintendents	1 Administrative Assistant II		
1 PW/ES Technical Specialist	1 Industrial Electrician III	1 Senior Maintenance Worker		
1 Engineering Technician III	1 Industrial Electrician II	6 Maintenance Workers		
	9 Heavy Equipment Operators			
TOTAL POSITIONS				
41 Positions / 41.0 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:

- ◆ **Employee Compensation** **\$156,595**
 An increase of \$156,595 in Personnel Services reflects a 2.18 percent market rate adjustment (MRA) of \$53,029 in FY 2013, and an increase of \$103,566 in fringe benefits based on actual experience in FY 2011.
- ◆ **Full Year Impact of FY 2012 Market Rate Adjustment** **\$47,696**
 As part of the *FY 2011 Carryover Review*, the Board of Supervisors approved an increase of \$47,696 in Personnel Services for a 2.0 percent market rate adjustment (MRA), effective September 24, 2011.
- ◆ **Other Post-Employment Benefits** **\$7,565**
 An increase of \$7,565 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 Advertised Budget Plan.

Fund 114 I-95 Refuse Disposal

- ◆ **Limited-Term Positions** **\$39,853**

An increase of \$39,853 in limited term salaries is associated with the support of the operations at the I-95 Ashfill Facility. The Maintenance Worker and Weighmaster will assist in reducing overtime hours of existing staff while maintaining efficient operations at the facility in order to comply with permit requirements and improve safety.

- ◆ **Capital Equipment** **\$1,475,000**

Funding of \$1,475,000 in Capital Equipment includes \$1,030,000 for the replacement of two caterpillar rubber tire loaders used to maneuver piles of trash, yard waste and construction debris, \$400,000 for one dozer used to maneuver ash on the ashfill, and \$45,000 for one tractor. 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** **\$700,000**

Funding of \$700,000 for Capital Projects has been included in FY 2013. Of this amount, \$500,000 is included for the closure capping activities of portions of the ashfill and for the installation of the corresponding stormwater management structures. In addition, \$100,000 is for the installation and expansion of the leachate treatment facilities which include the leachate pumping stations, pipelines, and collection systems required to pretreat, process, and store wastewater that flows through the ashfill. The remaining \$100,000 is for the ongoing installation of methane gas recovery wells that extract methane gas from the ashfill's interior boundaries before it escapes into the atmosphere and the construction of a methane extraction facility that will provide the conversion and transportation infrastructure to allow the energy product to be utilized and sold commercially.

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, and all other approved changes through December 31, 2011:

- ◆ **Carryover Adjustments** **\$14,435,694**

As part of the *FY 2011 Carryover Review*, the Board of Supervisors approved funding of \$36,400 in Personnel Services for a 2.0 percent market rate adjustment, effective September 24, 2011. In addition, the Board approved encumbered funding of \$348,457 in Operating Expenses, \$542,657 in Capital Equipment, as well as, \$13,508,180 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 114

I-95 Refuse Disposal

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 114, I-95 Refuse Disposal

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
Beginning Balance	\$53,175,316	\$36,210,624	\$50,912,477	\$35,251,451
Revenue:				
Interest on Investments	\$229,257	\$352,420	\$352,420	\$187,736
Refuse Disposal Revenue	5,019,527	6,162,011	6,162,011	7,074,575
Other Revenue:				
Fees, Ashfill Permit	\$3,320	\$7,200	\$7,200	\$7,200
Sale of Equipment	457,755	158,000	158,000	533,000
Sale of Methane Gas ¹	202,894	191,600	191,600	191,600
Miscellaneous Revenue	45,465	9,437	9,437	9,437
Subtotal Other Revenue	<u>\$709,434</u>	<u>\$366,237</u>	<u>\$366,237</u>	<u>\$741,237</u>
Total Revenue	\$5,958,218	\$6,880,668	\$6,880,668	\$8,003,548
Total Available	\$59,133,534	\$43,091,292	\$57,793,145	\$43,254,999
Expenditures:				
Personnel Services	\$3,204,872	\$3,186,976	\$3,223,376	\$3,438,685
Operating Expenses	4,094,365	4,255,570	4,604,027	4,255,570
Capital Equipment	340,309	769,000	1,311,657	1,475,000
Capital Projects ^{2,3}	581,511	0	13,402,634	700,000
Total Expenditures	<u>\$8,221,057</u>	<u>\$8,211,546</u>	<u>\$22,541,694</u>	<u>\$9,869,255</u>
Total Disbursements	\$8,221,057	\$8,211,546	\$22,541,694	\$9,869,255
Ending Balance⁴	\$50,912,477	\$34,879,746	\$35,251,451	\$33,385,744
Reserves				
Active Cell Closure Liability Reserve ⁵	\$6,385,829	\$2,706,015	\$2,696,753	\$507,737
Environmental Reserve ⁶	4,829,985	5,000,000	5,000,000	5,000,000
Construction Reserve ⁷	0	0	380,967	0
Capital Equipment Reserve ⁸	570,894	1,126,600	1,126,600	1,145,000
Post-Closure Reserve ⁹	25,676,530	26,000,000	26,000,000	26,700,000
PC Replacement Reserve ¹⁰	47,131	47,131	47,131	33,007
Unreserved Ending Balance	\$13,402,108	\$0	\$0	\$0
Disposal Fee/Ton ¹¹	\$13.50	\$15.50	\$15.50	\$17.50

Fund 114

I-95 Refuse Disposal

¹ In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of \$526.00 has been reflected as a decrease to FY 2011 Sale of Methane Gas revenue to accurately record revenue accruals. This audit adjustment has been included in the FY 2011 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments will be included in the FY 2012 Third Quarter package.

² In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of \$105,546.09 has been reflected as an increase to FY 2011 expenditures due to expenditure accruals. This impacts the amount carried forward and results in a decrease of \$105,546.09 to the *FY 2012 Revised Budget Plan*. The project affected by this adjustment is Project 186650, I-95 Landfill Closure. This audit adjustment has been included in the FY 2011 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments will be included in the FY 2012 Third Quarter package.

³ Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

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 and expenditure requirements.

⁵ The Active Cell Closure Liability Reserve is necessary for the closure of active disposal cells of the Ashfill and is necessary for ashfilling activities to progress in accord with state requirements.

⁶ The Environmental Reserve assures that the County has funds to implement, or at least start to implement, unplanned actions to protect the environment or meet regulatory requirements. Specific examples of future environmental projects are likely to include: Landfill Gas Control Projects, Stormwater Management, Wastewater (Leachate) Management, and Groundwater protective measures.

⁷ The Construction Reserve provides funds to meet the requirements of current and future construction projects necessary for the operation of the I-95 Ashfill, such as drainage and road-related projects.

⁸ The Capital Equipment Reserve provides for the timely replacement of equipment required to operate the I-95 Ashfill. Funds are transferred from Ash Disposal Revenue to equipment 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 are based on the useful life of the equipment and vehicles.

⁹ The Post-Closure Reserve is required for a 30-year period after the ashfill closes and is mandated by federal and state regulations. The FY 2013 projected reserve of \$26 million represents approximately 53 percent of the estimated requirement of \$48,995,762 and is not sufficient to cover all identified costs. Additional funds will be set aside in future years.

¹⁰ The PC Replacement Reserve provides for the timely replacement of obsolete computer equipment.

¹¹ Effective July 1, 2000 the jurisdictional fee for ash disposal was reduced from \$14/ton to \$11.50/ton. The rate remained at \$11.50/ton from FY 2001 to FY 2009, and was increased to \$13.50/ton in FY 2010 to meet operating and post closure reserve requirements. The rate was raised to \$15.50/ton in FY 2012 and will be increased to \$17.50/ton in FY 2013.

Fund 114 I-95 Refuse Disposal

FY 2013 Summary of Capital Projects

Fund: 114, I-95 Refuse Disposal

Project #	Description	Total Project Estimate	FY 2011 Actual Expenditures	FY 2012 Revised Budget	FY 2013 Advertised Budget Plan
186435	Area 3 Lined Landfill Constructio	\$24,187,561	(\$125,709.54)	\$2,774,477.06	\$0
186440	I-95 Landfill Leachate Facility	3,021,000	32,084.44	2,418,722.83	100,000
186470	Paved Ditch Extension Areas	1,173,900	0.00	362,818.00	0
186600	Methane Gas Recovery	2,703,050	0.00	695,661.12	100,000
186650	I-95 Landfill Closure	56,266,579	675,135.88	7,150,954.82	500,000
Total		\$87,352,090	\$581,510.78	\$13,402,633.83	\$700,000