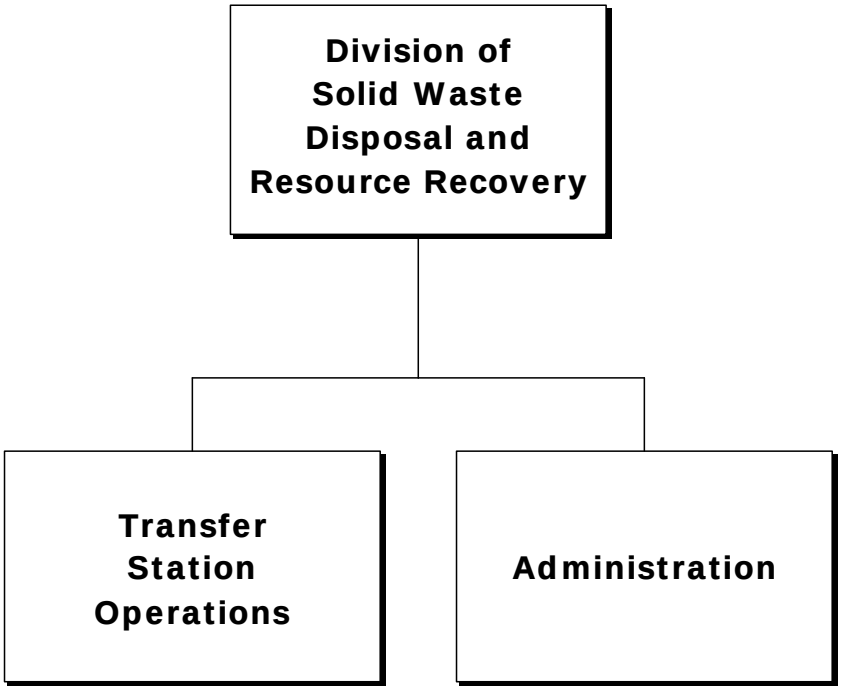
Fund 40150
Refuse Disposal



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 40150 (formerly 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: 40150, Refuse Disposal; 40160, Energy Resources Recovery Facility; and 40170, I-95 Refuse Disposal.

Refuse Disposal supports the following County Vision Elements:

- *Maintaining Safe and Caring Communities*
- *Creating a Culture of Engagement*
- *Practicing Environmental Stewardship*
- *Exercising Corporate Stewardship*

The system has experienced a slight increase in waste tonnage, reflecting modest improvement in the regional and national economy.

In FY 2014, both the system disposal charge and the recycling and disposal center fee will remain at $60 per ton, the same as in FY 2013. The contractual disposal rate for FY 2014 is anticipated to be $54 per ton, an increase of $1 from $53 per ton in FY 2013. This rate increase is required to support operational requirements, maintain identified reserves, and avoid sharp rate increases in the near future. Based on this adjustment and the current projected increase in waste tonnage, the total FY 2014 revenue for the fund is projected to be $50,342,750, an increase of $88,998 over the FY 2013 Adopted Budget Plan total of $50,253,752.

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 2014 Adopted Budget Plan for those items.

Budget and Staff Resources

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised	FY 2014 Adopted
FUNDING					
Expenditures:					
Personnel Services	$9,971,943	$10,709,528	$10,709,528	$10,813,028	$10,813,028
Operating Expenses	35,958,711	38,683,304	38,683,304	39,423,694	39,423,694
Capital Equipment	1,842,238	2,843,000	4,707,494	1,969,000	1,969,000
Capital Projects	1,462,271	2,050,000	2,354,323	0	0
Subtotal	$49,235,163	$54,285,832	$56,454,649	$52,205,722	$52,205,722
Less:					
Recovered Costs	($586,410)	($725,223)	($725,223)	($778,337)	($778,337)
Total Expenditures	$48,648,753	$53,560,609	$55,729,426	$51,427,385	$51,427,385
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	144 / 144	144 / 144	144 / 144	145 / 145	144 / 144

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	Administration		Transfer Station Operations		
1	Director, DSWDRR	1	Division Director, Land Development Services	55	Heavy Equipment Operators
1	Public Works Environmental Services Manager	1	Public Works Environmental Services Manager	1	Motor Equipment Operator
1	Engineering Technician II	5	Asst. Refuse Superintendents	3	Senior Maintenance Workers
1	Public Works Environmental Services Specialist	1	Engineer III	19	Maintenance Workers
1	Management Analyst III	3	Heavy Equipment Supervisors	1	Code Specialist II
1	Management Analyst II	1	Management Analyst IV	8	Lead Refuse Operators
1	Network/Telecom Analyst II	1	Management Analyst II	3	Maintenance Trade Helpers II
1	Financial Specialist II	5	Engineering Technicians II	1	Administrative Assistant III
3	Administrative Assistants IV	3	Engineering Technicians I	1	Administrative Assistant II
2	Administrative Assistants III	3	Environmental Technicians II	1	Safety Analyst
2	Administrative Assistants II (-1)	10	Weighmasters	1	Welder II
				1	Welder I

TOTAL POSITIONS
144 Positions / 144.0 FTE

(-) Denotes Abolished Position due to Budget Reductions

FY 2014 Funding Adjustments

The following funding adjustments from the FY 2013 Adopted Budget Plan are necessary to support the FY 2014 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 30, 2013.

- **Employee Compensation** **$98,033**
  An increase of $98,033 in Personnel Services reflects the full year impact of the FY 2013 2.5 percent performance-based scale and salary increase, effective January 2013, for non-uniformed employees. It should be noted that no funding is included for additional employee compensation for this department in FY 2014.

- **Other Post-Employment Benefits** **$5,467**
  An increase of $5,467 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 73030, OPEB Trust Fund, in Volume 2 of the FY 2014 Adopted Budget Plan.

- **Increased E/RRF Expenditures** **$740,390**
  An increase of $740,390 in Operating Expenses is due to a projected 1.5 percent increase in waste tonnage from nearly 930,250 tons to 943,755 tons, primarily due to an increase in construction debris tonnage.

- **Capital Equipment** **$1,969,000**
  Funding of $1,969,000 in Capital Equipment includes $720,000 for the replacement of six refuse trailers, $560,000 for four tractors, $495,000 for one caterpillar rubber tire loader, $170,000 for one roll-off truck and $24,000 for one road 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.

- **Recovered Costs** **($53,114)**
  An increase of $53,114 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.

- **Transfer to the General Fund for Indirect Costs**
  It should be noted that $535,000 is included as a transfer to the General Fund beginning in the FY 2014 Adopted Budget Plan to partially offset central support services supported by the General Fund which benefit Fund 40150, Refuse Disposal. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

Changes to FY 2013 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2013 Revised Budget Plan since passage of the FY 2013 Adopted Budget Plan. Included are all adjustments made as part of the FY 2012 Carryover Review, FY 2013 Third Quarter Review, and all other approved changes through April 23, 2013.

- **Carryover Adjustments** **$2,168,817**
  As part of the *FY 2012 Carryover Review*, the Board of Supervisors approved an increase of $2,168,817 including encumbered carryover of $1,524,309, the carryover of unexpended capital project balances of $304,323 and unencumbered carryover of $340,185. The unencumbered carryover was associated with replacement equipment which was approved in FY 2012, but due to delays associated with the specialized nature of the equipment, will not be delivered until FY 2013.

- **Position Movement** **$0**
  During FY 2013, 1/1.0 FTE position was transferred from Fund 40140, Refuse Collection and Recycling Operations, to Fund 40150, Refuse Disposal, to support transfer station operations. In addition, 1/1.0 FTE position was transferred from Fund 40150, Refuse Disposal, Solid Waste, to Agency G2531, Land Development Services (LDS), in order to address department wide needs within LDS in a more efficient manner.

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).

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FUND STATEMENT

Fund 40150, Refuse Disposal

	FY 2012 Actual	FY 2013 Adopted Budget Plan	FY 2013 Revised Budget Plan	FY 2014 Advertised Budget Plan	FY 2014 Adopted Budget Plan
Beginning Balance	$15,314,608	$12,068,389	$15,322,032	$7,346,358	$7,346,358
Revenue:					
Interest on Investment	$40,694	$55,977	$55,977	$25,160	$25,160
Refuse Disposal Revenue	46,839,402	47,748,935	47,748,935	48,634,590	48,634,590
Miscellaneous Revenue:					
White Goods	$690,957	$900,000	$900,000	$800,000	$800,000
Rent of Equipment, Space	264,087	280,000	280,000	280,000	280,000
Sale of Equipment	179,342	1,029,000	1,029,000	274,000	274,000
Licensing Fees	72,480	66,840	66,840	69,000	69,000
Miscellaneous	569,215	173,000	173,000	260,000	260,000
Subtotal Miscellaneous Revenue	$1,776,081	$2,448,840	$2,448,840	$1,683,000	$1,683,000
Total Revenue	$48,656,177	$50,253,752	$50,253,752	$50,342,750	$50,342,750
Total Available	$63,970,785	$62,322,141	$65,575,784	$57,689,108	$57,689,108
Expenditures:					
Personnel Services	$9,971,943	$10,709,528	$10,709,528	$10,813,028	$10,813,028
Operating Expenses	35,958,711	38,683,304	38,683,304	39,423,694	39,423,694
Capital Equipment	1,842,238	2,843,000	4,707,494	1,969,000	1,969,000
Recovered Costs	(586,410)	(725,223)	(725,223)	(778,337)	(778,337)
Capital Projects	1,462,271	2,050,000	2,354,323	0	0
Total Expenditures	$48,648,753	$53,560,609	$55,729,426	$51,427,385	$51,427,385
Transfers Out:					
General Fund (10001)[1]	$0	$2,500,000	$2,500,000	$535,000	$535,000
Total Transfers Out	$0	$2,500,000	$2,500,000	$535,000	$535,000
Total Disbursements	$48,648,753	$56,060,609	$58,229,426	$51,962,385	$51,962,385
Ending Balance[2]	$15,322,032	$6,261,532	$7,346,358	$5,726,723	$5,726,723
Reserves:					
Equipment Reserve[3]	$1,835,918	$2,056,809	$2,056,809	$2,000,000	$2,000,000
Operating and Maintenance Reserve[4]	5,107,848	1,133,193	2,218,019	686,277	686,277
Environmental Reserve	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Construction Reserve[5]	3,059,770	1,009,770	1,009,770	975,446	975,446
PC Replacement Reserve	64,853	61,760	61,760	65,000	65,000
Unreserved Balance	$3,253,643	$0	$0	$0	$0
System Disposal Rate/Ton[6]	$60	$60	$60	$60	$60
Discounted Disposal Rate/Ton[7]	$53	$53	$53	$54	$54

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[1] The FY 2013 Transfer Out to the General Fund represents an unused balance of an FY 2008 General Fund transfer into Fund 40150, Refuse Disposal. Moreover, funding in the amount of $535,000 is transferred to the General Fund in FY 2014 to partially offset central support services supported by the General Fund which benefit Fund 40150. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[2] 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.

[3] 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.

[4] 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.

[5] The Construction Reserve provides for future improvements at the I-66 Transfer Station.

[6] The FY 2014 System Disposal rate will remain at $60 per ton subject to market conditions.

[7] 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 System Disposal rate in FY 2014 is expected to increase to $54 per ton in order to maintain identified reserves and avoid significant increases in rates in the future.

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FY 2014 Summary of Capital Projects

Fund 40150, Refuse Disposal

Project #	Description	Total Project Estimate	FY 2012 Actual Expenditures	FY 2013 Revised Budget	FY 2014 Advertised Budget Plan	FY 2014 Adopted Budget Plan
SW-000002	I-66 Transfer Station Workers Facility	$4,650,750	$1,462,270.65	$304,323.24	$0	$0
SW-000004	I-66 Administrative Building Renovation	1,200,000	0.00	1,200,000.00	0	0
SW-000005	I-66 Retaining Wall Ramp Rehab	850,000	0.00	850,000.00	0	0
Total		$6,700,750	$1,462,270.65	$2,354,323.24	$0	$0