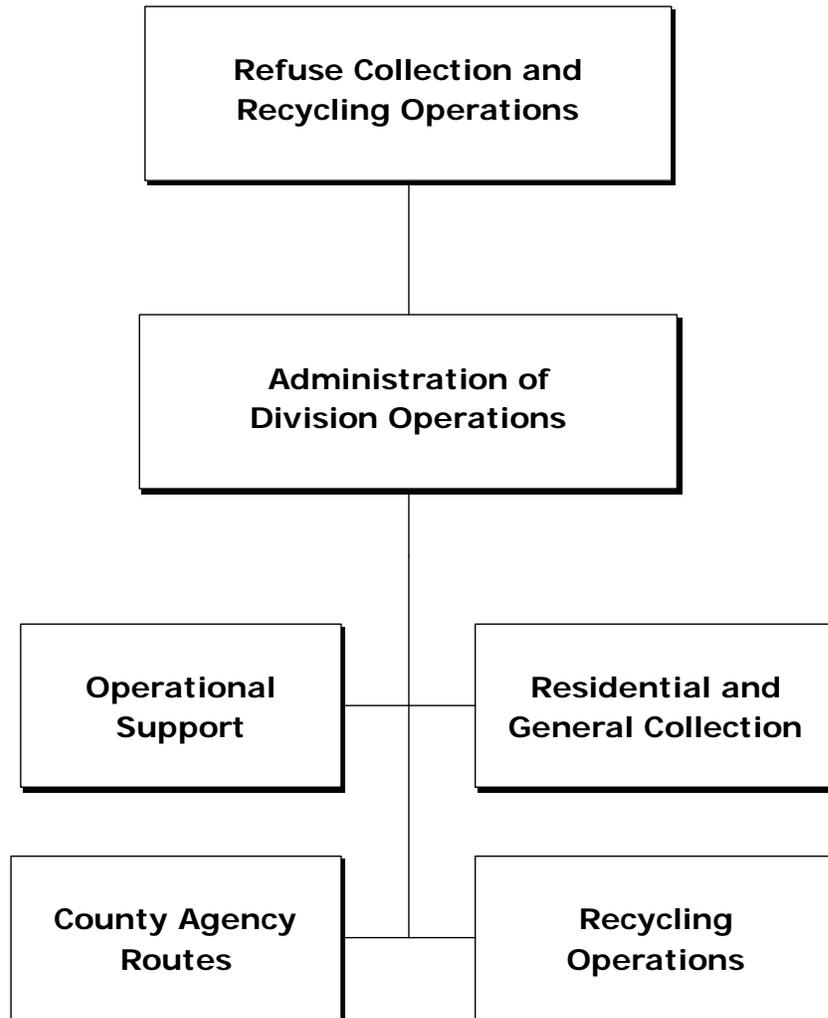


Fund 40140

Refuse Collection and Recycling Operations



Mission

To protect Fairfax County citizens against disease, pollution, and other contamination associated with the improper disposal of refuse, by providing efficient and economical refuse collection services to citizens in 83 refuse collection sanitary districts and to Fairfax County agencies. To reduce the County's municipal solid waste stream through the effective development, implementation and management of comprehensive waste reduction and recycling programs to ensure that Fairfax County meets or exceeds the Commonwealth of Virginia's mandated goal of recycling 25 percent of the solid waste stream.

Focus

The Division of Solid Waste Collection and Recycling (DSWCR) is responsible for the collection of refuse and recyclable materials within Fairfax County's sanitary districts, County agencies and eight un-manned recycling drop-off centers. The agency coordinates the County's waste reduction and recycling program. It is also responsible for the administration and program operations of the Solid Waste General Fund Programs (e.g., Health Department Referrals, Community Cleanups, Evictions and Court-Ordered Cleanups) on behalf of the County. Fund 40140, Refuse Collection and Recycling Operations (formerly Fund 109).

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Residents within sanitary refuse collection districts, which are created by the Board of Supervisors upon citizen petition, are charged an annual fee for weekly refuse and recycling collection service through the semi-annual property tax collection system. In FY 2014, the rate of \$345 will remain the same as the FY 2013 Adopted Budget Plan level.

DSWCR is responsible for the collection of refuse from County agencies and several institutions including George Mason University and Northern Virginia Community College, Annandale Campus. Revenue is derived from billings to County agencies and other institutions based on the cubic yard capacity of the containers assigned to individual agencies as needed to provide adequate service. The cost per cubic yard is formula-driven and is based on fiscal year operating expenses.

DSWCR will continue two programs designed to address oversized piles of waste and illegal dumping throughout the County. The first program, entitled *MegaBulk*, provides residents with a convenient and cost-competitive way to remove oversized piles of waste while providing a revenue stream for the collection program. This service is provided by DSWCR operational staff and is billed individually to each customer based on the size of the pile of refuse that is placed at the curb. Residents who request this service from DSWCR, are provided with a price for the service prior to collection and may pay by check or credit card. Residents are not obligated to use the service even after a price quote is provided, as they may elect to use another company to perform the work.

**Refuse Collection and Recycling Operations supports
the following County Vision Elements:**



Creating a Culture of Engagement



Practicing Environmental Stewardship

The second program entitled *Clean Streets Initiative (CSI)*, partners with the Fairfax County Health Department to respond to complaints about uncollected waste dumped or illegally placed on properties throughout the County. The Health Department refers the complaint to DSWCR to contact the property owner to compel him/her to remove the waste. If the owner refuses to remove the waste, then DSWCR staff removes the material for disposal and the owner is billed for the service. If the owner still refuses to pay, a lien is placed on the property for the price of the service.

In FY 2011 and FY 2012, new rolling recycling carts were distributed to the County's approximate 44,000 residential refuse and recycling collection customers. These carts allow residents to recycle cans, bottles, paper and cardboard in the same container which then can be rolled to the curb and provide more collection capacity than the former containers. These new containers have been outfitted with radio frequency identification tags (RFID). The RFID tag allows the County to attach the serial number of the cart to an individual address in order to ensure that each residence has the appropriate containers and to track the location of the carts. In FY 2012, DSWCR also invested in a new customer service software system to better serve residents. The new system is a web-based tool hosted on a server maintained by the contractor. This software promotes improved tracking and scheduling of customer service requests and allows customers to schedule special pick-ups on line.

Recycling Operations is responsible for providing the overall management of solid waste reduction and recycling programs that are required by the County and for developing plans for future recycling

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programs and waste reduction systems. The goal in FY 2014 is to maintain the recycling rate in the municipal solid waste stream at or above the Commonwealth of Virginia mandated goal of 25 percent. Based on Calendar Year 2012, the current rate is 47 percent. (Please note that the annual recycling rate for Fairfax County is calculated on a calendar year basis as required by state rules.)

Agency 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 Advertised Budget Plan for those items.

Budget and Staff Resources

| Category | FY 2012 Actual | FY 2013 Adopted | FY 2013 Revised | FY 2014 Advertised |
|--|---------------------|---------------------|---------------------|-----------------------|
| FUNDING | | | | |
| Expenditures: | | | | |
| Personnel Services | \$10,599,633 | \$10,641,879 | \$10,641,879 | \$10,741,128 |
| Operating Expenses | 8,010,499 | 9,455,653 | 9,455,653 | 9,856,532 |
| Capital Equipment | 2,124,858 | 2,680,600 | 3,492,504 | 2,850,000 |
| Capital Projects | 14,201 | 125,000 | 982,512 | 125,000 |
| Subtotal | \$20,749,191 | \$22,903,132 | \$24,572,548 | \$23,572,660 |
| Less: | | | | |
| Recovered Costs | (\$975,817) | (\$843,332) | (\$843,332) | (\$860,753) |
| Total Expenditures | \$19,773,374 | \$22,059,800 | \$23,729,216 | \$22,711,907 |
| AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE) | | | | |
| Regular | 149 / 149 | 149 / 149 | 147 / 147 | 147 / 147 |

| <u>Administration of Division Operations</u> | <u>Operational Support</u> | <u>County Agency Routes</u> |
|---|---|--|
| 1 Deputy Director, DPWES and Recycling | 1 Refuse Superintendent | 4 Heavy Equipment Operators |
| 1 Public Works Environmental Services Manager | 2 Asst. Refuse Superintendents | 1 Engineering Technician I |
| 1 Management Analyst III | 2 Public Works Environmental Services Specialists | 1 Heavy Equipment Supervisor |
| 2 Management Analysts II | 1 Administrative Assistant III | |
| 1 Safety Analyst | 3 Administrative Assistants II | <u>Recycling Operations</u> |
| 1 Network/Telecomm. Analyst I | 1 Welder I | 1 Public Works Environmental Services Specialist |
| 4 Administrative Assistants IV | 1 Welder II | 1 Management Analyst IV |
| 1 Administrative Assistant III | 2 Equipment Repairers | 1 Management Analyst II |
| | 2 Senior Maintenance Workers | 2 Management Analysts I |
| | 4 Maintenance Supervisors | 1 Internet/Intranet Architect I |
| | | 3 Heavy Equipment Operators |
| | <u>Residential and General Collections</u> | 1 Information Officer III |
| | 1 Management Analyst II | 1 Engineering Technician II |
| | 1 Public Works Environmental Services Specialist | 1 Maintenance Worker |
| | 4 Heavy Equipment Supervisors | |
| | 10 Heavy Equipment Operators | |
| | 30 Motor Equipment Operators | |
| | 51 Maintenance Workers | |
| | 1 Safety Analyst | |

TOTAL POSITIONS
147 Positions / 147.0 FTE

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Refuse Collection and Recycling Operations

FY 2014 Funding Adjustments

The following funding adjustments from the FY 2013 Adopted Budget Plan are necessary to support the FY 2014 program:

- ◆ **Employee Compensation** **\$96,621**

An increase of \$96,621 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. In addition, this adjustment results in an increase to Work Performed for Others of \$17,421 based on salary requirements.

- ◆ **Other Post-Employment Benefits** **\$2,628**

An increase of \$2,628 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 Advertised Budget Plan.

- ◆ **Operating Expense Increases** **\$100,879**

An increase of \$100,879 associated with the State Litter grant which supports litter prevention and recycling program activities and is entirely offset by State revenues. In the past this grant was accounted for at the Third Quarter Review; however, based on the receipt of the grant for many years, it is now budgeted as part of the annual budget process.

- ◆ **Intergovernmental Charges** **\$300,000**

A net increase of \$300,000 in Operating Expenses for Department of Vehicle Services charges is based on anticipated charges for fuel, vehicle replacement, and maintenance-related costs.

- ◆ **Capital Equipment** **\$2,850,000**

Funding of \$2,850,000 for the replacement of Capital Equipment including \$1,500,000 for five automated refuse trucks, \$500,000 for two cranes to collect and transport residential refuse, \$610,000 for three rear loading packers, \$70,000 for two pick-up trucks, and \$170,000 for one roll-off truck used to transport commercial compactors. These replacement items have all exceeded their useful life and are required to be replaced based on age, mileage, and frequency of costly repairs, excessive downtime and overall condition of the equipment.

- ◆ **Capital Projects** **\$125,000**

Funding of \$125,000 is included for an on-going project to repair and renovate the Newington equipment facility. This phase involves the replacement of worn and leaking metal siding and gutters on the main building, four obsolete garage doors and flooring in the this 20 year old facility, all of which are in an advance state of deterioration.

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Refuse Collection and Recycling Operations

◆ **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 Advertised Budget Plan to partially offset central support services supported by the General Fund which benefit Fund 40140, Refuse Collection and Recycling Operations. 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, and all other approved changes through December 31, 2012:

◆ **Carryover Adjustments** **\$1,669,416**

As part of the *FY 2012 Carryover Review*, the Board of Supervisors approved an increase of \$1,669,416, including encumbered carryover of \$811,904 and the carryover of unexpended capital project balances of \$857,512.

◆ **Position Movement** **\$0**

During FY 2013, Fund 40140, Refuse Collection and Recycling Operations, transferred 1/1.0 FTE position to Fund 40100, Stormwater Services, to support additional and specialized inspections required at a growing number of Low Impact Development facilities, including facilities with bio-retention, vegetated swales and green roofs. In addition, 1/1.0 FTE position was transferred to Fund 40150, Refuse Disposal, to support transfer station operations.

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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Refuse Collection and Recycling Operations

FUND STATEMENT

Fund 40140, Refuse Collection

| | FY 2012 Actual | FY 2013 Adopted Budget Plan | FY 2013 Revised Budget Plan | FY 2014 Advertised Budget Plan |
|--|---------------------|-----------------------------------|-----------------------------------|--------------------------------------|
| Beginning Balance | \$11,266,686 | \$9,892,024 | \$11,633,002 | \$8,975,596 |
| Revenue: | | | | |
| Interest on Investments ¹ | \$44,923 | \$29,851 | \$29,851 | \$18,775 |
| Refuse Collection Fees ² | 15,971,285 | 15,886,416 | 15,886,416 | 15,701,137 |
| Refuse Disposal Fees | 524,292 | 2,006,211 | 2,006,211 | 1,790,000 |
| Leaf Collection Fees | 435,004 | 902,736 | 902,736 | 722,876 |
| Sale of Assets and Recyclables | 408,969 | 395,734 | 395,734 | 664,000 |
| Miscellaneous Revenues | 1,252,314 | 741,112 | 741,112 | 313,327 |
| Charges for Services | 1,081,764 | 409,140 | 409,140 | 415,587 |
| Replacement Reserve Fees | 320,260 | 700,610 | 700,610 | 674,255 |
| State Litter Funds | 100,879 | 0 | 0 | 100,879 |
| Total Revenue | \$20,139,690 | \$21,071,810 | \$21,071,810 | \$20,400,836 |
| Total Available | \$31,406,376 | \$30,963,834 | \$32,704,812 | \$29,376,432 |
| Expenditures: | | | | |
| Personnel Services | \$10,599,633 | \$10,641,879 | \$10,641,879 | \$10,741,128 |
| Operating Expenses ¹ | 8,010,499 | 9,455,653 | 9,455,653 | 9,856,532 |
| Recovered Costs ³ | (975,817) | (843,332) | (843,332) | (860,753) |
| Capital Equipment | 2,124,858 | 2,680,600 | 3,492,504 | 2,850,000 |
| Capital Projects | 14,201 | 125,000 | 982,512 | 125,000 |
| Total Expenditures | \$19,773,374 | \$22,059,800 | \$23,729,216 | \$22,711,907 |
| Transfers Out: | | | | |
| General Fund (10001) ⁴ | \$0 | \$0 | \$0 | \$535,000 |
| Total Transfers Out | \$0 | \$0 | \$0 | \$535,000 |
| Total Disbursements | \$19,773,374 | \$22,059,800 | \$23,729,216 | \$23,246,907 |
| Ending Balance⁵ | \$11,633,002 | \$8,904,034 | \$8,975,596 | \$6,129,525 |
| Wheeled Container Reserve ⁶ | \$250,000 | \$250,000 | \$250,000 | \$250,000 |
| Collection Equipment Reserve | 368,995 | 397,870 | 397,870 | 368,995 |
| Recycling Equipment Reserve | 305,260 | 305,260 | 305,260 | 305,260 |
| PC Replacement Reserve ⁷ | 60,000 | 60,000 | 60,000 | 60,000 |
| Construction and Infrastructure Reserve ⁸ | 1,907,769 | 1,782,769 | 1,782,769 | 1,224,467 |
| Rate Stabilization Reserve ⁹ | 4,000,000 | 3,740,135 | 3,811,697 | 1,455,803 |
| Residential/General Equipment Reserve ¹⁰ | 3,000,000 | 2,368,000 | 2,368,000 | 2,465,000 |
| Unreserved Balance | \$1,740,978 | \$0 | \$0 | \$0 |
| Levy per Household Unit ² | \$345/Unit | \$345/Unit | \$345/Unit | \$345/Unit |

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Refuse Collection and Recycling Operations

¹ In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of \$6,493.90 has been reflected as a decrease to FY 2012 Interest on Investments revenue and an audit adjustment in the amount of \$53,505.36 has been reflected as an increase to FY 2012 Operating Expenses expenditures. These audit adjustments have been included in the FY 2012 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments will be included in the FY 2013 Third Quarter package.

² The FY 2014 levy/collection fee per household unit is set at \$345 per unit. Although the Refuse Collection levy is separate and not a Real Estate Tax, it is included on and collected as part of the County's Real Estate Tax bill. This amount does not include approximately 451 units which will be billed directly by the agency.

³ Recovered Costs represent billings to Fund 40130, Leaf Collection, for its share of the total administrative costs for the Division of Collection and Recycling. Also included is an amount billed to Fund 40150, Refuse Disposal, for administrative costs for the recycling program which is coordinated by Fund 40140, Refuse Collection and Recycling Operations.

⁴ Funding in the amount of \$535,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40140. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

⁵ 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.

⁶ The Wheeled Container Reserve sets aside funds to purchase/replace single-stream recycling and trash collection containers for sanitary district customers.

⁷ The PC Replacement Reserve provides funding for the timely replacement of obsolete computer equipment.

⁸ The Construction and Infrastructure Reserve funds emergency repairs necessary at the Newington Solid Waste Facility.

⁹ The Rate Stabilization Reserve provides funds to mitigate against any need for an unusually large rate increase in a future year.

¹⁰ The Residential/General Equipment Reserve provides the Residential and General Collections Cost Center with set aside funds for future anticipated equipment purchases and is calculated annually based on replacement value and age of equipment.

Fund 40140

Refuse Collection and Recycling Operations

FY 2014 Summary of Capital Projects

Fund 40140, Refuse Collection and Recycling Operations

| Project # | Description | Total Project Estimate | FY 2012 Actual Expenditures | FY 2013 Revised Budget | FY 2014 Advertised Budget Plan |
|-----------|--|------------------------------|-----------------------------------|------------------------------|--------------------------------------|
| SW-000001 | Newington Refuse Facility Enhancements | \$2,068,039 | \$14,201.34 | \$982,511.51 | \$125,000 |
| Total | | \$2,068,039 | \$14,201.34 | \$982,511.51 | \$125,000 |