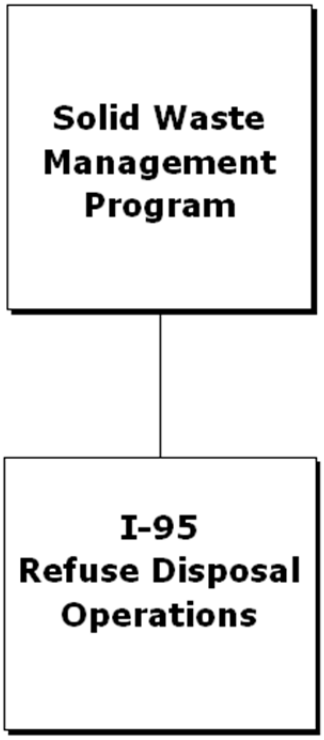
# Fund 40170
# I-95 Refuse Disposal




## 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.

**I-95 Refuse Disposal supports the following County Vision Elements:**

- *Creating a Culture of Engagement*
- *Connecting People and Places*
- *Exercising Corporate Stewardship*

## 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 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 2016 for Fund 40170, I-95 Refuse Disposal, will increase to $24.50 per ton from $22.50 per ton to provide adequate funding for operations and capital projects and maintain acceptable Post-Closure reserves. The Post-Closure Reserve is required for a 30-year period after the ashfill is closed and is mandated by federal and state regulations. The current Post-Closure Reserve is $26.0 million or

51.3 percent of the permit requirement of $50.7 million. Prior to FY 2010, high interest earning rates had provided sufficient funds to support 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. Increased maintenance needs require additional funding to ensure that the landfill remains in compliance with its many permits. In addition, the ash tonnage has declined in recent years which can be attributed to the sluggish economy and increases in recycling. The estimated FY 2016 revenue from the increased ash disposal fee aligns revenue with actual experience. The rate increase in FY 2016 is part of a phased approach to stabilize the fund and continues to build the state and federally mandated Post-Closure Reserve requirements.

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 2016 Adopted Budget Plan for those items.

## Budget and Staff Resources

| Category | FY 2014 Actual | FY 2015 Adopted | FY 2015 Revised | FY 2016 Advertised | FY 2016 Adopted |
|---|---|---|---|---|---|
| **FUNDING** | | | | | |
| Expenditures: | | | | | |
| Personnel Services | $3,324,166 | $3,715,638 | $3,715,638 | $3,813,368 | $3,822,075 |
| Operating Expenses | 3,435,295 | 4,460,064 | 3,991,620 | 3,787,316 | 3,787,316 |
| Capital Equipment | 796,727 | 105,000 | 999,015 | 100,000 | 100,000 |
| Capital Projects | 322,768 | 1,000,000 | 8,949,536 | 0 | 0 |
| Total Expenditures | $7,878,956 | $9,280,702 | $17,655,809 | $7,700,684 | $7,709,391 |
| **AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)** | | | | | |
| Regular | 41 / 41 | 41 / 41 | 42 / 42 | 41 / 41 | 42 / 42 |

| | | | | | |
|---|---|---|---|---|---|
| 1 | Engineer V | 2 | Engineering Technicians I | 1 | Maintenance Supervisor |
| 1 | Engineer III | 1 | Management Analyst I | 1 | Weighmaster |
| 1 | Sr. Environmental Specialist | 4 | Asst. Refuse Superintendents | 1 | Administrative Assistant II |
| 4 | Public Works Env. Svcs. Specs. | 1 | Industrial Electrician III | 1 | Senior Maintenance Worker |
| 1 | PW/ES Technical Specialist | 1 | Industrial Electrician II | 6 | Maintenance Workers |
| 9 | Heavy Equipment Operators | 1 | Motor Equipment Operator | 1 | Construction Project Manager II |
| 4 | Engineering Technicians II | | | | |

TOTAL POSITIONS
42 Positions / 42.0 FTE

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## FY 2016 Funding Adjustments

*The following funding adjustments from the FY 2015 Adopted Budget Plan are necessary to support the FY 2016 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 28, 2015.*

- **Employee Compensation** **$105,229**
  An increase of $105,229 in Personnel Services includes $36,838 for a 1.10 percent market rate adjustment (MRA) for all employees and $68,391 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2015.

- **Other Post-Employment Benefits** **$1,208**
  An increase of $1,208 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2016 Adopted Budget Plan.

- **Operating Expenses** **($672,748)**
  A decrease of $672,748 in Operating Expenses is based on actual experience in FY 2014 which reflects the program's continued effort to streamline operating costs to improve efficiencies.

- **Capital Equipment** **$100,000**
  Funding of $100,000 in Capital Equipment is included for the replacement of one roller truck with cab. This item has exceeded its useful life and is required to be replaced based on the overall condition of the equipment.

## Changes to FY 2015 Adopted Budget Plan

*The following funding adjustments reflect all approved changes in the FY 2015 Revised Budget Plan since passage of the FY 2015 Adopted Budget Plan. Included are all adjustments made as part of the FY 2014 Carryover Review, FY 2015 Third Quarter Review, and all other approved changes through April 30, 2015.*

- **Carryover Adjustments** **$8,375,107**
  As part of the *FY 2014 Carryover Review*, the Board of Supervisors approved an increase of $8,375,107, including encumbered carryover of $35,293, the carryover of unexpended capital project balances of $7,949,536 and $790,278 in Capital Equipment. These increases were partially offset by a decrease of $400,000 in Operating Expenses to better align budgeted expenditures with actual experience.

- **Position Adjustment** **$0**
  In order to properly align staff with workload requirements, 1/1.0 FTE position was transferred from Fund 40140, Refuse Collection and Recycling Operations, to Fund 40170, I-95 Refuse Disposal.

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 40170
# I-95 Refuse Disposal

## FUND STATEMENT

### Fund 40170, I-95 Refuse Disposal

| | FY 2014 Actual | FY 2015 Adopted Budget Plan | FY 2015 Revised Budget Plan | FY 2016 Advertised Budget Plan | FY 2016 Adopted Budget Plan |
|---|---|---|---|---|---|
| Beginning Balance | $38,228,863 | $28,471,621 | $37,095,349 | $26,718,686 | $26,718,686 |
| Revenue: | | | | | |
| Interest on Investments | $30,435 | $126,628 | $40,000 | $53,437 | $53,437 |
| Refuse Disposal Revenue | 6,674,373 | 7,361,538 | 7,199,546 | 8,385,751 | 8,385,751 |
| Other Revenue: | | | | | |
| Fees, Landfill Permit | $14,676 | $7,200 | $7,200 | $7,200 | $7,200 |
| Sale of Equipment | 4,931 | 5,400 | 5,400 | 5,000 | 5,000 |
| Miscellaneous Revenue | 196,027 | 202,000 | 202,000 | 202,000 | 202,000 |
| Subtotal Other Revenue | $215,634 | $214,600 | $214,600 | $214,200 | $214,200 |
| Total Revenue | $6,920,442 | $7,702,766 | $7,454,146 | $8,653,388 | $8,653,388 |
| Total Available | $45,149,305 | $36,174,387 | $44,549,495 | $35,372,074 | $35,372,074 |
| Expenditures: | | | | | |
| Personnel Services | $3,324,166 | $3,715,638 | $3,715,638 | $3,813,368 | $3,822,075 |
| Operating Expenses | 3,435,295 | 4,460,064 | 3,991,620 | 3,787,316 | 3,787,316 |
| Capital Equipment | 796,727 | 105,000 | 999,015 | 100,000 | 100,000 |
| Capital Projects | 322,768 | 1,000,000 | 8,949,536 | 0 | 0 |
| Total Expenditures | $7,878,956 | $9,280,702 | $17,655,809 | $7,700,684 | $7,709,391 |
| Transfers Out: | | | | | |
| General Fund (10001)[1] | $175,000 | $175,000 | $175,000 | $186,000 | $186,000 |
| Total Transfers Out | $175,000 | $175,000 | $175,000 | $186,000 | $186,000 |
| Total Disbursements | $8,053,956 | $9,455,702 | $17,830,809 | $7,886,684 | $7,895,391 |
| Ending Balance[2] | $37,095,349 | $26,718,685 | $26,718,686 | $27,485,390 | $27,476,683 |
| Reserves | | | | | |
| Active Cell Closure Liability Reserve[3] | $257,165 | $257,165 | $257,165 | $257,165 | $257,165 |
| Environmental Reserve[4] | 625,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Operating Reserve[5] | 33,007 | 33,007 | 33,007 | 135,697 | 135,697 |
| Capital Equipment Reserve[6] | 726,794 | 480,084 | 480,084 | 592,528 | 583,821 |
| Post-Closure Reserve[7] | 26,829,655 | 25,448,429 | 25,448,430 | 26,000,000 | 26,000,000 |
| Unreserved Ending Balance | $8,623,728 | $0 | $0 | $0 | $0 |
| Disposal Fee/Ton[8] | $19.50 | $22.50 | $22.50 | $24.50 | $24.50 |

# Fund 40170
# I-95 Refuse Disposal

[1] Funding in the amount of $186,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40170. 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 and expenditure requirements.

[3] 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.

[4] 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.

[5] The Operating Reserve consolidates the PC Replacement Reserve and Construction Reserve, and is used for the timely replacement of obsolete computer equipment, unanticipated operating expenditures and fluctuations in revenues.

[6] 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.

[7] The Post-Closure Reserve is required for a 30-year period after the ashfill closes and is mandated by federal and state regulations. The projected reserve of $26.0 million for FY 2016 represents 51.3 percent of the estimated requirement of $50,687,000 and is not sufficient to cover all identified costs. Additional funds will be set aside in future years.

[8] The current ash disposal fee will increase from $22.50 to $24.50 per ton in FY 2016.

# Fund 40170
# I-95 Refuse Disposal

## FY 2016 Summary of Capital Projects

### Fund 40170, I-95 Refuse Disposal

| Project | Total Project Estimate | FY 2014 Actual Expenditures | FY 2015 Revised Budget | FY 2016 Advertised Budget Plan | FY 2016 Adopted Budget Plan |
|---|---|---|---|---|---|
| Area 3 Lined Landfill Construction (2G25-001-000) | $24,222,184 | ($67,412.83) | $0.00 | $0 | $0 |
| I-95 Landfill Closure (2G25-004-000) | 53,357,299 | (12,549.43) | 0.00 | 0 | 0 |
| I-95 Landfill Closure (SW-000019) | 1,947,098 | 0.00 | 1,947,098.19 | 0 | 0 |
| I-95 Landfill Enviornmental Compliance (SW-000016) | 2,765,378 | 0.00 | 2,765,377.70 | 0 | 0 |
| I-95 Landfill Leachate Facility (2G25-002-000) | 1,516,074 | 188,850.66 | 0.00 | 0 | 0 |
| I-95 Landfill Leachate Facility (SW-000018) | 2,004,926 | 0.00 | 2,004,926.17 | 0 | 0 |
| I-95 Methane Gas Recovery (SW-000014) | 2,210,181 | 0.00 | 2,210,181.18 | 0 | 0 |
| I-95 Operation Building Renovation (SW-000008) | 3,048 | 3,047.74 | 0.00 | 0 | 0 |
| I-95 Operation Building Renovation (SW-000015) | 21,952 | 0.00 | 21,952.26 | 0 | 0 |
| Methane Gas Recovery (SW-000003) | 2,492,869 | 210,832.04 | 0.00 | 0 | 0 |
| Total | $90,541,009 | $322,768.18 | $8,949,535.50 | $0 | $0 |