

# Fund 40150: Refuse Disposal

## FUND STATEMENT

Category	FY 2020 Actual	FY 2021 Adopted Budget Plan	FY 2021 Revised Budget Plan	FY 2021 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
<b>Beginning Balance</b>	<b>\$73,874,451</b>	<b>\$66,899,776</b>	<b>\$71,444,668</b>	<b>\$71,444,668</b>	<b>\$0</b>
<b>Revenue:</b>					
Interest on Investments	\$799,642	\$600,000	\$600,000	\$600,000	\$0
Refuse Disposal Revenue	48,657,813	54,101,318	54,101,318	54,101,318	0
Other Revenue:					0
White Goods	\$621,447	\$650,000	\$650,000	\$650,000	\$0
Sale of Equipment	10,827	153,100	153,100	153,100	0
Licensing Fees	114,693	82,320	82,320	82,320	0
Miscellaneous	347,659	250,000	250,000	250,000	0
Subtotal	\$1,094,626	\$1,135,420	\$1,135,420	\$1,135,420	\$0
<b>Total Revenue</b>	<b>\$50,552,081</b>	<b>\$55,836,738</b>	<b>\$55,836,738</b>	<b>\$55,836,738</b>	<b>\$0</b>
<b>Total Available</b>	<b>\$124,426,532</b>	<b>\$122,736,514</b>	<b>\$127,281,406</b>	<b>\$127,281,406</b>	<b>\$0</b>
<b>Expenditures:</b>					
Personnel Services	\$12,925,989	\$14,229,735	\$14,203,735	\$14,160,607	(\$43,128)
Operating Expenses	37,088,225	38,925,495	41,061,541	41,061,541	0
Recovered Costs	(97,473)	(97,505)	(97,505)	(97,505)	0
Capital Equipment	1,659,599	1,720,000	2,291,911	2,466,911	175,000
Capital Projects	779,524	1,750,000	5,838,931	5,838,931	0
<b>Total Expenditures</b>	<b>\$52,355,864</b>	<b>\$56,527,725</b>	<b>\$63,298,613</b>	<b>\$63,430,485</b>	<b>\$131,872</b>
<b>Transfers Out:</b>					
General Fund (10001) <sup>1</sup>	\$626,000	\$626,000	\$626,000	\$626,000	\$0
<b>Total Transfers Out</b>	<b>\$626,000</b>	<b>\$626,000</b>	<b>\$626,000</b>	<b>\$626,000</b>	<b>\$0</b>
<b>Total Disbursements</b>	<b>\$52,981,864</b>	<b>\$57,153,725</b>	<b>\$63,924,613</b>	<b>\$64,056,485</b>	<b>\$131,872</b>
<b>Ending Balance<sup>2</sup></b>	<b>\$71,444,668</b>	<b>\$65,582,789</b>	<b>\$63,356,793</b>	<b>\$63,224,921</b>	<b>(\$131,872)</b>
<b>Reserves:</b>					
Capital Equipment Reserve <sup>3</sup>	\$7,144,467	\$6,558,279	\$6,335,679	\$6,322,492	(\$13,187)
Operating Reserve <sup>4</sup>	10,716,701	9,837,419	9,503,519	9,483,738	(19,781)
Rate Stabilization Reserve <sup>5</sup>	37,151,227	34,103,050	31,678,397	31,612,461	(65,936)
Environmental Reserve <sup>6</sup>	5,715,573	5,246,623	6,335,679	6,322,492	(13,187)
Construction and Infrastructure Reserve <sup>7</sup>	10,716,700	9,837,418	9,503,519	9,483,738	(19,781)
<b>Unreserved Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>System Disposal Rate/Ton</b>	<b>\$68</b>	<b>\$68</b>	<b>\$68</b>	<b>\$68</b>	<b>\$0</b>
<b>Discounted Disposal Rate/Ton<sup>8</sup></b>	<b>\$64</b>	<b>\$64</b>	<b>\$64</b>	<b>\$64</b>	<b>\$0</b>

<sup>1</sup> Funding of \$626,000 is transferred to the General Fund to partially offset central support services supported by the General Fund, which benefits Fund 40150. These indirect costs include support services such as Human Resources, Purchasing, Budgeting and other administrative services.

<sup>2</sup> 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.

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<sup>3</sup> The Capital Equipment Reserve provides for the timely replacement of equipment required to operate the I-66 Transfer Station. Proceeds from the sale of equipment as well as a small portion of Refuse Disposal Revenue are used to fund this reserve. The amount fluctuates based on anticipated replacement schedules of the existing fleet of vehicles.

<sup>4</sup> The Operating 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.

<sup>5</sup> The Rate Stabilization Reserve is maintained in order to safeguard against significant increases in tipping fees charged to users of the Fairfax County Solid Waste Management Program.

<sup>6</sup> The Environmental Reserve is a contingency fund, assuring that the County has funds to implement unplanned actions to protect the environment or meet regulatory requirements related to the closed landfill at the I-66 Complex. Specific examples of current and future environmental projects are likely to include landfill gas control, groundwater protective measures, stormwater and wastewater management.

<sup>7</sup> The Construction and Infrastructure Reserve provides for future improvements at the I-66 Transfer Station.

<sup>8</sup> 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 2021, contract Disposal rate is \$64 per ton. In FY 2022, Fund 40150 proposes to move to a single rate of \$66 per ton for all disposal and eliminate the discounted rate.

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### SUMMARY OF CAPITAL PROJECTS

Project	Total Project Estimate	FY 2020 Actual Expenditures	FY 2021 Pre-Third Quarter Revised	FY 2021 Third Quarter Revised	Increase/ (Decrease)
I-66 Administrative Building Renovation (SW-000011)	\$2,902,638	\$521,371.87	\$782,469.83	\$782,470	\$0
I-66 Basement Drainage Renovation (SW-000023)	650,000	25,560.00	591,548.97	591,549	0
I-66 Environmental Compliance (SW-000013)	1,250,669	219,800.03	775,817.36	775,817	0
I-66 Landfill Methane Gas Recovery (SW-000029)	1,000,000	0.00	1,000,000.00	1,000,000	0
I-66 Transport Study/Site Redevelopment (SW-000024)	2,903,623	12,791.83	2,689,094.61	2,689,095	0
<b>Total</b>	<b>\$8,706,930</b>	<b>\$779,523.73</b>	<b>\$5,838,930.77</b>	<b>\$5,838,931</b>	<b>\$0</b>