

# Fund 40150: Refuse Disposal

## FUND STATEMENT

Category	FY 2023 Actual	FY 2024 Adopted Budget Plan	FY 2024 Revised Budget Plan	FY 2024 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
<b>Beginning Balance</b>	<b>\$61,331,508</b>	<b>\$46,687,206</b>	<b>\$50,389,564</b>	<b>\$50,389,564</b>	<b>\$0</b>
<b>Revenue:</b>					
Interest on Investments	\$852,275	\$114,932	\$114,932	\$114,932	\$0
Refuse Disposal Revenue <sup>1</sup>	52,217,188	57,701,207	57,701,207	57,701,207	0
Other Revenue:					0
White Goods	\$1,016,723	\$523,250	\$523,250	\$523,250	\$0
Sale of Equipment	1,007,819	0	0	0	0
Licensing Fees	86,235	108,000	108,000	108,000	0
Miscellaneous <sup>1</sup>	364,369	286,793	286,793	286,793	0
Subtotal	\$2,475,146	\$918,043	\$918,043	\$918,043	\$0
<b>Total Revenue</b>	<b>\$55,544,609</b>	<b>\$58,734,182</b>	<b>\$58,734,182</b>	<b>\$58,734,182</b>	<b>\$0</b>
<b>Total Available</b>	<b>\$116,876,117</b>	<b>\$105,421,388</b>	<b>\$109,123,746</b>	<b>\$109,123,746</b>	<b>\$0</b>
<b>Expenditures:</b>					
Personnel Services	\$15,079,112	\$16,048,746	\$16,048,746	\$16,048,746	\$0
Operating Expenses <sup>1</sup>	43,720,458	41,380,512	40,780,512	44,780,512	4,000,000
Recovered Costs	(97,505)	(97,505)	(97,505)	(97,505)	0
Capital Equipment	2,881,970	3,214,000	4,180,951	4,230,951	50,000
Capital Projects <sup>1</sup>	4,195,518	2,050,000	4,650,645	4,650,645	0
<b>Total Expenditures</b>	<b>\$65,779,553</b>	<b>\$62,595,753</b>	<b>\$65,563,349</b>	<b>\$69,613,349</b>	<b>\$4,050,000</b>
<b>Transfers Out:</b>					
General Fund (10001) <sup>2</sup>	\$707,000	\$707,000	\$707,000	\$707,000	\$0
<b>Total Transfers Out</b>	<b>\$707,000</b>	<b>\$707,000</b>	<b>\$707,000</b>	<b>\$707,000</b>	<b>\$0</b>
<b>Total Disbursements</b>	<b>\$66,486,553</b>	<b>\$63,302,753</b>	<b>\$66,270,349</b>	<b>\$70,320,349</b>	<b>\$4,050,000</b>
<b>Ending Balance<sup>3</sup></b>	<b>\$50,389,564</b>	<b>\$42,118,635</b>	<b>\$42,853,397</b>	<b>\$38,803,397</b>	<b>(\$4,050,000)</b>
<b>Reserves:</b>					
Capital Equipment Reserve <sup>4</sup>	\$5,038,957	\$4,211,864	\$4,285,340	\$3,880,340	(\$405,000)
Operating Reserve <sup>5</sup>	7,558,434	6,317,795	6,428,009	5,820,509	(607,500)
Rate Stabilization Reserve <sup>6</sup>	26,202,574	21,901,690	22,283,767	20,177,767	(2,106,000)
Environmental Reserve <sup>7</sup>	4,031,165	3,369,491	3,428,272	3,104,272	(324,000)
Construction and Infrastructure Reserve <sup>8</sup>	7,558,434	6,317,795	6,428,009	5,820,509	(607,500)
<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>\$70</b>	<b>\$72</b>	<b>\$72</b>	<b>\$72</b>	<b>\$0</b>
<b>Discounted Disposal Rate/Ton<sup>9</sup></b>	<b>\$70</b>	<b>\$72</b>	<b>\$72</b>	<b>\$72</b>	<b>\$0</b>

<sup>1</sup> In order to account revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as an increase of \$234,150.07 to FY 2023 revenues in order to record revenue from the waste exchange with Prince William County and a decrease of \$220,078.27 to FY 2023 expenditures to record expenditure accruals and accurately reflect expenses associated with the waste exchange with Prince William County. The Annual Comprehensive Financial Report (ACFR) reflects all audit adjustments in FY 2023. Details of the audit adjustments are found in Attachment VI of the FY 2024 Third Quarter Package.

<sup>2</sup> Funding in the amount of \$707,000 is transferred to the General Fund 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.

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<sup>3</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.

<sup>4</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>5</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 a smooth transition to rate changes minimizing the impact on customers.

<sup>6</sup> The Rate Stabilization Reserve is maintained to safeguard against significant increases in tipping fees charged to users of the Fairfax County Solid Waste Management Program.

<sup>7</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>8</sup> The Construction and Infrastructure Reserve provides for future improvements at the I-66 Transfer Station.

<sup>9</sup> In August 1998 (FY 1999), Fairfax County implemented a contractual rate discount that was offered to any hauler that guaranteed all its collected refuse or a specified tonnage amount would be delivered to the Energy/Resource Recovery Facility (E/RRF) or other County disposal sites. In FY 2022, Fund 40150 moved to a single rate for all disposal and eliminated the discounted rate. In FY 2024, the rate increased to \$72 per ton.

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### SUMMARY OF CAPITAL PROJECTS

Project	Total Project Estimate	FY 2023 Actual Expenditures	FY 2024 Pre-Third Quarter Revised	FY 2024 Third Quarter Revised	Increase/ (Decrease)
I-66 Administrative Building Renovation (SW-000011)	\$3,620,219	\$139,333.68	\$765,151.24	\$765,151	\$0
I-66 Basement Drainage Renovation (SW-000023)	650,000	0.00	591,548.97	591,549	0
I-66 Environmental Compliance (SW-000013)	1,750,669	29,478.92	863,582.84	863,583	0
I-66 Landfill Methane Gas Recovery (SW-000029)	4,350,000	3,382,850.28	967,149.72	967,150	0
I-66 Transport Study/Site Redevelopment (SW-000024)	4,703,623	643,854.78	1,463,212.27	1,463,212	0
<b>Total</b>	<b>\$15,074,511</b>	<b>\$4,195,517.66</b>	<b>\$4,650,645.04</b>	<b>\$4,650,645</b>	<b>\$0</b>