



ANNUAL REPORT 2012

**Rappahannock Regional
Solid Waste Management Board**



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R-Board Members

Frederic Howe, III, Chairman
Fredericksburg City Council
311 Cannon Circle
Fredericksburg, VA 22401
fnhowe@fredericksburgva.gov
H - 540-604-5877

George Solley
Fredericksburg City Council
502 Fauquier Street
Fredericksburg, VA 22401
solleyg@cox.net
H - 540-287-5407

Gary Snellings
Stafford County Board of Supervisors
Hartwood District
330 Enon Road
Fredericksburg, VA 22406
gary.hartwood@live.com
H - 540-371-6293

Anthony J. Romanello
County Administrator
County of Stafford
P.O. Box 339
Stafford, VA 22555
aromanello@staffordcountyva.gov
O - 540-658-8605
F - 540-658-7643

Beverly R. Cameron
City Manager
City of Fredericksburg
P.O. Box 7447
Fredericksburg, VA 22404
O - 540-372-1010

Paul V. Milde, III, Vice-Chairman
Stafford County Board of Supervisors
Aquia District
10 Potomac View Lane
Stafford, VA 22554
pmilde@staffordcountyva.gov
H - 540-720-2195
C - 540-845-1880

CONSULTING ENGINEER

Michael E. Fiore, P.E.
Robert L. Hundley, P.E.
RESOURCE INTERNATIONAL
9560 Kings Charter Drive
P.O. Box 6160
Ashland, VA 23005-6160
bhundley@resourceintl.com
O - 804-550-9222
F - 804-550-9259

R-BOARD ATTORNEY

William H. Hefty, Esq.
Roger C. Wiley, Esq.
HEFTY & WILEY, PC
Old City Hall, Suite 230
1001 East Broad St.
Richmond, VA 23219
billhefty@verizon.net
O - 804-780-3143
F - 804-225-8356



Mission and Vision Statements

R-Board Mission

The mission of the Rappahannock Regional Solid Waste Management Board (R-Board) is to provide professional, courteous, and intelligent service and solutions to the waste disposal needs of citizens residing in Stafford County and the City of Fredericksburg.

R-Board Vision

The R-Board's vision is to operate the best landfill in Virginia. Being the best landfill includes environmentally sound solid waste management policies and having an active Reduce, Reuse, and Recycling program, all coupled with outstanding customer service. The R-Board intends to continually strive to be a leader in the waste management industry and to set the example for others to emulate.



Virginia Environmental Excellence Program

The R-Board Regional Landfill remains an E3 certified facility within the Virginia Environmental Excellence Program administered by the VA Department of Environmental Quality. In order to be qualified as an exemplary environmental enterprise, a facility must have a good compliance history, a fully implemented environmental management system, and demonstrated performance.

The R-Board contracted Greener Results for a third party audit, prepared a pollution prevention plan as required, and has taken steps to streamline documentation of the environmental procedures at the landfill. Additional measures to increase the efficiency of the environmental management system are underway.





Operational Overview



Regional Landfill

Construction on Cell F began in May 2012. The new cell is 80 feet deep and covers an area just over 9 acres. It has a projected life span of up to 10 years.



Recycling

The VA DEQ approved a 54.5% recycling rate. While this number is slightly down from the previous year, it is not due to a decrease in recycling efforts by the public or the R-Board. There have been continuing changes in the market outside of our control, resulting in diversion of the recycle streams away from our facility. This, combined with the reduction in tonnage brought to the landfill has resulted in the modest reduction in our recycling rate.



Composting

Rappa-Grow production began with small quantity sales in April 2012. Staff looks to increase production and open bulk sales next spring.



Financial Summary

The R-Board is faced with new financial pressures caused by the need to open another cell (Cell F) in early 2013, regulatory requirements to initiate gas extraction from cells nearing the end of their useful life, and changing market conditions in the landfill industry.

The construction contract for Cell F was executed on April 11, 2012, for \$3,374,400. The work has advanced on schedule with a minimum of change orders, and is scheduled for completion by September 2012.

Revenues during FY2012 totaled to \$3,618,124, or approximately five percent below FY2011. Staff expects this long-term trend of reductions in commercial collection revenues to continue. The R-board faces competition from other area landfills, with some commercial trash collection companies in Stafford County operating their own landfills. R-Board staff continually monitors market conditions to determine to optimum price point for tipping fees.

The audit firm of Cherry, Bekaert & Holland (CB&H) completed their analysis of R-Board finances in December 2012. This statement is attached as Appendix A. In their report, CB&H noted the following highlights:

- Current assets decreased \$1.6 million
- Capital assets, net of accumulated depreciation, increased by \$1.2 million
- Total liabilities increased \$910,000
- Unrestricted net assets decreased by \$2.6 million
- Operating revenues decreased \$144,000, and operating expenses decreased \$1,600

While some of these are related to the construction of Cell F, they highlight the long-term financial pressures on R-Board operations.

The financial summary chart for expenses below demonstrates the emphasis R-Board staff places on operating efficiency, closing out the fiscal year with nearly \$700,000 in unspent operating funds. Much of this was due to payroll savings from unfilled positions. The revenue summary, however, clearly shows the drop in commercial hauler revenues due to market forces. As noted above, staff will monitor these trends closely.



Operating Expenses – FY2012

	Original Budget	Adjusted Budget	FY 2012 Expenses	Balance Remaining
Compensation	\$2,265,785	\$2,265,785	\$1,946,676	\$319,109
Purchased Services	\$629,800	\$646,300	\$503,143	\$143,157
Temporary Help	\$2,500	\$3,500	\$3,107	\$393
Maintenance Services	\$255,000	\$255,490	\$191,667	\$63,823
Transportation	\$1,500	\$1,500	\$969	\$531
Printing & Binding	\$10,000	\$10,000	\$2,867	\$7,133
Advertising	\$32,000	\$33,004	\$26,720	\$6,284
Internal Services	\$234,815	\$234,815	\$242,900	(\$8,085)
Other Charges	\$20,060	\$20,060	\$18,689	\$1,371
Communications	\$51,550	\$51,550	\$38,085	\$13,465
Insurance	\$47,147	\$47,147	\$47,147	-
Leases & Rentals	\$41,500	\$44,500	\$41,750	\$2,750
Travel	\$9,150	\$9,150	\$8,732	\$418
Miscellaneous	\$154,849	\$135,349	\$1,815	\$133,534
Supplies	\$623,600	\$623,600	\$637,610	(\$14,010)
Small Fixed Assets	\$70,500	\$70,500	\$42,940	\$27,560
Subtotal Operating	\$4,449,756	\$4,452,250	\$3,754,817	\$697,433
Capital Outlay	\$4,355,700	\$4,362,564	\$2,337,046	\$2,025,518
Other Uses	-	-	-	-
Total Landfill Operations	\$8,805,456	\$8,814,814	\$6,091,863	\$2,722,951



Annual Revenues-FY2012

	ADOPTED FY12	CASH	A/R	TOTAL(JUN)	YEAR TO DATE
COMMERCIAL	\$ 4,162,000	\$ 21,687	\$ 221,272	\$ 242,959	\$ 2,985,480
RECYCLING	\$ 250,000	\$ 3,898		\$ 3,898	\$ 347,721
SLUDGE/UTILITIES	\$ 150,000	\$ 16,654		\$ 16,654	\$ 164,205
					\$ 5,493
MISC REVENUE	\$ 195,000				\$ 56,749
INTEREST	\$ 30,307				\$ 58,477
TOTAL	\$ 4,787,307		TOTAL	\$ 263,511	\$ 3,618,125

Weight & Material Summary-FY2012

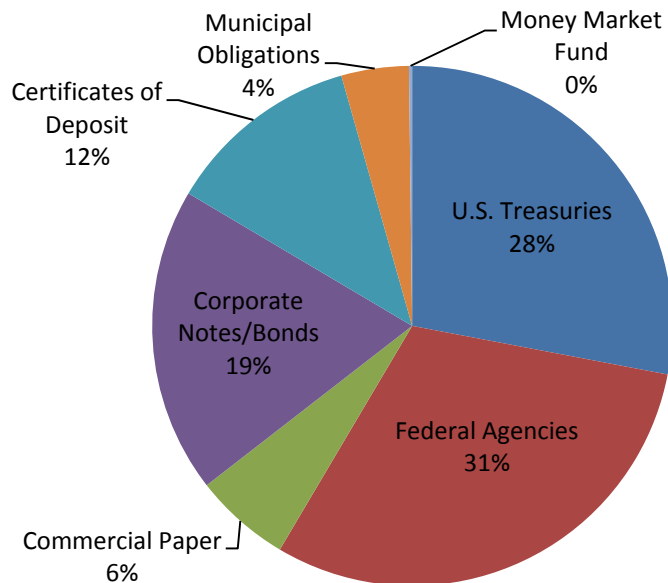
CATEGORY	FY12 WEIGHT (in Tons)
Billable	
Commercial Waste	24,239.80
Residential Waste	46,240.68
Mixed Load-\$68/T	2.45
Debris Waste	24,504.27
Tires/White Goods	558.69
Compost Sludge	9,639.62
SEW Sludge	65.27
BILLABLE TONNAGE	105,250.78
Non-Billable(based on \$41)	
Stafford County	0.00
Fredericksburg	41.79
Belman	3,513.34
Tires residential	1,352.13
Recycling	7,762.21
Cleanups	203.48
NON-BILLABLE TONNAGE	12,872.95
TOTAL TONNAGE	118,123.73
% Non-Billable versus Billable	12.2%



R-Board Portfolio Composition

Prepared by Stafford County Treasurer's Office

Security Type	June 30, 2012	% of Portfolio
U.S. Treasuries	\$2,329,056.44	28.0%
Federal Agencies	\$2,536,103.02	30.5%
Commercial Paper	\$499,157.75	6.0%
Corporate Notes / Bonds	\$1,581,132.33	19.0%
Certificates of Deposit	\$1,002,198.75	12.1%
Municipal Obligations	\$345,953.42	4.2%
Money Market Fund	\$14,062.48	0.2%
Total	\$8,307,664.19	100.0%





Recycling/Diversion

The VA Department of Environmental Quality approved a 54.5% recycling rate for the City of Fredericksburg and Stafford County. The Rappahannock Regional Landfill at 489 Eskimo Hill Road in Stafford processed over 23,800 tons of recyclables in calendar year 2011.

The R-Board provides sites where residents can bring their recyclables on a voluntary basis.

Residential Recycling Drop-off Sites:

Fredericksburg

Belman Road
Hugh Mercer Elementary
Walker-Grant Middle

Stafford

Eskimo Hill
Pratt Park
Gayle Middle
Earl's Hardware
GEICO
Kaz's Auto
Rowser Building
North Stafford High

The Eskimo Hill and Belman Road sites offer collection of special items such as fluorescent bulbs, cell phones, oil, antifreeze, used cooking oil and household batteries. The R-Board collected 35,285 gallons of oil/antifreeze.

The R-Board provides the Rappahannock Goodwill with collection sites at both the Eskimo Hill and Belman Road facilities, allowing the public to drop off not only working and non-working computer equipment but also other working electronics, gently used textiles, shoes, purses, and belts. Last year the program netted 153,060 pounds of material.

Household Hazardous Waste collection days are provided each spring and fall. In 2011, 456 residents participated in the program. A total of 9,510 gallons of materials and 4,834 ft. of fluorescent bulbs were collected.

The R-Board continues to have a successful collection arrangement with private haulers. Our ability to process single stream is unique in the region. This capability offers private haulers high efficiency when collecting and delivering recyclable containers and fibers.



Litter Control

Goals

- Maintain an organized coordination of cleanup efforts;
- Maximize resources available;
- Roads requiring high maintenance are cleaned more frequently;
- Provided targeted response to sensitive areas; and
- All roads in both jurisdictions are given fair use of the resources available.

Programs

- Community Pride Neighborhood Cleanups
- Road Cleanup Resources
- Full-time two 2-Man Litter Crews
- Rappahannock Regional Jail
- Rappahannock Area Office On Youth
- One-time Special Clean-ups
- One-time Resident Cleanups

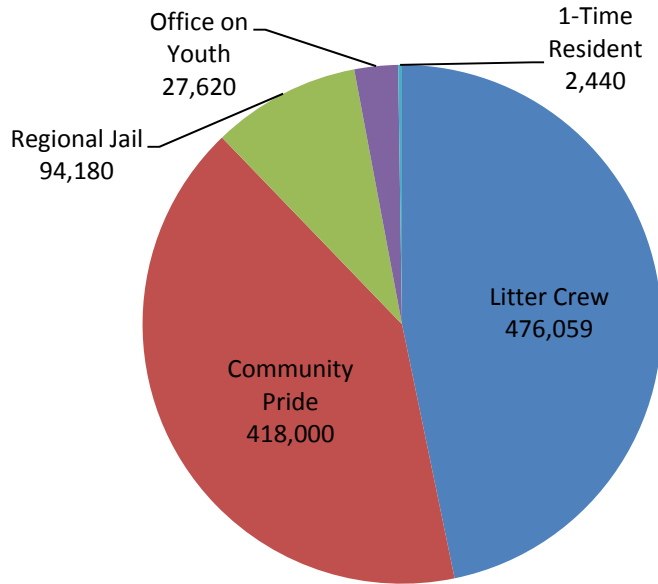
This program monitors over 1,400 miles of roadways for the City of Fredericksburg and Stafford County.

The R-Board provides all operational supplies for these programs including trash bags, pickers, gloves, safety vests, and bag collection and weighing.

The R-Board prepares the yearly Department of Environmental Quality Non-Competitive Litter Grant reporting. It also manages the grant funds received. Grant funds are used to cover the cost of trash bags, pickers, education outreach and programs undertaken by the City Clean and Green Commission.

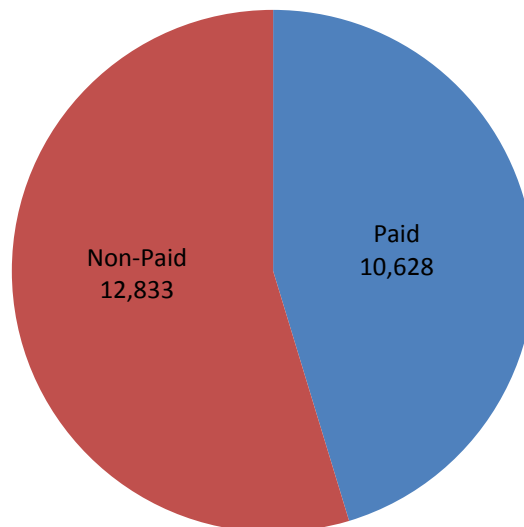


Pounds of Litter Collected



Total Trash Removed = 1,018,299 pounds.

Paid vs. Non-Paid Labor Hours



- Value of non-paid labor equals \$263,462.
- Paid labor includes administrative and education outreach support
- 98% of free hours given were directly used for road cleaning.



Outreach & Education

Programs

Backyard Composting 101 saw 73 citizens attending eight composting classes, bringing the total to 566 participants in over four years of Backyard Composting 101. We estimate that the program kept over 12 tons of organic material out of the landfill this year. The R-Board received the Outstanding Environmental Education award from the Virginia Recycling Association at their spring conference in May.

Outreach

R-Board staff conducted 27 landfill tours for 326 cub scouts, homeschooled students, senior citizens, and many others. The educational trailer visited six venues and R-Board staff and volunteers engaged over 7,200 people during the year.

The first year of the website yielded a monthly average of more than 1,100 visitors. The average person spent over two minutes looking at more than 3 pages. While most visitors are from the US, the website has had activity from individuals in 32 other countries. The page providing directions and the hours of operation is by far the most visited after the home page.

Media

- 25 new “Likes” on Facebook
- 11 blogs on Fredericksburg Patch website
- 2 articles in the Free Lance-Star
- 1,123 website hits/month
- 4 notices in the Stafford County Watercooler



Lisa Butler reads Michael Recycle to a preschool class for Earth Day in April 2012.



Julie May (third from left) receives the VRA's 2012 Outstanding Environmental Education Award for Backyard Composting 101.



Appendix A

DEQ Recycling Rate Letter



Appendix B

Cherry, Bekaert & Holland FY2012 Audit Report