

**RAPPAHANNOCK REGIONAL SOLID WASTE
MANAGEMENT BOARD**

REGULAR MEETING AGENDA

**STAFFORD COUNTY
GEORGE L. GORDON GOVERNMENT CENTER
BOARD OF SUPERVISORS CHAMBERS
STAFFORD, VIRGINIA**

**April 2, 2014
2:30 P.M.**

- A. CALL TO ORDER.**
- B. ROLL CALL TO DETERMINE QUORUM**
- C. APPROVE MINUTES OF PRIOR BOARD MEETINGS (Tab 1)
March 5, 2013**
- D. PRESENTATIONS BY THE PUBLIC**
- E. REPORT OF R-BOARD ATTORNEY**
- F. REPORT ON FINANCES (Tab 2)**
 - 1. Financial Summary Through February 28, 2014**
 - 2. Customer Account Status Through February 28, 2014**
 - 3. Weight & Material Analysis**
- G. UNFINISHED BUSINESS (Tab 3)**
 - 1. Financial Outlook/ Preliminary FY2015 Budget Discussion**
 - 2. Preliminary FY2015 Budget**
- H. CLOSED SESSION (If needed)**
- I. NEXT SCHEDULED MEETING**
 - May 21, 2014, Board of Supervisors Chambers, Stafford County Administration Center, 1:30 PM**
- J. ADJOURNMENT**

**C. APPROVE MINUTES
OF PRIOR BOARD MEETINGS (TAB 1)**

Rappahannock Regional Solid Waste Management Board

Wednesday, March 5, 2014

Stafford County Administration Center

Board of Supervisors Chambers

Meeting Convened. A regular meeting of the Rappahannock Regional Solid Waste Management Board (R-Board) was convened at 1:30 P.M., Wednesday March 5, 2014, at the Stafford County Administration Center, Board of Supervisors Chambers.

Roll Call. The following members were present: Frederic N. Howe, III, Vice Chairman; Beverley R. Cameron; George Solley; Gary Snellings; Anthony J. Romanello; Absent: Paul V. Milde, Chairman, who arrived at 1:46 p.m.

Also in attendance were: Brendan Hefty, Esq., Hefty and Wiley, P.C.; R-Board Attorney; Robert L. Hundley, Resource International, Ltd., Consulting Engineer; Keith C. Dayton, Director & Deputy County Administrator; Jason Pauley, R-Board Superintendent; Diane Jones, Recycling Coordinator; Julie May, Environmental Manager; Tim Lee, Business Development Manager for Tidewater Fiber Corporation.

Others in attendance were Lisa Butler, Landfill Maintenance Worker; Mickey Kwiatkowski, Accounting Manager; Lisa Haaf, Accounting Technician.

Mr. Cameron motioned, seconded by Mr. Solley, to approve the November 20, 2013 minutes.

By voice, the vote was:

Yea:	(5)	Cameron, Howe, Romanello, Solley, Snellings,
Nay:	(0)	
Absent:	(1)	Milde

Presentation by the Public: Mrs. Ruth Carlone of 300 Mount Olive Road asked the R-Board to drop the RFP for the Waste to Energy facility because she is concerned about the airborne pollutants in regards to the proximity of where the facility would be to the hospital. She also expressed concern about the lack of history for this kind of facility in the US. She suggested that Eskimo Hill Road be upgraded before approving a Waste to Energy facility. She would like the R-Board to also consider the storage of toxic/raw materials from this facility, disposal of ash and residue, and the runoff contamination of toxic/raw materials into the surrounding streams. She stated that the Stafford Board of Supervisors ignored acid sulfate during the discussion of the construction of the facility. Mrs. Carlone suggested that Mr. Milde resign from the R-Board.

Report of the R-Board Attorney: Mr. Hefty reported that the General Assembly in Richmond is still trying to pass the budget. No new litigations have been filed against the R-Board.

Report of Staff: Mr. Dayton reported the current status of staffing. The landfill is currently authorized for 34 positions, 28 positions are currently filled with 6 vacant positions. He reported that the R-Board is currently recruiting for a Maintenance Worker 1 position.

Permit Report: Ms. May reported on the following:

- In regards to our air permit, DEQ issued a minor permit amendment clarifying that the flare does not have to operate when AMERESCO's power plant is running, as the engine operation will destroy landfill gasses.
- She stated that the last Solid Waste Compliance inspection was in November. We received a warning letter to address certain compliance matters. Staff met with DEQ in January to explain compliance actions and was subsequently issued a "Return to Compliance" letter.
- She stated that DEQ has a new policy where there will be no more 'surprise' inspections; that DEQ will give a day's notice before an inspection.
- Area 74 Groundwater monitoring; we did receive a notice from DEQ that we have had some groundwater exceedances. R-Board staff is working with Resource to identify the appropriate corrective action. There's a possibility we will have to install a groundwater monitoring well on VDOT property.
- We had a 300 gallon diesel spill caused by accidental equipment contact with a fuel storage tank. Ms. May noted that the R-Board staff responded to the accident appropriately and followed all the protocols in reporting and cleaning up the site after the incident. A report was filed with DEQ and the contaminated soil will be disposed of next week.
- Staff will be submitting for the annual E3 report and application for recertification in March. Ms. May will be working with Resource to do the SWIA (Solid Waste Information and Assessment).

Mr. Hundley discussed Permit 589 and the completion of the annual emissions update regarding the landfill gas flare to be submitted to DEQ in March. Resource and the R-Board Superintendent are working closely with the landfill gas system contractor to complete repairs on the extraction system. The aerial survey of the landfill has been completed. This survey will provide the Superintendent with accurate compaction rates for the recently placed waste as well as site life projections for future disposal cell development planning. Mr. Hundley stated that because of the snowfall the Fredericksburg's landfill monitoring will have to be submitted in March not February.

Operations Update: Mr. Jason Pauley, R-Board Superintendent reported on the following:

- **Landfill gas collection system:** Worked with the Utilities Department who provided a video camera to inspect the collection system to determine the exact location and extent of damage to collection system piping. This allowed our repair operations to be far more efficient and productive, reducing the time and cost of recent repairs.
 - To date 800 linear feet of 8" header pipe, 400 linear feet of 6" header pipe, and 300 linear feet of 4" lateral piping have been replaced.
 - Since replacing the piping AMERESCO started up one of their engines on January 31, 2014. As of February 3, 2014, Ameresco was able to have both their engines continuously running and producing electricity.
 - With the system repairs, we are providing better control of off-site odors related to landfill gas, and improving our environmental compliance performance.
- **Landfill Space Optimization Efforts:** Staff has re-evaluated our landfill utilization practices, allowing us to use landfill air space more efficiently. Recent operational changes include:
 - Instructing operators at the landfill on methods to increase landfill compaction
 - Reduce the daily working face area to increase efficiency and reduce daily cover material
 - Made improvements to the leachate collection system
 - Improving management of surface water throughout the facility
 - Regular aerial site surveys, to document compaction efficiency and assess air space usage for capital planning purposes
 - Improve interaction of the residential gate attendants with the public.
 - Re-emphasize the importance of regulatory compliance to the staff.

Mr. Snellings expressed his concerns about the new tire policy. He stated that he found 15 tires at Abel Lake. He asked the R-Board staff to contact Fairfax to learn more about their tire incineration facility, air pollution, and any health concerns. Mr. Dayton responded that he has spoken with representatives from DEQ in respect of the Waste to Energy plant in Fairfax and they have no issues and are in compliance with their permits.

Report on Finances: Mr. Keith Dayton reported on the following:

- **Financial Summary through January 31, 2014:** Revenues have leveled off during the holidays and the harsh winter, however we are still slightly ahead for the year. We expect a rebound as the weather warms up. Expenses are running below budgeted levels (47% expended vs. 59% of the year expired) and we continue to monitor our expenses very closely. Added was a summary table indicating that we expect to use only

15% of the budgeted fund balance. This may reduce to zero by the end of the fiscal year if revenues pick up in the spring and early summer.

- Customer Account Status through January 31, 2014: Overall delinquencies are down nearly \$200,000 from the November report.
- Weight and Material Analysis: We have continued to show some rebound in the commercial, we are up 25% in our major billable item for the year. We are showing a steep drop off in January collections. We have made a correction to the way we have been calculating the Stafford non-billable collections, we changed the auditing procedures in accounting for Stafford billable, so reported values are much closer to actual values.
- Audit report: Mr. Dayton reported that the R-Board received a clean audit. The report indicates that operating expenses exceeded operating revenues by \$698,000, when depreciation in the amount of \$829,655 is factored in. Our overall net position has decreased by \$656,271. Our unrestricted fund balance is now \$18,071. Our financial statement does not include the liability for \$1,000,000 of additional reserves required as a result of the detection of a constituent in excess of limits in the groundwater monitoring system.

Mr. Cameron asked the R-Board to go to page 11 of the audit and address the final sentence of the third paragraph from the bottom of the page. "The County's and the City's equity interest as of June 30, 2013 was \$4,458,166 and \$3,376,318, respectively." He questioned how the allocation was determined. Mr. Dayton answered the distribution of any asset is based upon the tonnage of the respective localities and it's close to 60/40 County/City.

Addendum to the Minutes: Mr. Dayton provided a clarification to Mr. Cameron's question as to the origin of the values mentioned in the audit report by e-mail dated March 12, 2014. It is included in the minutes as follows:

"Members of the R-Board:

Mr. Cameron asked a question during the R-Board meeting as follows:

What is the source of the equity amounts listed on page 11 of the FY2013 Financial Statements (audit) provided with the meeting materials? The sentence out of the report is as follows: "The County's and the City's equity interest as of June 30, 2013 was \$4,458,166 and \$3,376,318, respectively."

Following research, the derivation of these values begins with Table 1 and Table 2 (pages 4 & 5) in the audit report. The R-Board net position is listed at \$7,834,484. Subtracted from this value is \$928,102 the County contributed to the startup costs of the landfill, and reflected in the January 2000 amended agreement, and a value of \$153,746 for the 30 acres the County owned before the joint landfill agreement was executed. The balance, \$6,752,636, divided by 2,

represents the City's share of the equity position, or \$3,376,318. Stafford's equity position starts with the \$3,376,318 and adds back the \$928,102 and \$153,746, for a total of \$4,458,166."

Mr. Howe addressed the operational agreements. He stated that we need to take time to read through the agreements. He stated that in the beginning everything was split 50/50 and it's clearly defined about the property. He asked for legal counsel to clarify some "gray areas" in the agreements, stating some amounts are ambiguous. Mr. Howe would like clarification and bring the issue to a close before he leaves office in June. He stated he didn't remember anything about tonnage. Mr. Milde suggested that staff write up a list of questions to work on while working on the operational agreements. Mr. Milde and Mr. Howe both questioned long term liabilities and the cost of closing the entire landfill. Mr. Dayton stated that we can do this and we will have information for the May 21st meeting. Mr. Milde suggested doing a Special meeting in April.

Unfinished Business:

- **Recycling Market Conditions:** Mrs. Jones introduced Mr. Timothy Lee from Tidewater Fiber Corporation, the primary recycled material processor used by the R-Board. Mr. Lee showed a PowerPoint presentation on the recycling market conditions. He voiced his appreciation for Mrs. Jones and Ms. May. His presentation provided information about China's "Green Fence", as well as the impact of this on the global recycle market. The presentation provided recent market trends for recyclable items. Mr. Lee explained that the U.S. recycling rate remains about 35% of total waste produced.
- **Update on Environmental Monitoring and Gas Installation Contracting:** Ms. Julie May reported on the following:
 - The R-Board solicited proposals for the monitoring and maintenance of the landfill gas collection system. Staff received five proposals, after evaluation, staff interviewed three of the firms. Draper Aden was selected as the most responsive and best qualified to conduct the monitoring and maintenance of the gas collection system.
 - Ms. May introduced resolution RB14-01 to authorize Draper Aden as the firm to provide professional services related to monitoring and maintenance of the landfill gas collection system.

Mr. Romanello motioned, seconded by Mr. Howe, to approve proposed Resolution RB14-01.

By voice, the vote was:

Yea: (6) Milde, Howe, Romanello, Snellings, Cameron, Solley
Nay: (0)

Proposed Resolution RB14-01 reads as follows:

A RESOLUTION TO AUTHORIZE THE COUNTY ADMINISTRATOR TO
EXECUTE A CONTRACT FOR PROFESSIONAL SERVICES RELATED TO THE
MONITORING AND MAINTENANCE OF THE LANDFILL GAS COLLECTION SYSTEM

WHEREAS, the Rappahannock Regional Solid Waste Management Board (R-Board) requires the services of a firm to provide monitoring and maintenance of the landfill gas system to ensure compliance with our operating permit, and

WHEREAS, the R-Board publicly solicited proposals from firm interested in providing these services; and

WHEREAS, 5 firms responded to this solicitation and staff evaluated these proposals, and

WHEREAS, the R-Board determined Draper Aden Associates to be the most responsive and best qualified of the respondents; and

WHEREAS, these services would begin upon execution of the contract, and could be extended up to four (4) additional fiscal years.

- **RFP for SCS Field Services for landfill gas extraction well installation**

Ms. May advised the Board of recent efforts to prepare bid documents to solicit competitive bids for installation of the gas well extraction system for Cell E as required by our permit. She noted that we received 6 bids, with the bid provided by SCS Field Services being the lowest responsive, responsible bidder. Ms. May mentioned that SCS Field Services had completed much of the gas extraction system at the landfill, and were known by R-Board staff to perform quality work. Furthermore, the bid amount was approximately \$90,000 less than the amount authorized for this work in the FY2014 budget.

Mr. Romanello motioned, seconded by Mr. Howe, to authorize a contract with SCS Field Services in the amount of \$159,000 for landfill gas extraction well installation for Cell E.

Yea: (6) Milde, Howe, Romanello, Snellings, Cameron, Solley
Nay: (0)

- **Alternative Solids Handling Process Proposal Update:** Mr. Dayton reported that the R-Board staff developed the RFP and solicited proposals for return on February 17. Six proposals were received and they are currently under evaluation. A short list of proposals is currently being developed to conduct interviews. Selection should be completed in April, and staff will proceed to contract with the firm determined to be most qualified.

New Business:

Relic Hunting Request: Mr. Dayton reported that staff received a request to hunt relics on R-Board property from individuals associated with Friends of Stafford Civil War Park. They further requested that they get to keep the relics found. This activity has not been permitted previously. Relics would technically be public property and disposition may require we follow a process. Mr. Milde and Mr. Howe expressed their appreciation to Mr. Glenn Trimmer for the construction of the Civil War Park at no cost to Stafford County. Mr. Howe is in favor of returning the relics to the public and supports relic hunting. He suggested that the relic hunters take the following steps:

- Giving one of every two relics found to the R-Board after cataloging the items in Stafford, especially unique items;
- Ensure that liability could be waived for people to be on the property; signing a risk waiver

Mr. Snellings agreed with Mr. Milde and Mr. Howe's appreciation for Mr. Trimmer's work on the Civil War Park. Mr. Snellings questioned who are considered "selected individuals" and asked for specifics on exactly how many people that may include. Mr. Snellings stated that relic hunting is a big business. Mr. Solley expressed his concern that all items be cataloged, photographed, and displayed for the public when the archeological survey is done. Mr. Solley does not support "finder keepers" system. He requested that some system be put in place to catalogue these found relics. Mr. Bob Hundley noted that a portion of the Part A permit with DEQ required a Phase 2 study to include structural finds, but not relics. Mr. Glenn Trimmer spoke that he and two other individuals are the people who will be relic hunting on the R-Board property. He stated that there isn't anything of huge value on the site. He is most interested in the extent of the 11th Corps Road, Corduroy Road, 4th Fortification and Battery #3. Mr. Milde asked if relic hunting would be legal. Mr. Howe asked if it is not, how it can be made legal. Mr. Trimmer stated he would like a personal collection of items that is found. Mr. Trimmer stated upon his death he would have his collection turned over to the R-Board. Mr. Hefty stated that anyone who is going to hunt for relics should have a permit to allow all individuals to relic hunt. The matter will be discussed further at the May 21st regular meeting after additional legal review.

Landfill Aging Discussion: Mr. Dayton reported on the following:

- The estimated life of Cell F-1 is 2.5 years. Filling began in July 2013, so we expect it to be filled at the end of 2015.
- Life of current permitted area is 50 plus years.
- Recently completed an aerial survey of Cell F. Found that our fill rate is close to the assumed rate. Our efforts at efficient compaction have been successful. We will continue aerial survey efforts.
- Based on this information, we need to have Cell F-2 out for bid this December and under construction early 2015. Design is underway.

Financial Outlook/Preliminary FY2015 Budget Discussion: Mr. Dayton summarized the present financial condition of the Regional Landfill:

- **Financial Outlook:** Based on the FY2013 audit, we have virtually no unrestricted reserves.
 - Reserve depletion is largely the result of past unfunded depreciation, construction of Cell F-1 using cash reserves, and increased regulatory compliance costs.
 - We must initiate construction of Cell F-2 early in 2015 to ensure it is available when we exhaust capacity in Cell F-1. Estimated cost of Cell F-2 is approximately \$4,000,000.
 - Given our financial position, it is uncertain that we will be able to finance the construction of Cell F-2 and, if we could, we do not generate sufficient excess revenues to pay the \$585,000 to \$680,000 annual debt service cost.
 - Our recent cost to revenue analysis indicates that it costs the R-Board over \$47 per ton to landfill waste, while we generate revenue from landfill operations at \$31/ton.
 - C&D collections capture approximately 50% of the potential revenue from that source.
 - We collect revenues from Stafford and Fredericksburg residents at \$4/ton, significantly less than our cost.
 - A substantial increase in tipping fees for commercial MSW haulers will very likely result in a large diversion of our main revenue generator to other landfills.
- Staff recommends that the R-Board consider possibilities for enhanced revenues and/or service reductions to improve financial outlook.

- Possible actions are:
 - Immediately eliminate the tipping fee cap for C&D material. This action could generate an additional \$150,000 in revenue, if waste wasn't diverted to other landfills.
 - Increase the tipping fees effectively July 1, 2014, for monthly disposal quantities in excess of 1,500 tons from \$25 per ton to \$30 per ton. While not a significant revenue generator, it would bring the tipping fees more in line with landfill costs.
 - Implement a \$25 per ton tipping fee for municipal waste brought to the landfill by the City of Fredericksburg Department of Public Works. This could bring in nearly \$190,000 in additional revenues.
 - Eliminate free residential service at our convenience center. Staff would investigate methods to collect an effective rate of \$25 per ton from these customers in a manner which would not create undue inconvenience to our customers and staff.
 - As an alternative to charging residents, the City of Fredericksburg and Stafford County could provide additional funding at a level sufficient to continue offering the service levels provided in the past. This would require \$345,000 from the County and \$247,000 from the City.
 - Considerations for cost savings include service reductions related to the Belman Collection Center and the litter crew. Specifically, eliminating brush, appliance, tire and C&D collections at Belman could save approximately \$40,000, while returning litter control costs to the County would result in savings of approximately \$215,000 per year.
 - Implementing all of these measures could generate \$1,000,000 per year in added revenue/expenditure reductions. This would get the R-Board back to sustainable operations.

Mr. Milde requested staff to investigate residential charging procedures at other area landfills. Also, Mr. Milde requested that the County Administrator advise the Board of Supervisors of the financial condition of landfill operations during FY2015 budget deliberations.

Mr. Howe requested staff to prepare an analysis of operational savings resulting from lower quantities of MSW that might occur if rates were increased.

Mr. Cameron suggested that we move forward with the first three bullets. Mr. Milde concurred.

Mr. Milde noted that neither he nor Mr. Snellings wish to consider charging residents for landfill services.

- **Preliminary Budget Discussion:**

- The FY2015 budget will be considered at the May 21, 2014 meeting, with no regular meetings scheduled before that date.
- Given the budgetary challenges presented previously, staff feels it would be helpful to receive some guidance from the R-Board prior to crafting a draft budget.
- Key budget considerations are:
 - Staff does not plan to recommend additional staff.
 - There will be no raises for staff included
 - We expect to level fund our operational expenses. We will monitor developments with the constituent migration in Permit area 74. We will be installing another monitoring well for data purposes.
 - We plan to include replacement costs for a 193 tractor used for slope mowing, along with a 1 ton dump truck and ¾ ton pickup, each with over 200,000 miles. Total costs for this equipment to be around \$120,000.
 - There is no major equipment replacements scheduled for FY2015.
 - Funding the \$4,000,000 Cell F-2 construction is our biggest budgetary challenge.

Mr. Romanello noted that we are “out of time and out of money”, and that present financial conditions are the result of drawing down reserves to cover operating losses. He noted that financing construction of Cell F-2 would count against Stafford’s debt capacity. He acknowledged that none of the options offered are good but we are out of options. Mr. Howe asked again about clarifying the partnership/lease of the City and County. Mr. Milde asked Mr. Dayton to schedule a budget meeting in early April.

(The item below was moved at the request of the Chairman and conducted after initial conversation on the financial outlook had begun.)

Conveyance of R-Board Property: Mr. Dayton reported that Stafford County recently rezoned property east of Route 1 between the Stafford Hospital and R-Board property for a mixed use development that includes a site for a future Germanna College campus. Germanna informed County staff that ten acres of additional area to the south of this site would be beneficial to the development of the campus. There is approximately eleven acres of buildable R-Board property immediately adjacent to the proposed campus. This property (Parcel 39-17B) has little use for

future R-Board operations, and could be disposed of without negative effect. The County had the property appraised as the smaller ten acre piece and the entire parcel, the appraised value is \$400,000 and \$540,000 respectively. The R-Board is asked to consider endorsing the transfer some or all of Parcel 39-17B to Stafford County for ultimate use as a Germanna Community College site. This property is jointly owned by the City and the County and both governmental bodies must act to allow this action to proceed.

Mr. Cameron noted that the Council considered this proposal and has asked for a 40 year extension to the R-Board agreement in exchange for giving the parcel of land to GCC. Mr. Howe expressed concern about why there is a lease agreement for the City's participation at the landfill. He requested eliminating the expiration date for the lease to reflect the partnership that exists for joint operation. He would like clarification on the lease concept. Mr. Milde asked the City of Fredericksburg to sell their half of the land to the County of Stafford. Mr. Milde said that the 40 year extension is not equal to the \$400,000 parcel. Mr. Sofey noted that while he didn't have a comment on the lease agreement, he did want the City to get a fair exchange. Mr. Snellings suggested that legal counsel from the City, the County and R-Board work out the terms of the agreement and come back at the May 21st meeting. Mr. Howe requested that we pursue a schedule that allows resolution of this matter before he is no longer serving on the R-Board.

Future Meetings: Staff was directed to schedule a special meeting of the R-Board for early April, to allow further consideration of financial and budgetary matters in advance of the adoption of the City and County budgets. The next regular R-Board meeting is scheduled for May 21, 2014 at 1:30 P.M. in the Stafford County Administrative Center, Board of Supervisors Chambers

Adjournment: The Chairman adjourned the meeting at 3:48 P.M.

Keith Dayton, Director

Stephanie Persico, Clerk

F. REPORT OF STAFF (TAB 2)

1. Financial Summary through February 28, 2014

EXPENDITURES

as of

February 28, 2014

Division	FY 14 Adopted Budget	FY 14 Adjusted Budget	Personnel Costs YTD	Operational Costs YTD	Capital Costs YTD	Total Costs YTD	Current Encumbrances	FY 14 Expenditures	FY 14 Balance	% Budget Expended	Fiscal YTD Expired (%)	FY14 Budgeted Revenues	Monthly Target	Monthly Actuals	FY14 Actual Revenues	% Revenue Collected
R-Board Expenses	\$4,834,857	\$5,168,338	\$1,232,919	\$1,083,568	\$257,412	\$2,573,899	\$247,746	\$2,821,645	\$2,346,693	55%	66%	\$4,834,857	\$402,905	\$243,069	\$2,620,149	66%
TIPPING FEES	\$3,200,000															
RECYCLING	\$405,000															
WWTP SLUDGE/UTILITIES	\$150,000															
MUNICIPAL	\$96,000															
MISC	\$10,000															
AMERESCO LEASE	\$68,000															
GRANT	\$20,000															
INTEREST	\$45,000															
RESERVE	\$640,857															

REVENUES

as of

February 28, 2014

	ADOPTED FY14	CASH	A/R	Total for Month	FYTD Expired	FY YEAR TO DATE	REVENUE FORECAST
COMMERCIAL	\$ 3,200,000	\$ 13,548	\$ 208,629	\$ 222,177	66%	\$ 2,171,776	\$ 3,275,613
RECYCLING	\$ 405,000			\$ 6,271	66%	\$ 191,960	\$ 289,511
SLUDGE/UTILITIES	\$ 150,000			\$ 8,782	66%	\$ 98,463	\$ 148,508
MUNICIPAL	\$ 96,000			\$ 56,000	66%	\$ 56,000	\$ 96,000
MISC REVENUE	\$ 10,000			\$ 54	66%	\$ 36,530	\$ 55,097
SALE OF LANDFILL GAS	\$ 68,000			\$ 15,359	66%	\$ 23,165	
GRANTS	\$ 20,000				66%	\$ 28,894	\$ 26,894
INTEREST	\$ 45,000			\$ 5,785	66%	\$ 23,177	\$ 34,957
RESERVE FUND	\$ 840,857				66%	\$ -	\$ -
TOTAL	\$ 4,834,857	\$ 13,548	\$ 208,629	\$ 243,069	66%	\$ 2,620,149	\$ 3,949,746

BUDGET STATUS SUMMARY

	Adopted Budget	Current Est.	Difference
Revenues	\$3,994,000	\$3,949,746	-\$44,254
Expenditures	\$4,834,857	\$4,255,787	(\$579,070)
Use of Fund Balance	\$840,857	\$306,041	(\$534,816)

Unrestricted Fund Balance (as of June 30, 2013) **\$13,071**
 Projected Unrestricted Fund Balance (as of June 30, 2014) **(\$292,970)**

F. REPORT OF STAFF (TAB 2)

**2. Customer Account Status through
February 28, 2014**

Client Accounts Status Report
2/28/2014

CREDIT CUSTOMERS	February 1-30	Paid in Adv.	Payment In House	LATE FEE	January 31-60	LATE FEE	December 61-90	LATE FEE	90 + DAYS	TOTAL
American Disposal Svc	47,516.86				2,809.08					50,325.94
A&B Kearns Trucking & Stone	410.00			333.08	3,330.84					4,073.92
Brandonbilt/Dominion Recycling	11,151.91				14,862.73					26,014.64
Chantilly of Va Inc	698.64		x		1,235.24	121.93	1,219.34	94.83	515.64	3,885.62
Charlie and Son Trash Svc Inc	649.85									649.85
Coastal Insulation & Fireplace	241.68		x		67.65					241.68
Con-Serv Industries Inc	-									67.65
Conquistador LLC	227.78									227.78
CRI	168.10			60.93	609.26	89.50				927.79
Dee Bee Home Improvement	210.33									210.33
Defense Finance Accounting	165.00				393.88		1,139.39		3382.82	5,081.09
Dominion Virginia Power	85.69									85.69
Donnelly Concrete Inc	9,431.23									9,431.23
English Construction	-									-
Henderson Construction	-									-
Hidden Valley Corp of Va	27.88									27.88
Hilldrup Transfer	2,143.71									2,143.71
Hillside General Services	155.39			37.84	378.43	24.51	245.09	44.03		885.29
Ideal construction Services	96.35									96.35
Industrial Disposal Svcs Inc	842.14		x		1,935.20					2,777.34
JSV	252.15					10.00				262.15
Lowe's	-								75.03	75.03
Marine Corps Community Service	-									-
Nicholas Trucking	8,277.49									8,277.49
Potomac Disposal Services	12,103.93									12,103.93
Rader Tire LLC	147.60									147.60
Rappahannock Goodwill Inc	173.89		x		261.99					435.88
Red Ball Moving & Storage	908.56									908.56
Roof Systems	-									-
SDF/Kerkim Inc-Davis Hauling-County Waste	53,729.78		x		56,492.68					110,222.46
Showtime	493.14									493.14
Sisson Excavating Inc	3,526.32									3,526.32
Stafford County School	141.09				218.35		92.16			451.60
Style Installations	-									0.00
T & C Roloffs LLC	508.81			22.63	226.32					757.76
Teakwood Enterprises inc	-									-
VDOT Equipment Section	-									-
VDOT Fredericksburg Residency	-									-
Waste Management	53,689.48				55,126.32					108,815.80
	\$208,174.78	\$ -		\$ 454.48	\$137,947.97	\$ 245.94	\$ 2,695.98	\$ 138.86	\$ 3,973.49	\$353,631.50

F. REPORT OF STAFF (TAB 2)
3. Weight & Materials Analysis

**Rappahannock Regional Solid Waste Management Board
Weight and Material Analysis Report FY2014**

CATEGORY	Jan-14 Weight	Feb-14 Weight	Feb-13 Weight	AUTOMATIC		Difference %
				FY2014 Y-T-D Weight	FY2013 Y-T-D Weight	
Billable						
Commercial Waste	1358	1,874	1,588	16,719	13,437	24%
Residential Waste	1818	1,876	2,079	26,172	25,961	1%
Mixed Load-\$71/T	0	2.25	12	8	14	-42%
Debris Waste	1296	1,889	1,276	15,491	13,587	14%
Dirt	0	65	328	1,768	1,065	66%
Tires/(White Goods)	5	3.34	22	89	281	-68%
Compost Sludge	334	517	822	5,655	5,398	5%
SEW Sludge	0	0	0	0	94	
BILLABLE TONNAGE	4811	6226	6,127	65,903	59,836	10%
Non-Billable						
Stafford County	1243	663	496	9,301	8,119	15%
Fredericksburg	434	714	527	5,526	5,618	-2%
Belman	148	169	215	1,902	2,302	-17%
Tires residential	24	5	138	378	828	-54%
Recycling	275	334	431	4,111	4,695	-12%
Cleanups	0	0	0	44	44	1%
NON-BILLABLE TONNAGE	2,124	1,884	1,807	21,262	21,606	-2%
TOTAL TONNAGE	6,935	8,110	7,934	87,164	81,442	7%
% Non-Billable versus Billable	24%					

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FY13 includes July to February

G. UNFINISHED BUSINESS (Tab 3)

1. Financial Outlook/Preliminary
FY2015 Budget Discussion



Rappahannock Regional Solid Waste Management Board

489 Eskimo Hill Road • Stafford, Virginia 22554 • 540-658-5279 • FAX 540-658-4523

To: R-Board Members

FROM: Keith Dayton *Keith*
Deputy County Administrator

DATE: March 28, 2014

SUBJECT: **Financial Outlook/Preliminary FY2015 Budget Discussion**

Staff presented the February 25, 2014 memorandum (attached) to the R-Board at the March 5th meeting. The memorandum outlined long term financial factors affecting operational sustainability, along with budgetary challenges for the 2015 fiscal year. During the course of the R-Board discussion, staff was asked to investigate certain matters and report back to the R-Board at the April 2nd special meeting. The questions related to financial and budgetary matters are discussed below.

1. What are the offsetting operational cost savings from tonnage diverted from the Eskimo Hill landfill due to adjusting tipping fees higher?

Diversion of MSW to competing landfills would save 100% of capital costs for new cell construction – about \$6/ton, plus a percentage of operational costs. Staff reviewed affected operational costs categories, and believes that relatively low MSW diversion would allow us to save approximately 26% of the estimated \$41.78 operational cost per ton, or \$10.86/ton. Total savings per ton for the lost tipping fee revenue is estimated at just under \$17/ton. Higher quantities of diverted MSW would likely result in personnel reductions, increasing the potential savings.

Additional review of C&D and MSW tipping fees in the area indicate that the fees charged by the R-Board are highly competitive, and will remain that way even if the C&D rate is modified to remove the cap. At \$41/ton, the R-Board tipping fee is the second lowest municipal and commercial landfill in the region, with Spotsylvania County being the lowest. Current commercial tipping fees for Spotsylvania range from \$29/ton down to \$19/ton, depending on monthly volume. It should be noted that Spotsylvania County has budgeted \$2.7 million in General Fund support for landfill operations in FY2014. The R-Board could be experiencing diversion of commercial waste to Spotsylvania County.

2. Investigate methods used by other localities to charge residents bringing waste to landfills.

Staff has researched the practices of the localities frequently used for comparison by Stafford County. These localities are Spotsylvania, Prince William, Loudon, Hanover Fauquier and Albemarle Counties. We found that of these localities, the R-Board is the only landfill not charging residents visiting the landfill in any manner. A brief summary is provided below:

Loudon County - charges residents at the gate at the rate of \$62/ton, with a \$6 per vehicle minimum fee.

Prince William County – County residents pay for this service on their property tax bill. City of Manassas residents using the landfill are charged \$5 per visit up to 200 pounds. Heavier loads are weighed and charged at a rate of \$45/ton and collected at the gate.

Fauquier County – the General Fund subsidizes residential service at a rate of \$50 /ton. In addition, numerous items (electronics, fluorescent bulbs, etc.) are charged a surcharge rate between \$5 and \$10. The additional charge is collected at the gate.

Albemarle County – residents can dispose of their MSW at the Rivanna Solid Waste Authority collection center at \$66/ton. The charge is calculated at the gate. There are also numerous other rates for tires, appliances, etc., which are collected at the gate.

Hanover County – no charge to dispose of MSW for residents. C&D, electronics, and other select materials are charged. Residents are issued a special decal at no charge upon proof of residency.

Staff has canvassed a few other regional landfill practices and believes that R-Board policies related to resident use of the landfill services are the most generous. It is also evident that after the use of taxing authority for charging residents, collection at the gate for waste disposal is the most common method of payment. The use of decals was found to be for identification purposes rather than funding.

Financial Outlook/FY2015 Budget Discussion

Staff has continued to evaluate financial and budgetary considerations since the March 5th R-Board meeting. To assist the R-Board in their deliberations, staff has prepared multiple draft expense and revenue budgets for the upcoming fiscal year. For the expense budget, the first draft provides for service levels consistent with past practices, including litter control along public highways, and residential collections at the Belman location. Staff has budgeted other expenses consistent with the information presented on March 5th, with the exception of additional routine maintenance on heavy equipment is necessary, adding another \$120,000 to that line item. The updated general guidance is presented below.

- Staff does not plan to recommend additional staff. We will continue to examine our operations to identify ways to operate efficiently at current staffing levels.
- There will be no raises for staff included.
- We expect to level fund our operational expenses. We will monitor developments with the constituent migration in Permit Area 74. We will be installing another monitoring well for data purposes, but expect remediation efforts, if any are necessary, to not be required until FY2016.
- We plan to include replacement costs for a 1973 tractor, along with a 1-ton dump truck and ¾-ton pickup, each with over 200,000 miles.
- There are no major equipment replacements scheduled for FY2015, although equipment requiring overhaul in the next fiscal year totals around \$220,000.

The budget total of \$4,447,681 represents a decrease of 8% from the FY2014 adopted budget.

The second expense budget reflects the transfer of costs for litter control efforts back to the localities, along with the elimination of all but MSW collections at the Belman Road location. These actions result in operational costs savings of \$215,000 and \$40,000, respectively. The budget total of \$4,192,681 is a 13.3% reduction from the adopted FY2014 budget.

Staff has also provided four revenue budgets for consideration, including one that updates revenue projections based upon current market conditions, but maintains other policies from previous years. The detailed calculations are attached, with a brief summary of expense and revenue options, and the resultant

impact on fund balance, is provided in the tables below. Values in red reflect additional reductions in fund balance.

EXPENSE AND REVENUE OPTION TOTALS			
Expense No Change	\$ 4,447,681	Revenue No Change	\$ 3,894,740
Expense All Cuts	\$ 4,192,681	Revenue Per Agreement	\$ 4,496,649
		Revenue Equivalent \$25/ton	\$ 4,393,685
		Revenue All Options	\$ 4,671,649

IMPACT ON FUND BALANCE				
	Revenue No Change	Revenue Per Agreement	Revenue Equivalent \$25/ton	Revenue All Options
Expense No Change	(\$552,941)	\$48,968	(\$53,996)	\$223,968
Expense All Cuts	(\$297,941)	\$303,968	\$201,004	\$478,968

The “All Options” for revenue includes eliminating the cap on C&D billing weights, and raising the over 1,500 tons per month tipping fee from \$25 to \$30 per ton. These changes are estimated to generate additional revenue of \$150,000 and \$25,000, respectively.

The tables above indicate a range between finishing FY2015 by using an additional \$552,941 from the reserve fund, to increasing the reserve fund by \$478,968.

Staff had previously calculated the capital cost of constructing landfill air space at approximately \$3 per cubic yard (CY). Using our FY2013 landfill volume of 217,000 CY, we exhaust our landfill capacity at a rate of approximately \$650,000 per year. None of the budget options summarized above fully offset this ongoing expense.

As noted at the March 5th meeting, the R-Board must have Cell F-2 under construction during the spring of 2015 to have the cell operational by the end of 2015. This cell is expected to cost about \$4 million, and will provide landfill capacity until 2022. Staff is investigating options to fund this effort; however, regardless of the strategy used to fund construction, long term changes funding practices are necessary.

The R-Board has multiple options with respect to the revenue and expense budgets for FY2015. Staff recommends consideration of the measures below, with the budget impacts in parenthesis.

- Eliminate the cap on weight for C&D material. Customers would be billed \$41 for each ton of C&D brought to the landfill. (\$150,000)

R-Board Memorandum

Page 4

March 28, 2014

- Increase the tipping fee effective July 1, 2014, for monthly disposal quantities in excess of 1,500 tons from \$25 per ton to \$30 per ton. (\$25,000)
- Increase the locality subsidy from the current \$56,000 from the City and \$40,000 from the County, to the amounts called out in the operating agreement, or \$356,269 and \$341,640, respectively.
- Implement service reductions related to the Belman Center. (\$40,000)
- Transfer the litter crew expenses to the County. (\$215,000)

Implementing all of the above actions is estimated to have a positive impact on the fund balance of over \$1.1 million.

KCD:kd



Rappahannock Regional Solid Waste Management Board

489 Eskimo Hill Road • Stafford, Virginia 22554 • 540-658-5279 • FAX 540-658-4523

To: R-Board Members

FROM: Keith Dayton
Deputy County Administrator

DATE: February 25, 2014

SUBJECT: Financial Outlook and Preliminary Budget Discussion

In preparation for the FY2015 budget cycle, staff has examined issues related to the current financial position of the R-Board, and budgetary pressures expected in the next year. These are discussed below.

Financial Outlook

As noted in the previous report on the FY2013 audit results, the R-Board currently has an unrestricted fund balance of \$13,071. The present financial position is due in large part to the lower revenues generated from commercial clients. Although we have seen some increase in the past two years, revenues have not returned to pre-recession levels, and staff feels this is mainly due to competition from other area landfills. Revenues from recycled materials have also dropped significantly, although this revenue stream represents a much smaller part of our budgeted revenues.

Other contributing factors to our overall financial position as stated in the audit report include the impact of unfunded depreciation of over \$800,000, construction of Cell F1 from cash reserves, and the increasing cost of regulatory compliance.

Besides the issue of increased regulatory compliance costs, staff believes we must soon expend additional funds to maintain and replace our aging inventory; consequently, we must begin funding depreciation expenses. Finally, we must initiate construction of Cell F2 early in 2015 to ensure it is available for use later that year. Although it has been suggested that the R-Board borrow to finance the construction of Cell F2, our record of recent operating losses and lack of unrestricted reserves make this an uncertain proposition. Furthermore, should we be able to borrow the estimated \$4 million cost, we currently do not generate sufficient revenue to pay back the debt service estimated at between \$585,000 and \$680,000 per year, depending on the interest rate and length of debt.

Whereas we offer a market dependent service, raising tipping fees for our commercial municipal solid waste customers will very likely not result in significant added revenue. As discussed in a previous R-Board meeting, the staff survey of tipping fees at other landfill in the region revealed that our price structure was in line with our competition, although our discounted rate for large customers might be modestly adjusted without affecting our total tonnage.

Recent staff analysis indicates our present cost to landfill waste, inclusive of capital, operating and depreciation expenses, is \$47.69 per ton. We generate revenue from tipping fees at a rate of \$31.15 per ton, resulting in a significant operating deficit. Staff believes that the present operational strategies are not sustainable from a funding perspective, and immediate, dramatic measures are necessary to ensure the long term financial viability of the Regional Landfill.

Staff has noted that our construction and demolition (C&D) debris tipping fee structure could be revised to generate additional revenue. The R-Board implemented a tipping fee whereby containers of a certain volume were capped at a specified weight for billing purposes. Staff initiated a two month analysis of C&D across our scales and observed that all of the 122 tickets delivered weights in excess of the billed amounts, and on average the total weight was approximately double the billed weight. We noted that some deliveries received over 10 tons of landfill service at no charge. We calculate that this translates to approximately \$150,000 per year in free service for landfilling C&D materials. While revising the tipping fee schedule will not necessarily result in an increase in revenue of this same amount, it will restore some equity in our tipping fee structure.

The largest subsidized service remains our practice of providing free disposal for residents using the Eskimo Hill and Belman convenience centers, and the heavily discounted collections received from the City of Fredericksburg Department of Public Works. The R-Board receives a total of \$96,000 from the City and County (\$56,000 and \$40,000 respectively), which translates to a \$4 per ton (or about \$2 per CY) charge using annual average weights received from each locality. That is the rate authorized by R-Board during adoption of the FY2012 budget, and continued during subsequent budgets.

Based on the cost per ton information presented above, this rate is approximately 8% of our break even tipping fee of \$47.69. Raising the equivalent rate for this service to the reduced high-volume rate of \$25 per ton established for our larger commercial customers, would increase this revenue stream to \$590,000.

As noted in previous reports, staff believes it has implemented all available best practices to operate the landfill in the most cost effective manner possible, while maintaining compliance with state regulations. We are operating with the minimum of staff necessary to maintain the service levels established by the R-Board. Without opportunities to reduce expenses in any significant way, staff believes that changes must be made to increase the revenue stream and/or reduce service levels. As noted above, the base \$41 per ton commercial tipping rate is consistent with competing landfills in the region and a significant increase in this rate will likely result in much lower tonnage delivered to the landfill.

Staff suggests that consideration be given to the following measures:

- Immediately eliminate the cap on weight for C&D material. Customers would be billed \$41 for each ton of C&D brought to the landfill. As noted above, this could increase revenues by approximately \$150,000 if we experienced no diversion of C&D to other landfills.
- Increase the tipping fee effective July 1, 2014, for monthly disposal quantities in excess of 1,500 tons from \$25 per ton to \$30 per ton. The \$41 (under 1,000 tons) and \$36 (quantities between 1,000 and 1,500 tons) tipping fees would remain unchanged. This modification would result in a relatively modest increase in revenues due to the limited waste in excess of 1,500 tons per month.
- Implement a \$25 per ton tipping fee on July 1, 2014 for municipal waste brought to the landfill by the City of Fredericksburg Department of Public Works. This measure could net nearly \$190,000 in additional revenue.
- Eliminate free residential service at our convenience centers effective July 1, 2014. Staff would investigate methods to collect an effective rate of \$25 per ton from these customers in a

manner which would not create undue inconvenience to our customers and staff. Alternative methods to charge these residential customers would be provided to the R-Board at the May 21, 2014 meeting. This measure could result in revenue of slightly more than \$400,000 based on waste history and assuming no waste stream diversion.

- As an alternative to the previous two measures, the City of Fredericksburg and Stafford County could provide additional funding at a level sufficient to continue offering the service levels provided in the past. This would require \$345,000 from the County and \$247,000 from the City.
- Additionally, the R-Board could also consider service reductions related to the Belman Collection Center and the litter crew. Returning litter control costs to Stafford would result in savings of approximately \$215,000 per year, while eliminating C&D, brush, furniture and appliance collections at Belman would save approximately \$40,000 more.

Staff believes that implementation of the revenue enhancement measures could generate additional funds of about \$750,000 per year, while the service reductions could save approximately \$250,000, returning landfill operations to long term sustainability.

Preliminary Budget Discussion

The R-Board has a single remaining regularly scheduled meeting on May 21st prior to the start of the next fiscal year. This meeting is the only scheduled opportunity for the R-Board to discuss the FY2015 budget; consequently, staff felt it would be helpful to discuss preliminary considerations for the next fiscal year.

Some of the key considerations, with the exception of the revenue and expenditure issues discussed above, are as follows:

- Staff does not plan to recommend additional staff. We will continue to examine our operations to identify ways to operate efficiently at current staffing levels.
- There will be no raises for staff included.
- We expect to level fund our operational expenses. We will monitor developments with the constituent migration in Permit Area 74. We will be installing another monitoring well for data purposes, but expect remediation efforts, if any are necessary, to not be required until FY2016.
- We plan to include replacement costs for a 1973 tractor, along with a 1-ton dump truck and ¾-ton pickup, each with over 200,000 miles.
- There are no major equipment replacements scheduled for FY2015, although four pieces of equipment require selected overhauls totaling around \$100,000.

Funding the construction of Cell F2 towards the latter part of FY2015 will be the greatest budgetary challenge.

Staff would appreciate the guidance of the R-Board in the development of a draft budget.

KCD:kd

G. UNFINISHED BUSINESS (TAB 3)

2. Preliminary FY2015 Budget

**RAPPAHANNOCK REGIONAL LANDFILL
FISCAL YEAR 2015 PRELIMINARY BUDGET
STANDARD OPERATION PRACTICE**

		FY2013	FY2014	FY2015	Inc/Dec	Inc/Dec %
		Actual	Adopted Budget	Proposed Budget	Amount	
10-01	Salaries-Regular	1,136,260	1,237,410	1,235,820	(1,590)	(0.1)%
10-02	Salaries-Overtime	76,288	85,000	85,000	0	0.0%
10-03	Salaries-Part Time	16,903	0	0	0	0.0%
21-01	Social Security/Medicare	93,800	94,650	94,550	(100)	(0.1)%
22-10	VRS	128,772	140,480	133,210	(7,270)	(5.2)%
23-01	Anthem	324,482	362,650	362,650	0	0.0%
23-02	IBNR	2,489	0	0	0	0.0%
23-03	Opt-Out	263	0	1,000	1,000	1000%
24-01	Life Insurance	13,466	14,720	14,680	(40)	(0.3)%
25-01	Unemployment	356	12,000	12,000	0	0.0%
27-20	Workers Compensation	37,137	53,109	53,109	0	0.0%
28-02	Compensated Absences	23,431	0	0	0	0.0%
28-05	Chg Post-retiremt Benefit	142,239	174,000	174,000	0	0.0%
28-09	License/Certifications	1,429	2,500	3,500	1,000	40.0%
28-20	Education/Tuition Assist	2,343	1,500	1,500	0	0.0%
Subtotal Compensation		1,999,658	2,178,019	2,171,019	(7,000)	(0.3)%
Acquired Services						
31-08	Physical Exams	171	2,000	1,000	(1,000)	(50.0)%
31-20	Audit Fee's	10,600	17,000	17,000	0	0.0%
31-30	Management Services	185,297	217,000	200,000	(17,000)	(7.8)%
31-31	CFL & HHW Bulb Disposal	0	35,000	38,000	3,000	8.6%
31-44	Environmental Monitoring	211,678	150,000	150,000	0	0.0%
31-50	Legal Services	17,500	18,000	18,000	0	0.0%
31-52	Permit Fee's	13,487	14,000	20,000	6,000	42.9%
31-63	Cleaning Services	2,055	2,500	3,500	1,000	40.0%
31-68	Tire Disposal	56,835	71,000	68,000	(3,000)	(4.2)%
32-10	Temp Agencies	7,522	0	0	0	0.0%
Maintenance						
33-09	Facilities-Buildings	3,284	15,000	10,000	(5,000)	(33.3)%
33-10	Repairs & Maintenance	100,323	150,000	165,000	15,000	10.0%
33-20	Contracts	15,430	15,000	15,000	0	0.0%
Transportation						
34-05	Transportation	1,034	1,000	1,000	0	0.0%
35-01	Printing & Binding	1,589	1,000	1,500	500	50.0%
36-12	Other	3,415	2,000	2,000	0	0.0%
39-10	Litter Control	30,487	68,000	70,000	2,000	2.9%
Internal Services						
40-07	Admin Charges-Fiscal Agnt	254,256	241,262	241,262	0	0.0%
Utilities, Vehicle Repair & Office						
51-10	Electrical	20,641	20,000	22,000	2,000	10.0%
51-30	Water & Sewer	4,030	2,500	8,200	5,700	228.0%
52-10	Postage	427	400	700	300	75.0%
52-30	Phone	14,518	18,000	18,000	0	0.0%
52-31	Mobile Phones	11,476	18,500	15,000	(3,500)	(18.9)%
52-38	VOIP Eqp Billing	4,444	10,000	10,000	0	0.0%
53-04	Property	33,950	33,950	40,000	6,050	17.8%
53-05	Motor Vehicle	18,000	18,000	25,000	7,000	38.9%
54-10	Equipment	18,386	10,000	8,000	(2,000)	(20.0)%
54-20	Building or Office	33,314	35,000	20,000	(15,000)	(42.9)%
Travel & Training						

**RAPPAHANNOCK REGIONAL LANDFILL
FISCAL YEAR 2015 PRELIMINARY BUDGET
STANDARD OPERATION PRACTICE**

55-10	Mileage/Parking/Tolls	4,610	0	1,000	1,000	1000.0%
55-40	Seminars & Conferences	3,152	3,000	3,000	0	0.0%
55-41	Meeting Expenses	2,077	3,000	3,000	0	0.0%
58-01	Dues & Membership	723	2,000	2,000	0	0.0%
	Contingency					
58-02	Contingency-General	0	100,000	0	(100,000)	(100.0)%
58-97	Depreciation Expenses	0	0	0	0	0.0%
58-98	Post Closure/Closure Cost	(9,370)	0	0	0	0.0%
	Misc. Supplies					
60-01	Office	5,941	6,000	6,500	500	8.3%
60-03	Agricultural-Lawn Care	460	3,000	4,500	1,500	50.0%
60-05	Custodial-Janitorial	11,282	13,000	18,000	5,000	38.5%
60-07	Repairs & Maintenance	263,981	250,000	250,000	0	0.0%
60-08	Vehicle Fuels	307,527	330,000	330,000	0	0.0%
60-11	Uniform & Wearing Apparel	14,417	12,000	15,000	3,000	25.0%
60-12	Books/Subscrptns/Sf Media	297	1,000	1,000	0	0.0%
60-14	Operating	1,979	2,500	2,500	0	0.0%
60-20	Vehicle Parts & Tires	36,308	35,000	35,000	0	0.0%
60-31	Machinery & Equipment	13,696	15,000	15,000	0	0.0%
60-32	Furniture & Fixtures	600	2,000	2,000	0	0.0%
60-33	Communications Equipment	0	500	500	0	0.0%
60-34	Computer Equipment	1,200	1,500	1,500	0	0.0%
60-47	Site Improvements	19,558	50,000	50,000	0	0.0%
60-99	Miscellaneous	987	0	0	0	0.0%
	Subtotal Operations	1,753,574	2,015,612	1,928,662	(86,950)	(4.3)%
	Capital Costs					
81-01	Machinery & Equipment (Repair)	189,897	220,226	220,000	(226)	(0.1)%
82-01	Machinery & Equipment (New)	0	69,000	128,000	59,000	85.5%
82-11	Improvements to Site*	1,510,825	102,000	0	(102,000)	(100.0)%
82-12	Improvements to Site (Gas Extract-E)		250,000	0	(250,000)	(100.0)%
82-13	Road Improvements	13,857				
97-02	Loss on Disposal of F.A.	0	0	0	0	0.0%
	Subtotal Capital	1,714,579	641,226	348,000	(293,226)	(45.7)%
	TOTAL	5,467,811	4,834,857	4,447,681	(387,176)	(8.0)%

* Cell F-1 Funds Transfer from FY12

**RAPPAHANNOCK REGIONAL LANDFILL
FISCAL YEAR 2015 PRELIMINARY BUDGET
REDUCED LEVEL OF SERVICE**

		FY2013	FY2014	FY2015	Inc/Dec	
		Actual	Adopted Budget	Proposed Budget	Amount	Inc/Dec %
10-01	Salaries-Regular	1,136,260	1,237,410	1,090,820	(146,590)	(11.8)%
10-02	Salaries-Overtime	76,288	85,000	85,000	0	0.0%
10-03	Salaries-Part Time	16,903	0	0	0	0.0%
21-01	Social Security/Medicare	93,800	94,650	94,550	(100)	(0.1)%
22-10	VRS	128,772	140,480	133,210	(7,270)	(5.2)%
23-01	Anthem	324,482	362,650	362,650	0	0.0%
23-02	IBNR	2,489	0	0	0	0.0%
23-03	Opt-Out	263	0	1,000	1,000	1,000%
24-01	Life Insurance	13,466	14,720	14,680	(40)	(0.3)%
25-01	Unemployment	356	12,000	12,000	0	0.0%
27-20	Workers Compensation	37,137	53,109	53,109	0	0.0%
28-02	Compensated Absences	23,431	0	0	0	0.0%
28-05	Chg Post-retiremt Benefit	142,239	174,000	174,000	0	0.0%
28-09	License/Certifications	1,429	2,500	3,500	1,000	40.0%
28-20	Education/Tuition Assist	2,343	1,500	1,500	0	0.0%
Subtotal Compensation		1,999,658	2,178,019	2,026,019	(152,000)	(7.0)%
Acquired Services						
31-08	Physical Exams	171	2,000	1,000	(1,000)	(50.0)%
31-20	Audit Fee's	10,600	17,000	17,000	0	0.0%
31-30	Management Services	185,297	217,000	200,000	(17,000)	(7.8)%
31-31	CFL & HHW Bulb Disposal	0	35,000	38,000	3,000	8.6%
31-44	Environmental Monitoring	211,678	150,000	150,000	0	0.0%
31-50	Legal Services	17,500	18,000	18,000	0	0.0%
31-52	Permit Fee's	13,487	14,000	20,000	6,000	42.9%
31-63	Cleaning Services	2,055	2,500	3,500	1,000	40.0%
31-68	Tire Disposal	56,835	71,000	68,000	(3,000)	(4.2)%
32-10	Temp Agencies	7,522	0	0	0	0.0%
Maintenance						
33-09	Facilities-Buildings	3,284	15,000	10,000	(5,000)	(33.3)%
33-10	Repairs & Maintenance	100,323	150,000	165,000	15,000	10.0%
33-20	Contracts	15,430	15,000	15,000	0	0.0%
Transportation						
34-05	Transportation	1,034	1,000	1,000	0	0.0%
35-01	Printing & Binding	1,589	1,000	1,500	500	50.0%
36-12	Other	3,415	2,000	2,000	0	0.0%
39-10	Litter Control	30,487	68,000	0	(68,000)	(100.0)%
Internal Services						
40-07	Admin Charges-Fiscal Agnt	254,256	241,262	241,262	0	0.0%
Utilities, Vehicle Repair & Office						
51-10	Electrical	20,641	20,000	22,000	2,000	10.0%
51-30	Water & Sewer	4,030	2,500	8,200	5,700	228.0%
52-10	Postage	427	400	700	300	75.0%
52-30	Phone	14,518	18,000	18,000	0	0.0%
52-31	Mobile Phones	11,476	18,500	15,000	(3,500)	(18.9)%
52-38	VOIP Eqp Billing	4,444	10,000	10,000	0	0.0%
53-04	Property	33,950	33,950	40,000	6,050	17.8%
53-05	Motor Vehicle	18,000	18,000	25,000	7,000	38.9%
54-10	Equipment	18,386	10,000	8,000	(2,000)	(20.0)%
54-20	Building or Office	33,314	35,000	20,000	(15,000)	(42.9)%

**RAPPAHANNOCK REGIONAL LANDFILL
FISCAL YEAR 2015 PRELIMINARY BUDGET
REDUCED LEVEL OF SERVICE**

Travel & Training						
55-10	Mileage/Parking/Tolls	4,610	0	1,000	1,000	#DIV/0!
55-40	Seminars & Conferences	3,152	3,000	3,000	0	0.0%
55-41	Meeting Expenses	2,077	3,000	3,000	0	0.0%
58-01	Dues & Membership	723	2,000	2,000	0	0.0%
Contingency						
58-02	Contingency-General	0	100,000	0	(100,000)	(100.0)%
58-97	Depreciation Expenses	0	0	0	0	0.0%
58-98	Post Closure/Closure Cost	(9,370)	0	0	0	0.0%
Misc. Supplies						
60-01	Office	5,941	6,000	6,500	500	8.3%
60-03	Agricultural-Lawn Care	460	3,000	4,500	1,500	50.0%
60-05	Custodial-Janitorial	11,282	13,000	18,000	5,000	38.5%
60-07	Repairs & Maintenance	263,981	250,000	250,000	0	0.0%
60-08	Vehicle Fuels	307,527	330,000	290,000	(40,000)	(12.1)%
60-11	Uniform & Wearing Apparel	14,417	12,000	15,000	3,000	25.0%
60-12	Books/Subscrptns/Sf Media	297	1,000	1,000	0	0.0%
60-14	Operating	1,979	2,500	2,500	0	0.0%
60-20	Vehicle Parts & Tires	36,308	35,000	35,000	0	0.0%
60-31	Machinery & Equipment	13,696	15,000	15,000	0	0.0%
60-32	Furniture & Fixtures	600	2,000	2,000	0	0.0%
60-33	Communications Equipment	0	500	500	0	0.0%
60-34	Computer Equipment	1,200	1,500	1,500	0	0.0%
60-47	Site Improvements	19,558	50,000	50,000	0	0.0%
60-99	Miscellaneous	987	0	0	0	0.0%
Subtotal Operations		1,753,574	2,015,612	1,818,662	(196,950)	(9.8)%
Capital Costs						
81-01	Machinery & Equipment (Repair)	189,897	220,226	220,000	(226)	(0.1)%
82-01	Machinery & Equipment (New)	0	69,000	128,000	59,000	85.5%
82-11	Improvements to Site*	1,510,825	102,000	0	(102,000)	(100.0)%
82-12	Improvements to Site (Gas Extract-E)		250,000	0	(250,000)	(100.0)%
82-13	Road Improvements	13,857				
97-02	Loss on Disposal of F.A.	0	0	0	0	0.0%
Subtotal Capital		1,714,579	641,226	348,000	(293,226)	(45.7)%
TOTAL		5,467,811	4,834,857	4,192,681	(642,176)	(13.3)%

* Cell F-1 Funds Transfer from FY12

**RAPPAHANNOCK REGIONAL LANDFILL
FISCAL YEAR 2015 DRAFT REVENUE BUDGET
No Change in Funding Practice**

	<u>Proposed FY14 Budget</u>	<u>Revised FY14 Budget</u>	<u>Proposed FY15 Budget</u>
315.01-02 Interest	\$ 45,000	\$ 45,000	\$ 35,000
316.25-01 Recycling	\$ 405,000	\$ 405,000	\$ 280,740
316.25-02 Commercial	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000
324.04-07 Grants	\$ 20,000	\$ 20,000	\$ 20,000
324.04-07 Municipal	\$ 96,000	\$ 96,000	\$ 96,000
318.92-30 Sludge/Utilities	\$ 130,000	\$ 130,000	\$ 145,000
Ameresco Lease	\$ 68,000	\$ 68,000	\$ 68,000
Intradepartmental	\$ 10,000	\$ 10,000	\$ 50,000
Subtotal	\$ 3,974,000	\$ 3,974,000	\$ 3,894,740
341.06-00 Prior Yr Fund Balance	\$ 860,857	\$ 860,857	\$ 552,941
	<u>\$ 4,834,857</u>	<u>\$ 4,834,857</u>	<u>\$ 4,447,681</u>

Miscellaneous **	<u>379000</u>
Sludge/Utilities	145000
Municipal ♦	\$ 96,000
Misc +	138000

Municipal	\$ 40,000	Stafford
	<u>\$ 56,000</u>	Fredericksburg
	\$ 96,000	
Recycling		
Batteries	\$ 4,840	
Oil	\$ 26,000	
Single Stream	\$ 60,000	
Metal	\$ 185,000	Eskimo Hill
	<u>\$ 4,900</u>	Belman
	\$ 280,740	

**RAPPAHANNOCK REGIONAL LANDFILL
FISCAL YEAR 2015 DRAFT REVENUE BUDGET
Municipal Revenues Per Agreement**

	Proposed <u>FY14 Budget</u>	Revised <u>FY14 Budget</u>	Proposed <u>FY15 Budget</u>
315.01-02 Interest	\$ 45,000	\$ 45,000	\$ 35,000
316.25-01 Recycling	\$ 405,000	\$ 405,000	\$ 280,740
316.25-02 Commercial	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000
324.04-07 Grants	\$ 20,000	\$ 20,000	\$ 20,000
324.04-07 Municipal	\$ 96,000	\$ 96,000	\$ 697,909
318.92-30 Sludge/Utilities	\$ 130,000	\$ 130,000	\$ 145,000
Ameresco Lease	\$ 68,000	\$ 68,000	\$ 68,000
Intradepartmental	\$ 10,000	\$ 10,000	\$ 50,000
Subtotal	<u>\$ 3,974,000</u>	<u>\$ 3,974,000</u>	<u>\$ 4,496,649</u>
341.06-00 Prior Yr Fund Balance	\$ 860,857	\$ 860,857	\$ (48,968)
	<u>\$ 4,834,857</u>	<u>\$ 4,834,857</u>	<u>\$ 4,447,681</u>

Miscellaneous **	<u>980909</u>
Sludge/Utilities	145000
Municipal ♦	697909
Misc +	138000

Municipal	\$ 356,269	Stafford
	<u>\$ 341,640</u>	Fredericksburg
	\$ 697,909	
Recycling		
Batteries	\$ 4,840	
Oil	\$ 26,000	
Single Stream	\$ 60,000	
Metal	\$ 185,000	Eskimo Hill
	<u>\$ 4,900</u>	Belman
	\$ 280,740	

**RAPPAHANNOCK REGIONAL LANDFILL
FISCAL YEAR 2015 DRAFT REVENUE BUDGET
Fredericksburg PW Residential Drop-off @ \$25/ton**

	Proposed <u>FY14 Budget</u>	Revised <u>FY14 Budget</u>	Proposed <u>FY15 Budget</u>
315.01-02 Interest	\$ 45,000	\$ 45,000	\$ 35,000
316.25-01 Recycling	\$ 405,000	\$ 405,000	\$ 280,740
316.25-02 Commercial	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000
324.04-07 Grants	\$ 20,000	\$ 20,000	\$ 20,000
Fredericksburg PW	\$ -	\$ -	\$ 201,475
Belman Residential			\$ 89,850
Eskimo Hill Residential			\$ 303,800
324.04-07 Municipal	\$ 96,000	\$ 96,000	\$ -
318.92-30 Sludge/Utilities	\$ 130,000	\$ 130,000	\$ 145,000
Ameresco Lease	\$ 68,000	\$ 68,000	\$ 68,000
Intradepartmental	\$ 10,000	\$ 10,000	\$ 50,000
Subtotal	\$ 3,974,000	\$ 3,974,000	\$ 4,393,865
341.06-00 Prior Yr Fund Balance	\$ 860,857	\$ 860,857	\$ 53,816
	<u>\$ 4,834,857</u>	<u>\$ 4,834,857</u>	<u>\$ 4,447,681</u>

Miscellaneous **	<u>980909</u>
Sludge/Utilities	145000
Municipal ♦	697909
Misc +	138000

Residential Charges

Fred'brg PW	\$ 201,475	
Belman	\$ 89,850	
Eskimo Hill	\$ 303,800	Fredericksburg
	<u>\$ 595,125</u>	
Recycling		
Batteries	\$ 4,840	
Oil	\$ 26,000	
Single Stream	\$ 60,000	
Metal	\$ 185,000	Eskimo Hill
	<u>\$ 4,900</u>	Belman
	\$ 280,740	

**RAPPAHANNOCK REGIONAL LANDFILL
FISCAL YEAR 2015 DRAFT REVENUE BUDGET
Fredericksburg Stafford Per Agreement; All Expense Cuts**

	Proposed <u>FY14 Budget</u>	Revised <u>FY14 Budget</u>	Proposed <u>FY15 Budget</u>
315.01-02 Interest	\$ 45,000	\$ 45,000	\$ 35,000
316.25-01 Recycling	\$ 405,000	\$ 405,000	\$ 280,740
316.25-02 Commercial	\$ 3,200,000	\$ 3,200,000	\$ 3,375,000
324.04-07 Grants	\$ 20,000	\$ 20,000	\$ 20,000
Fredericksburg PW	\$ -	\$ -	\$ -
Belman Residential			\$ -
Eskimo Hill Residential			\$ -
324.04-07 Municipal	\$ 96,000	\$ 96,000	\$ -
Fredericksburg			\$ 356,269
Stafford			\$ 341,640
318.92-30 Sludge/Utilities	\$ 130,000	\$ 130,000	\$ 145,000
Ameresco Lease	\$ 68,000	\$ 68,000	\$ 68,000
Intradepartmental	\$ 10,000	\$ 10,000	\$ 50,000
Subtotal	\$ 3,974,000	\$ 3,974,000	\$ 4,671,649
341.06-00 Prior Yr Fund Balance	\$ 860,857	\$ 860,857	\$ (478,968)
	<u>\$ 4,834,857</u>	<u>\$ 4,834,857</u>	<u>\$ 4,192,681</u>

Miscellaneous **	<u>980909</u>
Sludge/Utilities	145000
Municipal ♦	697909
Misc +	138000

Recycling		
Batteries	\$ 4,840	
Oil	\$ 26,000	
Single Stream	\$ 60,000	
Metal	\$ 185,000	Eskimo Hill
	<u>\$ 4,900</u>	Belman
	\$ 280,740	