

## Solid Waste Enterprise Funds - Consolidated

### DESCRIPTION OF MAJOR SERVICES

**Operations Fund** is responsible for the operation and management of the County's solid waste disposal system, which consists of six regional landfills, nine transfer stations, and thirty-three closed landfills or disposal sites. The Solid Waste Management Division also administers the County's solid waste franchise program which authorizes and regulates trash collection by private haulers in the County unincorporated area, and state mandated waste diversion and recycling programs. This is the only fund that has staffing associated with it.

#### Budget at a Glance

Total Expenditure Authority	\$213,569,032
Total Sources	\$75,648,453
Net Budget	(\$137,920,579)
Estimated Net Assets	\$12,177,821
Use of Net Assets	(\$11,320,669)
Total Staff	80

**Site Closure and Maintenance Fund** provides for the closure of landfills and for post-closure maintenance (e.g. fencing, storm damage, soil erosion, but excluding landfill gas and groundwater monitoring) required by Titles 14 and 27 of the California Code of Regulations. This budget unit accounts for the expenses and revenues related to the planning, design, permitting, construction, and maintenance activities required for closure and post-closure maintenance of County landfills.

**Site Enhancement, Expansion and Acquisition Fund** provides for the construction of landfills and construction of transfer stations, the purchase of land, the construction of ancillary facilities, and site enhancements, all of which are directly related to the increase of waste capacity. This budget unit accounts for the expenses and revenues related to the planning, permitting, design, and construction activities required for the expansion and/or enhancement of County landfill and transfer station operations.

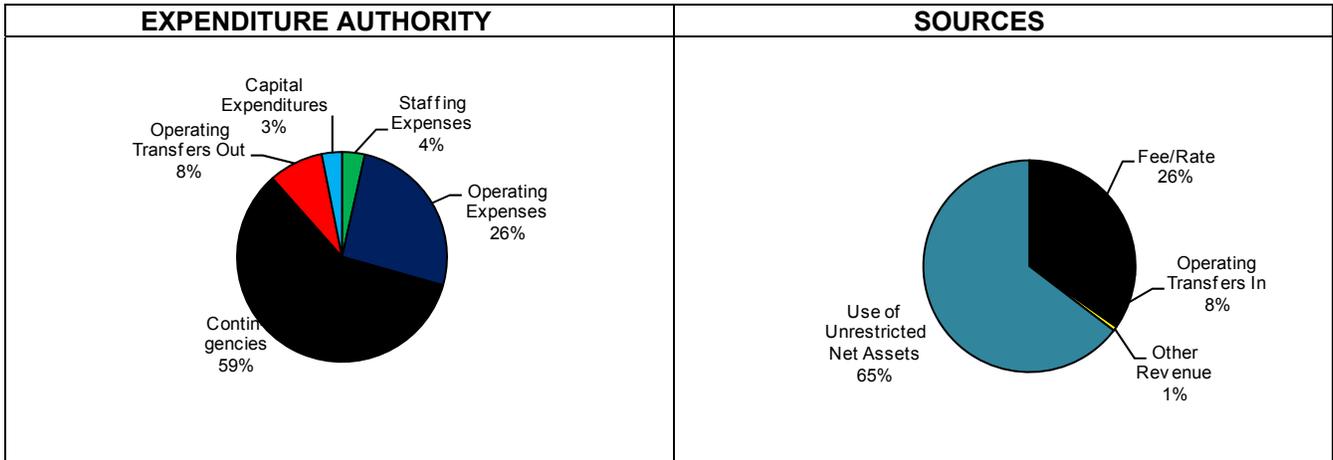
**Environmental Fund** provides environmental mitigation activities (e.g., landfill gas operation, maintenance and monitoring, and groundwater monitoring and remediation) at disposal sites and active and closed landfill sites for the health and safety of the public. This budget unit accounts for the expenses and revenues related to these environmental mitigation activities.

**Environmental Mitigation Fund (EMF)** was established to provide separate accountability of that portion of the tipping fee designated as a resource for addressing solid waste facilities impacts on local communities. The Board of Supervisors (Board) approved an Environmental Mitigation Fund Use Policy on July 10, 2001. In accordance with this policy, projects or programs must reduce, avoid, or otherwise mitigate impacts arising from the operations and management of a county owned landfill or transfer station to be eligible for use of EMF monies. Current programs funded through EMF monies are the Household Hazardous Waste Program in unincorporated County communities, ongoing since 1993; and the Host Cities Program. Departmental revenue collected in this fund are also used to make contractual payments to the seven host cities with a County landfill or transfer station within its boundary or sphere of influence. On March 30, 2004, the Board approved an amended EMF Use Policy that revised the eligibility criteria to include the County's portion of costs associated with debris cleanup in the aftermath of a locally declared disaster. Also, for 2008-09 and forward, all uncovered load fees will be transferred into this fund and used to finance the fund's activities.

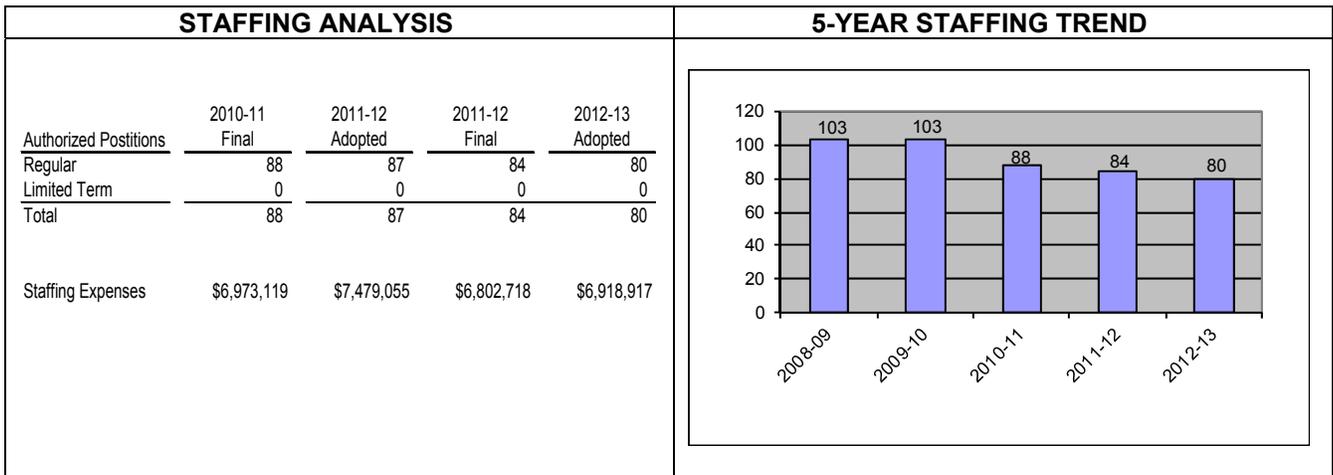
**Closure and Post-Closure Maintenance Fund** provides for the funding of landfill closures construction for those facilities that fall within the regulatory requirements of landfill facilities that were still actively receiving waste as of 1989. Deposits are made to this budget unit from the Solid Waste Operations budget unit, as needed, to provide proper funding, based upon the amount of waste deposited into the landfills each year. No expenditures are booked to this budget unit, only operating transfers out to the Site Closure and Maintenance budget unit and contingencies to reflect total net assets available at year end. The operating transfers to the Site Closure and Maintenance budget unit can only be done when Solid Waste Management Division receives written approval from CalRecycle for the release of funds.



**2012-13 ADOPTED BUDGET**



**BUDGETED STAFFING**



## ANALYSIS OF 2012-13 ADOPTED BUDGET

GROUP: Operations and Community Services  
 DEPARTMENT: Public Works - Solid Waste Management  
 FUND: Solid Waste Enterprise Funds Consolidated

BUDGET UNIT: Various  
 FUNCTION: Health and Sanitation  
 ACTIVITY: Sanitation

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2011-12 Final Budget	2012-13 Adopted Budget	Change From 2011-12 Final Budget
<b>Appropriation</b>							
Staffing Expenses	7,213,239	7,339,483	6,973,106	6,779,486	6,802,718	6,918,917	116,199
Operating Expenses	56,708,202	54,942,707	54,488,633	49,429,698	49,550,665	55,374,684	5,824,019
Capital Expenditures	4,713,883	4,965,442	1,565,790	6,957,075	7,032,923	6,647,200	(385,723)
Contingencies	0	0	0	0	140,441,044	126,599,910	(13,841,134)
Total Exp Authority	68,635,324	67,247,632	63,027,529	63,166,259	203,827,350	195,540,711	(8,286,639)
Reimbursements	0	0	0	(1,822)	(2,000)	(8,000)	(6,000)
Total Appropriation	68,635,324	67,247,632	63,027,529	63,164,437	203,825,350	195,532,711	(8,292,639)
Operating Transfers Out	24,593,855	14,704,327	15,200,656	6,993,468	6,993,716	18,028,321	11,034,605
Total Requirements	93,229,179	81,951,959	78,228,185	70,157,905	210,819,066	213,561,032	2,741,966
<b>Departmental Revenue</b>							
Taxes	184,578	182,046	171,276	187,231	187,815	180,000	(7,815)
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	2,767,525	36,988	32,530	928,264	935,361	0	(935,361)
Fee/Rate	59,589,555	56,832,423	57,011,260	55,248,472	55,673,295	56,075,702	402,407
Other Revenue	5,027,022	2,383,333	1,666,896	1,270,845	1,323,595	1,356,430	32,835
Total Revenue	67,568,680	59,434,790	58,881,962	57,634,812	58,120,066	57,612,132	(507,934)
Operating Transfers In	24,554,583	15,118,590	15,200,656	6,794,391	7,897,823	18,028,321	10,130,498
Total Financing Sources	92,123,263	74,553,380	74,082,618	64,429,203	66,017,889	75,640,453	9,622,564
Net Budget	(1,105,916)	(7,398,579)	(4,145,567)	(5,728,702)	(144,801,177)	(137,920,579)	6,880,598
				Budgeted Staffing	84	80	(4)

## BUDGET CHANGES AND OPERATIONAL IMPACT

The **Solid Waste Enterprise Funds** are increasing appropriation by a net \$2.7 million and increasing departmental revenue by a net \$9.6 million. Staffing expenses are increasing by \$0.1 million due to the increases to annual salaries and benefit costs, which was partially offset by the elimination of four positions. Operating expenses are increasing by \$5.8 million due primarily to capital improvement projects that did not occur in the previous fiscal year. The increase in operating expenses has a corresponding decrease in contingencies.

Fixed assets are decreasing by \$0.4 million based on the current capital improvement project list.

Contingencies of \$126,599,910 reflect available net assets set aside for future use.

Operating transfers (in/out) are increasing significantly primarily due to funding the activities of the Environmental Fund and the anticipated state release of financial assurance funds from the Closure and Post-Closure Maintenance Fund to the Site Closure and Maintenance Fund for reimbursement of the cost associated with completing the final closure construction at the Big Bear Sanitary Landfill. State, federal and government aid revenue is not budgeted in 2012-13 as prior year revenue represented reimbursement of disaster recovery related activities. In addition, there is a \$0.4 million increase in fee/rate revenue due to increases in contracted waste disposal rates.



**DETAIL OF 2012-13 ADOPTED BUDGET**

2012-13				
	Appropriation	Revenue	Net Budget	Staffing
<b>Enterprise Funds</b>				
Operations Fund	86,147,254	52,557,146	(33,590,108)	80
Site Closure and Maintenance Fund	31,808,526	4,436,756	(27,371,770)	0
Site Enhancement, Expansion and Acquisition Fund	14,099,821	806,731	(13,293,090)	0
Environmental Fund	14,042,144	14,606,691	564,547	0
Environmental Mitigation Fund	4,138,209	3,233,129	(905,080)	0
Closure and Post-Closure Maintenance Fund	63,325,078	0	(63,325,078)	0
<b>Total Enterprise Funds</b>	<b>213,561,032</b>	<b>75,640,453</b>	<b>(137,920,579)</b>	<b>80</b>

**Operations Fund** includes appropriation of \$86.1 million for the operation of the County’s solid waste disposal system, including \$6.9 million to fund 80 positions, \$27.0 million for the landfill operations contract and other professional services needed to maintain the county’s disposal sites, \$13.7 million to make lease payments to the Inland Empire Public Facilities Corporation for repayment of the Operations Fund bond, payments to cities for Article 19 fees, payments to the Board of Equalization based on a per ton of landfill waste, and for set asides for potential legal settlements. Contingencies of \$23.4 million represent available net assets set aside for future use. Departmental revenue of \$52.6 million are earned from landfill gate fees, special land use assessments, solid waste franchise fees, royalty agreements, land leases, interest earned on fund balance, and a small state grant for beverage container recycling education and outreach program. The revenue earned in this budget unit finances the activities of all other budget units and is reflected as operating transfers out.

Bond Financing at a Glance	
	2012-13 Budget
Principal	\$8,045,000
Interest	1,378,282
Total	\$9,423,282

**Site Closure and Maintenance Fund** includes appropriation of \$31.8 million, of which \$2.1 million is operating expenses for the partial closure of the south and west slopes of Unit 1 at the Mid-Valley Sanitary Landfill and \$29.7 million is contingencies which represent available net assets set aside for future use. Departmental revenue of \$4.4 million are primarily from an operating transfer in of \$3.8 million from the Closure and Post-closure Maintenance Fund for State-authorized release of funds associated with final closure construction at the Big Bear Sanitary Landfill. Other revenues include allocated special assessments, landfill gate fee revenue that supports closure activities, and interest earnings.

**Site Enhancement, Expansion and Acquisition Fund** includes appropriation of \$14.1 million, of which \$1.0 million is for construction of new facilities and site enhancements and \$12.8 million is anticipated contingencies representing available net assets set aside for future use. Departmental revenue of \$0.8 million is from allocated landfill gate fee revenue that supports expansion activities and interest earnings. Fixed assets of \$0.2 million is for the capital improvement portions of the projects listed below.

Project list by site:

- Landers Sanitary Landfill - Expansion Project including compliance with the California Environmental Quality Act (CEQA)/Environmental Impact Report (EIR) planning and permitting activities, and expansion engineering documents
- Mid-Valley Sanitary Landfill – Construction of the Full Half-width Improvements of Alder Avenue and Casmalia Street including construction management services
- San Timoteo Sanitary Landfill – Unit 2 CEQA Update / Re-permitting (EIR)



**Environmental Fund** includes appropriation of \$14.1 million, out of which \$7.8 million is for the construction, operations, maintenance, and monitoring of environmental control systems for the protection of groundwater, air, and soil per Title 5 air permits and Title 27 regulations. Departmental revenue is from operating transfers in from the Operations Fund, allocated landfill gate fees, and fund balance interest. Fixed assets of \$6.3 million is for the capital improvement portions of the projects listed below.

Project list by site:

- Colton – Landfill Gas Extraction System (LFGES) Operations, Maintenance and Monitoring (OM&M)
- Heaps Peak – Leachate Collection and Recovery System including construction, treatment and disposal, OM&M; LFGES OM&M; East Slope Stabilization: design, specifications, CEQA, regulatory permit assistance, construction, and mitigation fees
- Mid-Valley - Broco Investigation; Department of Toxic and Substance Control Reimbursement; perchlorate issues including State Water Resources Control Board Reimbursement, contract with City of Rialto; Groundwater Treatment System (GWTS) OM&M; LFGES including design, construction management, construction, OM&M
- Milliken - Edison License Agreements (Easements), GWTS and LFGES OM&M
- San Timoteo - LFGES OM&M
- Yucaipa - Groundwater Remediation Pilot Study In-Situ Bioenhancement; permanent GWTS design, construction and construction management
- County-wide - Water Quality Monitoring and Response Program

**Environmental Mitigation Fund** includes appropriation of \$4.1 million, out of which \$3.0 million is for accountability of the portion of the tipping fee designated as a resource for addressing solid waste facilities impacts on local communities, primarily for host communities' fees to seven Cities with a landfill or transfer station in their sphere of influence or within incorporated city limits. Contingencies of \$1.1 million represent available net assets set aside for future use. Departmental revenue of \$3.2 million is from allocated special assessments and landfill gate fees.

**Closure and Post-Closure Maintenance Fund** includes appropriation of \$63.3 million, out of which \$3.8 million is for a transfer to the Site Closure and Maintenance fund for the completion of the Final Closure Construction at the Big Bear Sanitary Landfill and \$59.5 million is anticipated contingencies representing available net assets set aside for reimbursements of future site closure costs. This fund does not currently generate any annual revenues. The County received approval in September 2010 from CalRecycle for the abeyance of future deposits to this fund because it had sufficiently met the Closure Financial Assurance regulatory requirements based on the amount of waste in place. No deposits (operating transfers in) will be required based on the estimated waste to be deposited for the Financial Assurance period covered within 2012-13.

## STAFFING CHANGES AND OPERATIONAL IMPACT

For 2012-13, overall staffing is decreasing by 4 vacant positions: 1 Public Works Operations Supervisor, 1 Recycling Specialist II, 1 Recycling Specialist I, and 1 Scale Operator. The incumbents retired or vacated the positions during 2011-12. The Department, through reorganization, has restructured duties and responsibilities in order to absorb the loss of these positions. In addition, the reclassification of a Recycling Specialist I to a Recycling Specialist is included in the budget to better reflect the duties and responsibilities of the incumbent.



**2012-13 POSITION SUMMARY**

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Administration	6	0	6	5	1	0	6
Solid Waste Programs	6	0	6	5	1	0	6
Operations and Scales	36	0	36	36	0	0	36
Engineering	19	0	19	19	0	0	19
Administrative Services	11	0	11	11	0	0	11
Information Technology Services	2	0	2	2	0	0	2
<b>Total</b>	<b>80</b>	<b>0</b>	<b>80</b>	<b>78</b>	<b>2</b>	<b>0</b>	<b>80</b>

<b>Administration</b>		<b>Solid Waste Programs</b>		<b>Operations and Scales</b>	
<u>Classification</u>		<u>Classification</u>		<u>Classification</u>	
1	Solid Waste Division Manager	1	Solid Waste Program Administrator	1	Public Works Operations Supt.
1	Solid Waste Analyst	1	Staff Analyst II	1	Maintenance & Const. Supervisor I
1	Staff Aide	1	Media Specialist	4	Landfill Operations Inspector
1	Secretary II	1	Recycling Specialist	1	Engineering Technician III
1	Office Assistant III	1	Secretary I	1	Scale Operations Supervisor II
1	Office Assistant II	1	Fiscal Assistant	2	Scale Operations Supervisor I
6	<b>Total</b>	6	<b>Total</b>	25	Scale Operator
				1	Fiscal Assistant
				36	<b>Total</b>
<b>Engineering</b>		<b>Administrative Services</b>		<b>Information Technology Services</b>	
<u>Classification</u>		<u>Classification</u>		<u>Classification</u>	
1	Public Works Engineer IV	1	Administrative Supervisor II	1	Automated Systems Analyst I
3	Public Works Engineer III	1	Accountant III	1	Automated Systems Technician
4	Public Works Engineer II	2	Accountant II	2	<b>Total</b>
1	Engineering Tech V	1	Staff Analyst I		
4	Engineering Tech IV	1	Supervising Accounting Tech.		
3	Engineering Tech III	4	Fiscal Assistant		
1	Engineering Tech II	1	Office Assistant III		
1	Staff Analyst I	11	<b>Total</b>		
1	Secretary I				
19	<b>Total</b>				

