

**SUMTER COUNTY BOARD OF COMMISSIONERS
EXECUTIVE SUMMARY**

SUBJECT: Solid Waste Revised FY10/11 Budget and Budget Amendment (Staff recommends approval)

REQUESTED ACTION: Board approval

Work Session (Report Only) **DATE OF MEETING:** 1/11/2011
 Regular Meeting Special Meeting

CONTRACT: N/A Vendor/Entity: _____
Effective Date: _____ Termination Date: _____
Managing Division / Dept: Financial Services and Public Works

BUDGET IMPACT: \$573,368
 Annual **FUNDING SOURCE:** General Fund
 Capital **EXPENDITURE ACCOUNT:** Solid Waste Fund 104
 N/A

HISTORY/FACTS/ISSUES:

The Board approved the reorganization of the Solid Waste Department on September 28, 2010, from a commercially based transfer station to a citizen's drop off area (CDA). This was done in recognition of the fact that the commercial in-take stream was dropping precipitously, yet the County is required to provide designated locations for waste disposal, both commercial and residential. This same action expected no additional costs in FY10/11 due to anticipated cash balances being carried forward, but with an anticipated annual subsidy of approximately \$150,000 starting in FY 11/12.

On October 26, 2010, the BOCC approved the new fee schedule that went into effect for the CDA.

An on-going activity at the Sumter County Solid Waste Facility (SCSWF) has been screening/removing soil contaminated with various plastics and other debris, left over from composting operations. In preparation for selling un-needed land at the SCSWF sooner rather than later in FY10/11, Public Works received direction to focus on hauling the soil away rather than screening. The estimated cost to haul the remaining pile of contaminated soil was just over \$200,000. In fact, since the price was based on tonnage instead of cubic yards, and the interior of the pile of contaminated soil had a much higher moisture content than expected causing the soil to be much heavier, the cost was closer to \$600,000 when hauling operations were completed on December 17, 2010.

To satisfy current hauling obligations through December 17, 2010, the Solid Waste fund needs and estimated \$202,000 from the General Fund. A recent visit by DEP revealed that we may also have to remove contaminated soil below the surrounding ground level. This could be another \$150,000 or more, depending on the depth of the contaminated soil and presumed perimeter, and classification of the material. Finally, the cost of doing business and associated income as a CDA instead of a transfer station will add another \$221,368 general fund requirement for FY10/11, for a total of \$573,368.

The attached budget spreadsheet has several columns for the Board's review and approval, or further direction. The first column is the FY10/11 Solid Waste budget approved early in 2010. The second column shows what the FY10/11 budget could have been for the CDA using the new fee schedule and cash balance forward, were there no contaminated soil removal requirement from DEP. The third column shows the recommend FY10/11 budget reflecting actual revenues to date from the new fee but including all known and estimated cost impacts from the contaminated soil. The fourth column is

proposed for FY11/12 when the contaminated soil is no longer an impact. The fifth, sixth and seventh columns reflect the revised anticipated steady state in FY12/13, 13/14 and 14/15 and the annual General Fund subsidy. Note that we expect to lose the annual Small County Grant of \$70,588 in FY14/15 when our population exceeds 100,000.

We expect that the sale of lands in FY10/11 and/or FY11/12 will generate a to be determined amount of capital that will off set some or all of the general fund needs other than the steady state subsidy, and support the 305 fund for construction of the new CDA adjacent to Animal Control in FY11/12.

It is important to understand that this revised budget is based on 2 months of data with the CDA in operation using the new fee schedule. There could be variations in both the in-take stream and cost of operations that will require further adjustment. To that end we plan to update the revised budget in May 2011.

Attached: Budget amendment and budget spreadsheets.

BOARD OF SUMTER COUNTY COMMISSIONERS
BUDGET AMENDMENT

FISCAL YEAR: 2010/11

AMENDMENT #: 24
AGENDA DATE 1/11/2011

FUND NAME	ACCOUNT TYPE	ACCOUNT TITLE	Account Number	AMENDED BUDGET	AVAILABLE BUDGET	REVENUE		EXPENDITURE		REMAINING BUDGET
						INCREASE	DECREASE	INCREASE	DECREASE	
Solid Waste	Revenue	Tipping Fees	104- 343410	\$ 818,321	768,920			741,048		\$ 27,872
Solid Waste	Revenue	Fees - Bags/Barrels	104- 343413	\$ 90,250	64,180	72,719				\$ 136,899
Solid Waste	Revenue	Fees - Tires	104- 343414	\$ 3,249	2,877			1,016		\$ 1,861
Solid Waste	Revenue	Fees - Electronics	104- 343415	\$ -	(478)	2,899				\$ 2,421
Solid Waste	Revenue	Fees - White Goods	104- 343416	\$ -	(235)	1,425				\$ 1,190
Solid Waste	Revenue	Fees - Oil Filters	104- 343417	\$ -	(8)	48				\$ 40
Solid Waste	Revenue	Fees - Furniture	104- 343418	\$ -	(2,264)	13,896				\$ 11,632
Solid Waste	Revenue	Fees - Brush/C&D	104- 343419	\$ -	(2,912)	18,048				\$ 15,136
Solid Waste	Revenue	Fees - Permits	104- 343420	\$ -	(2,400)	15,300				\$ 12,900
Solid Waste	Revenue	Fees - Mixed	104- 343421	\$ -	(1,402)	8,808				\$ 7,406
Solid Waste	Revenue	Interest Earnings	104- 361100	\$ 29	26			12		\$ 14
Solid Waste	Revenue	Solid Waste Lease	104- 362100	\$ -	(3,000)	9,000				\$ 6,000
Solid Waste	Revenue	Sale Surplus Furn & Equip	104- 364410	\$ -	-	5,000				\$ 5,000
Solid Waste	Revenue	Plastic Sales	104- 365130	\$ 542	(2,482)	2,482				\$ -
Solid Waste	Revenue	Aluminum Scrap	104- 365141	\$ 4,560	1,631			1,631		\$ -
Solid Waste	Revenue	Aluminum Cans	104- 365142	\$ 307	307			307		\$ -
Solid Waste	Revenue	Old Newsprint (ONP)	104- 365191	\$ 632	632			632		\$ -
Solid Waste	Revenue	Budgeted Cash Balance Forward	104- 400000	\$ 603,179	603,179			2,777		\$ 600,402
Solid Waste	Revenue	Transfer from General Fund	104- 381001	\$ -	-	573,368				\$ 573,368
Solid Waste	Expenditure	Regular Salaries	104-170-534- 1200	\$ 272,684	188,017				92,857	\$ 95,160
Solid Waste	Expenditure	Overtime	104-170-534- 1400	\$ 11,005	10,055				8,795	\$ 1,260
Solid Waste	Expenditure	FICA Taxes	104-170-534- 2100	\$ 21,568	15,504				7,657	\$ 7,847
Solid Waste	Expenditure	Retirement	104-170-534- 2200	\$ 29,963	23,741				12,830	\$ 10,911
Solid Waste	Expenditure	Retirement Contributions/Bencor	104-170-534- 2202	\$ -	(20,848)			20,849		\$ 1
Solid Waste	Expenditure	Life & Health Insurance	104-170-534- 2300	\$ 62,093	49,443				24,063	\$ 25,380
Solid Waste	Expenditure	Worker's Compensation	104-170-534- 2400	\$ 12,767	10,734				8,446	\$ 2,288
Solid Waste	Expenditure	Unemployment Comp	104-170-534- 2500	\$ -	-			19,800		\$ 19,800
Solid Waste	Expenditure	Professional Services	104-170-534- 3100	\$ 5,354	25			44,000		\$ 44,025
Solid Waste	Expenditure	Other Contractual Services	104-170-534- 3400	\$ 706,386	75,818			281,771		\$ 357,589
Solid Waste	Expenditure	Communications	104-170-534- 4100	\$ 3,345	2,262				1,097	\$ 1,165
Solid Waste	Expenditure	Rentals & Leases	104-170-534- 4400	\$ 76,900	69,953				66,900	\$ 3,053
Solid Waste	Expenditure	Gas & Oil	104-170-534- 5220	\$ 56,506	52,683				33,506	\$ 19,177
Solid Waste	Expenditure	Reserve for Contingencies	104-991-999- 9300	\$ 134,156	134,156				134,156	\$ -
Solid Waste	Expenditure	Reserve for Landfill Closure	104-997-999- 9302	\$ 543	543				543	\$ -
General Fund	Expenditure	Transfer to Solid Waste Fund	001-980-581- 9155	\$ -	-			573,368		\$ 573,368
General Fund	Expenditure	Reserve for Contingencies	001-991-999- 9300	\$ 4,281,507	4,281,507				573,368	\$ 3,708,139

Totals Totals \$ 722,993 \$ 747,423 \$ 939,788 \$ 964,218

Total Budget Change \$ 573,368

EXPLANATION : The purpose of this budget amendment is to adjust the Solid Waste Fund 104 budget for changes in operations and to cover additional costs of screening/removing contaminated soil.