

Internal Services Funds are used by the County to account for the financing of goods or services provided by one department to other departments or agencies of the County on a cost reimbursement basis. County Administration operates six internal service funds.

General Liability (Fund 7100)

The General Liability Fund was established to account for liability claims against the County. General Liability charges are calculated and charged out to County departments based 80% on the prior six years of costs (experience) and 20% on potential costs (exposure). The budget for General Liability is established in consideration of prior year actual expenditures and an annual actuarial report provided by an outside consulting firm.

Workers' Compensation (Fund 7110)

The Workers' Compensation Fund was established to account for the disability, medical, and rehabilitation expenses and related costs associated with on-the-job injuries. Workers' Compensation charges are calculated based 70% on actual claims identified to each department for the past nine years (experience) and 30% based on potential costs (exposure). The budget for Workers' Compensation is established in consideration of prior year actual expenditures and an annual actuarial report provided by an outside consulting firm.

Unemployment Insurance (Fund 7120)

The Unemployment Insurance Fund was established for the purpose of financing unemployment costs. The County is self-funded for unemployment insurance and all eligible claims are reimbursed directly to the State using insurance premiums collected from departments.

Medical Liability Insurance (Fund 7140)

The Medical Liability Insurance Fund was established for the purpose of providing errors and omissions coverage for medical personnel and supporting staff. It also provides liability coverage for mental health and public health facilities.

Miscellaneous Insurance (Fund 7160)

The Miscellaneous Insurance Fund was established to provide structures and contents insurance for County buildings, physical damage coverage for miscellaneous equipment and programs such as the Literacy Coach, fire engines, aircraft, etc. Insurance premiums are charged to the operating budgets of the departments benefiting from the coverage.

Utilities (Fund 7210)

The Utilities Fund was established for the purpose of accumulating costs related to utility services such as power, gas, water, sewer, and energy efficiency and improvement projects on an accrual basis. Rates are subsequently established to distribute the costs to all benefiting departments based upon prior usage.

Fund Title	General Liability Insurance F-7100
Service Activity	Insurance

Operating Detail	2018-19 Actual	2019-20 Actual <input type="checkbox"/> Estimated <input checked="" type="checkbox"/>	2020-21 Recommended	2020-21 Adopted by the Board of Supervisors
1	2	3	4	5
Operating Revenues				
Charges for Services	2,058,768	3,574,000	3,983,000	
Miscellaneous	-	-	-	
Total Operating Revenues	\$ 2,058,768	\$ 3,574,000	\$ 3,983,000	\$ -
Operating Expenses				
Salaries and Benefits	13	-	-	
Services and Supplies	2,358,395	2,934,894	3,327,461	
Other Charges	73,814	350,712	352,682	
Depreciation and Amortization	-	-	-	
Total Operating Expenses	\$ 2,432,222	\$ 3,285,606	\$ 3,680,143	\$ -
Operating Income (Loss)	\$ (373,454)	\$ 288,394	\$ 302,857	\$ -
Non-Operating Revenues (Expenses)				
Interest/Investment Income and/or Gain	76,348	20,000	20,000	
Interest/Investment (Expense) and/or (Loss)	-	-	-	
Total Non-Operating Revenues (Expenses)	\$ 76,348	\$ 20,000	\$ 20,000	\$ -
Income Before Capital Contributions and Transfers	\$ (297,106)	\$ 308,394	\$ 322,857	\$ -
Capital Contributions	-	-	-	
Transfers-In/Out	-	-	-	
Change in Net Assets	\$ (297,106)	\$ 308,394	\$ 322,857	\$ -
Net Assets-Beginning Balance	1,351,865	1,054,759	1,363,153	
Net Assets-Ending Balance	1,054,759	1,363,153	1,686,010	

Fund Title	Workers' Compensation Insurance F-7110
Service Activity	Insurance

Operating Detail	2018-19 Actual	2019-20 Actual <input type="checkbox"/> Estimated <input checked="" type="checkbox"/>	2020-21 Recommended	2020-21 Adopted by the Board of Supervisors
1	2	3	4	5
Operating Revenues				
Charges for Services	4,207,560	5,319,000	4,692,000	
Miscellaneous	-	-	-	
Total Operating Revenues	\$ 4,207,560	\$ 5,319,000	\$ 4,692,000	\$ -
Operating Expenses				
Salaries and Benefits	552,276	1,000,000	1,000,000	
Services and Supplies	3,441,498	4,659,213	3,943,971	
Other Charges	1,970	298	1,970	
Depreciation and Amortization	-	-	-	
Total Operating Expenses	\$ 3,995,744	\$ 5,659,511	\$ 4,945,941	\$ -
Operating Income (Loss)	\$ 211,816	\$ (340,511)	\$ (253,941)	\$ -
Non-Operating Revenues (Expenses)				
Interest/Investment Income and/or Gain	333,647	95,000	95,000	
Interest/Investment (Expense) and/or (Loss)	-	-	-	
Total Non-Operating Revenues (Expenses)	\$ 333,647	\$ 95,000	\$ 95,000	\$ -
Income Before Capital Contributions and Transfers	\$ 545,462	\$ (245,511)	\$ (158,941)	\$ -
Capital Contributions	-	-	-	
Transfers-In/Out	-	-	-	
Change in Net Assets	\$ 545,462	\$ (245,511)	\$ (158,941)	\$ -
Net Assets-Beginning Balance	2,300,486	2,845,948	2,600,437	
Net Assets-Ending Balance	2,845,948	2,600,437	2,441,496	

Fund Title	Unemployment Insurance F-7120
Service Activity	Insurance

Operating Detail	2018-19 Actual	2019-20 Actual <input type="checkbox"/> Estimated <input checked="" type="checkbox"/>	2020-21 Recommended	2020-21 Adopted by the Board of Supervisors
1	2	3	4	5
Operating Revenues				
Charges for Services	397,205	340,000	350,000	
Miscellaneous	-	-	-	
Total Operating Revenues	\$ 397,205	\$ 340,000	\$ 350,000	\$ -
Operating Expenses				
Salaries and Benefits	288,981	350,000	350,000	
Services and Supplies	3,498	7,302	6,565	
Other Charges	-	-	-	
Depreciation and Amortization	-	-	-	
Total Operating Expenses	\$ 292,479	\$ 357,302	\$ 356,565	\$ -
Operating Income (Loss)	\$ 104,726	\$ (17,302)	\$ (6,565)	\$ -
Non-Operating Revenues (Expenses)				
Interest/Investment Income and/or Gain	4,040	1,500	2,000	
Interest/Investment (Expense) and/or (Loss)	-	-	-	
Total Non-Operating Revenues (Expenses)	\$ 4,040	\$ 1,500	\$ 2,000	\$ -
Income Before Capital Contributions and Transfers	\$ 108,766	\$ (15,802)	\$ (4,565)	\$ -
Capital Contributions	-	-	-	
Transfers-In/Out	-	-	-	
Change in Net Assets	\$ 108,766	\$ (15,802)	\$ (4,565)	\$ -
Net Assets-Beginning Balance	103,622	212,388	196,586	
Net Assets-Ending Balance	212,388	196,586	192,021	

Fund Title	Medical Liability Insurance F-7140
Service Activity	Insurance

Operating Detail	2018-19 Actual	2019-20 Actual <input type="checkbox"/> Estimated <input checked="" type="checkbox"/>	2020-21 Recommended	2020-21 Adopted by the Board of Supervisors
1	2	3	4	5
Operating Revenues				
Charges for Services	156,692	200,000	312,000	
Miscellaneous	-	-	-	
Total Operating Revenues	\$ 156,692	\$ 200,000	\$ 312,000	\$ -
Operating Expenses				
Salaries and Benefits	-	-	-	
Services and Supplies	156,666	202,175	311,190	
Other Charges	-	-	-	
Depreciation and Amortization	-	-	-	
Total Operating Expenses	\$ 156,666	\$ 202,175	\$ 311,190	\$ -
Operating Income (Loss)	\$ 26	\$ (2,175)	\$ 810	\$ -
Non-Operating Revenues (Expenses)				
Interest/Investment Income and/or Gain	423	200	-	
Interest/Investment (Expense) and/or (Loss)	-	-	-	
Total Non-Operating Revenues (Expenses)	\$ 423	\$ 200	\$ -	\$ -
Income Before Capital Contributions and Transfers	\$ 449	\$ (1,975)	\$ 810	\$ -
Capital Contributions	-	-	-	
Transfers-In/Out	-	-	-	
Change in Net Assets	\$ 449	\$ (1,975)	\$ 810	\$ -
Net Assets-Beginning Balance	12,140	12,589	10,614	
Net Assets-Ending Balance	12,589	10,614	11,424	

Fund Title	Miscellaneous Insurance F-7160
Service Activity	Insurance

Operating Detail	2018-19 Actual	2019-20 Actual <input type="checkbox"/> Estimated <input checked="" type="checkbox"/>	2020-21 Recommended	2020-21 Adopted by the Board of Supervisors
1	2	3	4	5
Operating Revenues				
Charges for Services	171,100	186,969	283,865	
Miscellaneous	-	-	-	
Total Operating Revenues	\$ 171,100	\$ 186,969	\$ 283,865	\$ -
Operating Expenses				
Salaries and Benefits	-	-	-	
Services and Supplies	(2,840,903)	188,287	261,470	
Other Charges	2,096,658	-	-	
Depreciation and Amortization	-	-	-	
Total Operating Expenses	\$ (744,245)	\$ 188,287	\$ 261,470	\$ -
Operating Income (Loss)	\$ 915,345	\$ (1,318)	\$ 22,395	\$ -
Non-Operating Revenues (Expenses)				
Interest/Investment Income and/or Gain	28,293	500	-	
Interest/Investment (Expense) and/or (Loss)	-	-	-	
Total Non-Operating Revenues (Expenses)	\$ 28,293	\$ 500	\$ -	\$ -
Income Before Capital Contributions and Transfers	\$ 943,638	\$ (818)	\$ 22,395	\$ -
Capital Contributions	-	-	-	
Transfers-In/Out	-	-	-	
Change in Net Assets	\$ 943,638	\$ (818)	\$ 22,395	\$ -
Net Assets-Beginning Balance	38,138	981,776	980,958	
Net Assets-Ending Balance	981,776	980,958	1,003,353	

Fund Title	Utilities Clearing F-7210
Service Activity	Utilities

Operating Detail	2018-19 Actual	2019-20 Actual <input type="checkbox"/> Estimated <input checked="" type="checkbox"/>	2020-21 Recommended	2020-21 Adopted by the Board of Supervisors
1	2	3	4	5
Operating Revenues				
Charges for Services	2,612,340	2,925,618	609,459	
Miscellaneous	-	-	-	
Total Operating Revenues	\$ 2,612,340	\$ 2,925,618	\$ 609,459	\$ -
Operating Expenses				
Salaries and Benefits	-	-	-	
Services and Supplies	2,353,103	2,927,038	609,459	
Other Charges	-	-	-	
Depreciation and Amortization	-	-	-	
Total Operating Expenses	\$ 2,353,103	\$ 2,927,038	\$ 609,459	\$ -
Operating Income (Loss)	\$ 259,237	\$ (1,420)	\$ -	\$ -
Non-Operating Revenues (Expenses)				
Interest/Investment Income and/or Gain	5,745	1,000	2,500	
Interest/Investment (Expense) and/or (Loss)	-	-	-	
Total Non-Operating Revenues (Expenses)	\$ 5,745	\$ 1,000	\$ 2,500	\$ -
Income Before Capital Contributions and Transfers	\$ 264,983	\$ (420)	\$ 2,500	\$ -
Capital Contributions	-	-	-	
Transfers-In/Out	(138,591)	-	-	
Change in Net Assets	\$ 126,392	\$ (420)	\$ 2,500	\$ -
Net Assets-Beginning Balance	36,315	162,707	162,287	
Net Assets-Ending Balance	162,707	162,287	164,787	

Department Description and Key Issues

The Department of Public Works Waste Management Division operates the Neal Road Recycling and Waste Facility (NRRWF); provides for the management of municipal solid waste, household hazardous and universal waste; conducts illegal dumping investigations and solid waste code enforcement activities; conducts tire enforcement inspections funded by a State grant; provides education and outreach for recycling programs; interacts with State agencies responsible for regulating waste; administers the County solid waste and recycling franchise agreements and regulates the performance of franchised waste haulers; and coordinates with local jurisdictions on waste management issues as related to the Butte County Integrated Waste Management Plan.

Division staff coordinate State programs from Cal Recycle, State Air and Water Boards, California Department of Toxic Substances Control, Cal OSHA, and the Department of Public Health Environmental Health Division. The Division performs and coordinates all environmental testing, analytics, reporting, safety, training and submittals for compliance. In addition, staff is responsible for landfill engineering design and construction development as well as landfill closure activities. Staff develops cost estimates for closure, corrective action, and post-closure maintenance of the landfill, and ensures that restricted post-closure funds are augmented with annual contributions at the State-required level.

In its 50 year history operating as a municipal sanitary landfill, the NRRWF has provided solid waste disposal service for Butte County unincorporated areas and the County's five incorporated jurisdictions. More than eight million (8,000,000) tons of solid waste have been buried in the NRRWF from the period 1970 through 2019. Approximately 750,000 tons of Camp Fire debris waste was disposed in 2019 which shortened the expected useful life of the site by nearly three years. Waste minimization, diversion and recycling came to the forefront in the early 1990s with passage of the California Integrated Waste Management Act (AB 939). With AB 939 came the implementation of municipal recycling and waste diversion programs within the urban areas, including but not limited to the operation of curbside recycling programs, green waste composting, and household hazardous waste (HHW) management programs. On-site recycling options have been developed at the NRRWF to not only comply with regulations but also to facilitate reuse of commodities and divert disposal from the landfill. The NRRWF's more notable recycling activities include waste diversion programs for scrap metal, electronic waste (EW), tires, concrete, waste motor oil, and mattresses. A landfill gas collection system was constructed in the early 2000s to collect methane, which is then converted to electricity by a two megawatt facility located on-site. The system is privately operated by Ameresco, Incorporated in a public-private collaboration. NRRWF re-started a green waste diversion program in February 2019 and continues efforts to enhance this program, with the goal of minimizing the amount of green waste that is buried in the landfill. The NRRWF has not yet fully implemented waste diversion and recycling programs for construction and demolition debris and food (organic) waste but is actively working to develop diversion and recycling procedures and programs for these materials.

In 2019, NRRWF implemented a residential recycle drop off area and a used oil and oil filter drop off area to improve the customer experience and facilitate diversion of waste oil and filters out of the landfill.

NRRWF has been recovering from gas collection system damages and in-operability and damages to storm water collection system due to the Camp Fire. Damage to this infrastructure was approximately \$2 million and repairs are nearing completion. Repairs to the gas collection system are complete and the sale of collected methane has resumed. Approximately 750,000 tons of ash and debris from the Camp Fire was disposed at NRRWF, shortening the expected useful life of Module 5B by just under three years. The current focus of the division is to maintain the viability of NRRWF both functionally and economically.

In fiscal year 2020-21, key initiatives for the division include:

- Creation of more than 1.8 million cubic yards of new landfill disposal volume with the construction of Module 5C;
- Development of organics management plans to comply with enacted State laws such as AB 1826 (organics recycling) and SB 1383 (food waste recycling) which require organic material and green waste be processed for compost and not placed in the landfill;
- Complying with increasing regulation from the Environmental Protection Agency, California Air Resources Board, State Water Resources Control Board, and Cal Recycle, which continually increases costs of operation;
- Development of Construction and Demolition (C&D) recycling processing and transfer to meet Cal Recycle Cal Green 65% diversion requirements, a critical component to reduce landfill airspace consumption; and
- Continue to explore new ways to divert cardboard, green waste and metal from burial in the landfill waste cells.

NEAL ROAD RECYCLING AND WASTE FACILITY BUDGET

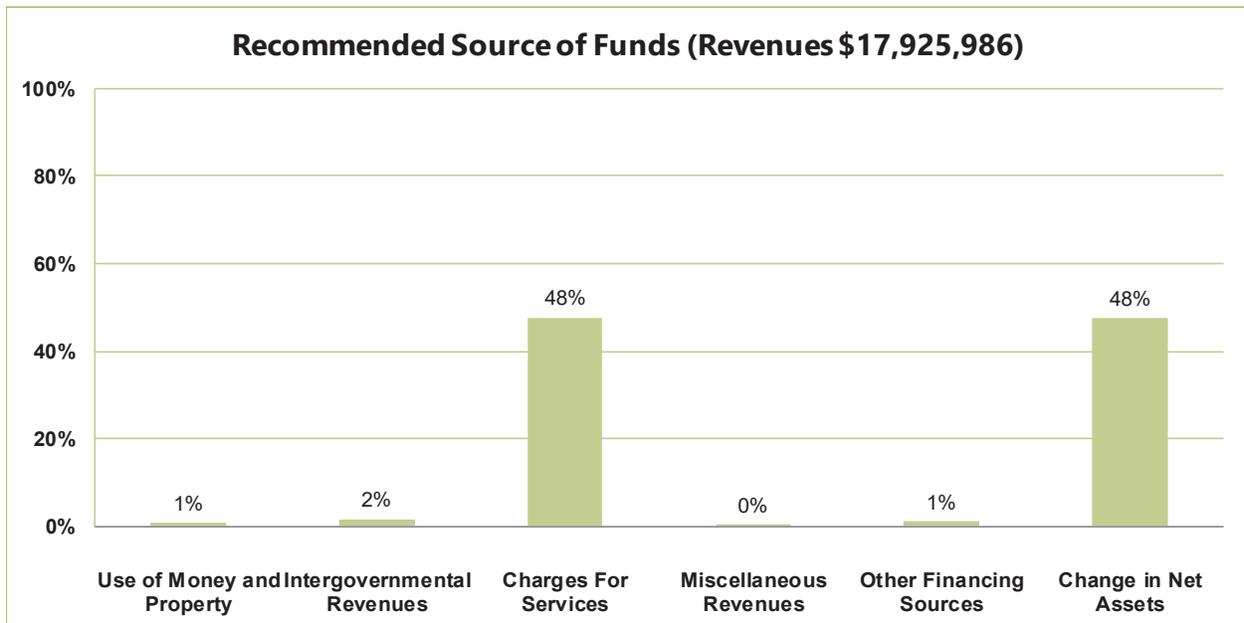
	2018-19 Actuals	2019-20 Adopted	2020-21 Requested	2020-21 Recommended
Licenses, Permits and Franchises	204,544	-	180,000	180,000
Fines, Forfeitures, and Penalties	4,069	6,012	98,100	98,100
Intergovernmental Revenues	115,181	133,500	311,172	311,172
Charges For Services	23,844,204	29,209,124	8,547,630	8,547,630
Miscellaneous Revenues	124,704	70,070	75,100	75,100
Other Financing Sources	761,630	-	-	-
Total Operating Revenues	\$ 25,054,330	\$ 29,418,706	\$ 9,212,002	\$ 9,212,002
Salaries and Employee Benefits	1,727,904	2,442,000	2,702,127	2,702,127
Services and Supplies	8,599,499	14,033,812	5,396,143	5,396,143
Other Charges	965,108	1,450,243	1,447,716	1,447,716
Capital Assets	-	13,261,595	8,360,000	8,360,000
Other Financing Uses	109,074	200,000	200,000	200,000
Total Operating Expenditures	\$ 11,401,585	\$ 31,387,650	\$ 18,105,986	\$ 18,105,986
Operating Income (Loss)	13,652,745	(1,968,944)	(8,893,984)	(8,893,984)
Non-Operating Revenue	534,315	410,000	160,500	160,500
Capital Contributions	109,074	200,000	200,000	200,000
Change in Net Assets	\$ 14,296,134	\$ (1,358,944)	\$ (8,533,484)	\$ (8,533,484)

Source of Funds (Revenues)

- Charges for services are gate or tipping fees paid by waste haulers and individuals to dispose of waste at the facility, and are the largest revenue source for the NRRWF.
- Change in net assets is the use of fund balance for capital projects.
- Intergovernmental revenues are various grants from the State for recycling programs.
- Use of money and property include interest earnings and methane sales from the NRRWF.
- Other financing sources includes revenue to the post closure fund for the NRRWF.
- Miscellaneous revenues are the proceeds from the sale of recycled commodities.

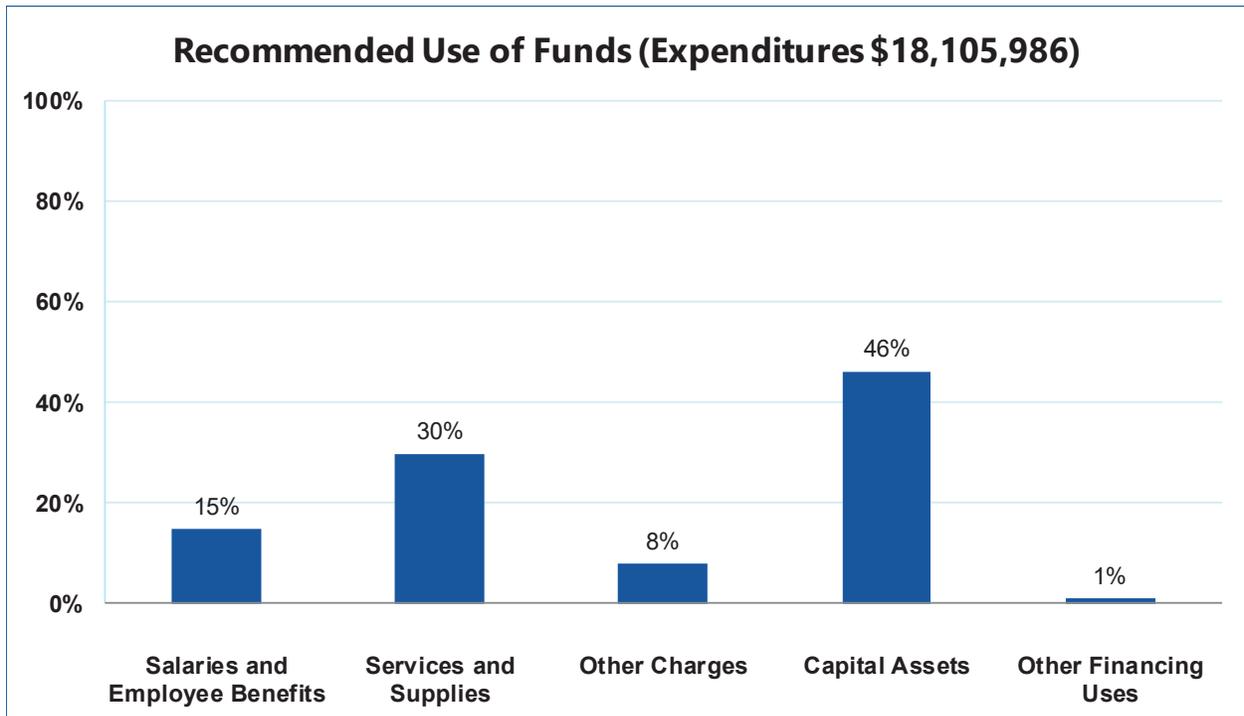
Full Time Equivalent		
Position Allocations		Total
2016-17	Adopted Positions	26.00
2017-18	Adopted Positions	25.00
2018-19	Adopted Positions	25.00
2019-20	Adopted Positions	27.00
2019-20	Current Positions *	29.00
2020-21	Recommended Positions	30.00

*As of 4/14/2020



Use of Funds (Expenditures)

- Capital Assets is the largest category with several projects including potential acquisition of land adjacent to NRRWF, Module 5C Base Liner, as well as other smaller projects.
- Services and supplies is the second largest expenditure category for the NRRWF and includes contracts for septage waste disposal offsite and waste diversion as well as permit fees to various regulatory agencies.
- Salaries and benefits make up a relatively small portion of the enterprise fund budget.
- Other charges include debt payment on the refinanced Certificates of Participation and depreciation of capital assets.
- Other financing uses includes a transfer to the post closure fund from the NRRWF.



Summary of Budget Request and Recommendation

Salaries & Employee Benefits

Requested

- The department budget request includes adding 1.0 Landfill Maintenance Worker.

Recommended

- The recommendation includes funding for the requested staffing levels.

Services & Supplies

Requested

- The budget request includes funding to maintain current service levels.

Recommended

- The recommendation includes funding to maintain current service levels.

Capital Assets

Requested

- The budget request includes funding for the following Capital Assets:
 - Land Acquisition

- Haul Truck
- Excavator
- Back Up Generator
- Global Positioning System and Grade Setting Software for Dozer and Compactor
- Skid Steer
- Tilt Trailer for Code Enforcement
- Module 5C Base Liner
- Construction Quality Assurance for Module 5C Base Liner
- Fuel Tank Improvements
- Storm Water Leachate Capacity Improvements
- Landfill Gas Wells
- Leachate Evaporation Sub Panel Transformer

Recommended

- The recommendation includes funding for the requested capital assets and improvements.

Fund Title	Neal Road Sanitary F-7560
Service Activity	Landfill (Close/Post)

Enterprise Fund Description

This budget reflects the financial operations of the Neal Road Recycling and Waste Facility Closure/Post Closure Fund. This fund was established in April 1989 in accordance with the state of California Regional Water Quality Control Board which requires the owner of the landfill to insure that adequate funds will be available to close and provide post closure maintenance and continued monitoring of the landfill after its useful life.

Operating Detail	2018-19 Actual	2019-20		2020-21 Recommended	2020-21 Adopted by the Board of Supervisors
		Actual <input type="checkbox"/>	Estimated <input checked="" type="checkbox"/>		
1	2	3		4	5
Operating Revenues					
State Revenues	-	-	-	-	-
Federal Revenues	-	-	-	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses					
Landfill Closure/Postclosure	777,637	-	-	-	-
Total Operating Expenses	\$ 777,637	\$ -	\$ -	\$ -	\$ -
Operating Income (Loss)	\$ (777,637)	\$ -	\$ -	\$ -	\$ -
Non-Operating Revenues (Expenses)					
Interest/Investment Income and/or Gain	192,830	100,000		25,000	
Interest/Investment (Expense) and/or (Loss)	-	-		-	
Total Non-Operating Revenues (Expenses)	\$ 192,830	\$ 100,000	\$ 25,000	\$ -	\$ -
Income before Capital Contributions and Transfers	\$ (584,807)	\$ 100,000	\$ 25,000	\$ -	\$ -
Capital Contributions	-	-		-	
Transfers-In/Out	109,074	200,000		200,000	
Change in Net Assets	\$ (475,733)	\$ 300,000	\$ 225,000	\$ -	\$ -
Net Assets - Beginning Balance	(2,198,816)	(2,674,549)	(2,374,549)	(2,374,549)	(2,374,549)
Net Assets - Ending Balance	(2,674,549)	(2,374,549)	(2,149,549)	(2,149,549)	(2,149,549)

Fund Title	Neal Road Landfill F-7570
Service Activity	Waste Management

Enterprise Fund Description

This budget reflects the financial operations of the Neal Road Recycling and Waste Facility Management Fund including monitoring the Neal Road Sanitary Landfill, recycling and household hazardous waste programs, and professional engineering and environmental services.

Operating Detail	2018-19 Actual	2019-20		2020-21 Recommended	2020-21 Adopted by the Board of Supervisors
		Actual <input type="checkbox"/>	Estimated <input checked="" type="checkbox"/>		
1	2	3	4	5	
Operating Revenues					
Licenses, Permits & Franchises	204,544	-		180,000	
Fines, Forfeitures & Penalties	4,069	6,012		98,100	
State Revenues	115,181	133,500		311,172	
Federal Revenues	-	-		-	
Charges for Services	23,844,204	29,209,124		8,547,630	
Miscellaneous	124,704	70,070		75,100	
Total Operating Revenues	\$ 24,292,701	\$ 29,418,706		\$ 9,212,002	\$ -
Operating Expenses					
Salaries and Benefits	1,727,904	2,442,000		2,702,127	
Services and Supplies	7,821,862	14,033,812		5,396,143	
Other Charges	55,072	1,447,793		1,445,266	
Depreciation and Amortization	910,035	13,264,045		8,362,450	
Total Operating Expenses	\$ 10,514,874	\$ 31,187,650		\$ 17,905,986	\$ -
Operating Income (Loss)	\$ 13,777,826	\$ (1,768,944)		\$ (8,693,984)	\$ -
Non-Operating Revenues (Expenses)					
Interest/Investment Income and/or Gain	341,485	310,000		135,500	
Interest/Investment (Expense) and/or (Loss)	-	-		-	
Gain or (Loss) on Sale of Capital Assets	-	-		-	
Judgements & Damages	-	-		-	
Total Non-Operating Revenues (Expenses)	\$ 341,485	\$ 310,000		\$ 135,500	\$ -
Income before Capital Contributions and Transfers	\$ 14,119,312	\$ (1,458,944)		\$ (8,558,484)	\$ -
Capital Contributions	-	-		-	
Transfers-In/Out	652,556	(200,000)		(200,000)	
Change in Net Assets	\$ 14,771,867	\$ (1,658,944)		\$ (8,758,484)	\$ -
Net Assets - Beginning Balance	33,602,982	48,374,850		46,715,906	
Net Assets - Ending Balance	48,374,850	46,715,906		37,957,422	

Capital Assets (Land):	
Land Acquisition	2,440,000
Total Land	\$ 2,440,000
Capital Assets (Buildings/Improvements):	
Module 5	3,825,000
Fuel Tank Improvements	20,000
Storm Water Leachate Capacity Improvements	500,000
Landfill Gas Wells	150,000
Leachate Evap Sub Panel Transformer Installation	260,000
Total Buildings/Improvements	\$ 4,755,000
Capital Assets (Equipment):	
Haul Truck	400,000
Excavator	400,000
Backup Generator	75,000
GPS for Dozer and Compactor (x2)	160,000
Skid Steer	100,000
Tilt Trailer	30,000
Total Equipment	\$ 1,165,000
Total Capital Assets	\$ 8,360,000