



Board of Directors Meeting

November 17, 2020

2:00pm

BOARD OF DIRECTORS

Regular Meeting of the Board of Directors of Rivanna Solid Waste Authority

DATE: November 17, 2020
LOCATION: Virtually via ZOOM
TIME: 2:00 p.m.

AGENDA

1. **CALL TO ORDER**
2. **STATEMENT FROM THE CHAIR**
3. **MINUTES OF PREVIOUS BOARD MEETING**
 - a. *Minutes of the Regular Meeting of the Board on August 25, 2020*
4. **RECOGNITION**
 - a. *Dr. Tarron Richardson*
 - b. *Mr. Paul Oberdorfer*
5. **EXECUTIVE DIRECTOR'S REPORT**
6. **ITEMS FROM THE PUBLIC**
7. **RESPONSES TO PUBLIC COMMENTS**
8. **CONSENT AGENDA**
 - a. *Staff Report on Finance*
 - b. *Staff Report on Ivy Material Utilization Center/Recycling Operations Update*
 - c. *Approval of Merit Pool*
 - d. *Approval of Contract for Vegetative Waste Grinding, A-1 Sandrock, Inc.*
 - e. *Approval of Construction Contract and Amendment of the Capital Budget – Ivy MUC Landfill Cap Repairs and Drainage/Berm Improvements, Atlantic Contracting and Material Company, Inc.*

- f. *Approval of Term Contract for Professional Land Management, Planning and Engineering Services – LPDA, Inc.*
- g. *Approval of Term Contract for Non-Professional Environmental Health, Safety, and Industrial Hygiene Services – ECS Mid-Atlantic*

9. OTHER BUSINESS

- a. *Presentation: Comprehensive Annual Financial Report Fiscal Year Ending June 30, 2020; Mr. Matthew McLearen, Principal of Robinson, Farmer, Cox Associates*

(RECESS RSWA)

(JOINT SESSION WITH THE RWSA)

- b. *Presentation: Safety Program Update; Liz Coleman, Safety Manager*

10. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA

11. CLOSED MEETING

12. ADJOURNMENT

GUIDELINES FOR PUBLIC COMMENT AT VIRTUAL RIVANNA BOARD OF DIRECTORS MEETINGS

If you wish to address the Rivanna Board of Directors during the time allocated for public comment, please use the “chat” feature in the Zoom Meeting interface.

Members of the public who submit comments will be recognized during the specific time designated on the meeting agenda for “Items From The Public.” The comment(s) will be read aloud to the Board of Directors only during this agenda item, so comments must be received prior to the end of this agenda item. The comments will be read by the Rivanna Authority’s Executive Coordinator/Clerk of the Board.

Members of the public requesting to speak will be recognized during the specific time designated on the meeting agenda for “Items From The Public.” Each person will be allowed to speak for up to three minutes. When two or more individuals are present from the same group, it is recommended that the group designate a spokesperson to present its comments to the Board and the designated speaker can ask other members of the group to be recognized by raising their hand or standing. Each spokesperson for a group will be allowed to speak for up to five minutes.

If you would like to submit a comment, please keep in mind that Board of Directors meetings are formal proceedings and all comments are recorded on tape. In order to give all who wish to submit a comment proper respect and courtesy, the Board requests that commenter follow the following guidelines:

- Submit your comment prior to the start of or during the “Items from the Public” section of the Agenda.
- In your comment, state your full name and address and your organizational affiliation if commenting for a group;
- Address your comments to the Board as a whole;
- State your position clearly and succinctly and give facts and data to support your position;
- Be respectful and civil in all interactions at Board meetings;
- The Board will have the opportunity to address public comments after the public comment session has been closed;
- At the request of the Chairman, the Executive Director may address public comments after the session has been closed as well; and
- As appropriate, staff will research questions by the public and respond through a report back to the Board at the next regular meeting of the full Board. It is suggested that commenters who have questions for the Board or staff submit those questions in advance of the meeting to permit the opportunity for some research before the meeting.

The agendas of Board meetings, and supporting materials, are available from the RWSA Administration office upon request or can be viewed on the Rivanna website.

Rev. May 20, 2020

CALL TO ORDER

STATEMENT OF CHAIR TO OPEN MEETING

This is Mike Gaffney, Chair of the Rivanna Solid Waste Authority.

I would like to call the November 7, 2020 meeting of the Board of Directors to order.

Notwithstanding any provision in our Bylaws to the contrary, as permitted under the City of Charlottesville's Continuity of Government Ordinance adopted on March 25, 2020, Albemarle County's Continuity of Government Ordinance adopted on April 15th, 2020, and revised effective October 1, 2020 and Chapter 1283 of the 2020 Acts of the Virginia Assembly effective April 24, 2020, we are holding this meeting by real time electronic means with no board member physically present at a single, central location.

All board members are participating electronically. This meeting is being held pursuant to the second resolution of the City's Continuity of Government Ordinance and Section 6 of the County's revised Continuity of Government Ordinance. All board members will identify themselves and state their physical location by electronic means during the roll call which we will hold next. I note for the record that the public has real time audio-visual access to this meeting over Zoom as provided in the lawfully posted meeting notice and real time audio access over telephone, which is also contained in the notice. The public is always invited to send questions, comments, and suggestions to the Board through Bill Mawyer, the Authority's Executive Director, at any time.

ROLL CALL:

Mr. Blair: Please state your full name and location.

Mr. Oberdorfer: Please state your full name and location.

Dr. Palmer: Please state your full name and location.

Mr. Richardson: Please state your full name and location.

Mr. Snook: Please state your full name and location.

Mr. Stewart: Please state your full name and location.

And I am Mike Gaffney and I am located at _____.

Joining us today electronically are the follow Authority staff members:

Bill Mawyer, Phil McKalips, Lonnie Wood, Jennifer Whitaker, Elizabeth Coleman, John Hull, and Katie McIlwee

We are also joined electronically by Kurt Krueger, counsel to the Authority.



1 **RSWA BOARD OF DIRECTORS**
2 **Minutes of Regular Meeting**
3 **August 25, 2020**
4

5 A regular meeting of the Rivanna Solid Waste Authority (RSWA) Board of Directors was held
6 on Tuesday, August 25, 2020 at 2:00 p.m. via Zoom.
7

8 **Board Members Present:** Mike Gaffney, Dr. Liz Palmer, Jeff Richardson, Lance Stewart, Paul
9 Oberdorfer, Dr. Tarron Richardson, Lloyd Snook (left the meeting at 2:59 p.m.).
10

11 **Board Members Absent:** None.
12

13 **Rivanna Staff Present:** Bill Mawyer, Katie McIlwee, Lonnie Wood, Jennifer Whitaker, Phil
14 McKalips, David Tungate, John Hull.
15

16 **Attorney(s) Present:** Kurt Krueger.
17

18 **1. CALL TO ORDER**

19 Mr. Gaffney convened the August 25, 2020 regular meeting of the Board of Directors of the
20 Rivanna Solid Waste Authority at 2:07 p.m.
21

22 **2. STATEMENT FROM THE CHAIR**

23 Mr. Gaffney read the following statement aloud: “Notwithstanding any provision in our Bylaws to
24 the contrary, as permitted under the City of Charlottesville’s Continuity of Government Ordinance
25 adopted on March 25, 2020, Albemarle County’s Continuity of Government Ordinance adopted on
26 April 15th, 2020, and Chapter 1283 of the 2020 Acts of the Virginia Assembly effective April 24,
27 2020, we are holding this meeting by real time electronic means with no board member physically
28 present at a single, central location.
29

30 “All board members are participating electronically. This meeting is being held pursuant to the
31 second resolution of the City’s Continuity of Government Ordinance and Section 6(e) of the
32 County’s Continuity of Government Ordinance. All board members will identify themselves and
33 state their physical location by electronic means during the roll call which we will hold next. I note
34 for the record that the public has real time audio-visual access to this meeting over Zoom as
35 provided in the lawfully posted meeting notice and real time audio access over telephone, which is
36 also contained in the notice. The public is always invited to send questions, comments, and
37 suggestions to the Board through Bill Mawyer, the Authority’s Executive Director, at any time.”
38

39 Mr. Gaffney called the roll.
40

41 Mr. Paul Oberdorfer said he was located at 112 Crepe Myrtle Drive in Zion Crossroads, VA.
42

43 Dr. Elizabeth Palmer said she was located at 2958 Mechum Banks Drive in Charlottesville, VA.
44

45 Dr. Tarron Richardson said he was located at 605 East Main Street in Charlottesville, VA.
46

47 Mr. Jeff Richardson said he was attending from his office at 401 McIntire Road, the Albemarle
48 County Administrative Building, in Charlottesville, VA.

49
50 Mr. Lloyd Snook said he was located at 408 East Market Street in Charlottesville, VA.

51
52 Mr. Lance Stewart said he was located at 401 McIntire Road in Charlottesville, VA.

53
54 Mr. Mike Gaffney said he was located at 3180 Dundee Road in Earlysville, VA.

55
56 Mr. Gaffney said the following Authority staff members were joining the meeting electronically:
57 Bill Mawyer (Executive Director), Lonnie Wood (Director of Finance and Administration), Phil
58 McKalips (Director of Solid Waste), Katie McIlwee (Communications Manager and Executive
59 Coordinator), and John Hull (Software Analyst).

60
61 Mr. Gaffney said they were also joined electronically by Mr. Kurt Krueger (Counsel to the
62 Authority).

63
64 **3. MINUTES OF PREVIOUS BOARD MEETING**

65 *Minutes of the Special Meeting of the Board on June 23, 2020*

66 Mr. Gaffney asked board members if they had comments or changes.

67
68 Dr. Palmer said she sent in a small change that was accepted.

69
70 Mr. Krueger said it would be appropriate to approve this as an amendment.

71
72 Dr. Palmer said it was about a comment Mr. McKalips had made at the beginning of the previous
73 meeting about the book exchange and his correspondence with a citizen regarding that.

74
75 Mr. Mawyer said this was on line 164 in Items from the Public, where Mr. Bob Corey said that Mr.
76 McKalips sent him an email committing to a replacement for the McIntire Book Exchange for the
77 August meeting, and that he looked forward to that.

78
79 Mr. Mawyer said the clarification was that in his own response to the public comment on line 213,
80 he stated that the Authority replied to Mr. Corey when they received his email and copied the board,
81 noting that they would investigate alternatives and that Mr. McKalips was working on a plan to
82 bring some options to the board, likely in August, in terms of what to do with the book exchange.

83
84 Mr. Mawyer said Dr. Palmer's concern was that in line 164, Mr. Corey felt that the board
85 committed to replacing the book exchange. Mr. Mawyer said he did try to clarify that in his
86 response to the public, in lines 213-215, that the board would consider alternatives and had not
87 necessarily made a commitment to replacing the book exchange. He asked Dr. Palmer if this
88 covered the change she had submitted.

89
90 Dr. Palmer replied that this was fine with her.

91
92 Mr. Gaffney asked if this meant there was no change.

93
94 Mr. Mawyer replied yes.

95

96 **Mr. Richardson moved that the board approve the minutes of the previous board meeting**
97 **with the submitted change made by staff. He was seconded by Dr. Palmer, and the motion**
98 **passed unanimously (7-0).**
99

100 **4. RECOGNITION**

101 There were no recognitions.
102

103 **5. EXECUTIVE DIRECTOR'S REPORT**

104 Mr. Mawyer said June and July were busy months, with almost 6,000 vehicles each month. He
105 presented a graph showing that on August 19, there were 240 tons that were transferred. He recalled
106 that a couple years earlier, the average was about 40 tons per day. He said when the new transfer
107 station was built at the County's request, when Mondays were added as service days, and when the
108 per-tonnage cost was reduced, the goal was about 90 tons per day. He said during this nine-day
109 stretch of August 10-19, the transfer station averaged 145 ton/day with a peak day of 240 tons on
110 August 19 and 191 tons on August 12. He said the measures the board took to increase transfer
111 tonnage at the transfer station were working.
112

113 Mr. Mawyer said part of the tonnage was from the Red Hill School where mobile learning trailers
114 were demolished. He said there was a large disposal from Time Disposal, who brought 71 tons on
115 August 19. He said the school tonnage (also on August 19) was believed to be about 53 tons. He
116 said business was good at the Ivy Transfer Station.
117

118 Mr. Mawyer said the Household Hazardous Waste and Bulk Waste Amnesty Days were successful,
119 with over 1,500 vehicles visiting on those days. He said they collected 127 tons of household
120 hazardous waste and bulky waste materials.
121

122 Mr. Mawyer said he mentioned in his report that they were poised to start accepting credit card
123 payments at the IMUC in September, and that they were actually ahead of that schedule. He said
124 they started accepting credit card payments the week prior and were pleased to be able to offer that
125 option to customers, of which quite a few have used credit cards.
126

127 Mr. Mawyer said the safety manager obtained a grant for Rivanna from the Virginia Risk Sharing
128 Association so that they can purchase some safety equipment. He said the Virginia Risk Sharing
129 Association is Rivanna's property and liability insurance company and that it offers grant programs.
130

131 Dr. Palmer said she remembered the people in the business telling her, when they first started, was
132 that it might take two years to get the tonnage up over 100 tons per day. She said clearly, it has
133 taken less time than that.
134

135 Dr. Palmer said the other prediction she had heard was that in five years, another transfer station
136 should be considered for the north side of the County. She said she did not know if that would come
137 true, and that they have talked in the past for the need for this in the Route 29 area.
138

139 Dr. Palmer said she has heard that one commercial hauler has been regularly coming twice a week
140 now, which was interesting.
141

142 Mr. Mawyer said the permitted maximum is 300 tons per day. He said the 240 tons on August 19
143 were heading towards that maximum.
144

145 Mr. Gaffney said hopefully, they would not demolish any more learning centers at schools in the
146 near future.

147
148 Dr. Palmer said UVA may do this.

149
150 Mr. Gaffney said that was true and that they could always put the tonnage over the top.

151
152 **6. ITEMS FROM THE PUBLIC**

153 Mr. Gaffney opened “Items from the Public.” As there were no speakers, he closed “Items from the
154 Public.”

155
156 **7. RESPONSES TO PUBLIC COMMENT**

157 As there were no public comments, there were no responses.

158
159 **8. CONSENT AGENDA**

160 a. *Staff Report on Finance*

161 b. *Staff Report on Ivy Material Utilization Center/Recycling Operations Update*

162 c. *Amendment of the Bylaws Regarding Monthly Meetings, Contract Authorization, and Approval of*
163 *the Board Meeting Schedule for Calendar Year 2021*

164 d. *Approval of Flexible Benefits “Cafeteria Plan”*

165
166 e. *Award of Professional Services Term Contract for Landfill Engineering and Groundwater Services –*
167 *Arcadis U.S.*

168
169 f. *Update on Forestry Management Plan Forester’s Report and Prospective Timber Sale, Ivy Material*
170 *Utilization Center*

171
172 g. *Employee Handbook Update*

173
174 **Dr. Palmer moved that the board approve the consent agenda. She was seconded by Mr.**
175 **Oberdorfer, and the motion passed unanimously (7-0).**

176
177 **9. OTHER BUSINESS**

178 a. *Presentation: Book Bin Alternatives at McIntire Recycling Center; Phil McKalips, Director of*
179 *Solid Waste*

180 Mr. McKalips said there had been a book exchange at the McIntire Recycling Center. He
181 said the old book bin was a metal shipping container with some shelving installed. He said
182 this allowed people to bring in books when they cleared out their houses, with the idea that
183 people could take books as they wished and bring books back. He said this was a book
184 exchange that was free to the public.

185
186 Mr. McKalips said the shipping container started to deteriorate over the last several years. He
187 said it was well-used when it was received and had been patched up. He said COVID-19
188 came along and because they were unable to decontaminate any of the material inside the
189 container, and due to the nature of the bin itself, it was locked.

190

191 Mr. McKalips presented pictures showing the box from the outside and inside in order to
192 give the board a sense of how it had been confined without good airflow. He said it was
193 closed off during COVID-19 and then in June, the Governor started talking about potentially
194 opening public services. He said Rivanna took a look inside the bin, and the roof had
195 apparently begun leaking again. He said because the doors were closed, everything was
196 coated in mold. He said Rivanna looked at this closely and did not think it was salvageable,
197 and so the book bin was removed.

198
199 Mr. McKalips said a couple weeks after that, Rivanna received a message Dr. Palmer
200 referred to earlier from Mr. Corey, who asked that they consider replacing the book bin with
201 a purpose-built structure that would be staffed. He said during the interchange with Mr.
202 Corey, he himself committed to presenting some alternatives to the board in terms of both the
203 replacement of the structure itself and the consideration for staffing.

204
205 Mr. McKalips said there were four alternatives for replacing the structure. He said one was
206 the “do-nothing” option, which was the least expensive option and involved focusing
207 resources on existing public library options such as the Jefferson-Madison Library system.

208
209 Mr. McKalips said another alternative would be to replace it with another shipping container,
210 which was what they had before.

211
212 Mr. McKalips said a third alternative would be to replace it with a moderately customized
213 affordable shed, such as a Capital Shed (as seen in backyards).

214
215 Mr. McKalips said the fourth alternative would be to have an architecturally engineered
216 purpose-built structure.

217
218 Mr. McKalips said replacing the structure with a used CONEX box was not terribly
219 expensive, at about \$5,000. He said it would have exactly the same problems that they had
220 before such as limited airflow, not being designed for the purpose, and with the condition
221 being dependent upon how hard it was treated in its life up until Rivanna becomes the owner.

222
223 Mr. McKalips said in terms of the purpose-built shed, he briefly worked on a concept with
224 Capital Sheds. He presented a picture one possible alternative. He said the benefits were that
225 it was built to be outside, has low maintenance, and can include windows for better, ample
226 lighting. He said the idea with two doors on one side is to allow more airflow and perhaps to
227 allow more than one customer at a time in it. He said it is slightly more expensive (\$9,000)
228 and due to the demands COVID-19 has placed on the system, there is a lead time to getting
229 this.

230
231 Mr. McKalips said the fourth alternative was a flexible option that could be made big or
232 small. He presented some ideas he found on the internet. He said he reached out to at least
233 one architect, who said that they could design something for about \$2,000 and then, it would
234 cost about \$20,000-30,000 to build it. He said this could accommodate things such as social
235 distancing, better ventilation, and staffing and could be as grand as one would like to make it

236
237 Mr. McKalips said up until now, the book bin had never been staffed. He said it was
238 managed by the attendant at McIntire. He said as the use of McIntire has increased and well
239 over doubled in the last 2-3 years, their ability to actively manage the book bin has gone
240 down considerably. He said some people take it upon themselves to pick through the book

241 bin and change out old stock. He said Rivanna would periodically go through it and dump
242 things somewhat arbitrarily, but it was not staffed.

243
244 Mr. McKalips said three alternatives for staffing were considered, with one being a no-
245 staffing option. He said another option is a limited one in that the book bin would not
246 necessarily be staffed at every hour the facility is open, but would be staffed at 40 hours per
247 week, which would be ample to cover keeping the bin organized, its old stock moving out,
248 and the new stock moving in.

249
250 Mr. McKalips said there was also a full-time staffing option, which would be 60 hours a
251 week during the summer.

252
253 Mr. McKalips said with the no-staffing option, they would put some standard operating
254 procedures in so that the book bin would still require some effort. He said staff from Ivy
255 would come down on a set day, empty out the book bin, and recycle all the old books, which
256 would at least allow the material to be freshened up and the floor to be kept open and clear
257 for customers.

258
259 Mr. McKalips said the limited staffing option was 40 hours per week, with an estimated cost
260 of about \$50,000 per year. He said this should be ample to keep the book bin tidy, looking
261 nice, and well-curated.

262
263 Mr. McKalips said the full-time staffing option would involve more costs, about \$70,000 per
264 year, as it would include one full-time employee and one part-time employee.

265
266 Mr. McKalips said he was not recommending replacing the book bin. He said he was not sure
267 it was the mission of the Rivanna Solid Waste Authority to be in that business of trying to
268 educate and provide books to the public. He said if the board wished, however, the
269 recommendation would be to choose the shed replacement because it was at least somewhat
270 designed to accommodate the need without being expensive. He said if the board desired
271 staffing, the recommendation would be to choose the limiting staffing option, as 40 hours per
272 week should be more than adequate to cover the need.

273
274 Dr. Palmer said her current opinion was that if she were to put money into anything, it would
275 be the Encore shop. She said she would like to see that shop up and running, and she knew
276 there were problems in trying to figure out how to do that. She said at least that was open-air
277 and people could socially distance better.

278
279 Dr. Palmer said she had a couple comments about the book bin. She said she had sent some
280 emails to figure out who was taking book donations in the area and found a couple places.
281 She said there is a charity called Uplift Thrift Store on Concord, off of Allied Street, that is
282 taking book donations and is interested. She said there are also a couple small, private
283 booksellers that take donations for resale. She said she asked them where they bring their
284 extra books that they are not going to put on the shelves, and the answer was the Uplift Thrift
285 Store.

286
287 Dr. Palmer said she didn't know if it was appropriate to try to get that information out to the
288 public. She said she was talking with the SWAAC committee to see if this would be
289 something they would add to their list of resources they will have on the County website
290 soon, or if the City wanted to do something similar.

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Dr. Palmer said she did think it was part of the mission in that RSWA is trying to promote reuse, which is part of the Sustainable Materials Management mantra. She said she didn't look at the matter as being out of their purview. She said she would be interested to find out if they ever did go back to having a book bin, perhaps after COVID-19 or when finances are less tight, if it can be smaller and can be placed closer to the mixed paper so that things can be more easily added to that. She asked if Mr. McKalips had considered that.

Dr. Palmer said she also wanted to find out more from Mr. McKalips about the work on the Encore Shop.

Mr. Snook said his basic problem in trying to figure this out was that he was not sure he understood the ecosystem of used books in the area. He said he knows that used books end up being given to the library, and that he picks up a few from time to time on the Corner, by Daedalus Book Shop. He said he knows they go into various used bookstores, and that he wasn't sure how those stores make any money themselves.

Mr. Snook asked how RSWA would know how much of a service they would be providing with this.

Mr. Gaffney said he knew there had been conflict numerous times in the past there and that the police had been called. He asked if the people who were coming to the book bin were looking for themselves or looking for large quantities to sell. He asked if there were staff there, if they would be policing the people coming in as far as how many books they can take, how long they can spend there due to social distancing, etc.

Mr. McKalips replied that the conflicts at the book bin appear to derive mostly from people finding "gems" in the book bin. He said he didn't know if people were trying to resell them or if they were for their own private collections, but that they felt very strongly that they wanted to have a proprietary place or front of the line for whatever came in so that they could get those few nuggets out of the books that came into the system.

Mr. McKalips said some of those people were hanging out there most of the day and were getting to the point of looking in the backs of people's cars while they were being unloaded. He said when there would be more than one of those people trying to do the same thing at the same time, the conflict would erupt, and hard feelings would turn into strong disagreements.

Mr. McKalips said much of this was curbed by putting time limits on the book bin. He said his expectation would be that the staffing would help manage keeping people moving along and would certainly help thwart some of the aggressive behavior early on. He said he didn't know what they could do to try to divert that other than simply keeping people from camping out at the book bin.

Mr. McKalips said with regards to Mr. Snook's question, the ecology or environment of the book bin is that it is a nice place to get books that one doesn't have to worry about losing when traveling, for instance. He said they do receive a lot of material from cleanouts, such as when a parent dies and the kids clean out the house and boxes of books. He said they will bring them over wholesale and set them in the doorway of the book bin. He said they will get a lot of sets of *Encyclopedia Britannica*, for example, or the 1998 version of *Excel for Dummies*. He said they receive a lot of medical books because of the nature of the medical

341 school and medical community in the area, and books that are for physicians' desk reference.
342 He said they usually receive much older books.
343

344 Mr. McKalips said the book bin had a fiction section, a non-fiction section, and a research
345 section. He said it is comprised generally of very old books. He said he didn't think there
346 were that many "gems" there.
347

348 Mr. McKalips said as far as relocating the book bin, they could. He said he actually hadn't
349 considered this, but he supposed there were some advantages to moving it forward, at least
350 keeping it out of the dark back corner of the site, which could help it from turning into a
351 dumping ground. He said it was something he would certainly look into.
352

353 Mr. Mawyer asked if there were any metrics on how many people use the book bin.
354

355 Mr. McKalips replied there were none. He said anecdotally that there were probably no more
356 than 50 people per day.
357

358 Mr. Gaffney asked if it were the same 50 people that come regularly.
359

360 Mr. McKalips replied yes. He said there are people who recycle regularly, and that there are
361 some people who just come for the book bin. He said unfortunately, he believed some of
362 those were also the people they have had problems within the past.
363

364 Dr. Palmer said she and her husband have used it plenty over the years and that, much to her
365 anger at times, he would come home with boxes of books from the book bin. She said there
366 are a lot of people like her who will drop off books and pick some books up. She said she
367 saw people there all the time when she was using it.
368

369 Mr. Mawyer said Dr. Palmer had mentioned the Encore Shop, and that RSWA has been
370 trying to get some information from the Health Department about its recommendations on
371 how they can have a healthy exchange program like this. He said they are continuing to work
372 with the Health Department on how they can offer products for other people to take, as well
373 as the sanitation issues related to that under the COVID-19 environment. He said they would
374 have to sort out the logistics of the Encore Shop.
375

376 Dr. Palmer said she believed this was a higher priority than the book bin, and that they
377 should be investigating other options for people and determining if information about those
378 options are getting out to the public. She echoed Mr. Snook's comment as far as knowing
379 what the lay of the land is with used books in the area. She said she did think it was a value
380 for many, and that at some point, it will be valuable to look into trying to relocate it. She said
381 at present, she was definitely not interested in spending money to staff it.
382

383 Mr. Gaffney asked Mr. McKalips if he had looked anywhere outside of their community into
384 other communities to see what they are doing, and if there could possibly be a City-County
385 connection that would result in a place that would be easier to get to than the recycling
386 center.
387

388 Mr. McKalips replied that he did a Google search to determine if there were any similar
389 situations, and that he didn't find anything. He said anecdotally, Goodwill has quit taking

390 books. He said the problem of decontaminating a book, under COVID-19, is a concern. He
391 said he hadn't found a good model to emulate.

392
393 Mr. Snook asked what the library does with the books they do not sell at their book sale.

394
395 Mr. Gaffney replied that at the Gordon Avenue book sale, it seemed like those books were
396 still there the next year. He said hopefully, they were not taking them to the McIntire book
397 bin.

398
399 Mr. McKalips replied that he did not know what the library does with their books when they
400 are retired.

401
402 Dr. Palmer said she just did a Google search on the Gordon Avenue book sale and that they
403 were not having their fall sale in 2020. She said they were exploring safe alternatives for
404 2021 and were not currently accepting donations.

405
406 Mr. Snook said it may be useful to meet with the library to see if they can figure out what they
407 would like to see in the way of the entire "ecosystem." He said to a large extent, he suspected
408 there was overlap between the patrons of the library's sale and those who might come to the
409 book bin. He said if there were some understanding that if the books that end up at the book bin
410 are the ones that were not able to be sold by the library, they could then at least understand the
411 flow of things. He said if they look at it as a systemwide matter not only in terms of RSWA's
412 system, but how their system interfaces with the library system and used book seller system, as
413 a whole, it seemed like they should all be talking to each other.

414
415 Dr. Palmer said the Uplift Thrift Store, which supports a charity, is up the street from the
416 recycling center, and that it would be interesting to see what they were doing. She said she
417 simply contacted them via email to see if they were taking donations, and they responded that
418 they were loving book donations.

419
420 Mr. Snook asked if the board were to make a decision and then, all of a sudden, the library were
421 to say they were already planning on doing something similar, it would be a mistake to make a
422 decision without consultation with those in the business.

423
424 Dr. Palmer said RSWA had had the book bin there for years. She said as she sees the options on
425 the screen, she would recommend no replacement at this time, and that they should revisit the
426 matter next year. She said in the meantime, they could take a look at what the community
427 options are.

428
429 Mr. Richardson said if Dr. Palmer were to put that in the form of a motion, he would second that
430 motion. He said he believed that the COVID-19 pandemic was an obstacle at that time to be
431 able to figure this out beyond what Dr. Palmer described.

432
433 **Mr. Richardson moved to adopt Option 1 (no replacement) for the book bin and, at a later**
434 **date, for staff to be given latitude to coordinate and determine if there is a way for RSWA**
435 **to dovetail and support the library system. The motion was seconded by Dr. Palmer.**

436
437 Dr. Palmer reiterated her point that with Sustainable Materials Management, "reuse" is at the
438 top of the list, so she does consider this to be an important matter for RSWA to consider in the
439 future.

440
441 **The motion passed unanimously (7-0).**

442
443 **At 2:47 p.m., Dr. Richardson moved to recess the regular meeting of the Rivanna Solid**
444 **Waste Authority and move into a joint session with the Rivanna Water and Sewer**
445 **Authority. Dr. Palmer seconded the motion, which passed unanimously (7-0).**

446
447 *b. Presentation: Strategic Plan Update; Katie McIlwee, Communications Manager/Executive*
448 *Coordinator*

449
450 *(See meeting minutes from the Rivanna Water and Sewer Authority for the joint session.)*
451

452 **10. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA**

453 There were no other items.

454
455 **11. CLOSED MEETING**

456 **At 4:00 p.m., Dr. Palmer moved that the Board of Directors of the Rivanna Solid Waste**
457 **Authority enter into a joint closed meeting with the Rivanna Water and Sewer Authority**
458 **Board to discuss confidential personnel matters as permitted by Section 2.2-3711(A)(1) of the**
459 **Code of Virginia. The motion was seconded by Mr. Stewart and passed unanimously (6-0).**
460 **(Mr. Snook was absent from the vote.)**

461
462 After the closed session, Mr. Krueger called the roll for Solid Waste board members. Mr.
463 Oberdorfer, Dr. Richardson, Mr. Gaffney, Dr. Palmer, Mr. Richardson, and Mr. Stewart each stated
464 their presence.

465
466 Mr. Gaffney said the boards had just conducted an annual performance review for their Executive
467 Director, Mr. Mawyer. He noted that Mr. Mawyer has requested no pay increase because his staff
468 also had no pay increase, and the boards wanted to honor and appreciate that fact. He said they also
469 wanted to thank Mr. Mawyer for his leadership in the past year, which has been exemplary not only
470 through the normal course of business, but through the COVID challenges of running a water and
471 wastewater treatment authority as well as a solid waste authority.

472
473 Mr. Gaffney said as a board, they feel extremely grateful to have such leadership at Rivanna and
474 look forward to another wonderful fiscal year.

475
476 Mr. O'Connell said it was a great year.

477
478 Mr. Mawyer thanked the board members.

479
480 Mr. Krueger said they would need to do a certification for the joint closed meetings before moving
481 on to other business.

482
483 **At 4:42 p.m., Dr. Palmer moved to approve the following resolution:**

484
485 **Whereas the Rivanna Solid Waste Authority has convened a joint closed meeting with the**
486 **Rivanna Water and Sewer Authority on this date, pursuant to an affirmative recorded vote**
487 **and in accordance with the provisions of the Virginia Freedom of Information Act; and**
488 **whereas, Section 2.2-3712(D) of the Code of Virginia requires a certification by the Rivanna**

489 **Solid Waste Authority that such closed meeting was conducted in conformity with Virginia**
490 **law; now therefore, be it resolved that the Rivanna Solid Waste Authority hereby certifies**
491 **that, to the best of each member's knowledge, (1) only public business matters lawfully**
492 **exempted from open meeting requirements by Virginia law were discussed in the executive**
493 **meeting to which the certification resolution applies, and (2) only such public business matters**
494 **as were identified in the motion convening the closed meeting were heard, discussed, or**
495 **considered by the Rivanna Solid Waste Authority.**
496

497 **The motion was seconded by Mr. Oberdorfer and passed unanimously (6-0). (Mr. Snook was**
498 **absent from the vote.)**
499

500 ***12. ADJOURNMENT***

501 **At 4:43 p.m., Dr. Palmer moved to adjourn the meeting of the Rivanna Solid Waste**
502 **Authority. The motion was seconded by Dr. Richardson and passed unanimously (6-0). (Mr.**
503 **Snook was absent from the vote.)**



**RIVANNA WATER & SEWER AUTHORITY
RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

Joint Resolution of Appreciation for Dr. Tarron Richardson

WHEREAS, Dr. Richardson has served as a member of the Rivanna Water & Sewer Authority and Solid Waste Authority Boards of Directors since May of 2019; and

WHEREAS, over that same period Dr. Richardson has demonstrated leadership in water and sewer, solid waste and recycling services; and has been a valuable member of the Boards of Directors and a resource to the Authorities; and

WHEREAS, Dr. Richardson's understanding of the water, sewer, solid waste and recycling operations of the City of Charlottesville, the Water & Sewer Authority and the Solid Waste Authority has supported a strategic decision-making process that provided benefits to the customers served by the City of Charlottesville as well as the community as a whole.

WHEREAS, the Water & Sewer Authority and Solid Waste Authority Boards of Directors are most grateful for the professional and personal contributions Dr. Richardson has provided to both Authorities and to the community; and

NOW, THEREFORE, BE IT RESOLVED that the Rivanna Water & Sewer Authority and the Rivanna Solid Waste Authority Boards of Directors recognize, thank, and commend Dr. Richardson for his distinguished service, efforts, and achievements as a member of the Rivanna Water & Sewer Authority and the Rivanna Solid Waste Authority, and present this Resolution as a token of esteem, with their best wishes in his future endeavors.

BE IT FURTHER RESOLVED that this Resolution be entered upon both the permanent Minutes of the Rivanna Water & Sewer Authority and the Rivanna Solid Waste Authority.

Michael Gaffney, Chairman
Jeff Richardson
Lloyd Snook
Liz Palmer
Gary O'Connell
Lauren Hildebrand
Paul Oberdorfer
Lance Stewart



**RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

Resolution of Appreciation for Mr. Paul Oberdorfer

WHEREAS, Mr. Oberdorfer has served as a member of the Rivanna Solid Waste Authority Board of Directors since February of 2017; and

WHEREAS, over that same period Mr. Oberdorfer has demonstrated leadership in solid waste and recycling services; and has been a valuable member of the Board of Directors and a resource to the Authority; and

WHEREAS, Mr. Oberdorfer's understanding of solid waste and recycling operations of the City of Charlottesville, and the Solid Waste Authority has supported a strategic decision-making process that provided benefits to the customers served by the City of Charlottesville as well as the community as a whole, and

WHEREAS, the Solid Waste Authority Board of Directors is most grateful for the professional and personal contributions Mr. Oberdorfer has provided to both the Authority and to the community; and

NOW, THEREFORE, BE IT RESOLVED that the Rivanna Solid Waste Authority Board of Directors recognize, thank, and commend Mr. Oberdorfer for his distinguished service, efforts, and achievements as a member of the Rivanna Solid Waste Authority, and present this Resolution as a token of esteem, with their best wishes in his future endeavors.

BE IT FURTHER RESOLVED that this Resolution be entered upon both the permanent Minutes of the Rivanna Solid Waste Authority.

Michael Gaffney, Chairman
Jeff Richardson
John Blair
Lloyd Snook
Liz Palmer
Lance Stewart



MEMORANDUM

**TO: RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

FROM: BILL MAWYER, EXECUTIVE DIRECTOR

SUBJECT: EXECUTIVE DIRECTOR’S REPORT

DATE: NOVEMBER 17, 2020

STRATEGIC PLAN GOAL: SOLID WASTE SERVICES

Use of the Ivy Materials Utilization Center:

August 2020

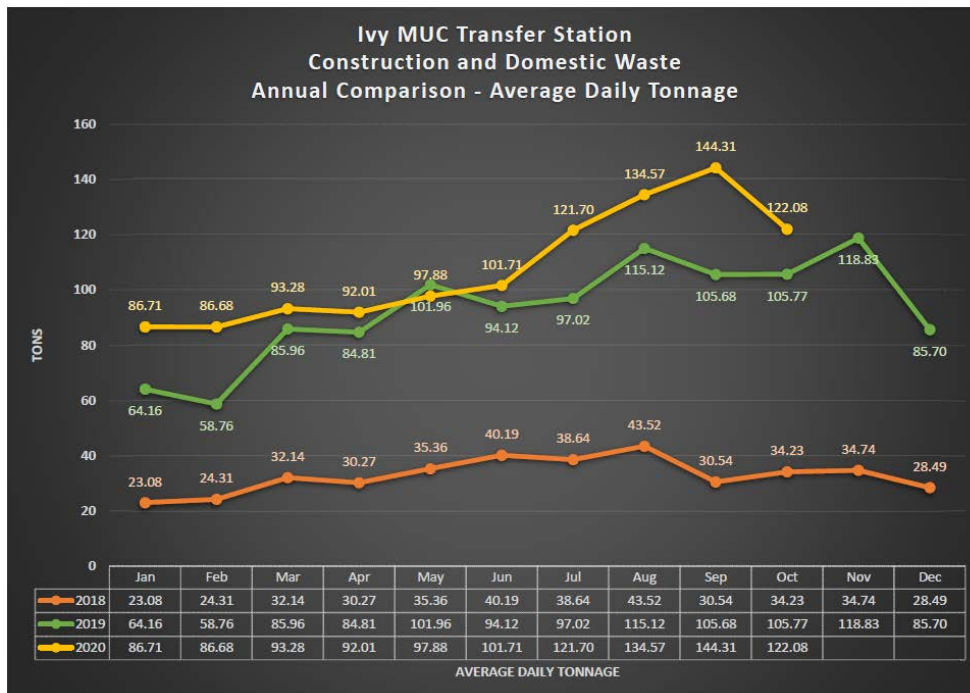
<u>Vehicles</u>	<u>AVG MSW & CDD Tons/Day</u>
5,578	134.83

September 2020

<u>Vehicles</u>	<u>AVG MSW & CDD Tons/Day</u>
5,502	144.62

October 2020

<u>Vehicles</u>	<u>AVG MSW & CDD Tons/Day</u>
5,548	122.34



Regional Tipping Fee Survey – November 2020

Regional Tipping Fee Survey - November 3, 2020

<u>County/Facility</u>	<u>MSW (\$/ton)</u>	<u>Notes</u>
Augusta Regional Landfill	\$45.00	Commercial rate, residential free
Fluvanna County Transfer Sta.	\$60.00	\$65/ton for CDD
Louisa County Landfill	\$45.00	Residential rate, Commercial is \$54/ton
Nelson County Transfer Sta.	\$55.00	
Greene County Transfer Sta.	\$52.00	
Van der Linde Recycling	\$52.00	\$53.50 for CDD
Republic Zions Crossroad TS	\$56.70	
Ivy MUC Transfer Sta.	\$52.00	
	AVERAGE	\$52.21
	MEDIAN	\$52.00

Encore Shop

The Encore Shop at the IMUC was reopened in late August. Use of the service has resumed without issue.

STRATEGIC PLAN GOAL: ENVIRONMENTAL STEWARDSHIP

Household Hazardous Waste and Bulky Waste Amnesty Days

The Ivy MUC hosted HHW, Bulky Waste and eWaste Days for three days in September and one day in October. The event was well attended, with the following results:

<u>Event</u>	<u>Customers</u>	<u>Amount Collected</u>
Tires	103 (95 County / 8 City)	28.39 tons
Furniture/Mattresses	155 (130 County / 22 City)	12.77 tons
Appliances	170 (139 County / 31 City)	5.33 tons
HHW	422 (308 County / 112 City / 2 Nelson)	

eWaste

There was significant interest in this collection event held on October 10th, with 350 appointments scheduled and 330 requests on the waiting list. Of the 350 appointments, 254 customers delivered products to the event.

Pumpkin Smash

The third annual pumpkin smash was held at the McIntire Recycling Center on Saturday, November 7th. The pumpkins collected during this event are composted along with the food waste.



STRATEGIC PLAN GOAL: COMMUNICATION AND COLLABORATION

New Signage

New signage has been installed at the IMUC and the MRC.





MEMORANDUM

**TO: RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

**FROM: LONZY WOOD, DIRECTOR OF FINANCE AND
ADMINISTRATION**

REVIEWED: BILL MAWYER, EXECUTIVE DIRECTOR

SUBJECT: SEPTEMBER 2020 FINANCIAL SUMMARY

DATE: NOVEMBER 17, 2020

The results of operations and remediation activities for the first quarter of this fiscal year are summarized below and in the attached statements.

	<u>Operating Results</u>	<u>Remediation Results</u>	<u>Total</u>
Total Revenues	\$ 759,792	\$ -	\$ 759,792
Total Expenses	<u>(1,094,407)</u>	<u>(216,951)</u>	<u>(1,311,358)</u>
Net operating results	(334,615)	(216,951)	(551,566)
Support - MOU & Local	<u>418,693</u>	<u>274,736</u>	<u>693,429</u>
Surplus/(Deficit)	<u>\$ 84,078</u>	<u>\$ 57,785</u>	<u>\$ 141,863</u>

* Cash reserves are used when deficits occur. (Use of up to \$200,000 in reserves for an expected shortfall for remediation was included in the FY 2021 budget.)

Total operating revenues through September were \$155,000 over budget and total operating expenses were \$89,000 over budget. The Authority processed 14,587 tons of waste this quarter. A breakdown of net revenue or cost per ton, including overhead and administrative support costs, is shown below.

	<u>Ivy MSW</u>	<u>Ivy - All Other</u>	<u>Recycling</u>	<u>Total</u>
Tonnage	10,296	3,861	430	14,587
Net operating revenue (costs)	\$ (111,429)	\$ 4,048	\$ (227,233)	\$ (334,614)
Net revenue (cost) per ton	\$ (10.82)	\$ 1.05	\$ (528.45)	\$ (22.94)

Attachments

Target Rate: 25.00%

Operations	Budget	Actual Y-T-D	IVY OPERATIONS		MSW-IVY TRANSFER		IVY CONVENIENCE CENTER		RECYCLE OPERATIONS		ADMIN. SERVICES	
			Budget	Actual Y-T-D	Budget	Actual Y-T-D	Budget	Actual Y-T-D	Budget	Actual Y-T-D	Budget	Actual Y-T-D
REVENUES												
Ivy Operations Tipping Fees	\$ 236,000	118,237	\$ 236,000	118,237								
Ivy MSW Transfer Tipping Fees	1,771,000	557,321			1,771,000	557,321						
Material & Other Sales-Ivy	110,000	22,777	110,000	22,777								
Recycling Revenues	156,300	29,869					20,000	-	136,300	29,869		
Other Revenues	93,000	26,316			93,000	26,316						
Interest & Fees	51,400	5,272									51,400	5,272
Total Revenues	\$ 2,417,700	\$ 759,792	\$ 346,000	\$ 141,014	\$ 1,864,000	\$ 583,637	\$ 20,000	\$ -	\$ 136,300	\$ 29,869	\$ 51,400	\$ 5,272
<i>Budget vs. Actual*</i>		<i>31.43%</i>		<i>40.76%</i>		<i>31.31%</i>		<i>0.00%</i>		<i>21.91%</i>		<i>10.26%</i>
EXPENSES												
Ivy Operations	402,666	91,047	402,666	91,047								
Ivy MSW Transfer	2,262,393	649,147			2,262,393	649,147						
Ivy Convenience Center	300,682	59,303					300,682	59,303				
Recycling Operations	553,158	161,064							553,158	161,064		
Administration	797,358	188,950									797,358	188,950
Total Expenses	\$ 4,316,257	\$ 1,149,510	402,666	91,047	2,262,393	649,147	300,682	59,303	553,158	161,064	797,358	188,950
<i>Budget vs. Actual*</i>		<i>26.63%</i>		<i>22.61%</i>		<i>28.69%</i>		<i>19.72%</i>		<i>29.12%</i>		<i>23.70%</i>
Net Results Before Administrative Allocation	\$ (1,898,557)	\$ (389,718)	\$ (56,666)	\$ 49,967	\$ (398,393)	\$ (65,510)	\$ (280,682)	\$ (59,303)	\$ (416,858)	\$ (131,195)	\$ (745,958)	\$ (183,678)
<i>Administrative allocations:</i>												
<i>Administrative costs to Envir. MOU (below)</i>	223,787	55,103									223,787	55,103
<i>Administrative costs to Operations</i>	-	-	(186,490)	(45,919)	(186,490)	(45,919)	-	-	(149,192)	(36,736)	522,171	128,574
Net Operating Income (Loss)	\$ (1,674,770)	\$ (334,614)	\$ (243,156)	\$ 4,048	\$ (584,883)	\$ (111,429)	\$ (280,682)	\$ (59,303)	\$ (566,050)	\$ (167,930)	\$ -	\$ -
Other Funding Sources												
Local Government Contributions	1,674,770	418,693										
County Contribution - Capital Grant	-	117,941										
Transfer to Capital Fund - Ivy Recycling Center	-	(117,941)										
Surplus (Deficit) - Operations	\$ -	\$ 84,078										
Environmental Programs												
	Budget	Actual Y-T-D										
REVENUES												
Remediation Support	858,998	274,736										
Total Revenues	858,998	274,736										
<i>Budget vs. Actual*</i>		<i>31.98%</i>										
EXPENSES												
Ivy Environmental	835,211	161,848										
Administrative Allocation	223,787	55,103										
Total Expenses	1,058,998	216,951										
<i>Budget vs. Actual*</i>		<i>20.49%</i>										
Cash Reserves Used	200,000	-										
Surplus (Deficit) - Environmental	\$ -	\$ 57,784										
Total Surplus (Deficit)	\$ -	\$ 141,863										

**Rivanna Solid Waste Authority
Monthly Financial Status Report
FY 2021**

	July	August	September	Year-to-Date
<u>Revenues</u>				
Ivy Operations Tipping Fees	\$ 56,569	\$ 36,019	\$ 25,649	\$ 118,237
Ivy MSW Transfer Tipping Fees	171,354	188,841	197,126	557,321
Ivy Material Sales	7,074	7,424	8,280	22,777
Ivy Convenience Center	-	-	-	-
Recycling	4,294	16,905	8,670	29,869
Other Revenues	9,136	9,290	7,890	26,316
Interest & Late Fees	1,534	2,129	1,609	5,272
Total Revenues	\$ 249,961	\$ 260,608	\$ 249,223	\$ 759,792
<u>Expenses</u>				
Ivy Operations	\$ 35,831	\$ 21,851	\$ 33,365	\$ 91,047
Ivy Environmental	56,949	72,585	32,314	161,848
Ivy MSW Transfer	143,916	183,515	321,716	649,147
Ivy Convenience Center	18,947	18,869	21,488	59,303
Recycling Operation	56,096	39,866	65,102	161,064
Administration	64,883	60,468	63,599	188,950
Total Expenses	\$ 376,621	\$ 397,154	\$ 537,583	\$ 1,311,358
Net Operating Income (Loss)	\$ (126,660)	\$ (136,546)	\$ (288,360)	\$ (551,566)
<u>Other Funding Sources</u>				
Local Government Contributions	\$ 376,239	\$ 42,454	\$ -	\$ 418,693
Remediation Support	205,598	69,138	-	274,736
Surplus (Deficit)	\$ 455,177	\$ (24,954)	\$ (288,360)	\$ 141,863

**Rivanna Solid Waste Authority
Fiscal Year 2021
September 2020**

Revenue Detail Report

Revenue Line Item	Tonnage	
	Budget FY 2021	Actual YTD
IVY TIPPING FEES		
Clean Fill Material	6,800	2,556
Grindable Vegetative Material	2,400	1,149
Tires, Whole	120	115
Tires/White Good (per item)		
<i>Subtotal</i>	9,320	3,819
IVY TRANSFER STATION		
Compost Services	500	33
MSW Transfer Station	32,000	10,296
<i>Subtotal</i>	32,000	10,296
MATERIAL SALES - IVY		
Encore		
Metals		
Wood Mulch & Chips		
Hauling Fees		
Other Materials		
<i>Subtotal</i>		
IVY CONVENIENCE CENTER		
Material Sales		
<i>Subtotal</i>		
RECYCLING		
Material Sales		
Other Materials & Services		
Grants-Operating		
<i>Subtotal</i>		
OTHER REVENUES		
Service Charge Fees		
Other Revenues		
<i>Subtotal</i>		
INTEREST, LATE FEES, OTHER		
Trust Fund Interest		
Finance Charges		
Capital Reserve Fund Interest		
Operating Investment Interest		
<i>Subtotal</i>		
Total Revenues		

REMEDIATION SUPPORT
UVA Contribution
County Contribution
City Contribution
Total Remediation Local Support

Revenue				
Budget FY 2021	Budget YTD	Actual YTD	Budget vs. Actual	Variance %
\$ 68,000	\$ 17,000	\$ 25,497	\$ 8,497	49.98%
115,200	28,800	56,169	27,369	95.03%
22,800	5,700	21,835	16,135	283.07%
30,000	7,500	14,736	7,236	96.48%
\$ 236,000	\$ 59,000	\$ 118,237	\$ 59,237	100.40%
\$ 89,000	\$ 22,250	\$ 5,869	\$ (16,381)	-73.62%
1,682,000	420,500	551,452	130,952	31.14%
\$ 1,771,000	\$ 442,750	\$ 557,321	\$ 114,571	25.88%
\$ 20,000	\$ 5,000	\$ 805	\$ (4,195)	-83.90%
40,000	10,000	8,180	(1,820)	-18.20%
30,000	7,500	9,092	1,592	21.23%
20,000	5,000	4,700	(300)	-6.00%
-	-	-	-	
\$ 110,000	\$ 27,500	\$ 22,777	\$ (4,723)	-17.17%
\$ 20,000	\$ 5,000	\$ -	\$ (5,000)	-100.00%
\$ 20,000	\$ 5,000	\$ -	\$ (5,000)	-100.00%
\$ 105,300	\$ 26,325	\$ 25,107	\$ (1,218)	-4.63%
6,000	1,500	4,762	3,262	217.48%
25,000	6,250	-	(6,250)	-100.00%
\$ 136,300	\$ 34,075	\$ 29,869	\$ (4,206)	-12.34%
\$ 85,000	\$ 21,250	\$ 25,756	\$ 4,506	21.20%
8,000	2,000	560	(1,440)	-72.00%
\$ 93,000	\$ 23,250	\$ 26,316	\$ 3,066	13.19%
\$ 2,200	\$ 550	\$ 151	\$ (399)	-72.48%
1,200	300	3,265	2,965	988.24%
18,000	4,500	658	(3,842)	-85.39%
30,000	7,500	1,198	(6,302)	-84.02%
\$ 51,400	\$ 12,850	\$ 5,272	\$ (7,578)	-58.97%
\$ 2,417,700	\$ 604,425	\$ 759,792	\$ 155,367	25.70%
\$ 79,982	\$ 19,996	\$ 79,982	\$ 59,987	300.00%
502,465	125,616	125,616	(0)	0.00%
276,551	69,138	69,138	-	0.00%
\$ 858,998	\$ 214,750	\$ 274,736	\$ 59,986	27.93%

**Rivanna Solid Waste Authority
 Historical Material Tonnage Report - Recycling
 Fiscal Years 2017-2021**

Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021 (Jul-Sept)
---------------------------------	---------------------------------	---------------------------------	---------------------------------	--

In U.S. Tons

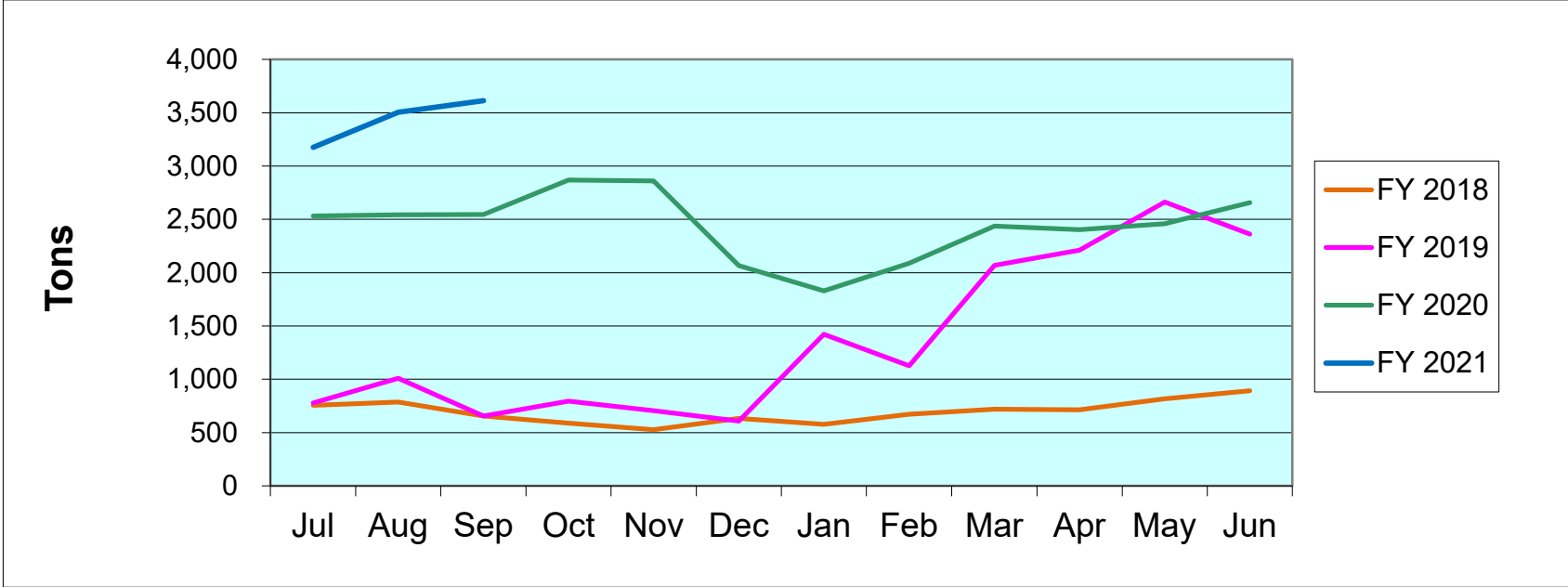
Fiber Products

Newspaper, magazines, catalogs	419	424	427	120	-
Cardboard (corrugated)	812	763	807	560	215
Mixed paper and phone books	156	187	265	792	197
File stock (office paper)	122	111	128	77	-
Total Fiber Products	1,509	1,485	1,627	1,549	412

Other Products

Glass	252	252	411	467	-
Metal Cans	31	41	58	54	-
Plastic	86	103	127	114	17
Total Other Products	369	396	596	635	17
Total	1,878	1,881	2,223	2,184	429

Rivanna Solid Waste Authority
Ivy MSW Transfer Tonnages
FY 2018 - 2021





MEMORANDUM

**TO: RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

**FROM: DAVID RHOADES, SOLID WASTE MANAGER;
PHILLIP MCKALIPS, DIRECTOR OF SOLID WASTE**

REVIEWED BY: BILL MAWYER, EXECUTIVE DIRECTOR

**SUBJECT: IVY MATERIAL UTILIZATION CENTER REPORT/
RECYCLING OPERATIONS UPDATE**

DATE: NOVEMBER 17, 2020

Ivy Material Utilization Center (IMUC) : DEQ Permit 132: 300 tons/day MSW limit

August 2020

- **5,578 vehicles crossed the scales**
- The IMUC transfer station operated 26 days and received a total of 3,505.53 tons of municipal solid waste (MSW), an average of 134.83 tons per day of operation. The monthly transfer station tonnage figures are attached to this report.
- 1,309.52 tons of non-MSW materials were received
- 4,815.05 tons were received as a combined total tonnage (MSW + non-MSW)

September 2020

- **5,502 vehicles crossed the scales**
- The IMUC transfer station operated 25 days and received a total of 3,614.89 tons of municipal solid waste (MSW), an average of 144.62 tons per day of operation. The monthly transfer station tonnage figures are attached to this report.
- 1,072.69 tons of non-MSW materials were received
- 4,687.58 tons were received as a combined total tonnage (MSW + non-MSW)

October 2020

- **5,548 vehicles crossed the scales**

- The IMUC transfer station operated 27 days and received a total of 3,303.11 tons of municipal solid waste (MSW), an average of 122.34 tons per day of operation. The monthly transfer station tonnage figures are attached to this report.
- 943.87 tons of non-MSW materials were received
- 4,246.98 tons were received as a combined total tonnage (MSW + non-MSW)

Fall HHW and Bulky Waste Totals:

Thursday, September 10, Friday, September 11, and Saturday, September 12, 2020: *Special Collections*

The Conditionally Exempt Small Quantity Generator (CESQG) Special Collection for business hazardous waste was held on Thursday, September 10, 2020. CESQG collection program is a pre-registration, fee-based program with sign-up information and instructions on the Rivanna.org website.

Household Hazardous Waste Day was a two-day event this Fall. Hours were from 9am-2pm on both Friday, September 11 and Saturday, September 12, 2020. Wait times were less than 10 minutes both days. The total customer count for the two-day event was 422 City/County residents. Friday: the split was 145 County, and 51 City. Saturday: the split was 163 County and 61 City. 2 Nelson county residents participated.

Saturday, September 19, 2020: *Furniture / Mattresses*

A total of 155 vehicles participated, including 130 from the County and 22 from the City. 21,460 lbs. of furniture and mattresses were collected from the county. 4,080 lbs. of furniture and mattresses were collected from the City

Saturday, September 26, 2020: *Appliances*

A total of 170 vehicles participated, including 139 from the County and 31 from the City. 4.37 tons of appliances and 124 freon units were collected from the County. 0.96 tons of appliances and 31 freon units were collected from the City.

Saturday, October 3, 2020: *Tires*

A total of 103 vehicles participated, including 95 from the County and 8 from the City. A total of 28.39 tons of tires were received, separated, and trucked to end user for recycling.

eWaste Collection Event:

On October 10, 2020, the Fall 2020 eWaste collection event was held at Ivy MUC. MXI Environmental was the contractor for the event. Of the 350 appointments reserved by the public, 254 customers showed up on the collection day.

Paint Collection:

On November 3, 2020, the Ivy MUC shipped out the 34th container of paint cans since the program began in August 2016. Each container holds about 4,200 one-gallon paint cans; therefore, we have shipped about 147,000 paint cans. This program continues to make paint disposal more convenient for residents and alleviates some of the congestion during our fall and spring Household Hazardous Waste Days.

The oil-based paints that are collected are beneficially used as fuel for heat recovery, and the latex paints are re-processed back into commercial paints (www.latexpaintrecycling.com).

Compostable Food Waste Collection:

This program continues to operate smoothly at the IMUC. This service is free to County residents. A similar bin has been placed at the Transfer Station for the receipt of compostable food wastes from commercial customers. Commercial customers are charged the established disposal fee of \$178 per ton.

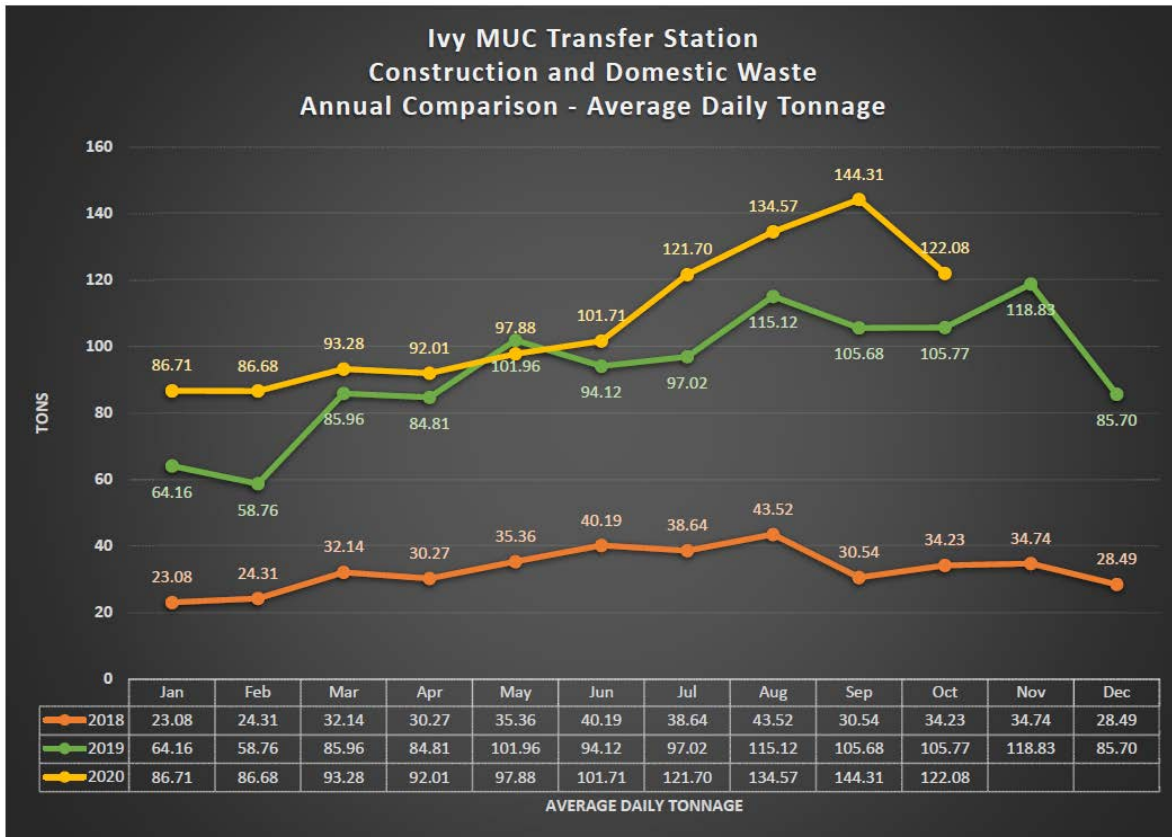
The McIntire Recycle Center received 9.32 tons of compostable materials from residents in August. The McIntire Recycle Center received 7.72 tons of compostable materials from residents in September. The McIntire Recycle Center received 7.27 tons of compostable materials from residents in October.

Compost Sales at Ivy:

On April 17, 2020, compost sales (McGill Composting SoilBuilder®) began at Ivy. As of October 26, 2020, 53.78 tons of material have been sold. The sales price for compost has been set at \$75 per ton (Note, there are approximately 2 cubic yards in a ton of compost. Therefore \$75.00 a ton is approximately \$37.50 per cubic yard). This price was intended to cover the direct costs of compost purchase and delivery of \$49.50 per ton, as well as defray other costs including administration, equipment, fuel, labor, etc.

Transfer Station Update

As shown on the following figure, we can see that waste disposal tonnages have been trending higher during the summer months this year, but may now be declining to the normal reduced tonnages we see during the winter season.



In order to keep abreast of changes in the marketplace, staff periodically looks at regional waste disposal fees (tipping fees). The following data was collected on November 3, 2020.

Regional Tipping Fee Survey - November 3, 2020

<u>County/Facility</u>	<u>MSW (\$/ton)</u>	<u>Notes</u>
Augusta Regional Landfill	\$45.00	Commercial rate, residential free
Fluvanna County Transfer Sta.	\$60.00	\$65/ton for CDD
Louisa County Landfill	\$45.00	Residential rate, Commercial is \$54/ton
Nelson County Transfer Sta.	\$55.00	
Greene County Transfer Sta.	\$52.00	
Van der Linde Recycling	\$52.00	\$53.50 for CDD
Republic Zions Crossroad TS	\$56.70	
Ivy MUC Transfer Sta.	\$52.00	
AVERAGE	\$52.21	
MEDIAN	\$52.00	

Of these facilities, Van der Linde and Republic represent our major competitors and Green County a lesser one. Between these three options, two are at \$52/ton and one is at \$56.70/ton. This suggests that we are

right at the competitive average of our peers in terms of tipping fees. Raising our tipping fee would make us less competitive and would, presumably drive business away at some point. Whether this would occur in a smooth transition (i.e., a small increase in tipping fee results in a proportional reduction in business) or whether it would occur in a more dramatic manner (where increases reach a tipping point that results in a large amount of business going away) is uncertain.

For reference sake, each dollar increase in tipping fee represents approximately \$32,000 of increased revenue per year.

Ivy Convenience Center (ICC)

The Ivy Convenience Center (ICC) reached substantial completion on July 8, 2020 and was open for the public. Directional signage, which includes a new facility sign on Dick Woods Road as well as on-site signage, has been installed. The facility signage at Dick Woods Road allows better communication with our customers regarding scheduled and unscheduled closures. This sign replacement project received full approval from the appropriate County departments.



Here is a photo of the ICC with parking line painting complete.



McIntire Recycling Center

In response to numerous public comments, and in conjunction with new signage at the Ivy MUC, RSWA is replacing the street signage at the McIntire Recycling Center (MRC). This new sign is designed to be more visible to passing traffic and will also incorporate messaging to denote facility closures (due to holidays and inclement weather) as well as changes in operating hours (Winter hours versus Summer hours). The new signage was fully permitted through the appropriate City departments.



Ivy Material Utilization Center
Daily Scale Crossing Data



August 1-31, 2020

Days of
Operation: **26**

		MSW collected at Transfer Station (tons)						Non-MSW
		Vehicles	Count	Citizen-Can	Construction	Domestic	MSW Total	Total Tons
08/01/20	Saturday	282	350	0.36	14.70	34.60	49.66	16.76
08/02/20	Sunday	-	-	-	-	-	-	-
08/03/20	Monday	173	183	0.05	57.15	85.96	143.16	27.49
08/04/20	Tuesday	169	224	0.18	75.36	90.53	166.07	3.90
08/05/20	Wednesday	198	248	0.20	80.59	134.68	215.47	100.24
08/06/20	Thursday	188	228	0.16	54.61	60.88	115.65	46.15
08/07/20	Friday	183	241	0.16	38.76	71.91	110.83	6.73
08/08/20	Saturday	286	340	0.57	13.31	34.44	48.32	17.18
08/09/20	Sunday	-	-	-	-	-	-	-
08/10/20	Monday	202	259	0.37	80.60	82.62	163.59	27.04
08/11/20	Tuesday	215	255	0.13	69.85	78.87	148.85	28.99
08/12/20	Wednesday	202	268	0.02	71.58	120.19	191.79	40.17
08/13/20	Thursday	177	197	0.09	35.53	40.88	76.50	23.18
08/14/20	Friday	214	230	0.30	42.31	83.76	126.37	40.29
08/15/20	Saturday	231	293	0.48	6.32	40.79	47.59	6.76
08/16/20	Sunday	-	-	-	-	-	-	-
08/17/20	Monday	205	282	0.05	38.98	97.80	136.83	166.49
08/18/20	Tuesday	224	276	0.15	81.29	96.45	177.89	64.07
08/19/20	Wednesday	238	282	0.17	101.76	139.08	241.01	121.43
08/20/20	Thursday	205	238	0.14	79.63	71.18	150.95	64.33
08/21/20	Friday	224	254	0.49	62.78	87.95	151.22	50.58
08/22/20	Saturday	294	365	0.65	12.97	34.41	48.03	17.40
08/23/20	Sunday	-	-	-	-	-	-	-
08/24/20	Monday	216	266	0.31	79.58	92.66	172.55	60.87
08/25/20	Tuesday	221	287	0.30	74.31	72.91	147.52	69.97
08/26/20	Wednesday	230	276	0.23	71.60	145.17	217.00	114.13
08/27/20	Thursday	222	240	0.11	71.03	66.45	137.59	99.91
08/28/20	Friday	230	259	0.43	56.67	101.86	158.96	86.95
08/29/20	Saturday	236	354	0.41	9.53	32.72	42.66	3.43
08/30/20	Sunday	-	-	-	-	-	-	-
08/31/20	Monday	113	131	0.09	48.29	71.09	119.47	5.08
Total		5,578	6,826	6.60	1,429.09	2,069.84	3,505.53	1,309.52
<i>Average</i>		215	263	0.25	54.97	79.61	134.83	50.37
<i>Median</i>		216	259	0.19	59.97	80.75	145.34	40.23
<i>Maximum</i>		294	365	0.65	101.76	145.17	241.01	166.49
<i>Minimum</i>		113	131	0.02	6.32	32.72	42.66	3.43

Material Type & Description

Citizen-Can: Roll-off container at the Ivy MUC Convenience Center-citizens dispose of prepaid trashbags

Construction: Construction/demolition debris (shingles, sheetrock, treated lumber, etc.)

Count: Transactions per item (appliances, hauling fees, service fees, tag-bag stickers, tires)

Domestic: Business/residential general or household waste

MSW: Materials processed/handled at the Transfer Station

Non-MSW: Materials processed/handled on-site

Vehicle: Transactions or vehicles processed in a day

Ivy Material Utilization Center
Daily Scale Crossing Data



September 1-30, 2020

Days of
Operation: 25

		MSW collected at Transfer Station (tons)						Non-MSW
		Vehicles	Count	Citizen-Can	Construction	Domestic	MSW Total	Total Tons
09/01/20	Tuesday	155	190	0.31	56.24	82.73	139.28	10.43
09/02/20	Wednesday	182	212	0.17	66.05	132.49	198.71	8.21
09/03/20	Thursday	185	232	0.11	44.90	45.15	90.16	57.02
09/04/20	Friday	250	308	0.12	59.07	109.62	168.81	76.35
09/05/20	Saturday	304	343	0.64	10.54	39.11	50.29	7.13
09/06/20	Sunday	-	-	-	-	-	-	-
09/07/20	Monday	-	-	-	-	-	-	-
09/08/20	Tuesday	282	305	0.25	38.47	121.18	159.90	42.68
09/09/20	Wednesday	240	268	0.20	96.96	159.07	256.23	37.96
09/10/20	Thursday	176	205	0.12	88.42	68.44	156.98	47.71
09/11/20	Friday	251	314	0.13	57.73	79.73	137.59	44.89
09/12/20	Saturday	288	351	0.78	11.83	47.87	60.48	10.19
09/13/20	Sunday	-	-	-	-	-	-	-
09/14/20	Monday	181	198	0.19	65.03	51.42	116.64	66.71
09/15/20	Tuesday	195	237	0.17	44.59	85.82	130.58	31.31
09/16/20	Wednesday	234	273	0.37	28.33	148.10	176.80	55.05
09/17/20	Thursday	172	212	0.26	42.07	46.26	88.59	50.18
09/18/20	Friday	204	245	0.33	21.29	87.52	109.14	71.29
09/19/20	Saturday	315	338	0.56	13.70	42.43	56.69	15.37
09/20/20	Sunday	-	-	-	-	-	-	-
09/21/20	Monday	198	263	0.15	77.69	80.33	158.17	91.15
09/22/20	Tuesday	200	237	0.27	51.71	91.07	143.05	18.78
09/23/20	Wednesday	220	259	0.23	98.38	168.71	267.32	69.33
09/24/20	Thursday	194	265	0.35	95.19	61.08	156.62	37.90
09/25/20	Friday	224	293	0.18	82.72	84.47	167.37	28.00
09/26/20	Saturday	294	346	0.30	52.18	54.80	107.28	9.97
09/27/20	Sunday	-	-	-	-	-	-	-
09/28/20	Monday	207	224	0.14	51.05	110.81	162.00	143.79
09/29/20	Tuesday	185	231	0.35	88.95	91.52	180.82	13.96
09/30/20	Wednesday	166	172	0.30	43.03	132.06	175.39	27.33
Total		5,502	6,521	6.98	1,386.12	2,221.79	3,614.89	1,072.69
<i>Average</i>		220	261	0.28	55.44	88.87	144.60	42.91
<i>Median</i>		204	259	0.25	52.18	84.47	156.62	37.96
<i>Maximum</i>		315	351	0.78	98.38	168.71	267.32	143.79
<i>Minimum</i>		155	172	0.11	10.54	39.11	50.29	7.13

Material Type & Description

Citizen-Can: Roll-off container at the Ivy MUC Convenience Center-citizens dispose of prepaid trashbags

Construction: Construction/demolition debris (shingles, sheetrock, treated lumber, etc.)

Count: Transactions per item (appliances, hauling fees, service fees, tag-bag stickers, tires)

Domestic: Business/residential general or household waste

MSW: Materials processed/handled at the Transfer Station

Non-MSW: Materials processed/handled on-site

Vehicle: Transactions or vehicles processed in a day

Ivy Material Utilization Center
Daily Scale Crossing Data



October 1-31, 2020

Days of
Operation: 27

		MSW collected at Transfer Station (tons)						Non-MSW
		Vehicles	Count	Citizen-Can	Construction	Domestic	MSW Total	Total Tons
10/01/20	Thursday	183	352	0.15	54.77	61.54	116.46	25.44
10/02/20	Friday	220	292	0.20	56.91	83.59	140.70	23.25
10/03/20	Saturday	340	346	0.56	11.40	61.59	73.55	10.88
10/04/20	Sunday	-	-	-	-	-	-	-
10/05/20	Monday	180	195	0.16	49.92	70.13	120.21	8.80
10/06/20	Tuesday	203	217	0.17	56.33	83.03	139.53	26.67
10/07/20	Wednesday	206	234	0.06	77.32	145.56	222.94	21.91
10/08/20	Thursday	213	222	0.04	49.90	66.10	116.04	180.94
10/09/20	Friday	213	278	0.24	65.53	69.96	135.73	47.17
10/10/20	Saturday	240	323	0.59	20.65	41.38	62.62	5.69
10/11/20	Sunday	-	-	-	-	-	-	-
10/12/20	Monday	125	163	0.02	54.76	64.62	119.40	0.78
10/13/20	Tuesday	163	195	0.21	28.47	110.87	139.55	36.26
10/14/20	Wednesday	201	240	0.22	55.81	137.60	193.63	29.45
10/15/20	Thursday	193	240	0.12	43.58	62.95	106.65	47.47
10/16/20	Friday	204	265	0.29	57.43	83.84	141.56	96.87
10/17/20	Saturday	271	386	0.43	9.21	42.85	52.49	12.35
10/18/20	Sunday	-	-	-	-	-	-	-
10/19/20	Monday	181	231	0.22	38.09	68.36	106.67	21.52
10/20/20	Tuesday	194	214	0.10	58.80	67.45	126.35	33.76
10/21/20	Wednesday	226	257	0.09	94.19	127.52	221.80	20.00
10/22/20	Thursday	204	228	0.03	59.06	52.32	111.41	20.74
10/23/20	Friday	244	248	0.26	72.63	79.39	152.28	43.43
10/24/20	Saturday	264	303	0.39	13.90	32.14	46.43	15.87
10/25/20	Sunday	-	-	-	-	-	-	-
10/26/20	Monday	169	216	1.14	61.08	68.87	131.09	16.47
10/27/20	Tuesday	195	248	0.23	38.45	80.92	119.60	80.91
10/28/20	Wednesday	192	229	0.20	31.79	124.11	156.10	57.08
10/29/20	Thursday	47	58	0.05	9.28	35.71	45.04	1.65
10/30/20	Friday	211	264	0.60	52.01	90.43	143.04	50.19
10/31/20	Saturday	266	324	0.24	19.65	42.35	62.24	8.32
Total		5,548	6,768	7.01	1,240.92	2,055.18	3,303.11	943.87
<i>Average</i>		205	251	0.26	45.96	76.12	122.34	34.96
<i>Median</i>		204	240	0.21	52.01	68.87	120.21	23.25
<i>Maximum</i>		340	386	1.14	94.19	145.56	222.94	180.94
<i>Minimum</i>		47	58	0.02	9.21	32.14	45.04	0.78

Material Type & Description

Citizen-Can: Roll-off container at the Ivy MUC Convenience Center-citizens dispose of prepaid trashbags

Construction: Construction/demolition debris (shingles, sheetrock, treated lumber, etc.)

Count: Transactions per item (appliances, hauling fees, service fees, tag-bag stickers, tires)

Domestic: Business/residential general or household waste

MSW: Materials processed/handled at the Transfer Station

Non-MSW: Materials processed/handled on-site

Vehicle: Transactions or vehicles processed in a day



MEMORANDUM

**TO: RIVANNA WATER & SEWER AUTHORITY
RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

FROM: BILL MAWYER, EXECUTIVE DIRECTOR

SUBJECT: APPROVAL OF MERIT POOL

DATE: NOVEMBER 17, 2020

In support of our Strategic Plan goal to “attract, develop and retain a professional, highly skilled, dedicated and versatile team”, a 3% merit pool is requested for eligible RWSA and RSWA staff in January 2021. The proposed merit pool will help us to remain competitive in the utility and solid waste workforce marketplace for the specialized and licensed employee skills we require. A recent survey of 11 water/sewer Authorities in Virginia indicates five approved a merit and/or cola ranging from 3 – 7% between July 1 and November 1, 2020, and three Authorities are considering a merit/cola increase for January/February 2021. Our overall staff turnover rate was 19% in FY 2020, far above our Strategic Plan goal of 10% turnover. The proposed merit pool will increase our anticipated FY 2020-2021 expenditures about \$110,000, or 0.3% for the RWSA, and about \$18,500, or 0.3% for the RSWA. The most recent merit increase for staff was implemented in July 2019.

Most of our staff (80%) are “essential” employees required to provide services to the community at designated locations without regard to pandemics, weather or other challenges. Our essential employees have worked in treatment plants, as well as in our laboratory, landfill and recycling facilities, without interruption throughout the current covid emergency. When our proposed FY 2020-2021 Operating budgets were drafted in January 2020, an annual merit increase was included in the budget for eligible staff. Due to the anticipated financial impacts to our customers resulting from the pandemic, our final FY 2021 Operating budgets were reduced, and merit increases were eliminated. Fortunately, our water/wastewater treatment volumes have remained close to prior year levels over the past seven months, and solid waste transfer tonnages have exceeded those from past years. According to the second quarter Building Report from Albemarle County, building permits were issued for 324 new dwelling units during the April-June 2020 time period. During the same period in the previous year, 198 new dwelling units were permitted, indicating a continued strong housing and construction market. The ACSA reports that it finished FY 2020 in a positive financial position, and remains in solid financial condition through the first quarter of FY 2021. Funds for the merit pool are available in our budgets from health insurance refunds, extra nutrient credits, chemical litigation recoveries, and excess revenues from non-transfer tip fees, and will not impact the approved FY 2020-2021 water, wastewater or solid waste charges.

Board Action Requested:

Authorize a 3% merit pool for all eligible RWSA and RSWA employees to be effective on January 3, 2021.



MEMORANDUM

**TO: RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

FROM: PHIL McKALIPS, DIRECTOR OF SOLID WASTE

REVIEWED BY: BILL MAWYER, EXECUTIVE DIRECTOR

**SUBJECT: APPROVAL OF CONTRACT FOR VEGETATIVE WASTE
GRINDING, A-1 SANDROCK, INC.**

DATE: NOVEMBER 17, 2020

The Rivanna Solid Waste Authority (RSWA) advertised a Request for Bid on September 9, 2020 to hire a contractor to grind the vegetative waste material that has been received at the Ivy Material Utilization Center (IMUC) since grinding operations were completed in June and July of this year. In order to better manage the vegetative waste collection and grinding working space and to better manage the availability of mulch for sale, we are going to have our contractor conduct grinding operations twice a year (November to December and May to June, 2021). The RSWA has a tipping fee of \$48 per ton to receive vegetative waste materials from local businesses and residents. This material is periodically ground, and the resulting mulch is sold to commercial and private customers for a fee of \$30 per ton. The request required a per-ton unit price to grind the vegetative material that has accumulated at the site at that point in the year.

On October 1, 2020, a low, qualified bid was received from A-1 Sandrock, Inc. (A-1) from Greensboro, North Carolina. The bid from A-1 was for \$27.50 per ton, which represents a \$1.75 per ton increase from the unit price from last year. Last year's contractor ground in excess of 4,700 tons of vegetative waste for a total cost of \$119,476.65

Board Action Requested:

Authorize the Executive Director to execute a one-year base contract with A-1 Sandrock, Inc. to grind vegetative waste at the unit price of \$27.50 per ton. It is expected that this award will result in total costs of approximately \$130,000 during Fiscal Year 2021.



MEMORANDUM

**TO: RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

FROM: PHILLIP MCKALIPS, DIRECTOR OF SOLID WASTE

REVIEWED BY: BILL MAWYER, EXECUTIVE DIRECTOR

**SUBJECT: APPROVAL OF CONSTRUCTION CONTRACT AND AMENDMENT OF
THE CAPITAL BUDGET – IVY MUC LANDFILL CAP REPAIRS AND
DRAINAGE/BERM IMPROVEMENTS - ATLANTIC CONTRACTING
AND MATERIAL COMPANY, INC**

DATE: NOVEMBER 17, 2020

An area near the top of Cell 3 Unlined at the Ivy Material Utilization Center has suffered from significant settlement in recent years which results in ponding water on top of the cap. The Virginia Department of Environmental Quality (DEQ) has notified staff to fill the subsidence with soil and replace the settled geosynthetic clay liner (GCL). In addition, stormwater is not draining well along the road bisecting Cells #2 and #3 Unlined and the DEQ has notified us that we must restore positive drainage. Further, there are four temporary construction berms on Cell #2 that were originally used to guide stormwater off the cells after construction of that cap but are no longer needed and should be removed to restore proper maintenance of the cap vegetation.

Our design engineer, ARCADIS, prepared construction documents for this work and the project was advertised on October 13, 2020. Five bids for the Ivy MUC Landfill Cap Repair and Drainage/Berm Improvements Project (RFB No. 373) were received on October 28, 2020 and the total base bids ranged between \$279,900 and \$1,378,581. Furthermore, the berm removal work on Cell #2, was priced as an alternative bid item and those bid prices ranged from \$50,000 to \$449,316. Atlantic Contracting & Material Co., Inc. of Upper Marlboro, MD, was the apparent low bidder. After reviewing the bid documents, ARCADIS determined the apparent low bidder was responsive and responsible and recommended award of the contract to Atlantic Contracting & Material Co., Inc. Staff concurs and recommends the award of the contract, including the alternative bid item for a total of \$329,900.

Work included in this bid will be funded from two separate RSWA budgets. The Cap Repair work of \$220,000 will be paid out of the current Operations budget. The Drainage and Berm Improvements portion of this project will be funded from the Capital Budget, which included \$115,000 for this project last year (FY 2020), but was not procured. The project will need \$125,000 in additional funding to complete all of the necessary work. Therefore, an amendment of the FY 2021 Capital budget totaling \$240,000 is required to complete this work, including all engineering design and construction administration, inspection, construction, and contingency costs. There are enough capital reserves, in total, to fund the project. The environmental allocation will be negative for a few years, but will be able “pay back” the capital reserves in a several years as depreciation transfers are accumulated.

Board Action Requested:

1. Authorize the Executive Director to award a construction contract to Atlantic Contracting and Material Company, Inc for a total value of \$329,900 for the Ivy MUC Cap Repair and Drainage/Berm Improvements Project, and any change orders up to 10% of the original contract amount.
2. Amend the FY 2021 Capital Budget to include a project for “Regrading of Landfill Berms and Ditches” with a budget of \$240,000.



MEMORANDUM

**TO: RIVANNA WATER AND SEWER AUTHORITY
RIVANNA SOLID WASTE AUTHORITY
BOARDS OF DIRECTORS**

**FROM: JENNIFER WHITAKER, DIRECTOR OF ENGINEERING &
MAINTENANCE**

REVIEWED BY: BILL MAWYER, EXECUTIVE DIRECTOR

**SUBJECT: APPROVAL OF TERM CONTRACT FOR PROFESSIONAL LAND
MANAGEMENT, PLANNING AND ENGINEERING SERVICES –
LPDA, INC.**

DATE: NOVEMBER 17, 2020

The RWSA and RSWA have a need for various professional land management, planning and environmental engineering services for on-going and future projects. A Request for Proposals (RFP 20-10) for a new term contract was developed and advertised on September 24, 2020. Two proposals were received on October 15, 2020.

The RFP selection committee interviewed both firms that submitted proposals. Interviews were conducted on November 2 and November 4, 2020, and the committee determined that Land Planning and Design Associates, Inc., was the top-ranked candidate, and selection of this firm would be in the best interests of the Authority. Typical work tasks under this contract may include the review of property management issues, preparation of property management plans and budget estimates for specific facilities, and implementation of those management plans. The first project to be completed under this contract will be to develop a property management plan and budget for the Buck Mountain properties owned by the Authority.

This Term contract will be awarded for one year, with the option for up to four additional one-year renewals for a total contract length not to exceed five years.

Board Action Requested:

Authorize the Executive Director to execute a Professional Services Agreement, and future work authorizations, with LPDA, Inc. for a Term Contract for Land Planning, Management and Engineering Consulting Services.



MEMORANDUM

**TO: RIVANNA WATER AND SEWER AUTHORITY
RIVANNA SOLID WASTE AUTHORITY
BOARDS OF DIRECTORS**

FROM: ELIZABETH COLEMAN, SAFETY MANAGER

REVIEWED BY: BILL MAWYER, EXECUTIVE DIRECTOR

**SUBJECT: APPROVAL OF TERM CONTRACT FOR NON-PROFESSIONAL
ENVIRONMENTAL HEALTH, SAFETY, AND INDUSTRIAL
HYGIENE SERVICES – ECS MID-ATLANTIC**

DATE: NOVEMBER 17, 2020

The RWSA and RSWA have a need for various non-professional environmental health, safety, and industrial hygiene consulting services for on-going and future projects. A Request for Proposals (RFP 20-09) for a new term contract was developed and advertised on September 1, 2020. Two proposals were received by September 30, 2020.

The RFP selection committee interviewed both firms who submitted proposals on October 28th and October 30th, 2020. The committee determined that ECS Mid-Atlantic, LLC was the top-ranked candidate, and selection of this firm would be in the best interest of the Authorities. Typical work tasks under this contract may include the assessment of confined space and environmental hazards, chemical concentrations, noise level testing and recommendations on regulatory requirements.

This Term Contract will be awarded for one year, with the option for up to four additional one-year renewals for a total contract length not to exceed five years.

Board Action Requested:

Authorize the Executive Director to execute a Term Contract for Non-Professional Environmental Health, Safety, and Industrial Hygiene Services with ECS Mid-Atlantic.

MEMORANDUM

**TO: RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

**FROM: LONNIE WOOD, DIRECTOR OF FINANCE AND
ADMINISTRATION**

REVIEWED BY: BILL MAWYER, EXECUTIVE DIRECTOR

**SUBJECT: COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDING JUNE 30, 2020**

DATE: NOVEMBER 17, 2020

The Authority's Comprehensive Annual Financial Report for the fiscal year ending June 30, 2020 is included with your Board packet. A large part of preparing the financial statements involves having the financial reports audited for the purposes of obtaining an opinion from an independent Certified Public Accountant as to the accuracy of the information presented in the report.

The audit also reviews internal accounting controls and tests for compliance with relevant laws and regulations as a function of expressing the firm's opinion on the financial information. I am pleased to inform you that the Authority received an unmodified opinion, which is the highest opinion that the financial statements are materially accurate and fairly presented.

Mr. Matthew McLearen, a principal of the Charlottesville office of Robinson, Farmer, Cox Associates, will be at the meeting to give a brief review of the audit and discuss any audit findings the firm may have. A letter communicating several aspects of the review is attached for you as well.

I would also like to thank Kathy Ware, Senior Accountant, who performed much of the detailed work in the preparation of this report. The entire administrative staff deserves our appreciation for their hard work during the year in processing our transactions and their assistance during the audit.

This report will be submitted to the Certification Program of the Government Finance Officers Association.

Attachment: Comprehensive Annual Financial Report
Communication with Those Charged with Governance



Communication with Those Charged with Governance

**To the Board of Directors
Rivanna Solid Waste Authority**

We have audited the financial statements of financial statements of Rivanna Solid Waste Authority for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 24, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Rivanna Solid Waste Authority are described in Note 1 to the financial statements. As described in Note 15 to the financial statements, Rivanna Solid Waste Authority changed accounting policies by early implementing GASB No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Authority's financial statements were:

Management's estimate of the useful lives of depreciable assets is based on industry standards. Pension and OPEB estimates were determined by valuations performed by actuaries. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 26, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and the schedules related to pension and OPEB funding, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the introductory section or statistical section which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of Rivanna Solid Waste Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Robinson, Farmer, Cox Associates
Charlottesville, Virginia
October 26, 2020

Rivanna Solid Waste Authority



Comprehensive Annual Financial Report

Years Ended June 30, 2020 and 2019

Serving the City of Charlottesville and Albemarle County, Virginia

RIVANNA SOLID WASTE AUTHORITY
CHARLOTTESVILLE, VIRGINIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEARS ENDED JUNE 30, 2020 AND 2019

Prepared By:

Department of Finance and Administration

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RIVANNA SOLID WASTE AUTHORITY

Comprehensive Annual Financial Report Years Ended June 30, 2020 and 2019

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BOARD MEMBERS

Michael A. Gaffney, Chair

Jeff Richardson, Vice-Chair

Dr. Tarron Richardson, Secretary-Treasurer

Dr. Liz Palmer

Lloyd Snook

Lance Stewart

Paul Oberdorfer

EXECUTIVE DIRECTOR

William I. Mawyer, Jr., P.E.

DIRECTOR OF FINANCE/ADMINISTRATION

Lonzy E. Wood, III

GENERAL COUNSEL

McGuire Woods, LLP
Charlottesville, Virginia

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October 26, 2020

To the Board of Directors
Rivanna Solid Waste Authority
Charlottesville, Virginia

The Comprehensive Annual Financial Report (CAFR) of the Rivanna Solid Waste Authority (Authority) for the fiscal year end June 30, 2020 is submitted herewith. This report has been prepared in conformity with the reporting and accounting standards promulgated by the Government Accounting Standards Board, the Financial Accounting Standards Board, and with the accounting and reporting standards for enterprise funds set out by the Government Finance Officers Association of the United States and Canada, with such modifications as apply to our status as an independently chartered corporation.

Based upon a comprehensive framework of internal control that it has established for this purpose, management assumes responsibility for the completeness and reliability of the information contained in this report. The objective of internal control is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements, because the cost of each internal control should not outweigh the potential benefit.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

ORGANIZATION AND SERVICES PROVIDED

The Rivanna Solid Waste Authority is a regional non-profit public corporation chartered in 1990 under the Virginia Water and Waste Authorities Act (1950, as amended), that currently provides solid waste disposal and recycling services to the region comprised of the City of Charlottesville (City) and Albemarle County (County). The Authority does not provide collection services, which are managed by the City's Public Service Division and various private haulers who serve customers in both the County and the City. The Authority operates under the terms of a Service Agreement signed October 6, 1990 by the officers of the City Council, the County Board of Supervisors, and the Authority. By this agreement, the Authority is to be the sole provider of any landfills, transfer stations, or other solid waste disposal facilities, including recycling and solid waste energy generation, for all solid waste generated within Charlottesville and Albemarle County. The Authority accepted donation of the assets and liabilities and assumed operational responsibility for the Ivy Sanitary Landfill as of February 1, 1991.

The Authority has determined that it is not part of the reporting entity of either the City of Charlottesville or the County of Albemarle (see Note 1 of the notes to the financial statements). The Board appoints an Executive Director, who manages Authority operations under its direction. The Authority's operations mainly consist of the Ivy Material Utilization Center (IMUC), Municipal Solid Waste (MSW) transfer station, recycling activities and supporting administrative functions.

LOCAL ECONOMIC CONDITIONS

Both Charlottesville and Albemarle County enjoyed pre-pandemic low unemployment rates, steady economic growth and high bond ratings. However, the local economy was dramatically affected by the COVID-19 pandemic like the rest of the state and nation. In December 2019, the local area unemployment rate was 2.1%. By April of 2020, the unemployment rate jumped to 9.5%. The June employment situation did improve some with the rate of unemployment decreasing to 7.9%. The Authority is considered an essential service and none of our facilities were closed or significantly impacted. The Authority did not have to furlough any of its employees. The hardest hit sector of the economy and employment sector is the leisure and hospitality industry. The number of jobs decreased 35% over the 12-month comparison. An August preliminary report showed this had improved to a drop of 21%.

The University of Virginia provides a significant buffer against large swings in the economy of our service area. In addition, the Charlottesville urban area is a major retail trade center for the surrounding region. Housing growth remains steady. According to the second quarter Building Report published by the County of Albemarle, building permits were issued for 324 new dwellings units during the April – June 2020 time period. During the same period in the previous year, 198 new dwelling units were permitted. This shows a continued strong housing and construction market. Although the majority of such growth occurs in County developments, in-filling in Charlottesville continues.

The Charlottesville-Albemarle area attracts many visitors to its historic sites and the wine industry has been popular and has served to help benefit the tourism sector of the regional economy. The travel and tourism industry make a vital contribution to the local economy.

LONG-TERM FINANCIAL PLANNING

The Authority is committed to the environmental remediation and post-closure care of the former Ivy Landfill. This challenge is immense in terms of management and economic resources. The next ten-year effort in this area for monitoring and remediation will cost an estimated \$6 to \$7 million.

A memorandum of understanding among the City, the County, the University of Virginia (UVA), and the Authority was signed on January 10, 2005 in which the City, County, and UVA agreed to share in funding the costs of environmental remediation at the former Ivy Landfill which includes implementing the Corrective Action Plan. Obviously, the remediation costs greatly outweigh the ability to generate revenues at Rivanna. This agreement clearly indicates that our associated local governments and UVA are committed to financially supporting this long-term effort to protect and correct adverse impacts on the environment.

MAJOR INITIATIVES

The Authority's major initiatives are focused on its strategic plan and goal to protect the environment and meet the needs of our communities by providing integrated, reliable and convenient solid waste services:

Current Initiatives

- One of the items that resulted from the Ivy Material Utilization Center (IMUC) master plan was the design and construction of a new public recycling center at the IMUC. The facility was in construction and nearly completed by the end of FY 2020. This facility will offer similar recycling opportunities to the community as are offered at the McIntire Recycling Center. The budget for this project was \$350,000 and is being funded by the County of Albemarle.

MAJOR INITIATIVES (CONTINUED)

- Staff continued implementation of the strategic plan adopted more than two years ago. Major initiatives accomplished in this second year were: implementation of revised pay policies approved in the revised personnel management plan, created a new employee orientation video, and offered additional recycling opportunities for oyster shells, pizza boxes, and used cooking oil.
- Increase public engagement through newsletters, media contacts and special events like the pumpkin smash and America Recycles Day.

Future Initiatives

- A planning study of the Paper Sort Recycling facility is being developed. This study will examine the current facility, look for ways to optimize its use, and then make some forward-looking projections to see if the facility can accommodate potential future growth. It is anticipated that the facility will need to be replaced in the next 1 to 5 year period.
- The County of Albemarle is also considering establishing some additional recycling/convenience centers elsewhere in the County. These new facilities will need to be designed and constructed, most likely by the Authority, and incorporated into our operations. Authority staff are working closely with Albemarle County related to these efforts.
- A Buffer Management program will be created next year. The Authority has contracted with a forestry management firm to assess the needs of a significant forested buffer on the east side of the Ivy property.
- Creation of a Recycling Ambassadors program to support customers' recycling efforts and answer frequently asked questions.

See the MD&A for more information.

ACCOUNTING AND BUDGETARY CONTROLS AND FINANCIAL POLICIES

The Authority's accounting records are maintained on the accrual basis of accounting. (See Note 1C of the notes to the financial statements). Internal controls are maintained by segregation of duties and physical and data security systems in all areas of record keeping, billing, cash receipts, disbursements and purchasing authority. These controls are reviewed regularly by staff and are evaluated as part of the annual financial audit (see the Compliance Section of this report).

The Authority is required by the Service Agreement to adopt an annual fiscal year budget for setting tipping fees as well as for fiscal guidance to staff. Budgets include direct costs and provision for equipment replacement as well as allocations of administrative, maintenance, site improvements funding, recycling, and other expenses. The Authority is in a position to offer only those services that can be supported either through fees charged or through local government contributions. Those contributions are governed by various annual agreements with the City and County. Projections of tonnages and expenses by waste category are used to calculate tipping fee requirements for each waste category (see Table 5). A proposed budget incorporating proposed tipping fees and local government contributions is prepared by the Director of Finance and the Executive Director and submitted to the Board of Directors. A public hearing is held on any proposed tipping fee changes with at least fourteen days advance public notice. All budget items lapse at the end of the fiscal year, except encumbrances and contractual commitments.

ACCOUNTING AND BUDGETARY CONTROLS AND FINANCIAL POLICIES (CONTINUED)

Budgetary compliance is monitored and reported to the Board by the Director of Finance and Administration and the Executive Director. Projections of both revenues and expenses are understood to reflect anticipated service levels and to incorporate a variety of economic and demographic forecasts. Variances from budget line items are examined at least monthly to assure a direct relation between costs and actual service levels, emergencies or other contingent conditions.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Rivanna Solid Waste Authority for its Comprehensive Annual Financial Report for the year ended June 30, 2019. This was the twenty fifth consecutive year that this governmental unit has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ANNUAL AUDIT

State law and the Service Agreement require an annual audit of the books and records of the Authority. The opinion of our independent certified public accountants is included in the Financial Section. The concurrent reports on compliance are included in the Compliance Section.

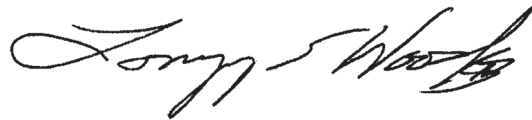
ACKNOWLEDGEMENTS

The help of staff, especially Kathy Ware, Senior Accountant, and of our certified public accountants is gratefully acknowledged. Such help and the Board of Directors' support and commitment to financial reporting excellence are essential to the preparation of this report.

Respectfully submitted,



William I. Mawyer, PE
Executive Director



Lonzy E. Wood, III, CPA
Director of Finance and Administration



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Rivanna Solid Waste Authority
Virginia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

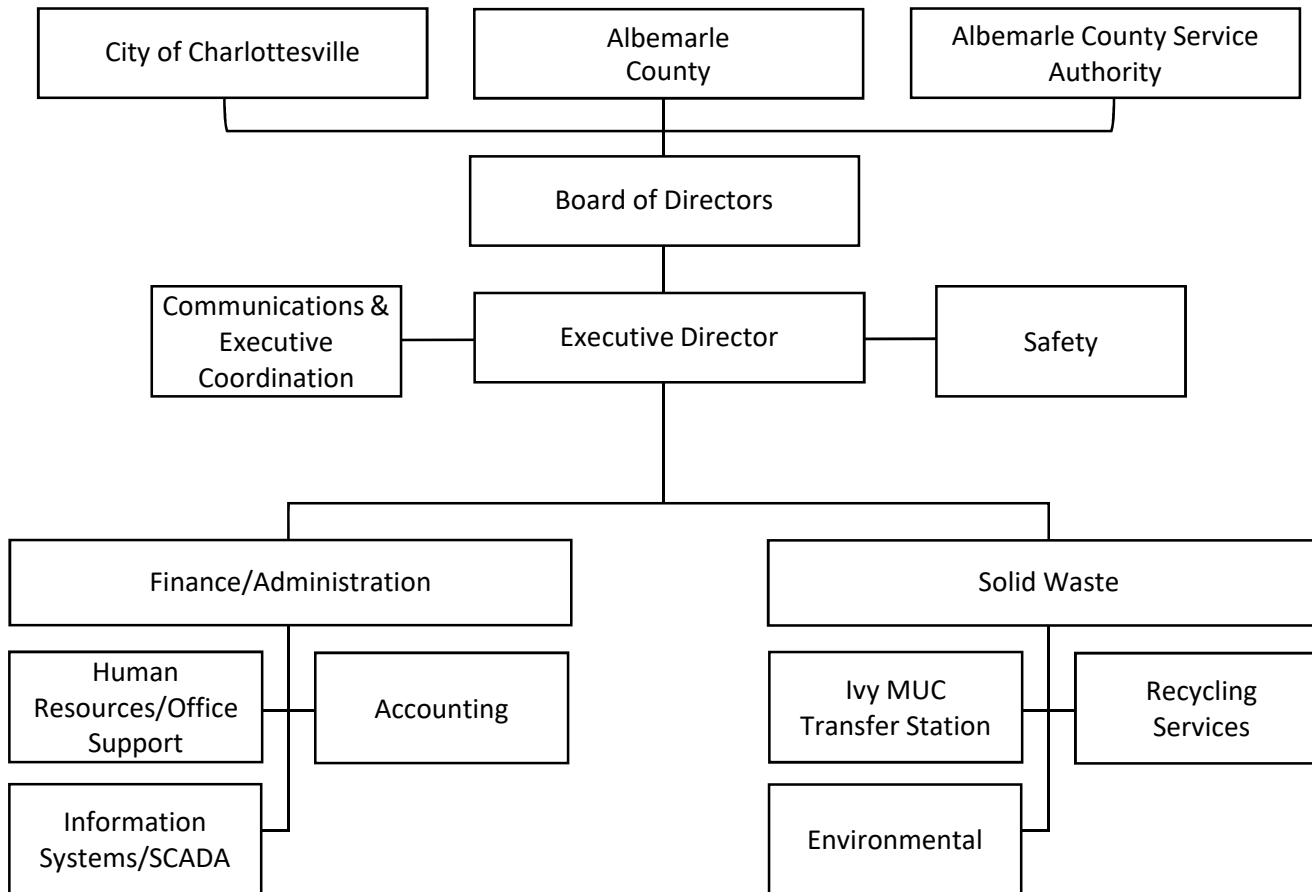
Christopher P. Morill

Executive Director/CEO

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Rivanna Solid Waste Authority

Organizational Chart



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Independent Auditors' Report

**To the Board of Directors
Rivanna Solid Waste Authority
Charlottesville, Virginia**

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Rivanna Solid Waste Authority, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Rivanna Solid Waste Authority, as of June 30, 2020 and 2019, and the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 15 to the financial statements, in 2020, the Authority early implemented, GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules related to pension and OPEB funding on pages 13-21 and 63-68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Rivanna Solid Waste Authority's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2020, on our consideration of Rivanna Solid Waste Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Rivanna Solid Waste Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rivanna Solid Waste Authority's internal control over financial reporting and compliance.

Robinson, Farmer Cox Associates

Charlottesville, Virginia

October 26, 2020

Management's Discussion and Analysis

**To the Board of Directors
Rivanna Solid Waste Authority
Charlottesville, Virginia**

As management of Rivanna Solid Waste Authority (the Authority), we offer readers of our financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 3 through 6 of this report.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. Since the Authority is engaged only in business-type activities, its basic financial statements are comprised of only two components: 1) enterprise fund financial statements and 2) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements.

Enterprise fund financial statements. The enterprise fund financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The statement of net position presents information on the Authority's assets, deferred outflow of resources, liabilities, and deferred inflow of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of revenues, expenses, and changes in net position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The basic enterprise fund financial statements can be found on pages 24 through 27 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 29 through 69 of this report.

Required supplementary information. This report also includes required supplementary information concerning the Authority's progress in funding its obligation to provide pension and other postemployment benefits to its employees. It is located immediately following the notes to financial statements.

Financial Highlights

- The Authority’s total net position increased by approximately \$374,000 this year and by \$769,000 in the prior year, which indicates an improvement in its overall financial position.
- Total operating revenues increased 34% or \$585,000 this year, due to increased tonnages of domestic waste received after a drop in the tipping fee per ton and due to opening on Mondays.
- Transfer Station operating expenses increased by \$689,000 due to the cost of processing more waste and labor costs of increasing operating hours.
- The Authority received \$1.02 million less in capital grant funds this year from the County of Albemarle to fund the construction of the new Ivy transfer station facility due to completing the project in FY 2019.

Financial Analysis

The Authority’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) at the close of the most recent fiscal year by \$7.66 million. Total net position increased by \$374,000 this year and by \$769,000 in FY 2019. Net position invested in capital assets increased by \$2.35 million in FY 2019 due to capital expenditures in building the new transfer station. The Authority uses these capital assets to provide services to its customers, so these assets are not available for future spending. Unrestricted net position has been negative for the past few years, because estimated landfill closure and post-closure costs for many years to come have been recorded as liabilities. However, these costs are funded on a pay-as-you-go basis through financial assurance provided by local government contributions.

	Net Position		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Current and other assets	\$ 4,007,797	\$ 3,656,408	\$ 3,991,850
Capital assets	10,067,073	10,089,921	9,285,711
Total assets	<u>\$ 14,074,870</u>	<u>\$ 13,746,329</u>	<u>\$ 13,277,561</u>
Deferred outflows of resources	<u>\$ 115,639</u>	<u>\$ 78,445</u>	<u>\$ 36,862</u>
Noncurrent liabilities	\$ 5,438,762	\$ 5,517,271	\$ 5,633,047
Current liabilities	1,067,494	1,000,152	1,119,761
Total liabilities	<u>\$ 6,506,256</u>	<u>\$ 6,517,423</u>	<u>\$ 6,752,808</u>
Deferred inflows of resources	<u>\$ 25,630</u>	<u>\$ 22,635</u>	<u>\$ 46,005</u>
Net position:			
Net Investment in capital assets	\$ 10,061,747	\$ 10,062,470	\$ 9,192,978
Unrestricted	<u>(2,403,124)</u>	<u>(2,777,754)</u>	<u>(2,677,368)</u>
Total net position	<u>\$ 7,658,623</u>	<u>\$ 7,284,716</u>	<u>\$ 6,515,610</u>

Total operating revenues have seen significant growth in the past two years with a 34% increase this year and 31% increase in the prior year. Tipping fee revenues were the reason for this growth in revenues. Several changes that are discussed in the Operations review caused these increases. Tipping fees for clean fill and vegetative materials saw a \$111,000 increase this year and \$68,000 last year. Fluctuations of these materials are affected by construction activity in the region. Recycling revenues have decreased during the past two years due to significant declines in market prices.

Financial Analysis: (Continued)

Contributions received from the City of Charlottesville, the County of Albemarle, and the University of Virginia to fund remediation costs increased by \$686,800 this year compared to a \$13,000 decrease in the prior year. The contributions were based on changes in estimated remediation costs budgeted for each fiscal year reduced by the planned use of \$390,000 of reserves in FY 2019. The County and City also contributed \$1,423,200 this year as budgeted to help fund estimated operating expenses, which was \$344,700 more than the amount contributed in the prior year.

Transfer station expenses increased 49% this year and 56% last year due to the huge increases in waste received. See the Review of Operations section for more information.

	Changes in Net Position		
	2020	2019	2018
Revenues:			
Operating revenues:			
Tipping fees	\$ 2,025,890	\$ 1,321,174	\$ 878,841
Recycling revenues	78,620	152,871	195,912
Other revenues	193,129	238,541	233,133
Nonoperating revenues:			
Local government contributions - remediation support	1,070,582	383,742	396,787
Local government contributions - operations support	1,423,208	1,078,539	747,161
Grants	24,693	29,597	27,118
Interest earned	44,016	69,162	50,437
Other income	5,556	7,308	8,034
Gain on disposal of assets	-	-	5,846
Capital grants	52,948	1,075,125	1,771,792
Total revenues	<u>\$ 4,918,642</u>	<u>\$ 4,356,059</u>	<u>\$ 4,315,061</u>
Expenses:			
Operating expenses:			
Administration	\$ 734,937	\$ 687,571	\$ 496,812
Transfer station	2,108,670	1,419,777	909,581
Ivy Material Utilization Center	433,143	359,715	298,782
Ivy environmental	497,466	524,934	425,466
Recycling programs	587,334	431,398	455,216
Depreciation	178,921	120,830	58,566
Nonoperating expenses:			
Loss on disposal of assets	4,264	42,728	-
Total expenses	<u>\$ 4,544,735</u>	<u>\$ 3,586,953</u>	<u>\$ 2,644,423</u>
Change in net position	\$ 373,907	\$ 769,106	\$ 1,670,638
Net position, beginning of year, as restated	<u>7,284,716</u>	<u>6,515,610</u>	<u>4,844,972</u>
Net position, end of year	<u>\$ 7,658,623</u>	<u>\$ 7,284,716</u>	<u>\$ 6,515,610</u>

Capital Asset and Debt Administration

Capital Assets - The Authority's investment in capital assets net of accumulated depreciation decreased by \$23,000 this year compared to an \$804,000 increase in the previous year. The main reason for the decrease in net capital assets this year is depreciation.

Construction costs of \$219,700 were incurred on the New Ivy Convenience Center project and other capital projects this year. The Landfill Cap Settlement Repairs project was delayed and the \$63,700 of accumulated prior year costs in construction in progress were expensed this year. The Authority spent \$44,000 on improvements to the New Ivy Transfer Station and sold equipment with a book value of \$17,000.

In FY 2019, \$553,000 was spent to complete the construction of the new transfer station in Ivy, and \$279,000 was spent on a new gas flare system; both of which were capitalized (\$3.4 million) as completed and moved from construction in progress to building and fixtures. Other equipment costing \$443,000 was purchased in FY 2019, and there was a \$51,400 loss on the abandonment of the conveyor equipment with the decommissioning of the old transfer station.

Depreciation of \$178,900 and \$120,800 was recorded in fiscal year 2020 and 2019, respectively. Below is a comparison of the items that make up net capital assets at the end of the past three fiscal years.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Land, land improvements and landfill site	\$ 5,943,439	\$ 5,943,439	\$ 5,943,439
Construction in progress	219,748	91,121	2,743,868
Buildings and fixtures	3,185,832	3,247,679	95,674
Vehicles and equipment	<u>718,054</u>	<u>807,682</u>	<u>502,730</u>
Total capital assets, net	<u>\$ 10,067,073</u>	<u>\$ 10,089,921</u>	<u>\$ 9,285,711</u>

Additional information about the Authority's capital assets may be found in Notes 3 and 4 of the notes to the financial statements.

Long-Term Debt - The Authority has a \$5.6 million obligation to close the transfer station and landfill site and to perform post-closure monitoring. This liability has decreased by \$126,000 or 2% for the past two years. More detailed information on the Authority's long-term liabilities is presented in the Review of Operations section and in Notes 7 and 9 of the notes to the financial statements.

Review of Operations

General: This was the first full year of operation for the new Ivy transfer station. The new Ivy transfer station was completed and opened on September 25, 2018 and was not fully utilized for the entire 2019 fiscal year. This new transfer station was constructed to replace the open-air transfer station that was required to be decommissioned by the Virginia Department of Environmental Quality (DEQ).

Review of Operations: (Continued)

This project was prompted several years ago because the existing transfer station, which was built in the late 1990s, did not meet modern permitting requirements as determined by DEQ. The new transfer station has a capacity to process 300 tons of solid waste per day and is designed to more efficiently handle traffic flow to help eliminate customer waiting times for offloading their waste.

The impacts related to the overall economic shutdown in the later part of the fiscal year as a result of the Covid-19 pandemic were minimal. The Authority is considered an essential service and operating hours were not altered. There were a few impacts that are noted later in this review of operations. As of the date of writing this MDA, there were no reported confirmed positive cases of the virus at the Authority.

Municipal Solid Waste Transfer Station: The MSW transfer station in Ivy accepts MSW and small loads of construction debris from residential and commercial haulers. The waste is loaded into top loading trailers, and a contractor hauls and disposes of the waste at a contracted facility in Amelia County. Because of the more efficient customer traffic flow design and less wait times mentioned above, several commercial haulers returned to Ivy for their waste disposal needs. This was one of several significant reasons for MSW tipping fee revenues to increase \$1 million over the last 2 years. Tonnages nearly doubled between fiscal years 2018 to 2019 and increased another 79% between fiscal years 2019 to 2020. See the chart below comparing the total tons received for the last 4 years.

Municipal Solid Waste Annual Tonnages	
FY 2017	8,340.56
FY 2018	8,423.12
FY 2019	16,404.44
FY 2020	29,364.31

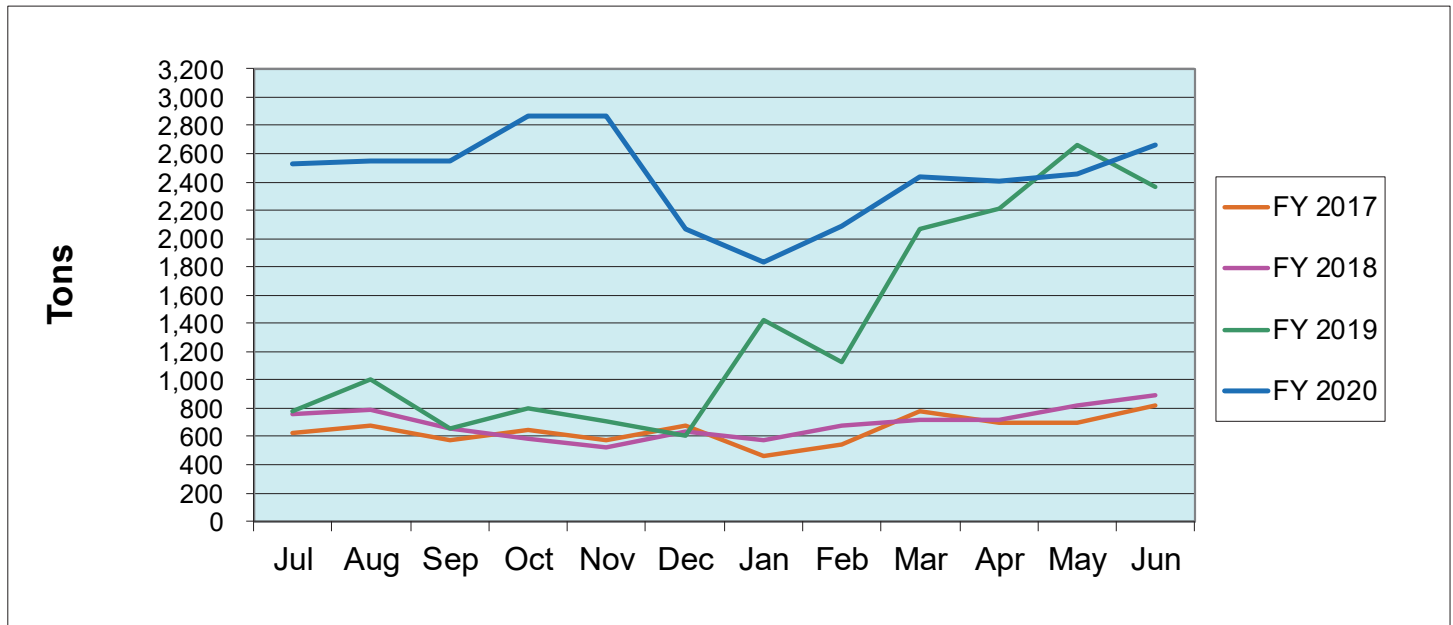
The Board approved the reduction of the domestic waste tipping fee from \$66 per ton to \$52 per ton effective January 1, 2019. This was another reason for the increase in tonnages shown in the previous chart. This was at the request and consent of the County of Albemarle Board of Supervisors. The purpose of this was to generate more waste tonnages to take advantage of economies of scale. The differential (or margin) of variable costs per ton disposal at \$45.75 per ton and the charge per ton of \$52 at higher tonnages volume would help reduce the overall costs when factoring in relative fixed costs to operate the facility. This drop in the per ton tipping fee also made the transfer station more competitive with other facilities within the regional MSW disposal market.

Hours of operation at the Ivy transfer station were reduced in FY 2014 by closing on all Mondays to help reduce costs during a time of economic downturn and reducing the need for local funding from the County. For FY 2019, the Board recognized that there was a need to better serve the public and being closed on Mondays was not consistent with that goal. The Authority began opening Mondays on March 18, 2019. The additional hours of operation also contributed to the increased tonnages previously mentioned.

Both of the decisions had a positive effect on the volume of tonnage received. As you can see from the chart below, the monthly tonnages received dramatically increased in January and March of 2019 primarily due to these two decisions and explains the significant increase in tipping fee revenues previously mentioned.

Review of Operations: (Continued)

Ivy MSW Transfer Station Tonnages FY 2017-2020



Ivy Material Utilization Center (IMUC): Waste items are received at the IMUC, where most of the items are processed for sale or reuse, such as metals, tires, grindable vegetative material, and pallets. Clean fill, which is inert material, is accepted as well. Tipping fees from these items generated \$388,000 in gross revenues for the Authority this year. This is a 35% increase over last year driven by much higher volumes of clean fill and vegetative materials being received. There were no changes to the operation for the current year. The resale of items such as scrap metal and mulch resulted in revenues of \$86,000 which was a decrease of 18%. During the Covid-19 event, Ivy closed the Encore shop, which is the service where customers can purchase reusable items like discarded bikes, grills, lawn equipment and more. Hauling fees decreased \$24,000 to \$16,000 this year due to a change in operation. The IMUC continues to have the semiannual household hazardous waste (HHW) events for collection of paint, batteries, and other HHW, which is a very popular program. The public drop-off recycling center that collects waste paper remained at the center this year.

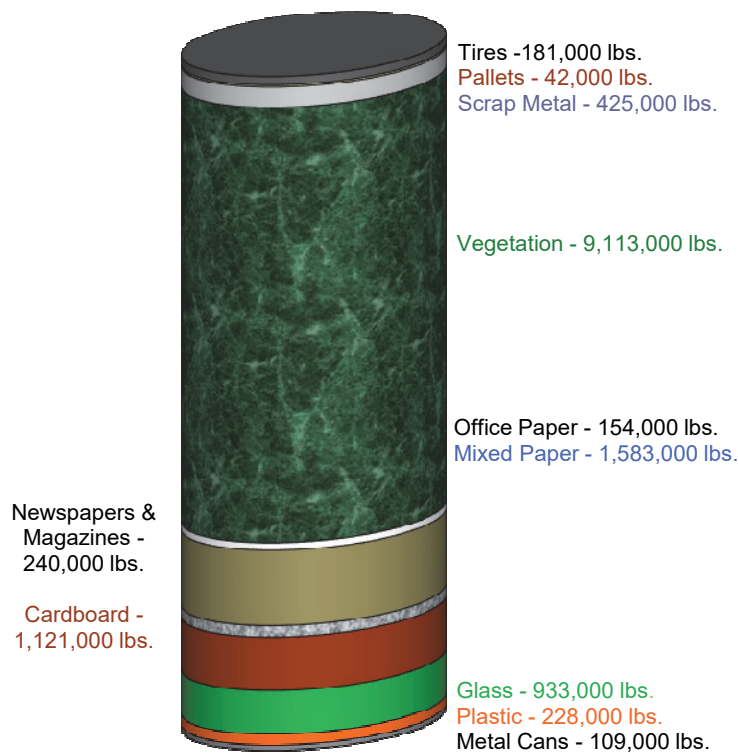
The Authority continued to offer the organic compost collection and receiving program at IMUC. This program is mostly a working partnership with UVa Facilities Management to receive compostable food waste materials from UVa sources and contract with a private vendor to compost the materials for end users off site. The Authority was also able to provide bins to the general public at no charge to collect compostable materials. This program generated \$67,000 in revenues and processed approximately 379 tons of food waste.

Review of Operations: (Continued)

Recycling: The Authority assumed operational responsibility as of February 1992 for the McIntire Road Recycling Center (a drop-off facility located in the City). This center collects many of the traditional items (paper, glass, plastic, and cans) for recycling and other non-traditional items, like used books, phone books, and Christmas trees.

RSWA FY 2020 Recycling & Reuse

McIntire Recycling Center, Paper Sort Facility, and Ivy Material Utilization Center



14,129,000 Pounds of Waste Diverted for Reuse or Recycling

The Paper Sort Facility functions as a transfer station where the Authority receives newspaper, magazines, cardboard, and file stock (fiber products), and plastic from the McIntire recycling center, Ivy MUC, other smaller collection sites in the County, and private haulers. The baler is used to ready the cardboard, boxboard, and plastic for transportation. Contracts are in place to sell and transport these products to mills and processors, and many of our contractors consider our recycled material to be high quality relative to the material and the handling process (source separating and compact baling.) This minimizes contamination in the materials. Recycling tonnages received for FY 2020 were fairly flat with a decrease of 1.7%. However, these tonnages generated significantly less revenues compared to FY 2019. Recycling operations generated \$78,600 in revenues for FY 2020, which was a decrease of \$74,000 from FY 2019 and \$117,000 less revenues compared to FY 2018. This was caused by significant declines in market prices for recycled materials over the last two years. Cardboard, one of our largest revenue producers, had a market price drop of 47% from June 2018 to June 2020. Newspaper, another high-end revenue producer, had a 65% market price decline over that same two-year period. This graphic above shows the amounts of all materials that were diverted from the waste stream by both the recycling operations and the operations at Ivy in FY 2020. For more information, see Table 4 in the Statistical Section.

Review of Operations: (Continued)

The Authority, with the financial backing of the County of Albemarle, designed and began construction of a new recycling center at Ivy (a.k.a. the Ivy Convenience Center). The construction was nearly complete at the end of the fiscal year. The new convenience center is located where the old open-air transfer station operated at Ivy. This center will offer more items to collect from citizens and will have an improved traffic flow design. Construction in progress at year end was \$180,000 and is not expected to exceed the \$350,000 budget. The center officially opened July 1, 2020.

Ivy Convenience Center Construction



Operation of this center is estimated to increase the Authority's budgeted expenses roughly \$300,000, which will be funded by the County of Albemarle (net of any revenues) per an agreement adopted by both the Board of Directors and the County Board of Supervisors.

Administration: By mutual agreement of the respective Boards of Directors, the Authority shares administrative staff and office space with the Rivanna Water and Sewer Authority and pays an allocated share of joint expenses. Administrative procedures were implemented to ensure proper segregation of funds, purchasing activity, personnel and similar matters. The Solid Waste Authority paid the Water Authority \$466,000 for this joint administrative service this year and \$460,000 in the previous year, as budgeted to fund projected administrative expenses.

Environmental Remediation: The Authority has long-term obligations for the remediation of the Ivy Landfill. In the late 1990s, it was confirmed that groundwater contamination had occurred at Ivy, contained within the boundary of the landfill property but beyond the footprint of the landfill cells. A remediation program was developed that began with a "pump and treat" system on the west side. This effort was superseded in 2006 by a site-wide enhanced bioremediation program. Enhanced Bioremediation included the injection of carefully selected substrate material into the groundwater to enhance the natural chemical reduction of the contamination to clean groundwater. In July 2013, the injection of substrate was suspended to allow the long-term effects of the groundwater remediation efforts to be evaluated. Groundwater monitoring continues to show that groundwater contamination remains on-site, stable, and that off-site receptors are protected from impacts. Substrate injections may be resumed as needed maintain control of the groundwater plumes.

Review of Operations: (Continued)

This is part of the Authority's continued proactive strategy to meet the ongoing obligations and regulatory requirements at the Ivy Landfill. Through an extensive program of groundwater monitoring and remediation activities, historical contamination has been constrained onsite and continues to be closely monitored to observe the efficacy of the program and protection of human and ecological health.

Air quality continues to be managed by operation of a site-wide, active gas collection system and continued system evaluation. In August 2018, a new landfill gas flare was installed to replace the existing flare. The new flare is a smaller model flare that is appropriately sized to manage the much-reduced quantity of landfill gas that is being produced from the closed waste disposal cells.

Continued maintenance of the closed landfill cells is ongoing. This includes maintenance of stormwater ditches and erosion control structures as well as the landfill caps themselves. A protocol has been developed to evaluate the future need to recap sections of the landfill that have witnessed significant settlement caused by the decay of buried wastes. This recapping will be necessary to maintain the effectiveness of the landfill caps and limit the infiltration of precipitation into the waste. These recapping efforts will appear in future budget estimates and are expected to occur at a frequency of every 5 to 10 years.

Due to recent changes in Virginia's dam safety requirements, the dam at the landfill, historically used as a source for irrigation water, is being modified so that it continues to be below the size that triggers Virginia Department of Conservation and Recreation permitting.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department at 695 Moores Creek Lane, Charlottesville, Virginia 22902-9016.

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Basic Financial Statements

Statement of Net Position
At June 30, 2020 and 2019

	At June 30,	
	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents (Notes 1 & 2)	\$ 3,615,687	\$ 3,305,337
Accounts receivable	256,253	227,514
Prepaid items	10,200	-
Total current assets	<u>\$ 3,882,140</u>	<u>\$ 3,532,851</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents (Notes 1 & 2)	\$ 125,657	\$ 123,557
Total restricted assets	<u>\$ 125,657</u>	<u>\$ 123,557</u>
Capital assets (Note 3):		
Land and improvements	\$ 5,943,439	\$ 5,943,439
Buildings and fixtures	3,480,659	3,844,316
Landfill site	5,665,500	5,665,500
Ivy landfill equipment	1,116,295	1,183,825
Vehicles	753,222	794,043
Office equipment	-	16,736
Recycling facilities equipment	389,984	389,984
Accumulated depreciation (Note 3)	<u>(7,501,774)</u>	<u>(7,839,043)</u>
Subtotal	<u>\$ 9,847,325</u>	<u>\$ 9,998,800</u>
Construction in progress (Note 4)	<u>\$ 219,748</u>	<u>\$ 91,121</u>
Total net capital assets	<u>\$ 10,067,073</u>	<u>\$ 10,089,921</u>
Total noncurrent assets	<u>\$ 10,192,730</u>	<u>\$ 10,213,478</u>
Total assets	<u>\$ 14,074,870</u>	<u>\$ 13,746,329</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pension (Note 6)	\$ 91,120	\$ 73,017
Deferred outflows - OPEB - group life insurance (Note 11)	<u>24,519</u>	<u>5,428</u>
Total deferred outflows of resources	<u>\$ 115,639</u>	<u>\$ 78,445</u>

The accompanying notes to financial statements are an integral part of this statement.

Statement of Net Position (continued)
At June 30, 2020 and 2019

	<u>At June 30,</u>	
	<u>2020</u>	<u>2019</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	\$ 501,135	\$ 421,439
Retainage payable	5,326	27,451
Accrued landfill corrective action and post-closure costs	485,893	483,443
Compensated absences - current portion (Note 9)	37,657	30,336
Other long-term obligation -current portion (Note 13)	<u>37,483</u>	<u>37,483</u>
Total current liabilities	<u>\$ 1,067,494</u>	<u>\$ 1,000,152</u>
Noncurrent liabilities:		
Payable from restricted assets:		
Accrued transfer station closure costs (Note 7)	\$ 125,657	\$ 123,557
Accrued corrective action costs (Note 7)	2,883,964	2,886,799
Accrued post-closure monitoring costs (Note 7)	2,150,889	2,277,622
Other long-term obligation (Note 13)	1,004	38,488
Net pension liability (Note 6)	222,897	154,805
Net OPEB liability (Note 11)	<u>54,351</u>	<u>36,000</u>
Total noncurrent liabilities	<u>\$ 5,438,762</u>	<u>\$ 5,517,271</u>
Total liabilities	<u>\$ 6,506,256</u>	<u>\$ 6,517,423</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pension (Note 6)	\$ 22,170	\$ 19,635
Deferred inflows - OPEB - group life insurance (Note 11)	<u>3,460</u>	<u>3,000</u>
Total deferred inflows of resources	<u>\$ 25,630</u>	<u>\$ 22,635</u>
NET POSITION		
Net position:		
Net Investment in capital assets	\$ 10,061,747	\$ 10,062,470
Unrestricted	<u>(2,403,124)</u>	<u>(2,777,754)</u>
Total net position	<u>\$ 7,658,623</u>	<u>\$ 7,284,716</u>

The accompanying notes to financial statements are an integral part of this statement.

Statement of Revenues, Expenses and Changes in Net Position
 Years Ended June 30, 2020 and 2019

	Year Ended June 30,	
	2020	2019
Operating revenues:		
Tipping fees	\$ 2,025,890	\$ 1,321,174
Recycling revenues	78,620	152,871
Other revenues	193,129	238,541
Total operating revenues	<u>\$ 2,297,639</u>	<u>\$ 1,712,586</u>
Operating expenses:		
Administration	\$ 734,937	\$ 687,571
Transfer station	2,108,670	1,419,777
Ivy Material Utilization Center	433,143	359,715
Ivy environmental	497,466	524,934
Recycling programs	587,334	431,398
Depreciation	178,921	120,830
Total operating expenses	<u>\$ 4,540,471</u>	<u>\$ 3,544,225</u>
Operating income (loss)	<u>\$ (2,242,832)</u>	<u>\$ (1,831,639)</u>
Nonoperating revenues (expenses):		
Interest earned	\$ 44,016	\$ 69,162
Local government contributions - remediation support	1,070,582	383,742
Local government contributions - operations support	1,423,208	1,078,539
Other income	5,556	7,308
Grants	24,693	29,597
Gain (loss) on disposal of assets	(4,264)	(42,728)
Total nonoperating revenues (expenses)	<u>\$ 2,563,791</u>	<u>\$ 1,525,620</u>
Income before capital grants	\$ 320,959	\$ (306,019)
Capital grants	<u>52,948</u>	<u>1,075,125</u>
Change in net position	\$ 373,907	\$ 769,106
Net position, beginning of year	<u>7,284,716</u>	<u>6,515,610</u>
Net position, end of year	<u><u>\$ 7,658,623</u></u>	<u><u>\$ 7,284,716</u></u>

The accompanying notes to financial statements are an integral part of this statement.

Statement of Cash Flows
Years Ended June 30, 2020 and 2019

	<u>Year Ended June 30,</u>	
	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from customers and users	\$ 2,274,456	\$ 1,681,674
Payments to suppliers	(3,213,848)	(2,227,504)
Payments to and on behalf of employees	(1,322,630)	(1,145,006)
Net cash provided by (used for) operating activities	<u>\$ (2,262,022)</u>	<u>\$ (1,690,836)</u>
Cash flows from noncapital financing activities:		
Contributions from local governments	\$ 2,493,790	\$ 1,462,281
Grant income	24,693	29,597
Net cash provided by (used for) noncapital financing activities	<u>\$ 2,518,483</u>	<u>\$ 1,491,878</u>
Cash flows from capital and related financing activities:		
Additions to capital assets	\$ (53,711)	\$ (1,330,685)
Proceeds from the disposal of capital assets	12,736	11,694
Capital grants	52,948	1,075,125
Net cash provided by (used for) capital and related financing activities	<u>\$ 11,973</u>	<u>\$ (243,866)</u>
Cash flows from investing activities:		
Interest received	\$ 44,016	\$ 69,162
Net cash provided by (used for) investing activities	<u>\$ 44,016</u>	<u>\$ 69,162</u>
Increase (decrease) in cash and cash equivalents	\$ 312,450	\$ (373,662)
Cash and cash equivalents at beginning of year (including \$123,557 and \$176,539, respectively reported in restricted accounts)	<u>3,428,894</u>	<u>3,802,556</u>
Cash and cash equivalents at end of year (including \$125,657 and \$123,557 respectively reported in restricted accounts)	<u>\$ 3,741,344</u>	<u>\$ 3,428,894</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (2,242,832)	\$ (1,831,639)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	178,921	120,830
Other nonoperating income	5,556	7,308
Changes in operating assets and liabilities, deferred outflows of resources and deferred inflows of resources:		
(Increase) decrease in accounts receivable and prepaid items	(38,939)	(38,220)
Increase (decrease) in accounts payable and accrued expenses	(61,791)	224,485
Increase (decrease) in net OPEB liability	18,351	-
Increase (decrease) in other long-term obligations	(37,484)	(37,483)
Increase (decrease) in compensated absences	7,321	(3,355)
Increase (decrease) in net pension liability	68,092	57,984
(Increase) decrease in deferred outflows of resources - pension	(18,103)	(38,488)
Increase (decrease) in deferred inflows of resources - pension	2,535	(22,370)
(Increase) decrease in deferred outflows of resources - OPEB - GLI	(19,091)	(3,095)
Increase (decrease) in deferred inflows of resources - OPEB - GLI	460	(1,000)
Increase (decrease) in accrued landfill and transfer station obligations	(125,018)	(125,793)
Net cash provided by (used for) operating activities	<u>\$ (2,262,022)</u>	<u>\$ (1,690,836)</u>
Noncash investing, capital and financing activities:		
(Increase) decrease in retainage payable for capital assets	<u>\$ 22,125</u>	<u>\$ 65,282</u>

The accompanying notes to financial statements are an integral part of this statement.

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RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Rivanna Solid Waste Authority is a jointly governed organization formed by the City of Charlottesville and the County of Albemarle pursuant to the Virginia Water and Waste Authorities Act (Code of Virginia, 1950 as amended). The Authority was formed to develop regional garbage and refuse disposal, as such terms are defined in Section 15.2-5101 of the Act, including development of systems and facilities for recycling, waste reduction and disposal alternatives with the ultimate goal of acquiring, financing, constructing, and/or operating and maintaining regional solid waste disposal areas, systems and facilities, all pursuant to the provisions of the Act. The Authority began operations on February 1, 1991.

A. Financial Reporting Entity

The Rivanna Solid Waste Authority provides the services mentioned above to the citizens of its participating governments, City of Charlottesville and County of Albemarle. However, these participating governments do not have a financial interest in or responsibility to the Authority.

The Authority's governing body is comprised of three members appointed by the City, three members appointed by the County, and one member who is jointly appointed by the City and County. Therefore, none of the participants appoints a voting majority of board members.

The Authority is perpetual. No participating government has access to its resources or surpluses, nor is any participant liable for the Authority's debts or deficits. The Authority also has the ability to finance its capital projects through user charges or the sale of revenue bonds.

Based on the above representations, the Rivanna Solid Waste Authority has been determined to be a jointly governed organization of the City of Charlottesville and County of Albemarle. The Authority is not a component unit of either of the participating governments.

For purposes of reporting entity disclosure, it should be noted that a separate entity, the Rivanna Water & Sewer Authority, provides wholesale water and sewer services to the City of Charlottesville and the Albemarle County Service Authority. Although certain administrative employees provide services to both Authorities, each Authority is operationally and legally independent.

B. Basic Financial Statements

As a requirement of GASB Statement 34, the financial statements include a Management's Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.

Since the Authority is only engaged in business-type activities, it is required to present only the financial statements required for enterprise funds. For the Authority, the basic financial statements and required supplementary information consist of:

- Management's discussion and analysis

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

B. Basic Financial Statements (Continued)

- Enterprise fund financial statements
 - Statement of Net Position
 - Statement of Revenues, Expenses, and Changes in Net Position
 - Statement of Cash Flows
 - Notes to Financial Statements

- Required Supplementary Information
 - Schedule of Changes in Net Pension Liability and Related Ratios
 - Schedule of Employer Contributions-Pension Plan
 - Notes to Required Supplementary Information-Pension Plan
 - Schedule of Authority's Share of Net OPEB Liability-Group Life Insurance Plan
 - Schedule of Employer Contributions-Group Life Insurance Plan
 - Notes to Required Supplementary Information-Group Life Insurance Plan

C. Basis of Accounting

The Rivanna Solid Waste Authority operates as an enterprise fund and its accounts are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash. The Authority accrues revenue for services rendered but not yet billed at the end of the fiscal year.

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Cash Equivalents

The Authority's Cash and cash equivalents include cash on hand, amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. For purposes of the statement of cash flows, the Authority considers their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

E. Restricted Assets

Certain cash accounts held by the Authority are set aside for landfill and transfer station closure and landfill post-closure monitoring costs. The accounts are properly classified as restricted assets on the balance sheet. Regulations require the Authority to maintain the restricted accounts for the landfill and transfer station closure and landfill post-closure monitoring costs.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the financial statements. Capital assets are defined by the Authority as assets with an initial individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The City of Charlottesville and the County of Albemarle contributed certain landfill assets to the Authority. These assets are all reported at their acquisition value on the date donated. Landfill vehicles and equipment are valued based upon estimates by Authority personnel. Landfill cells and the landfill site were valued by the Authority's consulting engineer. The engineer also estimated the accrued landfill closure and related expenses. The remaining land area at the landfill site is reported at its value as a landfill site. If the Authority determines that the Ivy site will no longer be used for future waste disposal, the value will be adjusted to its fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is recognized as an expense when incurred instead of being included in the historical cost of constructed capital assets, pursuant to Governmental Accounting Standards Board (GASB) Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period.

Depreciation of landfill cell development and site costs is recorded based on remaining units of capacity.

Property, plant, equipment and infrastructure are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & Fixtures	15 to 40
Vehicles and equipment	5 to 15

Total depreciation for the years ended June 30, 2020 and 2019 was \$178,921 and \$120,830, respectively.

G. Other Significant Accounting Policies

Accounts receivable are stated at book value utilizing the direct write-off method for immaterial uncollectible accounts.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

H. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments (external investment pools) are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

I. Inventory

Consumption of materials and supplies is recorded as an expense when used. No inventory amounts are recorded as an asset, as available inventories are not significant.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. Net Position

The difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

L. Reclassification

Certain amounts in previously issued financial statements have been restated to conform to current year classifications.

M. Closure and Post-Closure Obligations

The Authority records all estimated closure costs for existing cells as a liability. Upon final closure of the landfill site, the Authority is then responsible, under current Federal regulations, for maintaining the closed site for the following thirty years.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

N. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority has two types of items that qualify for reporting in this category. One type is comprised of certain items related to the measurement of the net pension liability. It is comprised of contributions to the pension plan made during the current year and subsequent to the net pension liability measurement date, which will be recognized as a reduction of the net pension liability next fiscal year, differences between expected and actual experience, and net difference between projected and actual pension plan earnings. Another type of deferred outflow is related to the Group Life Insurance Plan (GLI OPEB Plan). It consists of employer contributions to the OPEB plan in the current year and subsequent to the OPEB liability measurement date, which will be recognized as a reduction of the net GLI OPEB liability next fiscal year, differences between expected and actual experience, and changes in proportionate share between measurement dates.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has two types of items that qualify for reporting in this category. Items related to the measurement of the net pension liability that are reported as deferred inflows of resources include differences between expected and actual experience, changes in assumptions, and the net difference between projected and actual earnings on pension plan investments. Deferred inflows of resources related to the measurement of the net GLI OPEB liability include differences between expected and actual experience, the net difference between projected and actual earnings on GLI OPEB plan investments, and changes in assumptions.

For more detailed information regarding deferred outflows and inflows of resources related to the pension plan, refer to Note 6. For more information on those related to the GLI OPEB Plan, refer to Note 11.

O. Net Position Flow Assumption

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

P. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority's Retirement Plan and the additions to/deductions from the Authority's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Q. Other Postemployment Benefits (OPEB)

Group Life Insurance

For purposes of measuring the net GLI Plan OPEB liability, deferred outflows of resources and deferred inflows of resources related to the GLI OPEB, and GLI OPEB expense, information about the fiduciary net position of the VRS GLI Plan OPEB and the additions to/deductions from the VRS GLI OPEB's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2—DEPOSITS AND INVESTMENTS:

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper that has received at least two of the following ratings: P-1 by Moody's Investors Service, Inc.; A-1 by Standard and Poor's; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker's acceptances, repurchase agreements, and the State Treasurer's Local Government Investment Pool (LGIP).

The Authority does not have a formal investment policy that addresses credit risk or interest rate risk.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 2—DEPOSITS AND INVESTMENTS: (CONTINUED)

Credit Risk of Debt Securities

The Authority's rated debt investments as of June 30, 2020 and 2019 were rated by Standard & Poor's and the ratings are presented below using the Standard & Poor's rating scale.

Authority's Rated Debt Investments' Values - 2020

<u>Rated Debt Investments</u>	<u>Fair Quality Ratings</u>
	<u>AAAm</u>
Local Government Investment Pool	\$ 642,474
Total	<u>\$ 642,474</u>

Authority's Rated Debt Investments' Values - 2019

<u>Rated Debt Investments</u>	<u>Fair Quality Ratings</u>
	<u>AAAm</u>
Local Government Investment Pool	\$ 2,091,251
Total	<u>\$ 2,091,251</u>

Interest Rate Risk

Investment Maturities (in years) - 2020

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>
Local Government Investment Pool	\$ 642,474	\$ 642,474
Total	<u>\$ 642,474</u>	<u>\$ 642,474</u>

Investment Maturities (in years) - 2019

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>
Local Government Investment Pool	\$ 2,091,251	\$ 2,091,251
Total	<u>\$ 2,091,251</u>	<u>\$ 2,091,251</u>

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 2—DEPOSITS AND INVESTMENTS: (CONTINUED)

External Investment Pool

The fair value of the positions in the external investment pool (Local Government Investment Pool) is the same as the value of the pool shares. As LGIP is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP is an amortized cost basis portfolio. There are no withdrawal limitations or restrictions imposed on participants.

NOTE 3—CAPITAL ASSETS:

A summary of changes in capital assets for the year ended June 30, 2020 follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Capital assets not being depreciated:				
Land and improvements	\$ 5,943,439	\$ -	\$ -	\$ 5,943,439
Construction in progress	91,121	219,748	91,121	219,748
Total capital assets not being depreciated	<u>\$ 6,034,560</u>	<u>\$ 219,748</u>	<u>\$ 91,121</u>	<u>\$ 6,163,187</u>
Other Capital Assets:				
Buildings & fixtures	\$ 3,844,316	\$ 44,446	\$ 408,103	\$ 3,480,659
Accumulated depreciation	(596,637)	(104,293)	(406,103)	(294,827)
Landfill site	5,665,500	-	-	5,665,500
Accumulated depreciation	(5,665,500)	-	-	(5,665,500)
Ivy Landfill equipment	1,183,825	-	67,530	1,116,295
Accumulated depreciation	(778,078)	(28,715)	(52,530)	(754,263)
Vehicles	794,043	-	40,821	753,222
Accumulated depreciation	(499,093)	(35,084)	(40,821)	(493,356)
Office equipment	16,736	-	16,736	-
Accumulated depreciation	(16,736)	-	(16,736)	-
Recycling facilities equipment	389,984	-	-	389,984
Accumulated depreciation	(282,999)	(10,829)	-	(293,828)
Other capital assets, net	<u>\$ 4,055,361</u>	<u>\$ (134,475)</u>	<u>\$ 17,000</u>	<u>\$ 3,903,886</u>
Capital assets, net	<u>\$ 10,089,921</u>	<u>\$ 85,273</u>	<u>\$ 108,121</u>	<u>\$ 10,067,073</u>

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 3—CAPITAL ASSETS: (CONTINUED)

A summary of changes in capital assets for the year ended June 30, 2019 follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
Capital assets not being depreciated:				
Land and improvements	\$ 5,943,439	\$ -	\$ -	\$ 5,943,439
Construction in progress	2,743,868	832,276	3,485,023	91,121
Total capital assets not being depreciated	<u>\$ 8,687,307</u>	<u>\$ 832,276</u>	<u>\$ 3,485,023</u>	<u>\$ 6,034,560</u>
Other Capital Assets:				
Buildings & fixtures	\$ 633,119	\$ 3,211,197	\$ -	\$ 3,844,316
Accumulated depreciation	(537,445)	(59,192)		(596,637)
Landfill site	5,665,500	-	-	5,665,500
Accumulated depreciation	(5,665,500)	-	-	(5,665,500)
Ivy Landfill equipment	1,436,865	319,266	572,306	1,183,825
Accumulated depreciation	(1,250,859)	(23,103)	(495,884)	(778,078)
Vehicles	731,319	87,724	25,000	794,043
Accumulated depreciation	(495,534)	(28,559)	(25,000)	(499,093)
Office equipment	16,736	-	-	16,736
Accumulated depreciation	(16,736)	-	-	(16,736)
Recycling facilities equipment	353,962	36,022	-	389,984
Accumulated depreciation	(273,023)	(9,976)	-	(282,999)
Other capital assets, net	<u>\$ 598,404</u>	<u>\$ 3,533,379</u>	<u>\$ 76,422</u>	<u>\$ 4,055,361</u>
Capital assets, net	<u>\$ 9,285,711</u>	<u>\$ 4,365,655</u>	<u>\$ 3,561,445</u>	<u>\$ 10,089,921</u>

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 4—CONSTRUCTION IN PROGRESS:

At June 30, 2020 and 2019 the Authority had \$219,748 and \$91,121 construction in progress, respectively.

Details of construction in progress for the year ended June 30, 2020 are as follows:

	Balance July 1, 2019	Cost of Construction	Expense/ Transfer to Capital Assets	Balance June 30, 2020
Landfill Cap Settlement Repairs	\$ 63,670	\$ -	\$ 63,670	\$ -
New Ivy Convenience Center	-	175,179	-	175,179
Ditches/Berms	-	14,871	-	14,871
Pond Repair	-	24,372	-	24,372
Retainage on Construction in Progress	<u>27,451</u>	<u>5,326</u>	<u>27,451</u>	<u>5,326</u>
Total	<u>\$ 91,121</u>	<u>\$ 219,748</u>	<u>\$ 91,121</u>	<u>\$ 219,748</u>

Details of construction in progress for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Cost of Construction	Expense/ Transfer to Capital Assets	Balance June 30, 2019
New Ivy Transfer Station	\$ 2,449,479	\$ 553,324	\$ 3,002,803	\$ -
Landfill Cap Settlement Repairs	63,670	-	-	63,670
Flare Installation	137,986	278,952	416,938	-
Retainage on Construction in Progress	<u>92,733</u>	<u> </u>	<u>65,282</u>	<u>27,451</u>
Total	<u>\$ 2,743,868</u>	<u>\$ 832,276</u>	<u>\$ 3,485,023</u>	<u>\$ 91,121</u>

NOTE 5—COMPENSATED ABSENCES:

Authority regular employees earn vacation leave each month at a scheduled rate in accordance with the years of service and sick leave at the rate of eight hours per month. Accumulated unpaid vacation amounts are accrued when incurred. At June 30, 2020 and 2019, the liability for accrued vacation leave was \$37,657 and \$30,336, respectively.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN:

Plan Description

All full-time, salaried permanent employees of the Authority are automatically covered by a VRS Retirement Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

Benefit Structures

The System administers three different benefit structures for covered employees – Plan 1, Plan 2 and Hybrid. Each of these benefit structures has different eligibility criteria, as detailed below.

- a. Employees hired before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit.
- b. Employees hired on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013 are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age plus service credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit.
- c. Non-hazardous duty employees hired on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 – April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equals 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Average Final Compensation and Service Retirement Multiplier

The VRS defined benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the employee's average final compensation multiplied by the employee's total service credit. Under Plan 1, average final compensation is the average of the employee's 36 consecutive months of highest compensation and the multiplier is 1.70% for non-hazardous duty employees. Under Plan 2, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the retirement multiplier is 1.65% for non-hazardous duty employees. Under the Hybrid Plan, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the multiplier is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

Cost-of-Living Adjustment (COLA) in Retirement and Death and Disability Benefits

Retirees with an unreduced benefit or with a reduced benefit with at least 20 years of service credit are eligible for an annual COLA beginning July 1 after one full calendar year from the retirement date. Retirees with a reduced benefit and who have less than 20 years of service credit are eligible for an annual COLA beginning on July 1 after one calendar year following the unreduced retirement eligibility date. Under Plan 1, the COLA cannot exceed 5.00%. Under Plan 2 and the Hybrid Plan, the COLA cannot exceed 3.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

Employees Covered by Benefit Terms

As of the June 30, 2018 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>2020</u>	<u>2019</u>
Inactive members or their beneficiaries currently receiving benefits	17	17
Inactive members:		
Vested inactive members	2	1
Non-vested inactive members	6	7
Long-term disability (LTD)	0	0
Inactive members active elsewhere in VRS	<u>5</u>	<u>5</u>
Total inactive members	13	13
Active members	<u>9</u>	<u>9</u>
Total covered employees	<u><u>39</u></u>	<u><u>39</u></u>

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The Authority's contractually required employer contribution rate for the years ended June 30, 2020 and 2019 was 9.32% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$64,022 and \$54,531 for the years ended June 30, 2020 and June 30, 2019, respectively.

Net Pension Liability

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For the Authority, the net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2018 rolled forward to the measurement date of June 30, 2019.

Actuarial Assumptions – General Employees

The total pension liability for General Employees in the Authority's Retirement Plan was based on an actuarial valuation as of June 30, 2018, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019.

Inflation	2.5%
Salary increases, including inflation	3.5% – 5.35%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of pension liabilities.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Actuarial Assumptions – General Employees: (Continued)

Mortality rates:

All Others (Non 10 Largest) – Non-Hazardous Duty: 15% of deaths are assumed to be service related

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non 10 Largest) – Non-Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS - Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP - Private Investment Partnership	3.00%	6.29%	0.19%
Total	100.00%		5.13%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.63%

* The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. The VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the Authority was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2019, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever was greater. From July 1, 2019 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2018	\$ 2,666,797	\$ 2,511,992	\$ 154,805
Changes for the year:			
Service cost	\$ 48,126	\$ -	\$ 48,126
Interest	179,595	-	179,595
Differences between expected and actual experience	25,190	-	25,190
Assumption changes	59,564	-	59,564
Contributions - employer	-	54,508	(54,508)
Contributions - employee	-	28,756	(28,756)
Net investment income	-	162,931	(162,931)
Benefit payments, including refunds	(202,306)	(202,306)	-
Administrative expenses	-	(1,710)	1,710
Other changes	-	(102)	102
Net changes	\$ 110,169	\$ 42,077	\$ 68,092
Balances at June 30, 2019	\$ 2,776,966	\$ 2,554,069	\$ 222,897

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Changes in Net Pension Liability: (Continued)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2017	\$ 2,547,363	\$ 2,450,542	\$ 96,821
Changes for the year:			
Service cost	\$ 46,031	\$ -	\$ 46,031
Interest	172,406	-	172,406
Differences between expected and actual experience	69,836	-	69,836
Contributions - employer	-	32,983	(32,983)
Contributions - employee	-	20,620	(20,620)
Net investment income	-	178,448	(178,448)
Benefit payments, including refunds	(168,025)	(168,025)	-
Refunds of employee contributions	(814)	(814)	-
Administrative expenses	-	(1,606)	1,606
Other changes	-	(156)	156
Net changes	\$ 119,434	\$ 61,450	\$ 57,984
Balances at June 30, 2018	\$ 2,666,797	\$ 2,511,992	\$ 154,805

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate as of June 30, 2020

The following presents the net pension liability of the Authority using the discount rate of 6.75%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

<u>Rivanna Solid Waste Authority's Net Pension Liability</u>	<u>Rate</u>		
	<u>1% Decrease (5.75%)</u>	<u>Current Discount (6.75%)</u>	<u>1% Increase (7.75%)</u>
2020	\$ 473,539	\$ 222,897	\$ 18,374

Sensitivity of the Net Pension Liability to Changes in the Discount Rate as of June 30, 2019

The following presents the net pension liability of the Authority using the discount rate of 7.00%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

<u>Rivanna Solid Waste Authority's Net Pension Liability</u>	<u>Rate</u>		
	<u>1% Decrease (6.00%)</u>	<u>Current Discount (7.00%)</u>	<u>1% Increase (8.00%)</u>
2019	\$ 406,885	\$ 154,805	\$ (62,479)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the Authority recognized pension expense of \$116,523. At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 8,054	\$ -
Change in assumptions	19,044	-
Net difference between projected and actual earnings on pension plan investments	-	22,170
Employer contributions subsequent to the measurement date	64,022	-
Total	<u>\$ 91,120</u>	<u>\$ 22,170</u>

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2019, the Authority recognized pension expense of \$51,657. At June 30, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 18,486	\$ -
Net difference between projected and actual earnings on pension plan investments	-	19,635
Employer contributions subsequent to the measurement date	<u>54,531</u>	<u>-</u>
Total	<u>\$ 73,017</u>	<u>\$ 19,635</u>

\$64,022 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year ended June 30

2021	\$	27,468
2022		(23,809)
2023		(465)
2024		1,734
2025		-
Thereafter		-

\$54,531 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year ended June 30

2020	\$	27,963
2021		(1,366)
2022		(25,545)
2023		(2,201)
2024		-
Thereafter		-

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 6—PENSION PLAN: (CONTINUED)

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2019 Comprehensive Annual Financial Report (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2019-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

NOTE 7—CLOSURE AND POST-CLOSURE CARE COSTS:

State and federal laws and regulations require the Authority to place a final cover on its Ivy landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although the landfill has stopped operating as a landfill, the Authority must recognize the estimated costs of closure corrective action and post-closure care as a liability on the financial statements. As work is completed, the liability recognized by the Virginia Department of Environmental Quality is reduced. The Authority is implementing a corrective action plan to correct detected environmental issues at the landfill. The amount recorded as accrued corrective action costs is \$3,204,404 at June 30, 2020. The \$2,316,342 reported as post-closure monitoring liability at June 30, 2020 represents the cumulative amount reported to date based on the use of 100% of the currently permitted cells at the landfill. In addition to the costs reported for the Ivy landfill site, the Authority has accrued closure costs for the Ivy transfer station in the amount of \$125,657. Total closure corrective action and post-closure care costs and post-closure monitoring costs accrued at June 30, 2020 are \$5,646,403. The Authority will recognize any remaining costs of closure corrective action and post-closure care and post-closure monitoring as the closure is completed. These amounts are based on what it would cost to perform all closure and post-closure care in 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The Authority is required by state and federal laws and regulations to meet certain financial assurance requirements. The Authority has opted to meet these requirements through agreements with the participating localities, County of Albemarle and City of Charlottesville. The agreement provides guarantees by the County of Albemarle in the amount of \$3,501,358 and the City of Charlottesville in the amount of \$1,927,104 for a total guarantee of \$5,428,462. The Authority expects that future inflation costs will be paid from interest earned on the annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or other sources. Additionally, the Authority has set aside a cash account restricted for payment of the transfer station closure costs in the amount of \$125,657.

On behalf of the Authority, the City of Charlottesville and the County of Albemarle demonstrate financial assurance requirements for closure, post-closure care, and corrective action costs through the submission of a Local Government Financial Test to the Virginia Department of Environmental Quality in accordance with section 9VAC-20-70 of the Virginia Administrative Code.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 8—RISK MANAGEMENT:

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority joined together with other local governments in the Commonwealth to form the Virginia Risk Sharing Association, a public entity risk pool currently operating as a common risk management and insurance program for member governments. The Authority pays an annual premium to the pool for its workers compensation, property and liability insurance. The Agreement for Formation of the association provides that the association will be self-sustaining through member premiums. Settled claims have not exceeded pool coverage in any of the past three fiscal years.

NOTE 9—SUMMARY OF LONG-TERM OBLIGATIONS:

The following is a summary of long-term obligation transactions for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Landfill and transfer station closure/ corrective action/post-closure costs	\$ 5,771,421	\$ 358,425	\$ 483,443	\$ 5,646,403	\$ 485,893
Compensated absences	30,336	47,579	40,258	37,657	37,657
VERIP liability	75,971	-	37,484	38,487	37,483
Net pension liability	154,805	314,287	246,195	222,897	-
Net OPEB liability	36,000	27,147	8,796	54,351	-
Totals	<u>\$ 6,068,533</u>	<u>\$ 747,438</u>	<u>\$ 816,176</u>	<u>\$ 5,999,795</u>	<u>\$ 561,033</u>

The following is a summary of long-term obligation transactions for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
Landfill and transfer station closure/ corrective action/post-closure costs	\$ 5,897,214	\$ 403,839	\$ 529,632	\$ 5,771,421	\$ 483,443
Compensated absences	33,691	54,239	57,594	30,336	30,336
VERIP liability	113,454	-	37,483	75,971	37,483
Net pension liability	96,821	290,035	232,051	154,805	-
Net OPEB liability	36,000	6,000	6,000	36,000	-
Totals	<u>\$ 6,177,180</u>	<u>\$ 754,113</u>	<u>\$ 862,760</u>	<u>\$ 6,068,533</u>	<u>\$ 551,262</u>

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 10—OTHER POSTEMPLOYMENT BENEFITS—HEALTH INSURANCE:

The Authority previously provided post-retirement healthcare benefits for employees who were eligible under a single-employer defined benefit plan. The Plan and benefits have been terminated. Therefore, the Authority has no assets or liabilities to report as of June 30, 2017 or subsequent years.

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN):

Plan Description

The Group Life Insurance (GLI) Plan was established pursuant to §51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS GLI Plan upon employment. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI Plan. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured plan, it is not included as part of the GLI Plan OPEB.

The specific information for GLI OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

The GLI Plan was established July 1, 1960, for state employees, teachers, and employees of political subdivisions that elect the plan. Basic GLI coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.

Benefit Amounts

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, safety belt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at \$8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was \$8,463 as of June 30, 2020.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

Contributions

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.31% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.79% (1.31% x 60%) and the employer component was 0.52% (1.31% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the years ended June 30, 2020 and 2019 was 0.52% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Plan from the entity were \$4,133 and \$3,428 for the years ended June 30, 2020 and June 30, 2019, respectively.

GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the GLI Plan OPEB

At June 30, 2020, the entity reported a liability of \$54,351 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2019 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2018 and rolled forward to the measurement date of June 30, 2019. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2019, the participating employer's proportion was 0.00334% as compared to 0.00234% at June 30, 2018.

At June 30, 2019, the entity reported a liability of \$36,000 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2018 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation as of that date. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2018 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2018, the participating employer's proportion was 0.00234% as compared to 0.00233% at June 30, 2017.

For the years ended June 30, 2020 and 2019, the participating employer recognized GLI OPEB expense of \$3,853 and \$0, respectively. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the GLI Plan OPEB: (Continued)

At June 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,615	\$ 705
Net difference between projected and actual earnings on GLI OPEB plan investments	-	1,116
Change in assumptions	3,431	1,639
Changes in proportion	13,340	-
Employer contributions subsequent to the measurement date	<u>4,133</u>	<u>-</u>
Total	<u>\$ 24,519</u>	<u>\$ 3,460</u>

At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,000	\$ 1,000
Net difference between projected and actual earnings on GLI OPEB plan investments	-	1,000
Change in assumptions	-	1,000
Changes in proportion	-	-
Employer contributions subsequent to the measurement date	<u>3,428</u>	<u>-</u>
Total	<u>\$ 5,428</u>	<u>\$ 3,000</u>

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the GLI Plan OPEB: (Continued)

\$4,133 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>		
2021	\$	2,698
2022		2,698
2023		3,171
2024		3,602
2025		3,621
Thereafter		1,136

\$3,428 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>		
2020	\$	(1,000)
2021		-
2022		-
2023		-
2024		-
Thereafter		-

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2018, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS CAFR.

Inflation	2.5%
Salary increases, including inflation	3.5%–5.35%
Investment rate of return	6.75%, net of investment expenses, including inflation*

*Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of OPEB liabilities.

Mortality Rates – Non-Largest Ten Locality Employers – General Employees:

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

Net GLI OPEB Liability

The net OPEB liability (NOL) for the GLI Plan represents the plan's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2019, NOL amounts for the GLI Plan are as follows (amounts expressed in thousands):

		GLI OPEB Plan
Total GLI OPEB Liability	\$	3,390,238
Plan Fiduciary Net Position		<u>1,762,972</u>
GLI Net OPEB Liability (Asset)	\$	<u><u>1,627,266</u></u>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		52.00%

The net OPEB liability (NOL) for the GLI Plan represents the plan's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2018, NOL amounts for the GLI Plan are as follows (amounts expressed in thousands):

		GLI OPEB Plan
Total GLI OPEB Liability	\$	3,113,508
Plan Fiduciary Net Position		<u>1,594,773</u>
Employers' Net GLI OPEB Liability (Asset)	\$	<u><u>1,518,735</u></u>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		51.22%

The total GLI OPEB liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net GLI OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements

At June 30, 2020 and 2019 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

Long-Term Expected Rate of Return

The long-term expected rate of return on the System's investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System's investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS - Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP - Private Investment Partnership	3.00%	6.29%	0.19%
Total	100.00%		5.13%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.63%

*The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. The VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation.

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2019, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2019 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN): (CONTINUED)

Sensitivity of the Employer’s Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate as of June 30, 2020

The following presents the employer’s proportionate share of the net GLI OPEB liability using the discount rate of 6.75%, as well as what the employer’s proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

Authority’s proportionate share of the GLI Plan Net OPEB Liability	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
2020	\$ 71,402	\$ 54,351	\$ 40,523

Sensitivity of the Employer’s Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate as of June 30, 2019

The following presents the employer’s proportionate share of the net GLI OPEB liability using the discount rate of 7.00%, as well as what the employer’s proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

Authority’s proportionate share of the GLI Plan Net OPEB Liability	Rate		
	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
2019	\$ 47,000	\$ 36,000	\$ 27,000

GLI Plan Fiduciary Net Position

Detailed information about the GLI Program’s Fiduciary Net Position is available in the separately issued VRS 2019 Comprehensive Annual Financial Report (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2019-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

NOTE 12—RELATED PARTIES:

Rivanna Solid Waste Authority (RSWA) and Rivanna Water and Sewer Authority (RWSA) share office space and administrative staff. Procedures are in place to ensure proper segregation of funds, purchasing activity, personnel and similar matters. RSWA pays RWSA monthly for its share of joint administrative expenses, which totaled \$466,000 in FY 2020 and \$460,000 in FY 2019 and for leachate acceptance and treatment of \$3,082 in FY 2020 and \$4,285 in FY 2019. Rivanna Solid Waste Authority billed Rivanna Water & Sewer Authority \$16,639 for hauling and tipping fees in FY 2020 and \$40,547 in the previous year. RSWA owed RWSA \$60,766 and \$49,683 at June 30, 2020 and 2019, respectively.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 13–VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM:

Rivanna Solid Waste Authority has a Voluntary Early Retirement Incentive Program (VERIP) which provides for monthly payments to eligible employees for a period of up to five years after early retirement or until age 65, whichever comes first. Participants in the VERIP must be regular full-time employees eligible for early or full retirement under the provisions of the Virginia Retirement System (VRS) who have been employed by the Authority for 10 of the last 13 years prior to retirement. Employees retiring under the disability provisions of VRS and/or Social Security are not eligible for the VERIP. VERIP participants receive a stipend equal to the difference between (1) the annual VRS retirement benefit amount as reduced for early VRS retirement if appropriate and (2) the recomputed annual VRS benefit with the addition of the lesser of five more years of service or the number of additional years needed to reach age 65. The stipend is paid on a monthly basis. The participant may also receive a monthly payment equal to the amount of the Board's contribution toward an employee's health insurance as long as the employee is covered by VERIP benefits. Applications for the VERIP must be submitted to the Executive Director for approval. The Authority's estimated VERIP liability as of June 30, 2020 and 2019 was \$38,487 and \$75,971, respectively. The amount payable within the next year is \$37,483.

NOTE 14–COVID-19 PANDEMIC:

On March 11, 2020, the World Health Organization declared COVID-19 a pandemic, which has caused an economic downturn on a global scale, disrupted global supply chains, and created significant uncertainty, volatility, and disruption across economies and financial markets. The full impact of the COVID-19 outbreak continues to evolve as of the release date of this report. Management is monitoring the situation and impact that it may have on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and global responses to curb its spread, the Authority is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.

NOTE 15–ADOPTION OF ACCOUNTING PRINCIPLES:

The Authority implemented provisions of Governmental Accounting Standards Board Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, during the fiscal year ended June 30, 2020. This Statement simplifies accounting for interest cost incurred before the end of a construction period. Interest cost incurred during construction is expensed and no longer capitalized as part of project costs. No restatement was required as a result of this implementation.

NOTE 16–UPCOMING PRONOUNCEMENTS:

Statement No. 87, *Leases*, requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

RIVANNA SOLID WASTE AUTHORITY

Notes to the Financial Statements
At June 30, 2020 and 2019 (Continued)

NOTE 16—UPCOMING PRONOUNCEMENTS: (CONTINUED)

Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics such as leases, assets related to pension and postemployment benefits, and reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature. The effective dates differ by topic, ranging from January 2020 to periods beginning after June 15, 2021.

Statement No. 93, *Replacement of Interbank Offered Rates*, establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The requirements of this Statement, except for removal of London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate and the requirements related to lease modifications, are effective for reporting periods beginning after June 15, 2020. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All requirements related to lease modifications in this Statement are effective for reporting periods beginning after June 15, 2021.

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Required Supplementary Information

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RIVANNA SOLID WASTE AUTHORITY

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios

Pension Plan

For the Measurement Dates of June 30, 2014 through June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability						
Service cost	\$ 48,126	\$ 46,031	\$ 48,984	\$ 47,552	\$ 44,891	\$ 57,148
Interest	179,595	172,406	170,210	167,674	172,433	165,972
Difference between expected and actual experience	25,190	69,836	6,093	(34,352)	(157,193)	-
Changes of assumptions	59,564	-	(29,532)	-	-	-
Benefit payments	<u>(202,306)</u>	<u>(168,839)</u>	<u>(159,924)</u>	<u>(129,362)</u>	<u>(126,868)</u>	<u>(134,796)</u>
Net change in total pension liability	<u>\$ 110,169</u>	<u>\$ 119,434</u>	<u>\$ 35,831</u>	<u>\$ 51,512</u>	<u>\$ (66,737)</u>	<u>\$ 88,324</u>
Total pension liability - beginning	<u>2,666,797</u>	<u>2,547,363</u>	<u>2,511,532</u>	<u>2,460,020</u>	<u>2,526,757</u>	<u>2,438,433</u>
Total pension liability - ending (a)	<u>\$ 2,776,966</u>	<u>\$ 2,666,797</u>	<u>\$ 2,547,363</u>	<u>\$ 2,511,532</u>	<u>\$ 2,460,020</u>	<u>\$ 2,526,757</u>
Plan fiduciary net position						
Contributions - employer	\$ 54,508	\$ 32,983	\$ 32,319	\$ 40,825	\$ 38,370	\$ 44,486
Contributions - employee	28,756	20,620	20,045	20,729	19,552	18,368
Net investment income	162,931	178,448	272,976	38,903	103,238	317,095
Benefit payments	(202,306)	(168,839)	(159,924)	(129,362)	(126,868)	(134,796)
Administrator charges	(1,710)	(1,606)	(1,651)	(1,465)	(1,462)	(1,754)
Other	<u>(102)</u>	<u>(156)</u>	<u>(239)</u>	<u>(17)</u>	<u>(21)</u>	<u>17</u>
Net change in plan fiduciary net position	<u>\$ 42,077</u>	<u>\$ 61,450</u>	<u>\$ 163,526</u>	<u>\$ (30,387)</u>	<u>\$ 32,809</u>	<u>\$ 243,416</u>
Plan fiduciary net position - beginning	<u>2,511,992</u>	<u>2,450,542</u>	<u>2,287,016</u>	<u>2,317,403</u>	<u>2,284,594</u>	<u>2,041,178</u>
Plan fiduciary net position - ending (b)	<u>\$ 2,554,069</u>	<u>\$ 2,511,992</u>	<u>\$ 2,450,542</u>	<u>\$ 2,287,016</u>	<u>\$ 2,317,403</u>	<u>\$ 2,284,594</u>
Authority's net pension liability - ending (a) - (b)	\$ 222,897	\$ 154,805	\$ 96,821	\$ 224,516	\$ 142,617	\$ 242,163
Plan fiduciary net position as a percentage of the total pension liability	91.97%	94.20%	96.20%	91.06%	94.20%	90.42%
Covered payroll	\$ 653,939	\$ 441,868	\$ 429,354	\$ 422,207	\$ 395,326	\$ 367,351
Authority's net pension liability as a percentage of covered payroll	34.09%	35.03%	22.55%	53.18%	36.08%	65.92%

This schedule is intended to report information for 10 years. Information prior to the 2014 valuation is not available. However, additional years will be included as they become available.

RIVANNA SOLID WASTE AUTHORITY

Schedule of Employer Contributions

Pension Plan

For the Years Ended June 30, 2011 through June 30, 2020

Fiscal Year	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
2020	\$ 64,022	\$ 64,022	\$ -	\$ 788,796	8.12%
2019	54,531	54,531	-	653,939	8.34%
2018	32,983	32,983	-	441,868	7.46%
2017	32,319	32,319	-	429,354	7.53%
2016	40,825	40,825	-	422,207	9.67%
2015	38,370	38,370	-	395,326	9.71%
2014	44,486	44,486	-	367,351	12.11%
2013	66,260	66,260	-	547,151	12.11%
2012	57,640	57,640	-	506,945	11.37%
2011	56,790	56,790	-	499,468	11.37%

RIVANNA SOLID WASTE AUTHORITY

Notes to Required Supplementary Information

Pension Plan

For the Year Ended June 30, 2020

Changes of benefit terms – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Changes of assumptions – The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non 10 Largest) – Non-Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

RIVANNA SOLID WASTE AUTHORITY

Schedule of Authority's Share of Net OPEB Liability
 Group Life Insurance (GLI) Plan
 For the Measurement Dates of June 30, 2017 through June 30, 2019

Date (1)	Employer's Portion of the Net GLI OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
2019	0.00334%	\$ 54,351	\$ 653,939	8.31%	52.00%
2018	0.00234%	36,000	441,868	8.15%	51.22%
2017	0.00233%	36,000	429,354	8.38%	48.86%

Schedule is intended to show information for 10 years. Information prior to 2017 is unavailable. However, additional years will be included as they become available.

RIVANNA SOLID WASTE AUTHORITY

Schedule of Employer Contributions

Group Life Insurance (GLI) Plan

For the Years Ended June 30, 2017 through June 30, 2020

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
2020	\$ 4,133	\$ 4,133	\$ -	\$ 788,796	0.52%
2019	3,428	3,428	-	653,939	0.52%
2018	2,333	2,333	-	441,868	0.53%
2017	2,233	2,233	-	429,354	0.52%

Schedule is intended to show information for 10 years. Information prior to 2017 is unavailable. However, additional years will be included as they become available.

RIVANNA SOLID WASTE AUTHORITY

Notes to Required Supplementary Information
Group Life Insurance (GLI) Plan
For the Year Ended June 30, 2020

Changes of benefit terms – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Changes of assumptions – The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Largest Ten Locality Employers - General Employees:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14% to 15%
Discount Rate	Decreased rate from 7.00% to 6.75%

Statistical Section

Contents

Tables

Financial Trends

This table contains trend information to help the reader understand how the the Authority's financial performance has changed over time.

1

Revenue, Expenses, Rates and Tonnage Information

These tables contain information to help the reader assess the factors affecting the Authority's change in revenues and it's ability to generate revenues as well as operating expenses the Authority generates.

2-6

Debt Capacity

This table presents information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue debt in the future.

7

Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place and to help make comparisons over time.

8-9

Operating Information

These tables contain information about the Authority's operations and resources to help the reader understand how the Authority's financial information relates to the activities it performs.

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Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

Net Position by Component
Last Ten Fiscal Years

	Fiscal Years Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net investment in capital assets	\$ 10,061,747	\$ 10,062,470	\$ 9,192,978	\$ 6,840,559	\$ 6,268,650	\$ 6,246,134	\$ 6,232,154	\$ 6,333,722	\$ 6,488,690	\$ 6,566,617
Unrestricted	(2,403,124)	(2,777,754)	(2,677,368)	(1,955,587)	(1,837,329)	(2,412,362)	(2,437,339)	493,493	144,228	1,308,953
Total net position	<u>\$ 7,658,623</u>	<u>\$ 7,284,716</u>	<u>\$ 6,515,610</u>	<u>\$ 4,884,972</u>	<u>\$ 4,431,321</u>	<u>\$ 3,833,772</u>	<u>\$ 3,794,815</u>	<u>\$ 6,827,215</u>	<u>\$ 6,632,918</u>	<u>\$ 7,875,570</u>

RIVANNA SOLID WASTE AUTHORITY

Table 2

Changes in Net Position
Last Ten Fiscal Years

	Fiscal Years Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating revenues:										
Tipping fees	\$ 2,025,890	\$ 1,321,174	\$ 878,841	\$ 876,382	\$ 723,803	\$ 685,784	\$ 693,865	\$ 915,834	\$ 862,422	\$ 1,040,183
Recycling revenues	78,620	152,871	195,912	227,614	138,239	126,178	153,443	174,674	236,130	272,016
Other revenue	193,129	238,541	233,133	214,771	191,172	257,404	239,958	231,447	214,836	165,626
Total operating revenues	\$ 2,297,639	\$ 1,712,586	\$ 1,307,886	\$ 1,318,767	\$ 1,053,214	\$ 1,069,366	\$ 1,087,266	\$ 1,321,955	\$ 1,313,388	\$ 1,477,825
Operating expenses:										
Administration	\$ 734,937	\$ 687,571	\$ 496,812	\$ 388,524	\$ 398,610	\$ 338,200	\$ 385,056	\$ 345,206	\$ 344,974	\$ 352,179
Transfer station	2,108,670	1,419,777	909,581	808,104	798,313	754,792	694,271	894,903	875,498	859,182
Ivy Material Utilization Center	433,143	359,715	298,782	259,669	257,481	205,089	217,787	299,122	258,343	273,268
Ivy environmental ***	497,466	524,934	425,466	264,995	(13,152)	318,515	3,472,632	528,473	1,680,530	826,564
Recycling programs	587,334	431,398	455,216	312,052	296,725	239,660	244,506	250,385	253,873	290,298
Depreciation	178,921	120,830	58,566	51,789	54,885	66,639	98,568	154,968	148,071	175,814
Total operating expenses	\$ 4,540,471	\$ 3,544,225	\$ 2,644,423	\$ 2,085,133	\$ 1,792,862	\$ 1,922,895	\$ 5,112,820	\$ 2,473,057	\$ 3,561,289	\$ 2,777,305
Operating income (loss)	\$ (2,242,832)	\$ (1,831,639)	\$ (1,336,537)	\$ (766,366)	\$ (739,648)	\$ (853,529)	\$ (4,025,554)	\$ (1,151,102)	\$ (2,247,901)	\$ (1,299,480)
Nonoperating revenues (expenses):										
Interest earned	\$ 44,016	\$ 69,162	\$ 50,437	\$ 31,333	\$ 16,107	\$ 8,745	\$ 7,766	\$ 10,963	\$ 11,590	\$ 12,438
Local government contributions - remediation support	1,070,582	383,742	396,787	576,714	720,151	809,908	817,348	770,722	755,253	875,480
Local government contributions - operations support	1,423,208	1,078,539	747,161	368,856	542,926	398,040	135,286	517,344	203,978	192,372
Settlement income	-	-	-	-	-	-	-	-	10,997	-
Grant income	24,693	29,597	27,118	27,811	28,878	28,562	28,554	32,370	23,431	26,714
Other income	5,556	7,308	8,034	5,220	31,800	-	7,200	14,000	-	7,130
Gain (loss) on disposal of assets	(4,264)	(42,728)	5,846	-	(2,665)	-	(3,000)	-	-	1,527
Interest expense	-	-	-	-	-	-	-	-	-	(6,242)
Total nonoperating revenues (expenses)	\$ 2,563,791	\$ 1,525,620	\$ 1,235,383	\$ 1,009,934	\$ 1,337,197	\$ 1,245,255	\$ 993,154	\$ 1,345,399	\$ 1,005,249	\$ 1,109,419
Income before capital grants	\$ 320,959	\$ (306,019)	\$ (101,154)	\$ 243,568	\$ 597,549	\$ 391,726	\$ (3,032,400)	\$ 194,297	\$ (1,242,652)	\$ (190,061)
Capital grants	52,948	1,075,125	1,771,792	210,083	-	-	-	-	-	-
Change in net position	\$ 373,907	\$ 769,106	\$ 1,670,638	\$ 453,651	\$ 597,549	\$ 391,726	\$ (3,032,400)	\$ 194,297	\$ (1,242,652)	\$ (190,061)

*** Ivy Environmental expenses include landfill closure and post-closure costs.

RIVANNA SOLID WASTE AUTHORITY**Table 3**Annual Tonnages of Selected Categories of Waste Received
Last Ten Fiscal Years

Years Ended June 30,	Municipal Solid Waste	White Goods	Tires	Clean Fill	Sludge	Grindable Vegetative Material
2011	26,735	120	151	10,763	1,231	2,912
2012	21,448	87	158	6,648	878	1,877
2013	18,124	76	131	10,489	-	3,714
2014	6,864	73	92	9,087	-	2,016
2015	7,097	80	133	5,952	-	1,874
2016	7,761	107	169	5,889	-	1,560
2017	8,341	123	87	6,354	-	2,864
2018	8,423	119	58	4,819	-	2,199
2019	16,404	173	171	7,764	-	2,989
2020	29,364	213	91	11,368	-	4,556

RIVANNA SOLID WASTE AUTHORITY

Table 4

Waste Tonnages Diverted for Reuse or Recycling
Last Ten Fiscal Years

	Fiscal Years Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Cardboard (corrugated)	561	807	763	812	459	278	279	358	359	482
Newspaper, magazines, catalogs	120	427	424	419	512	524	640	782	765	858
Mixed paper and phone books	792	265	186	156	214	212	265	214	258	228
File stock (office paper)	77	128	111	122	125	125	164	192	172	220
Glass ***	467	411	252	252	191	219	249	398	357	413
Metal cans	54	58	41	31	32	30	34	47	55	41
Plastic	114	127	103	86	82	95	98	69	82	81
White goods (scrap metal)	213	173	119	123	107	80	73	76	87	120
Vegetation	4,556	2,989	2,199	2,864	1,560	1,874	2,016	3,714	1,877	2,912
Pallets	21	73	77	72	55	79	71	81	88	89
Tires	91	171	58	87	169	133	92	131	158	151
	<u>7,066</u>	<u>5,629</u>	<u>4,333</u>	<u>5,024</u>	<u>3,506</u>	<u>3,649</u>	<u>3,981</u>	<u>6,062</u>	<u>4,258</u>	<u>5,595</u>

Note:

*** Glass includes glass crushed and reused on roads at Ivy MUC for FY 2012 and prior years.

RIVANNA SOLID WASTE AUTHORITY

Table 5

Tipping Fees Per Ton By Waste Category
Last Ten Fiscal Years

Waste Category	Fiscal Years Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Municipal:										
Ivy Transfer Station	\$ 52.00	\$ 52.00	\$ 66.00	\$ 66.00	\$ 66.00	\$ 66.00	\$ 66.00	\$ 66.00	\$ 66.00	\$ 66.00
Vegetative	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00
Tires:										
Whole Tires	190.00	190.00	190.00	190.00	190.00	190.00	190.00	190.00	190.00	190.00
White Goods:										
Non-Freon	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00
Clean-Fill	10.00	10.00	10.00	10.00	8.00	8.00	8.00	8.00	8.00	8.00
Sludge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8.00	8.00
Pallets	N/A	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00

RIVANNA SOLID WASTE AUTHORITY

Table 6

Top Ten Customers
Current Year and Nine Years Ago

Fiscal Year 2020 (Current Year):

	Operating Revenues	
	Amount	% of Total
Waste Management of VA, Inc.	336,573	15%
Cavalier Container, LLC	272,107	12%
Time Disposal	145,289	6%
Sonoco	91,520	4%
Black Bear Composting	67,517	3%
Happy Little Dumpsters, LLC	59,656	3%
Gerdau Metals Recycling	50,229	2%
Martin Horn, Inc.	47,640	2%
Oakhill Investments, LLC	28,277	1%
Montibello Property & Inv	25,577	1%
Subtotal (top ten customers)	\$ 1,124,385	49%
Other customers	1,173,254	51%
Total	\$ 2,297,639	100%

Fiscal Year 2011 (Nine Years Ago):

	Operating Revenues	
	Amount	% of Total
International Paper	\$ 229,842	15%
Waste Management of VA-Blue Ridge	115,420	8%
Rivanna Water and Sewer Authority	56,822	4%
Cycle Systems, Inc.	51,349	3%
Albemarle County	50,757	3%
Virginia Department of Environmental Quality	26,714	2%
Faulconer Construction Co. Inc.	24,136	2%
Arnold Excavation and Hauling	18,296	1%
Martin Horn, Inc.	15,624	1%
Barnett's Trash Service	12,262	1%
Subtotal (top ten customers)	\$ 601,221	40%
Other customers	903,318	60%
Total	\$ 1,504,539	100%

RIVANNA SOLID WASTE AUTHORITY

Table 7

Outstanding Debt by Type
Last Ten Fiscal Years

	Fiscal Years Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Bank notes payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total outstanding debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt per capita	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

RIVANNA SOLID WASTE AUTHORITY

Table 8

Demographic Data for the Service Area
 City of Charlottesville & Albemarle County, Virginia
 Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population (2)</u>	<u>Personal Income (thousands of \$) (2)</u>	<u>Per Capita Personal Income (\$) (2)</u>	<u>Unemployment Rate (1)</u>
2010	142,659	\$ 7,240,429	\$ 50,753	6.5%
2011	143,960	7,657,164	53,190	5.9%
2012	146,043	8,457,472	57,911	5.5%
2013	147,286	8,328,130	56,544	5.0%
2014	149,265	8,935,308	59,862	4.6%
2015	151,552	9,550,724	63,019	3.9%
2016	153,644	10,091,356	65,680	3.6%
2017	155,690	11,027,861	70,832	3.3%
2018	156,835	11,702,008	74,613	2.8%
2019	not available	not available	not available	2.5%

Sources:

- (1) Virginia Employment Commission, Economic Information & Analytics, Quarterly Census of Employment and Wages - for Charlottesville Metropolitan Service Area (MSA)
- (2) U.S. Department of Commerce - Bureau of Economic Analysis - for City of Charlottesville and Albemarle County

RIVANNA SOLID WASTE AUTHORITY

Table 9

Principal Employers in the Charlottesville Area
Current Year and Nine Years Ago

Employer	First Quarter of 2020		Fourth Quarter of 2010	
	Number of Employees	Rank	Number of Employees	Rank
University of Virginia/ Blue Ridge Hospital	1,000 & over	1	1,000 & over	1
University of Virginia Medical Center			1,000 & over	2
County of Albemarle	1,000 & over	2	1,000 & over	3
Sentara Health Care	1,000 & over	3		
Martha Jefferson Hospital			1,000 & over	4
UVA Health Services Foundation	1,000 & over	4	1,000 & over	6
City of Charlottesville	1,000 & over	5	1,000 & over	5
Charlottesville City School Board	500-999	6	500-999	8
U.S. Department of Defense	500-999	7		
Servicelink Management Com Inc	500-999	8		
State Farm Mutual Automobile Insurance	500-999	9	1,000 & over	7
Fluvanna County Public School Board	500-999	10		
Aramark Campus LLC			500-999	9
Northrop Grumman Corporation			500-999	10

Source: Virginia Employment Commission, Economic Information & Analytics, Quarterly Census of Employment and Wages - for Charlottesville Metropolitan Service Area (MSA)

Each employer's percentage of total employment is not available.

RIVANNA SOLID WASTE AUTHORITY

Table 10

Number of Positions by Activity
Last Ten Fiscal Years

	Fiscal Years Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Number of budgeted full-time equivalent positions:										
Operations Support Administrator	1.0	1.0	-	-	-	-	-	-	-	-
Manager/Assistant Manager	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0
Heavy Equipment Operator/Attendants	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0
Operator/Attendants	4.0	2.0	1.0	1.0	1.0	1.0	1.0	3.0	3.0	1.0
Driver/Equipment Operators	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Scale Clerks	2.5	2.2	1.2	1.2	1.2	1.2	1.2	2.5	2.5	2.0
Recycling Operator/Attendant/Technicians	2.5	1.8	1.8	1.2	-	-	-	-	-	1.1
	18.0	15.0	11.0	10.4	9.2	9.2	9.2	13.5	13.5	13.1
Joint Administrative Staff	4.2	4.0	3.5	3.4	3.5	2.6	2.6	2.6	2.8	2.8
Total	22.2	18.9	14.5	13.8	12.7	11.8	11.8	16.1	16.3	15.9

Rivanna Water & Sewer Authority shares its administration staff with Rivanna Solid Waste Authority.

The number noted above is the number of full time employee equivalents allocated to Rivanna Solid Waste Authority.

Source: The above information is summarized from annual budget documents and an internal authority staffing plan document

RIVANNA SOLID WASTE AUTHORITY

Table 11

Operating and Capital Indicators
Last Ten Fiscal Years

	Fiscal Years Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Waste facilities:										
Rivanna-owned MSW/CDD transfer stations:										
Number of owned MSW/CDD transfer stations	1	1	1	1	1	1	1	1	1	1
Ivy Material Utilization Center (IMUC)										
Total MSW/CDD tonnage received	29,364	16,404	8,423	8,341	7,761	7,097	6,864	18,124	21,448	26,735
Average daily tonnage received	90	61	33	33	31	28	27	59	69	87
Design capacity in tons per day (Note 1)	300	300	150	150	150	150	150	150	150	150
All other waste tonnage received (Ivy MUC)	16,249	11,169	7,272	9,499	7,780	8,117	11,340	14,491	10,094	15,670
Number of vehicles visiting IMUC	57,078	46,228	39,342	37,207	34,596	33,793	34,335	42,121	41,957	47,827
Number of transactions	110,808	88,080	74,828	71,827	67,258	64,818	65,944	80,037	78,531	92,399
Recycling facilities:										
Number of recycling centers	2	2	2	2	2	2	2	2	2	2
Number of newspaper-only drop off sites	2	2	2	2	3	3	3	3	3	2
Tons of recyclable materials received	2,184	2,224	1,881	1,878	1,615	1,483	1,729	2,060	2,048	2,323

Note 1: Design capacity of the Ivy Material Utilization Center increased from 150 to 300 tons per day with the completion of the new facility in September 2019.

Note 2: Design capacity of the contracted MSW/CDD transfer station is not applicable, because it accepted waste from sources other than RSWA.

Source: Internal reports and records



**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

**To the Board of Directors
Rivanna Solid Waste Authority
Charlottesville, Virginia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the business-type activities of Rivanna Solid Waste Authority as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Rivanna Solid Waste Authority's basic financial statements and have issued our report thereon dated October 26, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rivanna Solid Waste Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rivanna Solid Waste Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Rivanna Solid Waste Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rivanna Solid Waste Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robinson, Farmer, Cox Associates
Charlottesville, Virginia
October 26, 2020

SAFETY PROGRAM UPDATE

for the RWSA/RSWA Boards of Directors

November 17, 2020

Presented by Liz Coleman, Safety Manager



Safety is a continuous improvement process that protects staff and reduces the number of workplace deaths, injuries, and illnesses.

The Safety Program is Part of Our Strategic Plan Goal of Operational Optimization:

“To efficiently, reliably, and **safely** provide high quality services, assuring the best value for our customers.”

Strategies to help us meet our safety goals:

- Enhance our culture of safety.
- Protect our workforce and the public through continually growing a culture of safety.
- Completion of a Safety Master Plan.



RIVANNA SAFETY MANUAL

- 24 chapters applicable to our work activities and processes.
- Each chapter includes requirements necessary to ensure a safe and compliant workplace.





Example of Chapter Requirements



Virginia Occupational Safety and Health (VOSH) Law Changes:



- As of December 1, 2018 VOSH can fine state and local government employers up to \$12,726.00 per day for each 'Serious Violation'.
- We were audited by VOSH in 2017 with a finding of 4 'Serious Violations'.
- Had this audit occurred after December 1, 2018, we could have been fined up to \$51,000 per day until violations were corrected.

PROGRAM UPDATES



- SAFETY MANUAL

- Updated, 6 added chapters

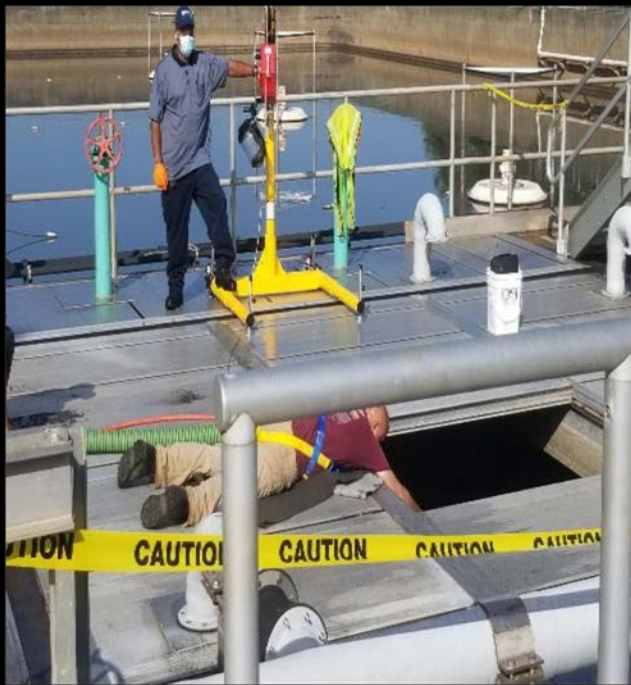
- Emergency Action Plans
 - Fire Prevention
 - Excavation and Trenching
 - Asbestos
 - Crane Safety
 - COVID-19 Infectious Disease Prevention

- EMERGENCY MANAGEMENT

- Action Plans Posted for Each Facility
 - Use of CODE RED as Staff Notification System
 - Fire Drills

PROGRAM UPDATES

- TRAINING
 - Biweekly Toolbox Safety Talks
 - Free on-line training by Virginia Risk Sharing Association
 - In-person training by PVCC
- EQUIPMENT PURCHASES
 - Automated External Defibrillators (AED)
 - Fall Protection Gear
 - Personal Protective Equipment (PPE)
 - Respirators
 - Hearing Protection
 - Hard Hats
- JOB PROCEDURES
 - Lockout/Tagout
 - Completion of 100 Written Procedures



PROGRAM UPDATES

- OCCUPATIONAL HAZARDS
 - Vaccinations (HEP A, B, and Tetanus)
 - Hearing Conservation
 - Assessment
 - Audiology program updated
 - Combustible Dust
 - Housekeeping plan implemented
 - VOSH assessment
 - Voluntary Respirator Program
- NEW PROGRAMS
 - New Employees Safety Orientation
 - Contractor Safety Program
 - Radio Safety Program Expansion
 - High Priority Hazard Corrections (Safety Master Plan)



EMERGENCY SHOWER & EYE WASH



IN-PROGRESS UPDATES

- INSTALL SAFETY SHOWERS & EYEWASHES

3.125" x 6.25" FRONT BACK

EYE WASH / SHOWER INSPECTION RECORD		
Equipment ID	_____	
Location	_____	
Test	_____	
Date	Initials	Comments

- INSPECTIONS AND RECORDKEEPING
 - Combustible Dust
 - Gas Meter Calibrations
 - Fall Protection Hoists
 - Cranes
 - Eyewash and Safety Showers
 - AEDs

CRANE INSPECTION

CRANE NO. _____

CHECK CAREFULLY:

- Controls, alarms, lights
- Limit switch — proper operation
- Look for damage, excessive throat opening
- Hoist rope / chain for excessive wear, broken wires or elongated links

DATE	BY	DATE	BY



IN-PROGRESS UPDATES

- WELDING PROGRAM
 - Certifications
 - Fire Watch training
 - Hot Work Permits
- ARC FLASH LABELING
 - Assessment of Hazard
 - Determination of PPE necessary
- LOCKOUT/TAGOUT PROCEDURES
 - Over 2000 equipment and process shutdown procedures



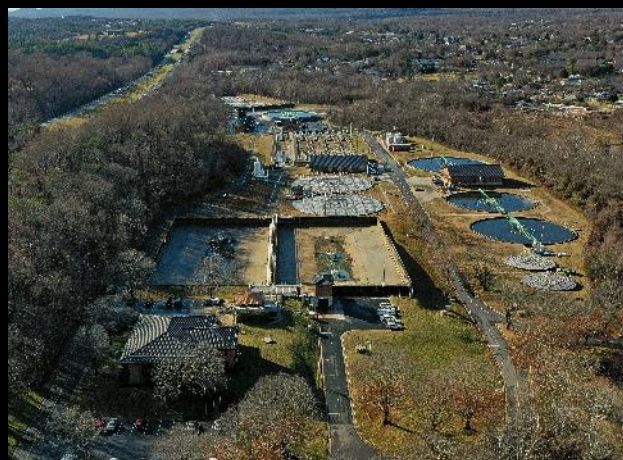


IN-PROGRESS UPDATES

- **CONFINED SPACES**
 - Verify Space hazards
 - Label Spaces as hazards require
- **CHEMICALS**
 - Ensure accurate inventories
 - Update safety data sheets
 - Storage guidelines

RIVANNA FACILITIES

- 6 Water Treatment Plants
- 4 Wastewater Treatment Plants
- 5 Reservoirs
- Ivy Material Utilization Center
- McIntire Recycling Center
- Paper Sort



SAFETY PROGRAM RESOURCES

One Full Time Safety Manager

Staff Safety Committee

RWSA 2020-2021 Budget
\$114,130

RSWA 2020-2021 Budget
\$26,000

2020-2021 Grants Received
\$6,000

IN SUMMARY

- Many safety program updates have been completed.
- Additional Updates Are Needed To:
 - Protect our valuable human resources by providing a safe workplace.
 - Enhance our safety culture through safe work practices.
 - Maintain VOSH requirements and avoid noncompliance fines.



THANK
YOU

