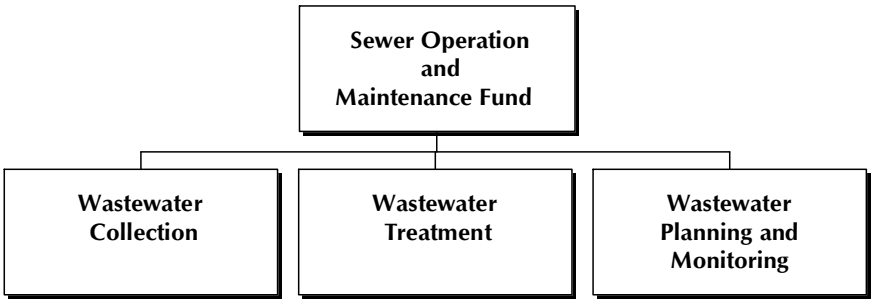
Fund 401
Sewer Operation and Maintenance



Mission

To safely collect and treat wastewater in compliance with all regulatory requirements using state-of-the-art technology in the most cost-effective manner in order to improve the environment and enhance the quality of life in Fairfax County.

Focus

The Wastewater Management Program includes wastewater collection and conveyance, wastewater treatment, and planning and monitoring program areas. The primary functions are to strategically plan, efficiently operate and effectively maintain the wastewater system in the best interest of the County and its customers. Funding for sewer operations and maintenance are financed by a transfer from Fund 400, Sewer Revenue which is used to credit all system revenues collected, including availability fees and sewer service charges associated with the program.

This program operates and maintains nearly 3,350 miles of sewer, 65 pump stations and 54 flow-metering stations. Treatment of wastewater generated is provided primarily through five regional wastewater collection and treatment plants. The regional treatment approach takes advantage of economies of scale in wastewater treatment and ensures the economical and efficient operation and management of the program.

Photo of the Noman M. Cole Jr. Pollution Control Plant

One of the five regional plants is the County's owned and operated Noman M. Cole, Jr. Pollution Control Plant (NCPCP), which is currently permitted to treat 67 million gallons per day (mgd) of flow. Other regional facilities include the District of Columbia Water and Sewer Authority's Blue Plains Treatment Plant with 31 mgd capacity; Alexandria Sanitation Authority's Treatment Plant with 32.4 mgd capacity; Upper Occoquan Sewage Authority's Treatment Plant with 24.6 mgd capacity; and Arlington County's Treatment Plant with 3 mgd capacity. Fairfax County utilizes all of these facilities to accommodate a total capacity of 158 mgd.

The agency has identified a number of trends that influence the operation and maintenance of the sanitary sewer system. The major trends over the next two to five years include the following:

Chesapeake Bay Water Quality Program Requirements - The new Chesapeake Bay water quality program requires reductions in the amount of nutrient pollutants discharged from wastewater treatment facilities. In December 2004, the state notified the County that the renewal of County's National Pollutant Discharge

Elimination System (NPDES) permit will include a requirement that nutrient removal be performed at the "Limits of Technology." Current technology allows for discharge limits of less than 3.0 milligrams per liter for nitrogen and 0.1 milligrams per liter for phosphorus. The County has the capability to meet a current nitrogen removal level of 6.0 milligrams per liter. A phased approach has been recommended to renovate and upgrade current plant facilities to accommodate new more stringent nutrient discharge requirements. The Sewer Service Charge rate will increase from $4.10 to $4.50 per 1,000 gallons of water consumption in FY 2010. In addition, a new base charge to sewer billings is included in FY 2010 to recover billing costs for the Wastewater Management Program. The base charge will be billed quarterly in the amount of $5.00 per bill totaling $20.00 per year. The combined effect of the sewer service charge as well as the new base charge equate to an increase of 16.2 percent in rates and will result in an anticipated increase in the annual cost to the typical household of $50.40. For FY 2011 and FY 2012, annual service charge increases of 17.0 percent are being proposed and for FY 2013, an annual sewer service charge increase of 14.0 percent is proposed. Sewer service charge rates are increasing as debt and capital expenses rise in anticipation of construction of additional treatment facilities to meet more stringent nitrogen removal requirements imposed by the State as a result of the "Chesapeake 2000" agreement. Funding of $150 million is recommended through the sale of bonds and is anticipated to meet new state regulatory requirements in the Wastewater Management Program (WWM).

Capacity, Maintenance, Operation, and Management (CMOM) - The United States Environmental Protection Agency (USEPA) has been planning for several years to promulgate sanitary sewer overflow (SSO) regulations, which would require municipalities to develop and implement a CMOM program to eliminate any sewer overflows and backups from the wastewater collection systems. The proposed SSO rule and the CMOM program would significantly affect program costs.

Integration of Information Technology - The Geographic Information System (GIS), the Supervisory Control and Data Acquisition (SCADA) system and the Infrastructure Computerized Maintenance Management System (ICMMS) require integration for optimal use. Computing and information technology are an integral part of every aspect of the Wastewater Management Program operations. Today's high customer expectations and increasing reliance on consistent 24-hour services, lead to an increasing dependence on and expectation for stable and reliable integrated information technologies that infuse the business process. Presently, the GIS, the SCADA system, and the ICMMS system are partially integrated. Future customer service needs will require a full enterprise integration of the critical information technology systems to reduce total cost of ownership, increase availability of critical business data in the right format, and improve the quality and delivery of services to sewer customers.

THINKING STRATEGICALLY

Strategic issues for the Wastewater Management Program include:

- Providing superior wastewater services to achieve a pure and natural state of air and water;
- Improving customer service, customer strategy and satisfaction by providing more comprehensive employee training;
- Expanding the Health and Safety Program through the improvement of the Emergency Planning and Response areas to ensure a safe work environment;
- Evaluating the program's financial management strategies to ensure proper cash management and debt capacity; and
- Utilizing automated technologies to enhance the existing computer systems to increase infrastructure rehabilitation projects in the most effective manner.

Capital Improvements - Reinvestment in the sewer system infrastructure ensures optimum operation of all wastewater facilities. This initiative, closely related to CMOM endeavors, emphasizes capital improvements to wastewater collection and treatment facilities to meet requirements of the future sanitary sewer overflow regulations by the USEPA. The program continues to take a proactive stance toward infrastructure rehabilitation; however, CMOM regulations could greatly affect operations.

Asset Management Program - As a result of evaluating the program's financial management strategies, an Asset Management Program was developed. The first phase aligned the program's capital asset policies and

procedures with the County's fixed asset policies and developed a process in which to evaluate the program's infrastructure. The second phase developed criteria to identify the program's critical assets. After the criteria were tested and accepted they were applied to all program assets. Phase three will be the condition assessment of all assets beginning with the most critical assets.

The Wastewater Management Program is funded by revenues generated by the customers of the sanitary sewer system and recorded in Fund 400, Sewer Revenue. Sewer service charges support system operation and maintenance costs, debt service payments, and capital projects that is attributable to supporting and improving wastewater treatment services for existing customers. Availability fees support a proportional share of system costs and capital projects attributable to growth of the system required to support new customers. Existing customers are defined as those who have paid an availability fee for access to the system and receive wastewater treatment services. New customers are those who have not paid the availability fee. Upon payment of the availability fee and connection to the system, a new customer becomes an existing customer. The County allocates expenses, interest income, bond proceeds, debt service payments, capital improvement project costs and funding, and operating transfers between existing and new users of the system. In accordance with the County's "Growth Pays for Growth Policy", both existing and new customers must pay for their share of the system's total annual revenue requirements.

New Initiatives and Recent Accomplishments in Support of the Fairfax County Vision

Practicing Environmental Stewardship	Recent Success	FY 2010 Initiative
Continue to be a leader in protecting the Chesapeake Bay. Received the National Association of Clean Water Agencies (NACWA) Platinum Award for 100 percent compliance with its NPDES discharge permit limits on a Calendar Year basis. Fairfax County is one of only 103 Platinum award winners out of 16,000 wastewater treatment plants in the United States to receive this award.	☑	☑
Accepted by the Commonwealth of Virginia, Department of Environmental Quality (DEQ) as an Exemplary Environmental Enterprise (E3) participant into the Virginia environmental excellence program. The agency plans to seek an Extraordinary Environmental Enterprise (E4) rating in the future.	☑	☑
Continue to conduct exemplary work in analytical monitoring for the protection of the environment and the Chesapeake Bay, resulting in the receipt of the Laboratory Analyst Excellence Award from Virginia Water Environment Association/Virginia Wastewater Association (VWEA/VWWA).	☑	☑
Continue to reduce nutrients discharged to the Chesapeake Bay by using the new Biological Nutrient Removal (BNR) facilities which reduces total nitrogen discharge concentration from 6 milligrams per liter to 3 milligrams per liter.	☑	☑
Continue to maintain the sewer collection and conveyance system in accordance with the “best business practices” operating condition by rehabilitating, repairing and replacing failing pumps, sewer lines and force mains.	☑	☑

Fund 401
Sewer Operation and Maintenance

Practicing Environmental Stewardship	Recent Success	FY 2010 Initiative
Continue to achieve 100 percent compliance with the newly established regulatory requirements under Title V of the Clean Air Act.	☑	☑
Continue to fully treat wastewater to a level better than all state requirements.	☑	☑
Creating a Culture of Engagement	**Recent Success**	**FY 2010 Initiative**
Continue the "Adopt a School" program and "Sewer Science Program" to educate and inform students and the community about the role wastewater treatment plays in protecting the environment.	☑	☑
Continue to participate in the Lorton Citizens' Alliance Team (LCAT) which consists of members from the community, Wastewater Program and the Solid Waste Management Program to address the community's environmental concerns.	☑	☑
Continue to participate in neighborhood sponsored activities such as Adopt-A-Highway Clean-Up and Pohick Creek Clean-Up.	☑	☑
Exercising Corporate Stewardship	**Recent Success**	**FY 2010 Initiative**
Continue to implement the Capital Asset Management Program to identify major rehabilitation and replacement projects over the next five to ten years under the Capital Improvement Program.	☑	☑
Continue to operate the program in a manner that ensures it remains one of the lowest cost pollution control service providers in the region.	☑	☑
Continue to maintain Standard and Poor's, as well as Fitch's, bond rating of Triple A, the best financial rating a utility can receive.	☑	☑
Continue to seek and receive a Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the Wastewater Management Program's Comprehensive Annual Financial Report.	☑	☑

Fund 401
Sewer Operation and Maintenance

Budget and Staff Resources

Agency Summary				
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Baseline Budget
Authorized Positions/Staff Years				
Regular	321/ 320.5	321/ 320.5	321/ 320.5	321/ 320.5
Expenditures:				
Personnel Services	$21,719,514	$28,051,654	$28,051,654	$29,379,951
Operating Expenses	57,834,844	60,448,524	61,025,823	69,378,023
Capital Equipment	656,356	487,918	1,071,487	253,870
Subtotal	**$80,210,714**	**$88,988,096**	**$90,148,964**	**$99,011,844**
Less:				
Recovered Costs	($636,378)	($643,595)	($643,595)	($667,567)
Total Expenditures	**$79,574,336**	**$88,344,501**	**$89,505,369**	**$98,344,277**

FY 2010 Funding Adjustments

The following funding adjustments from the FY 2009 Revised Budget Plan are necessary to support the FY 2010 program:

- **Employee Compensation** **$1,328,297**
  An increase of $1,328,297 in Personnel Services associated with salary adjustments necessary to support the County's compensation program.

- **Operating Expenses** **$8,849,499**
  An increase of $8,849,499 in Operating Expenses is due primarily to increased costs for interjurisdictional charges based on operations and maintenance charges from Blue Plains, Alexandria Sanitation Authority, the Upper Occoquan Sewage Authority (UOSA), and Arlington County. These cost increases are primarily due to increases in power, fuel and chemicals caused by energy related cost increases.

- **Fuel Costs** **$80,000**
  An increase of $80,000 for Department of Vehicle Services charges is based on anticipated requirements due to higher costs for unleaded and diesel fuels.

- **Recovered Costs** **($23,972)**
  An increase of $23,972 in Recovered Costs is primarily due to the FY 2010 projected salaries of recoverable positions.

- **Capital Equipment** **$253,870**
  Funding of $253,870 is included for Capital Equipment requirements associated with replacement equipment that has outlived its useful life and is not cost effective to repair. The equipment includes $76,000 for pumping station equipment, and $17,870 for lab equipment. In addition, funding provides for replacement vehicles including, $32,000 for one pickup truck to inspect sewer lines required by the USEPA Capacity, Management, Operation and Maintenance (CMOM) program, $30,000 for one pickup truck used for Miss Utility to mark sanitary sewer lines in accordance with the Virginia Underground Damage Prevention Act, and $22,000 for one pickup truck for maintenance projects at the Noman Cole Pollution Control Plant. All of these vehicles require replacement based on established age, mileage criteria and excessive repairs. Funding in the amount of $76,000 is also included for office support equipment.

- **Carryover Adjustments** **($1,160,868)**
  A decrease of $1,160,868 due to the carryover of one-time expenses as part of the *FY 2008 Carryover Review,* including $577,299 in Operating Expenses and $583,569 in Capital Equipment.

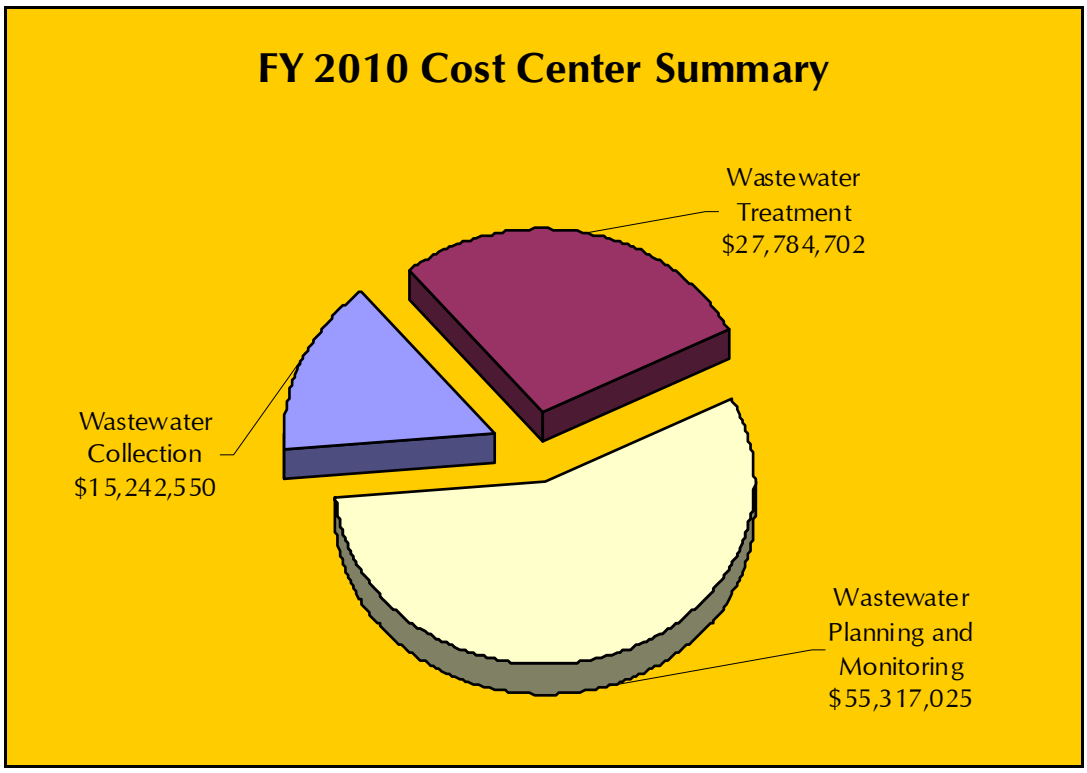
Changes to FY 2009 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2009 Revised Budget Plan since passage of the FY 2009 Adopted Budget Plan. Included are all adjustments made as part of the FY 2008 Carryover Review and all other approved changes through September 15, 2008:

- **Carryover Adjustments** **$1,160,868**
  As part of the *FY 2008 Carryover Review*, the Board of Supervisors approved encumbered carryover of $1,010,868, including $577,299 in Operating Expenses and $433,569 in Capital Equipment; and unencumbered carryover of $150,000 for the delayed ordering of capital equipment.

Cost Centers

The three cost centers within Fund 401, Sewer Operation and Maintenance, are Wastewater Collection, Wastewater Treatment and Wastewater Planning and Monitoring. These cost centers work together to fulfill the mission of the sanitary sewer system and carry out the designated initiatives for the fiscal year.



Fund 401
Sewer Operation and Maintenance

Wastewater Collection

Funding Summary				
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Baseline Budget
Authorized Positions/Staff Years				
Regular	141/ 141	141/ 141	140/ 140	140/ 140
Total Expenditures	**$12,316,625**	**$14,365,189**	**$14,940,747**	**$15,242,550**

Position Summary

	Collection Program		Gravity Sewers		Pumping Stations
1	Director	1	Public Works Env. Services Manager	1	Public Works Env. Services Manager
1	Management Analyst III	1	Maintenance Superintendent	1	Engineer III
1	Network/Telecomm Analyst I	2	Senior Maintenance Supervisors	1	Industrial Electrician Supervisor
1	Network/Telecomm Analyst II	6	Engineering Technicians III	1	Instrumentation Supervisor
1	Safety Analyst	7	Engineering Technicians II	1	Plant Maintenance Supervisor
1	Warehouse Supervisor	1	Map Drafter	1	Industrial Electrician III
1	Warehouse Specialist	12	Engineering Technicians I	4	Instrumentation Technicians III
1	Admin. Assistant IV	3	Heavy Equipment Operators	4	Industrial Electricians II
5	Admin. Assistants III	16	Maintenance Crew Chiefs	6	Plant Mechanics III
3	Admin. Assistants II	3	Motor Equipment Operators	3	Instrumentation Technicians II
1	Storekeeper	2	Truck Drivers	1	Welder II
1	Warehouse Worker-Driver-Helper	14	Senior Maintenance Workers	8	Plant Mechanics II
		19	Maintenance Workers	1	Instrumentation Technician I
		1	Engineer III	1	Maintenance Trade Helper II

TOTAL POSITIONS
140 Positions / 140.0 Staff Years

Goal

To operate, maintain, and repair the County's wastewater collection system in a manner that protects Fairfax County citizens and the environment.

Wastewater Treatment

Funding Summary				
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Baseline Budget
Authorized Positions/Staff Years				
Regular	135/ 135	135/ 135	135/ 135	135/ 135
Total Expenditures	**$17,480,528**	**$23,541,377**	**$23,939,993**	**$27,784,702**

Fund 401
Sewer Operation and Maintenance

Position Summary

	Noman M. Cole, Jr., Pollution Control Plant		**Operations**	1	Chief Building Maintenance
1	Director	1	Wastewater Plant Oper. Mgr.	2	Industrial Electricians III
1	Info. Tech. Prog. Manager I	2	Engineers III	3	Instrumentation Technicians III
1	Database Administrator I	1	Public Works Env. Svcs. Spec.	1	Senior Maintenance Supervisor
1	Engineer IV	1	Plant Operations Superintendent	4	Industrial Electricians II
2	Storekeepers	6	Plant Operations Supervisors	7	Plant Mechanics III
1	Safety Analyst	8	Senior Plant Operators	5	Instrumentation Technicians II
2	Network/Telecom Analysts II	12	Lead Plant Operators	2	Welders II
1	Engineering Technician III	30	Plant Operators	8	Plant Mechanics II
1	Warehouse Supervisor	1	Engineering Technician II	2	Painters I
1	Heavy Equipment Supervisor		**Maintenance**	1	Painter II
3	Info. Technology Technicians II	1	Public Works Env. Svcs. Mgr.	2	Industrial Electricians I
1	Administrative Assistant IV	1	Plant Maintenance Superintendent	1	Maintenance Trade Helper II
1	Warehouse Specialist			1	Senior Maintenance Worker
2	Heavy Equipment Operators	1	Industrial Electrician Supervisor	2	Maintenance Workers
3	Administrative Assistants III	1	Instrumentation Supervisor	2	Custodians II
1	Warehouse Worker-Driver	1	Plant Maintenance Supervisor	1	HVAC II

TOTAL POSITIONS
135 Positions / 135.0 Staff Years

Goal

To ensure efficient and effective operation and maintenance of the County's wastewater treatment facilities within the laws and standards established by the Congress of the United States in Public Law 92-500 which designates regulatory powers to the USEPA and the Virginia Department of Environmental Quality.

Wastewater Planning and Monitoring

Funding Summary

Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Baseline Budget
Authorized Positions/Staff Years				
Regular	45/ 44.5	45/ 44.5	46/ 45.5	46/ 45.5
Total Expenditures	**$49,777,183**	**$50,437,935**	**$50,624,629**	**$55,317,025**

Position Summary

	Financial Management and Planning		**Engineering Planning and Analysis**		**Environmental Monitoring**
1	Director	1	Engineer V	1	Environmental Services Director
1	Assistant Director Public Works	1	Engineer IV	2	Asst. Environmental Services Directors
1	Management Analyst IV	1	Geog. Info. Spatial Analyst II	4	Environmental Health Specialists II
1	Fiscal Administrator	2	Geog. Info. System Techs.	2	Environmental Technologists III
1	Management Analyst III	2	Engineering Technicians III	3	Environmental Technologists II
1	Programmer Analyst III	4	Engineers III	7	Environmental Technologists I
1	Accountant II			1	Management Analyst II
1	Engineering Technician III			1	Administrative Assistant II
1	Administrative Assistant IV				
1	Administrative Assistant III, PT				
1	Administrative Assistant II				
1	Management Analyst I				
2	Engineering Technicians II				

TOTAL POSITIONS
46 Positions / 45.5 Staff Years **PT Denotes Part-Time Position**

Fund 401
Sewer Operation and Maintenance

Goal

To manage sewer revenue collection; to monitor and report County sewage flows treated at non-County facilities; to plan for growth and development in the County's public sewer system; and to environmentally monitor County treatment facilities, other publicly and privately-owned treatment facilities in the program and nearby embayments.

Key Performance Measures

Objectives

- To comply with Title V air permit and state water quality permit requirements 100 percent of the time in order to contribute to a pure and natural state of air and water in Fairfax County.
- To maintain sewer infrastructure effectively in order to experience no more than 25 sewer back-ups, which is less than the current 5-year rolling annual average of 34.
- To ensure efficient wastewater collection and treatment services by providing service to customers at rates that are the lowest in the area.
- To provide excellent financial and asset management by ensuring a debt coverage ratio of 1.30 or greater.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	FY 2009	FY 2010
Output:					
Total average daily wastewater flow treated (million gallons)	102.4	107.2	110.0 / 98.8	110.0	112.0
Emergency repair work orders processed (1)	99	197	200 / 207	200	200
Service trouble calls received	1,404	1,236	1,500 / 1,249	1,500	1,500
Operating Reserve maintained (millions)	$18.8	$19.0	$19.3 / $24.8	$22.1	$45.0
Efficiency:					
Percent of treatment capacity available for growth	36%	33%	33% / 38%	33%	33%
Emergency repairs, as a percent of total work orders	0.5%	0.8%	1.0% / 0.9%	0.8%	0.8%
Sewer Service Billing Rate, $/1,000 gallons	$3.28	$3.50	$3.74 / $3.74	$4.10	$4.50
Service Quality:					
Sanitary sewer overflows (SSOs) per year (FY 2008, 5-yr. avg. = 35)	13	14	20 / 17	20	20
Percent of customers responded to within 24 hours	100%	100%	100% / 100%	100%	100%
Percentage of sewage back-ups responded to within 2 hours	100%	100%	100% / 100%	100%	100%
Odor complaints per year (FY 2008, 5-yr. avg. = 45)	21	16	40 / 22	25	25
Percent Capital Improvement Program funded	100%	100%	100% / 100%	100%	100%

Fund 401
Sewer Operation and Maintenance

Indicator	Prior Year Actuals FY 2006 Actual	Prior Year Actuals FY 2007 Actual	Prior Year Actuals FY 2008 Estimate/Actual	Current Estimate FY 2009	Future Estimate FY 2010
Outcome:					
Compliance with Title V air permit and State water quality permit	100%	100%	100% / 100%	100%	100%
Blockages causing sewer back-ups per year (FY 2008, 5-yr. avg. = 34)	7	12	25 / 18	25	25
Average household sewer bill compared to other providers in the area	Lowest	Lowest	Lowest / Lowest	Lowest	Lowest
Debt Coverage Ratio: (Revenue - Operating Cost/Debt)	1.90	1.70	1.30 / 1.78	1.30	1.30

(1) The agency redefined the definition of emergency repairs to include only true emergency work and no longer include unscheduled work orders in this performance measurement.

Performance Measurement Results

In FY 2008, there were 358,375 (households and businesses) connections to the sanitary sewer system, an increase of 3,167 connections over FY 2007. Approximately 87 percent of Fairfax County households are connected to the sewer system. Approximately 875,000 of the County's estimated 1,050,000 residents are served by public sewer. Odor complaints, particularly around the Noman M. Cole, Jr., Pollution Control Plant, have been reduced significantly with the addition of new odor containment and treatment facilities. These odor control facilities include tank covers for gravity thickeners and packed tower scrubbers on sludge storage tanks, nine carbon absorption odor control scrubbers at various locations on the plant, tank covers for the primary settling tanks and packed tower scrubbers to treat the odorous air from the tanks, and afterburners for the incineration exhaust.

Wastewater flows decreased due to dry weather conditions in FY 2008 resulting in less groundwater infiltration and stormwater runoff influx into the system but are expected to increase again in FY 2009 and FY 2010. Sanitary sewer overflows increased due to infiltration of excessive stormwater into the sewer system during heavy rainfall events. The Wastewater Collection staff has increased efforts in monitoring trouble areas, replacing sewer line sags and realigning sewer lines, and utilizing temporary pumps in place to divert flow during severe storm events. Similarly, the number of sanitary sewage blockages is still low and based on the agency's efforts to monitor the sewer program and keep the sewer system clean of grease and debris.

When comparing average annual sewer service billings for the regional jurisdictions, Fairfax County has one of the lowest average annual sewer service billings at $312. Other regional jurisdictions range from $284 to $610 (as of January 1, 2009). The average sewer service billings for the other regional jurisdictions have been developed by applying each jurisdiction's sewer service rate to appropriate Single Family Residence Equivalents (SFRE) water usage determined from an analysis of Fairfax Water's historical average water usage records for SFREs. Based on the latest rate comparison, Fairfax County had one of the lowest annual sewer service charges. The program is able to maintain its competitive rates while providing quality service to its customers, protecting the environment, and maintaining sufficient financial resources to fully fund the program's initiatives.

Fund 401
Sewer Operation and Maintenance

FUND STATEMENT

Fund Type G40, Enterprise Funds **Fund 401, Sewer Operation and Maintenance**

	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Baseline Budget
Beginning Balance	**$6,405,321**	**$596,352**	**$6,739,479**	**$5,734,110**
Transfer In:				
Sewer Revenue (400)	$79,908,494	$88,500,000	$88,500,000	$93,000,000
Total Transfer In	$79,908,494	$88,500,000	$88,500,000	$93,000,000
Total Available	**$86,313,815**	**$89,096,352**	**$95,239,479**	**$98,734,110**
Expenditures:				
Personnel Services	$21,719,514	$28,051,654	$28,051,654	$29,379,951
Operating Expenses	57,834,844	60,448,524	61,025,823	69,378,023
Recovered Costs	(636,378)	(643,595)	(643,595)	(667,567)
Capital Equipment	656,356	487,918	1,071,487	253,870
Total Expenditures	$79,574,336	$88,344,501	$89,505,369	$98,344,277
Total Disbursements	**$79,574,336**	**$88,344,501**	**$89,505,369**	**$98,344,277**
Ending Balance[1]	**$6,739,479**	**$751,851**	**$5,734,110**	**$389,833**
PC Replacement Reserve[2]	$98,000	$98,000	$98,000	$98,000
Unreserved Balance	**$6,641,479**	**$653,851**	**$5,636,110**	**$291,833**

[1] The Wastewater Management Program maintains fund balances at adequate levels relative to projected operation and maintenance expenses. These costs change annually; therefore, funding for sewer operations and maintenance is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

[2] The PC Replacement Reserve was established for the timely replacement of computer equipment.