

FUND STATEMENT

Fund Type G40, Enterprise Funds

Fund 400, Sewer Revenue

	FY 2011 Estimate	FY 2011 Actual	Increase (Decrease) (Col. 2-1)	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$86,560,787	\$86,560,787	\$0	\$88,525,787	\$96,391,992	\$7,866,205
Revenue:						
Lateral Spur Fees	\$10,000	\$30,600	\$20,600	\$10,000	\$10,000	\$0
Sales of Service	8,000,000	8,534,911	534,911	9,500,000	9,500,000	0
Availability Charges	12,000,000	11,583,202	(416,798)	10,000,000	10,000,000	0
Connection Charges	50,000	45,194	(4,806)	30,000	30,000	0
Sewer Service Charges	125,775,000	133,656,492	7,881,492	143,383,500	143,383,500	0
Miscellaneous Revenue	150,000	268,316	118,316	150,000	150,000	0
Sale Surplus Property	30,000	13,092	(16,908)	30,000	30,000	0
Interest on Investments	1,000,000	749,398	(250,602)	900,000	900,000	0
Total Revenue	\$147,015,000	\$154,881,205	\$7,866,205	\$164,003,500	\$164,003,500	\$0
Total Available	\$233,575,787	\$241,441,992	\$7,866,205	\$252,529,287	\$260,395,492	\$7,866,205
Transfers Out:						
Sewer Operation and Maintenance (401)	\$73,400,000	\$73,400,000	\$0	\$78,000,000	\$86,000,000	\$8,000,000
Sewer Construction Improvements (402)	24,500,000	24,500,000	0	29,000,000	29,000,000	0
Sewer Bond Parity Debt Service (403)	22,650,000	22,650,000	0	25,554,960	25,554,960	0
Sewer Bond Subordinate Debt Service (407)	24,500,000	24,500,000	0	25,633,624	25,633,624	0
Total Transfers Out	\$145,050,000	\$145,050,000	\$0	\$158,188,584	\$166,188,584	\$8,000,000
Total Disbursements	\$145,050,000	\$145,050,000	\$0	\$158,188,584	\$166,188,584	\$8,000,000
Ending Balance¹	\$88,525,787	\$96,391,992	\$7,866,205	\$94,340,703	\$94,206,908	(\$133,795)
Management Reserves:						
Operating and Maintenance Reserve ²						
Reserve ²	\$45,000,000	\$45,000,000	\$0	\$40,000,000	\$45,000,000	\$5,000,000
New Customer Reserve ³	23,000,000	23,000,000	0	23,000,000	23,000,000	0
Virginia Resource Authority Reserve ⁴	6,637,072	6,637,072	0	6,637,072	6,637,072	0
Total Reserves	\$74,637,072	\$74,637,072	\$0	\$69,637,072	\$74,637,072	\$5,000,000
Unreserved Balance	\$13,888,715	\$21,754,920	\$7,866,205	\$24,703,631	\$19,569,836	(\$5,133,795)

¹ The Wastewater Management Program maintains fund balances at adequate levels relative to projected debt service requirements, operation and maintenance expenses and capital improvements.

² The Operating and Maintenance Reserve provides for unforeseen expenses associated with sewer system emergencies. This reserve is targeted to be maintained at a level between \$25 and \$45 million. This level of reserve is based on industry practice to maintain existing customer reserves at a level which can support 30 and 180 days of working capital and approximately 50 percent of one year's requirements for rehabilitation and replacement of the current system's assets.

³ The New Customer Reserve provides for debt service and administrative expenses associated with new customer debt, until such time as adjustments to availability charges can be accommodated. This reserve is targeted to be maintained at approximately \$22 million. This level of reserve is based on payment expenses associated with one year of debt service and administrative expenses associated with new customer debt.

⁴ The Virginia Resource Authority Reserve is a debt service reserve requirement for Virginia Resource Authority loans related to future treatment plant improvements.