

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 110, Refuse Disposal

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2011 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$11,355,917	\$8,325,072	\$13,787,425	\$13,787,425	\$0
Revenue:					
Interest on Investment	\$62,700	\$70,308	\$70,308	\$70,308	\$0
Refuse Disposal Revenue ¹	49,992,261	56,034,331	56,034,331	56,034,331	0
Miscellaneous Revenue:					
White Goods	\$589,811	\$340,000	\$340,000	340,000	0
Rent of Equipment, Space	241,024	302,000	302,000	302,000	0
Sale of Equipment	729,337	227,000	227,000	227,000	0
Licensing Fees	66,280	55,000	55,000	55,000	0
Miscellaneous	268,309	173,000	173,000	173,000	0
Subtotal Miscellaneous Revenue	<u>\$1,894,761</u>	<u>\$1,097,000</u>	<u>\$1,097,000</u>	<u>\$1,097,000</u>	<u>\$0</u>
Total Revenue	\$51,949,722	\$57,201,639	\$57,201,639	\$57,201,639	\$0
Total Available	\$63,305,639	\$65,526,711	\$70,989,064	\$70,989,064	\$0
Expenditures:					
Personnel Services	\$9,430,123	\$10,226,781	\$10,226,781	\$10,226,781	\$0
Operating Expenses ¹	37,980,139	44,669,651	44,960,392	44,960,392	0
Capital Equipment	2,425,557	1,189,500	2,731,658	2,731,658	0
Recovered Costs	(669,169)	(688,840)	(688,840)	(688,840)	0
Capital Projects	351,564	0	4,177,078	4,177,078	0
Total Expenditures	<u>\$49,518,214</u>	<u>\$55,397,092</u>	<u>\$61,407,069</u>	<u>\$61,407,069</u>	<u>\$0</u>
Total Disbursements	\$49,518,214	\$55,397,092	\$61,407,069	\$61,407,069	\$0
Ending Balance²	\$13,787,425	\$10,129,619	\$9,581,995	\$9,581,995	\$0
Reserves:					
Equipment Reserve ³	\$1,879,285	\$2,049,038	\$2,049,038	\$2,049,038	\$0
Operating and Maintenance Reserve ⁴	500,000	928,975	395,139	395,139	0
Environmental Reserve	2,000,000	2,000,000	2,000,000	2,000,000	0
Construction Reserve ⁵	5,065,972	5,065,972	5,052,184	5,052,184	0
PC Replacement Reserve	61,293	85,634	85,634	85,634	0
Unreserved Balance	\$4,280,875	\$0	\$0	\$0	\$0
System Disposal Rate/Ton ⁶	\$60.00	\$60.00	\$60.00	\$60.00	\$0
Discounted Disposal Rate/Ton ⁷	\$55.00	\$55.00	\$55.00	\$55.00	\$0

¹ In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of \$134,043.22 has been reflected as a decrease to FY 2010 Refuse Disposal revenue and an audit adjustment in the amount of \$120,256.40 has been reflected as a decrease in expenditures primarily to reflect the recording of revenue and expenditures from the waste exchange with Prince William County. These audit adjustments have been included in the FY 2010 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments will be included in the FY 2011 Third Quarter package.

² Ending balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions, tipping fee negotiations, and expenditure requirements.

³ The Equipment Reserve provides for the timely replacement of equipment required to operate the I-66 Transfer Station. Funds are transferred from Refuse Disposal revenue to the Equipment Replacement Reserve, as are proceeds from the sale of equipment.

⁴ The Operating and Maintenance Reserve provides funds to react to unanticipated events such as significant changes in waste quantities, increases in contract disposal rates at composting facilities and landfills, increases in fuel costs, significant reductions in revenues, etc.. The reserve also acts as a rate stabilization reserve, allowing smooth transition to rate changes minimizing the impact on customers.

⁵ The Construction Reserve provides for future improvements at the I-66 Transfer Station. A need for the renovation of the existing administrative offices at the I-66 Transfer Station has been identified. The building was originally constructed during 1982 and opened January 1983. The renovation work will include repairs and modifications to the HVAC system, replacement of the motor control center, remodeling of bathroom and locker room facilities, remodeling and modifications to the existing scale house, and remodeling of other existing administrative offices, hallways, and common areas to meet the present needs and building codes. The scoping and preliminary design phase will begin during FY 2012 and construction work is anticipated to commence in FY 2013.

⁶ The FY 2011 System Disposal rate is projected to remain at \$60 per ton subject to market conditions.

⁷ In FY 1999, Fairfax County implemented a contractual rate discount that was offered to any hauler that guaranteed all of its collected refuse or a specified tonnage amount would be delivered to the Energy/Resource Recovery Facility (E/RRF) or other County disposal sites. The FY 2011 System Disposal rate is \$55.00 per ton.