

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 110, Refuse Disposal

	FY 2002 Actual	FY 2003 Adopted Budget Plan	FY 2003 Revised Budget Plan	FY 2003 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance¹	\$5,679,774	\$3,407,601	\$10,507,641	\$10,507,641	\$0
Revenue:					
Interest on Investment	\$274,273	\$117,788	\$117,788	\$117,788	\$0
Refuse Disposal Revenue:					
Private Collectors	\$26,501,667	\$29,097,424	\$29,097,424	\$29,097,424	\$0
Cities and Towns	999,983	1,055,759	1,055,759	1,055,759	0
County Collection	2,166,906	2,175,078	2,175,078	2,175,078	0
Treatment Plants	163,442	139,705	139,705	139,705	0
County Agency Routes	333,896	387,475	387,475	387,475	0
Other Agencies	210,302	270,701	270,701	270,701	0
SWRRC Program	45,221	42,467	42,467	42,467	0
Non Fairfax County	33,557	1,455,556	1,455,556	1,455,556	0
Citizens' Disposal Facilities	1,523,158	1,725,030	1,725,030	1,725,030	0
Debris	567,604	1,328,804	1,328,804	1,328,804	0
Supplemental Market	307,067	451,710	451,710	451,710	0
Subtotal	\$32,852,803	\$38,129,709	\$38,129,709	\$38,129,709	\$0
Other Revenue:					
Brush	\$1,239,435	\$1,173,582	\$1,173,582	\$1,173,582	\$0
Yard Waste	1,742,361	2,135,095	2,135,095	2,135,095	0
Tires	688,685	830,199	830,199	830,199	0
Subtotal	\$3,670,481	\$4,138,876	\$4,138,876	\$4,138,876	\$0
Miscellaneous Revenue:					
White Goods	\$261,112	\$207,748	\$207,748	\$207,748	\$0
Sale of Equipment	1,576	141,800	141,800	141,800	0
Licensing Fees	34,880	35,760	35,760	35,760	0
Miscellaneous	326,703	363,661	363,661	363,661	0
Subtotal	\$624,271	\$748,969	\$748,969	\$748,969	\$0
Total Revenue	\$37,421,828	\$43,135,342	\$43,135,342	\$43,135,342	\$0
Transfers In: ²					
General Fund (001)	\$5,500,000	\$3,439,291	\$3,439,291	\$3,439,291	\$0
Total Transfers In	\$5,500,000	\$3,439,291	\$3,439,291	\$3,439,291	\$0
Total Available	\$48,601,602	\$49,982,234	\$57,082,274	\$57,082,274	\$0
Expenditures:					
Personnel Services	\$7,011,590	\$7,556,483	\$7,556,483	\$7,556,483	\$0
Operating Expenses ³	30,820,666	37,653,232	37,653,232	37,653,232	0
Capital Equipment	548,198	1,815,230	2,990,678	2,990,678	0
Recovered Costs	(334,946)	(446,918)	(446,918)	(446,918)	0
Capital Projects	48,453	0	1,467,553	1,467,553	0
Total Expenditures	\$38,093,961	\$46,578,027	\$49,221,028	\$49,221,028	\$0
Total Disbursements	\$38,093,961	\$46,578,027	\$49,221,028	\$49,221,028	\$0
Ending Balance	\$10,507,641	\$3,404,207	\$7,861,246	\$7,861,246	\$0

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Reserves:					
Equipment Reserve ⁴	\$2,411,860	\$2,408,466	\$2,408,466	\$2,408,466	\$0
Operating & Maintenance Reserve	0	0	3,384,925	3,384,925	0
Environmental Reserve ⁵	927,886	927,886	2,000,000	2,000,000	0
Construction Reserve ⁶	0	0	0	0	0
PC Replacement Reserve	67,855	67,855	67,855	67,855	0
Unreserved Balance	\$7,100,040	\$0	\$0	\$0	\$0
Disposal Rate/Ton ⁷	\$45.00	\$45.00	\$45.00	\$45.00	\$0
Disposal Rate/Ton ⁷	\$37.95	\$39.95	\$39.95	\$39.95	\$0.00

¹ In order to account for Governmental Accounting Standards Board changes in the treatment of the year end accrual of compensated absences, a restatement of the FY 2002 beginning balance for Fund 110, Refuse Disposal is reflected. This adjustment results in an increase in the FY 2002 beginning balance in the amount of \$95,035 and a one-time savings for the fund. The beginning balance audit adjustment has been included in the FY 2002 Comprehensive Annual Financial Report (CAFR). Details of the adjustments are included in the FY 2003 Third Quarter Package.

² Cited amounts have been transferred in FY 2002 and FY 2003 to Fund 110 to cover the revenue shortfalls for operational requirements. These transfers provide a subsidy allowing the County to continue to provide the level of service to specific refuse disposal programs that do not fully recover costs. Subsidized programs include the County's Recycling Program, the Household Hazardous Waste Program, the Citizen Disposal Facilities, and the Code Enforcement Program. The current fee structure for Fund 110 will not support these expenses in FY 2004. In FY 2004, a transfer from the General Fund will provide funding to maintain the competitiveness of the County's Solid Waste System in attracting and maintaining commercial waste, to provide for market fluctuations, and maintain the current level of service to the disposal customers. A rate increase is proposed for the Citizen Disposal Facilities to make these sites more self-supporting.

³ In order to account for revenues and expenditures in the proper fiscal year, a net audit adjustment in the amount of \$791,263 has been reflected as a decrease to FY 2002 expenditures to reflect an increase of \$110,889 for accrued expenditures from Loudoun Composting paid in FY 2003 but incurred during FY 2002 and a decrease of \$902,152 to reverse expenditure accruals for waste exchange with Prince William County.

⁴ The Equipment Replacement 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. The reserve requirement is based on a replacement schedule, comprised of yearly payments to the reserve, which is based on the useful life of the vehicle/equipment. The yearly estimated reserve amount includes the annual portion of the replacement cost for new vehicles/equipment, and continued contributions for previously acquired vehicles/equipment for which the replacement requirement has not been met.

⁵ The Environmental Reserve provides contingency funds for future environmental control projects at the I-66 Transfer Station.

⁶ The Construction Reserve provides for improvements at the I-66 Transfer Station.

⁷ In August 1998 (FY 1999), Fairfax County implemented a contractual rate discount that was offered to any hauler that guaranteed that 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 contractual agreement reduced the system disposal fee by \$9 from the FY 1999 Adopted Budget Plan level of \$45 per ton to \$36 per ton. The discounted contractual fee remained in effect through FY 2000 but was reduced to \$34 per ton at the start of FY 2001 to stay competitive with private operations. The FY 2002 discounted rate was \$37.95 per ton; the FY 2003 and FY 2004 discounted rate is \$39.95. It should be noted that the approved system fee of \$45 remains in effect.