

FUND STATEMENT

Fund 40150, Refuse Disposal

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2016 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$9,862,485	\$2,395,417	\$9,748,504	\$9,748,504	\$0
Revenue:					
Interest on Investment	\$22,047	\$4,791	\$4,791	\$4,791	\$0
Refuse Disposal Revenue	45,422,289	44,826,890	44,826,890	44,826,890	0
Miscellaneous Revenue:					
White Goods	\$85,148	\$800,000	\$800,000	800,000	0
Rent of Equipment, Space	194,225	300,000	300,000	300,000	0
Sale of Equipment	922,717	906,000	906,000	906,000	0
Licensing Fees	85,560	78,840	78,840	78,840	0
Miscellaneous	13,165	300,000	300,000	300,000	0
Subtotal Miscellaneous Revenue	\$1,300,815	\$2,384,840	\$2,384,840	\$2,384,840	\$0
Total Revenue	\$46,745,151	\$47,216,521	\$47,216,521	\$47,216,521	\$0
Total Available	\$56,607,636	\$49,611,938	\$56,965,025	\$56,965,025	\$0
Expenditures:					
Personnel Services	\$11,524,290	\$11,889,614	\$11,889,614	\$11,889,614	\$0
Operating Expenses ¹	34,127,548	36,172,358	36,644,584	36,644,584	0
Capital Equipment	1,469,490	2,150,000	2,414,649	2,414,649	0
Recovered Costs	(1,054,122)	(1,878,941)	(1,878,941)	(1,878,941)	0
Capital Projects ¹	256,926	0	2,886,838	3,963,838	1,077,000
Total Expenditures	\$46,324,132	\$48,333,031	\$51,956,744	\$53,033,744	\$1,077,000
Transfers Out:					
General Fund (10001) ²	\$535,000	\$577,000	\$577,000	\$577,000	\$0
Total Transfers Out	\$535,000	\$577,000	\$577,000	\$577,000	\$0
Total Disbursements	\$46,859,132	\$48,910,031	\$52,533,744	\$53,610,744	\$1,077,000
Ending Balance³	\$9,748,504	\$701,907	\$4,431,281	\$3,354,281	(\$1,077,000)
Reserves:					
Capital Equipment Reserve ⁴	\$1,922,694	\$200,000	\$800,000	\$800,000	\$0
Operating Reserve ⁵	2,188,835	188,835	1,714,871	637,871	(1,077,000)
Environmental Reserve ⁶	2,800,000	100,000	800,000	800,000	0
Construction and Infrastructure Reserve ⁷	2,836,975	213,072	1,116,410	1,116,410	0
Unreserved Balance	\$0	\$0	\$0	\$0	\$0
System Disposal Rate/Ton ⁸	\$62	\$62	\$62	\$62	\$0
Discounted Disposal Rate/Ton ⁹	\$54	\$56	\$56	\$56	\$0

¹ In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of \$145,141.88 has been reflected as an increase to Operating Expenses in FY 2015 to accurately reflect expenses associated with the exchange with Prince William County. In addition, an audit adjustment of \$53,214.05 has been reflected as an increase to FY 2015 Capital Projects to record an expenditure accrual. This impacts the amount carried forward and results in a decrease of \$53,214.05 to the FY 2016 Revised Budget Plan. The project affected by this adjustment is SW-000011, I-66 Permit and Receiving Center Renovation. These audit adjustments have been included in the FY 2015 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments are included in the FY 2016 Third Quarter Package.

² Funding of \$577,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40150. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

³ 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.

⁴ The Capital Equipment Reserve provides for the timely replacement of equipment required to operate the I-66 Transfer Station. Proceeds from the sale of equipment as well as a small portion of Refuse Disposal Revenue are used to fund this reserve. The amount fluctuates based on anticipated replacement schedules of the existing fleet of vehicles.

⁵ The Operating 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.

⁶ The Environmental Reserve is a contingency fund, assuring that the County has funds to implement unplanned actions to protect the environment or meet regulatory requirements related to the closed landfill at the I-66 Complex. Specific examples of current and future environmental projects are likely to include landfill gas control, groundwater protective measures, stormwater and wastewater management.

⁷ The Construction and Infrastructure Reserve provides for future improvements at the I-66 Transfer Station.

⁸ The FY 2016 System Disposal rate is \$62 per ton.

⁹ In August 1998 (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 Contract Disposal rate will remain at \$56 per ton in order to meet program requirements, maintain identified reserves and avoid significant increases in rates in the future.