

FUND STATEMENT

Fund 40170, I-95 Refuse Disposal

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2017 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$35,657,796	\$27,989,349	\$36,694,304	\$36,694,304	\$0
Revenue:					
Interest on Investments	\$96,831	\$53,437	\$53,437	\$53,437	\$0
Refuse Disposal Revenue ^{1,2}	8,213,140	8,856,500	8,856,500	5,717,200	(3,139,300)
Other Revenue:					
Fees, Landfill Permit	\$0	\$7,200	\$7,200	7,200	0
Sale of Equipment	12,871	5,000	5,000	5,000	0
Miscellaneous Revenue	216,064	202,000	202,000	202,000	0
Subtotal	\$228,935	\$214,200	\$214,200	\$214,200	\$0
Total Revenue	\$8,538,906	\$9,124,137	\$9,124,137	\$5,984,837	(3,139,300)
Total Available	\$44,196,702	\$37,113,486	\$45,818,441	\$42,679,141	(3,139,300)
Expenditures:					
Personnel Services	\$3,484,952	\$3,870,633	\$3,870,633	\$3,870,633	\$0
Operating Expenses	3,436,683	3,787,316	3,968,680	3,968,680	0
Recovered Costs	(293,511)	0	0	0	0
Capital Equipment	30,928	550,000	950,000	950,000	0
Capital Projects	657,346	600,000	7,673,691	7,673,691	0
Total Expenditures	\$7,316,398	\$8,807,949	\$16,463,004	\$16,463,004	\$0
Transfers Out:					
General Fund (10001) ³	\$186,000	\$186,000	\$186,000	\$186,000	\$0
Total Transfers Out	\$186,000	\$186,000	\$186,000	\$186,000	\$0
Total Disbursements	\$7,502,398	\$8,993,949	\$16,649,004	\$16,649,004	\$0
Ending Balance⁴	\$36,694,304	\$28,119,537	\$29,169,437	\$26,030,137	(3,139,300)
Reserves					
Active Cell Closure Liability Reserve ⁵	\$257,165	\$257,165	\$257,165	\$257,165	\$0
Environmental Reserve ⁶	500,000	500,000	1,000,000	1,000,000	0
Operating Reserve ⁷	8,653,318	162,372	712,272	572,972	(139,300)
Capital Equipment Reserve ⁸	283,821	200,000	200,000	200,000	0
Post-Closure Reserve ⁹	27,000,000	27,000,000	27,000,000	24,000,000	(3,000,000)
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0
Disposal Fee/Ton ¹⁰	\$24.50	\$25.50	\$25.50	\$25.50	\$0.00

¹ In order to account for revenues in the proper fiscal year, an audit adjustment in the amount of \$458,467.85 has been reflected as a decrease to FY 2016 Refuse Disposal Revenue. The audit adjustment has been included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment are included in the FY 2017 Third Quarter package.

² FY 2017 Refuse Disposal Revenue is reduced by an amount of \$3,139,300 based on a projected decrease associated with lower levels of disposal and hauling of ash services from the Covanta Fairfax Inc. facility due to the fire that happened at the facility on February 2, 2017.

³ Funding in the amount of \$186,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40170. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

⁴ 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 and expenditure requirements.

⁵ The Active Cell Closure Liability Reserve is necessary for the closure of active disposal cells of the Ashfill and is necessary for ashfilling activities to progress in accord with state requirements.

⁶ The Environmental Reserve assures that the County has funds to implement, or at least start to implement, unplanned actions to protect the environment or meet regulatory requirements. Specific examples of future environmental projects are likely to include: Landfill Gas Control Projects, Stormwater Management, Wastewater (Leachate) Management, and Groundwater protective measures.

⁷ The Operating Reserve is used for the timely replacement of obsolete computer equipment, unanticipated operating expenditures and fluctuations in revenues.

⁸ The Capital Equipment Reserve provides for the timely replacement of equipment required to operate the I-95 Ashfill. Funds are transferred from Ash Disposal Revenue to equipment 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 are based on the useful life of the equipment and vehicles.

⁹ The Post-Closure Reserve is required for a 30-year period after the ashfill closes and is mandated by federal and state regulations. The projected reserve of \$24.0 million for FY 2017 represents 47.35 percent of the estimated requirement of \$50.7 million and is not sufficient to cover all identified costs. Additional funds will be set aside in future years.

¹⁰ The FY 2017 ash disposal fee increased from \$24.50 to \$25.50 per ton as part of an ammended Waste Disposal Agreement between the County and Covanta Fairfax Inc.