

Fund 69310: Sewer Bond Construction

FUND STATEMENT

Category	FY 2020 Actual	FY 2021 Adopted Budget Plan	FY 2021 Revised Budget Plan	FY 2021 Mid-Year Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$41,660,937	\$0	\$6,828,474	\$6,828,474	\$0
Revenue:					
Sale of Bonds ¹	\$0	\$191,800,000	\$191,800,000	\$191,800,000	\$0
Interest on Investments	498,905	0	0	0	0
Sale of Purchased Capacity ²	8,220,297	0	0	0	0
Virginia Water Quality Improvement Grant ^{3,4}	68,519	0	5,157,144	5,162,525	5,381
Total Revenue	\$8,787,721	\$191,800,000	\$196,957,144	\$196,962,525	\$5,381
Total Available	\$50,448,658	\$191,800,000	\$203,785,618	\$203,790,999	\$5,381
Total Expenditures⁴	\$43,620,184	\$190,727,825	\$202,718,824	\$202,718,824	\$0
Transfers Out:					
Sewer Bond Parity Debt Service (69020) ⁵	\$0	\$1,072,175	\$1,072,175	\$1,072,175	\$0
Total Transfers Out	\$0	\$1,072,175	\$1,072,175	\$1,072,175	\$0
Total Disbursements	\$43,620,184	\$191,800,000	\$203,790,999	\$203,790,999	\$0
Ending Balance^{6,7}	\$6,828,474	\$0	(\$5,381)	\$0	\$5,381

¹ In FY 2020, an amount of \$130 million in Sewer Revenue Bonds was projected to be issued to support the upgrade and improvement projects at the Noman M. Cole, Jr. Pollution Control Plant, including \$121.5 million in this fund and \$8.5 million to be reserved in Fund 69030, Sewer Bond Debt Reserve, for legal requirements. No Sewer Revenue Bonds were issued in FY 2020 based upon updated cashflow requirements. In FY 2021, an amount of \$200 million in Sewer Revenue Bonds is projected to be issued to support the upgrade and improvement projects at the Noman M. Cole, Jr. Pollution Control Plant, including \$191.8 million in this fund and \$8.2 million to be reserved in Fund 69030, Sewer Bond Debt Reserve, for legal requirements.

² On August 5, 2019, the Board of Supervisors approved the sale of 0.5 mgd of Fairfax County unused capacity at the Upper Occoquan Service Authority (UOSA) treatment plant to the City of Manassas. The City of Manassas paid Fairfax County \$8,220,297 in cash and will be responsible for all remaining debt payments to UOSA with respect to the purchased capacity.

³ Reflects Virginia Water Quality Improvement Fund Point Source grant approved by the Board of Supervisors on September 22, 2015, for upgrading and building facilities to support nitrogen removal requirements associated with the Chesapeake Bay Program. In FY 2020, an amount of \$73,900 was received and \$5,157,144 is anticipated in FY 2021 and beyond.

⁴ In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of \$5,380.86 has been reflected as a decrease to FY 2020 Virginia Water Quality Grant to accurately record revenue in the proper fiscal period. In addition, an audit adjustment in the amount of \$1,029,768.27 has been reflected as a decrease to FY 2020 Total Expenditures to accurately record expenditure accruals in the proper fiscal period. This impacts the amount carried forward and results in an increase of \$1,029,768.27 to the *FY 2021 Revised Budget Plan*. The project affected by this adjustment is WW-000017, Noman Cole Treatment Plant Renovations. These adjustments will be included in the FY 2020 Comprehensive Annual Financial Report (CAFR). Details of the FY 2020 audit adjustments are included in the FY 2021 Mid-Year Package.

⁵ A Transfer Out to Fund 69020, Sewer Bond Parity Debt Service, is necessary in FY 2021 because the Underwriter's Discount expense is paid from bond proceeds, which are reported as revenue in Fund 69310, Sewer Bond Construction.

⁶ The capital projects in this sewer fund are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

⁷ The *FY 2021 Revised Budget Plan* ending balance of (\$5,381) was due to an audit adjustment made to FY 2020.

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SUMMARY OF CAPITAL PROJECTS

Project	Total Project Estimate	FY 2020 Actual Expenditures	FY 2021 Pre-Mid-Year Revised	FY 2021 Mid-Year Revised
Noman Cole Treatment Plant Renovations (WW-000017)		\$36,305,200.22	\$160,566,528.82	\$160,566,529
Noman Cole Treatment Plant Upgrades (WW-000016)	132,183,268	7,314,983.35	42,152,295.24	42,152,295
Total	\$132,183,268	\$43,620,183.57	\$202,718,824.06	\$202,718,824