

WASATCH

INTEGRATED

waste management district

2012 Budget

For the Fiscal Year Ending June 30, 2012

	FY 2010 ACTUAL	FY 2011 BUDGET	FY 2011 FORECAST	FY 2012 BUDGET	2011 FORECAST VS. 2012 BUDGET % INCREASE (DECREASE)	HIGHER (LOWER)
<u>REVENUE</u>						
Household Containers	\$ 6,149,759	\$ 6,160,000	\$ 6,174,611	\$ 5,853,982	-5.19%	\$ (320,629)
Commercial Containers	\$ 58,842	\$ 58,250	\$ 60,980	\$ 61,499	0.85%	\$ 519
Curbside Recycling Services	\$ 93,601	\$ 93,000	\$ 86,887	\$ -	-100.00%	\$ (86,887)
Tipping Fees	\$ 3,470,566	\$ 3,397,451	\$ 3,238,397	\$ 3,225,412	-0.40%	\$ (12,985)
Special Waste	\$ 1,110,417	\$ 1,147,477	\$ 1,130,822	\$ 1,102,899	-2.47%	\$ (27,923)
Outside District Waste	\$ 96,784	\$ 83,000	\$ 116,479	\$ 105,000	-9.85%	\$ (11,479)
Steam/CoGeneration	\$ 2,966,937	\$ 2,995,500	\$ 3,192,960	\$ 3,251,414	1.83%	\$ 58,454
Recycling Materials	\$ 825,011	\$ 737,665	\$ 1,012,456	\$ 1,026,684	1.41%	\$ 14,228
Permits/Fees	\$ 163	\$ 201	\$ 41	\$ 25	-39.02%	\$ (16)
Interest	\$ 147,379	\$ 181,501	\$ 130,124	\$ 118,499	-8.93%	\$ (11,625)
Gain/(Loss) Surplus Equipment	\$ 1,950	\$ 1,350	\$ 2,552	\$ 1,282,004	50135.27%	\$ 1,279,452
Gain/(Loss) Marketable Securities	\$ 553,154	\$ 280,000	\$ 303,815	\$ 279,996	-7.84%	\$ (23,819)
Leases	\$ 4,527	\$ 125,000	\$ 140,249	\$ 63,144	-54.98%	\$ (77,105)
Other	\$ 26,905	\$ 13,751	\$ 12,579	\$ 12,006	-4.56%	\$ (573)
TOTAL REVENUE	\$ 15,505,995	\$ 15,274,146	\$ 15,602,952	\$ 16,382,564	5.00%	\$ 779,612
FUNDS TRANSFER	\$ 5,631,623	\$ 6,309,260	\$ 5,230,446	\$ 8,371,202		
TOTAL FUND SOURCES	\$ 21,137,618	\$ 21,583,406	\$ 20,833,398	\$ 24,753,766	18.82%	\$ 3,920,368
<u>EXPENSES</u>						
Personnel	\$ 4,689,001	\$ 5,108,136	\$ 5,043,367	\$ 5,295,455	5.00%	\$ 252,088
Temporary Labor	\$ 216,318	\$ 260,003	\$ 251,044	\$ 270,010	7.55%	\$ 18,966
Supplies	\$ 1,330,934	\$ 1,712,194	\$ 1,483,718	\$ 1,801,598	21.42%	\$ 317,880
Environmental Testing	\$ 118,337	\$ 169,012	\$ 154,968	\$ 179,264	15.68%	\$ 24,296
Utilities	\$ 339,487	\$ 408,520	\$ 371,298	\$ 412,925	11.21%	\$ 41,627
Closure/Post Closure	\$ 407,142	\$ 658,200	\$ 658,193	\$ 658,200	0.00%	\$ 7
Maintenance	\$ 3,183,924	\$ 4,146,548	\$ 3,890,983	\$ 3,607,708	-7.28%	\$ (283,275)
Memberships/Subscriptions	\$ 28,379	\$ 61,552	\$ 33,919	\$ 32,026	-5.58%	\$ (1,893)
Community Education	\$ 32,832	\$ 45,000	\$ 44,002	\$ 45,000	2.27%	\$ 998
Telephone/Communications	\$ 19,876	\$ 26,553	\$ 21,755	\$ 23,502	8.03%	\$ 1,747
Permits/License/Fees	\$ 55,293	\$ 80,001	\$ 72,000	\$ 79,302	10.14%	\$ 7,302
Insurance	\$ 391,579	\$ 467,563	\$ 355,001	\$ 350,017	-1.40%	\$ (4,984)
Training/Travel	\$ 64,595	\$ 130,551	\$ 95,232	\$ 119,975	25.98%	\$ 24,743
Curbside Recycling Services	\$ 92,819	\$ 93,600	\$ 86,449	\$ -	-100.00%	\$ (86,449)
Professional Services / Engineering	\$ 77,049	\$ 72,000	\$ 48,992	\$ 172,000	251.08%	\$ 123,008
Professional Services / Other	\$ 139,371	\$ 150,551	\$ 149,257	\$ 177,439	18.88%	\$ 28,182
Professional Services / Legal	\$ 42,056	\$ 45,000	\$ 36,597	\$ 45,000	22.96%	\$ 8,403
Bank Fees	\$ 24,217	\$ 21,552	\$ 22,336	\$ 23,349	4.54%	\$ 1,013
Bad Debts	\$ 1,614	\$ 20,000	\$ 190	\$ 20,000	10426.32%	\$ 19,810
TOTAL EXPENSES BEFORE DEPRECIATION	\$ 11,254,823	\$ 13,676,536	\$ 12,819,301	\$ 13,312,770	3.85%	\$ 493,469
Depreciation	\$ 3,399,014	\$ 3,548,000	\$ 3,655,227	\$ 3,699,996	1.22%	\$ 44,769
TOTAL EXPENSES BEFORE CAPITAL	\$ 14,653,837	\$ 17,224,536	\$ 16,474,528	\$ 17,012,766	3.27%	\$ 538,238
CAPITAL EXPENSES	\$ 6,483,781	\$ 4,358,870	\$ 4,358,870	\$ 7,741,000	77.59%	\$ 3,382,130
TOTAL EXPENSES	\$ 21,137,618	\$ 21,583,406	\$ 20,833,398	\$ 24,753,766	18.82%	\$ 3,920,368

2011 Budget			2012 Budget		FIVE YEAR CAPITAL PLAN					
DESCRIPTION	YTD	2011 Budget	DESCRIPTION	2012 Budget	FIVE YEAR PLAN DESCRIPTION	2013	2014	2015	2016	2017
District			District		District					
Office Equipment Computers Software	\$ 59,738	\$ 80,000	Office Equipment Computers Software	\$ 50,000	Office Equipment Computers Software	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
					District Vehicle		\$ 35,000			
Plant			Plant		Plant					
Plant Improvements	\$ 33,772	\$ 88,000	Plant Improvements	\$ 50,000	Plant Improvements	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Loader	\$ 61,740	\$ 50,000	Turbine Centrifuge	\$ 10,000	Dump Truck	\$ 145,000				\$ 145,000
					Loader				\$ 225,000	
Landfill			Landfill		Landfill					
Landfill Improvements	\$ 34,292	\$ 50,000	Landfill Improvements	\$ 60,000	Landfill Improvements	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Loader			Loader	\$ 98,000	Loader	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000	
D8 Dozer			Compactor	\$ 529,000	D8 Dozer			\$ 525,000		
Excavator (magnet)	\$ 249,955	\$ 260,000	Stacker	\$ 45,000	Excavator			\$ 225,000		
Compactor			Trommel	\$ 375,000	Compactor			\$ 875,000		
Roll Off Truck			Roll-off Bins	\$ 42,000	Roll Off Truck		\$ 149,000		\$ 149,000	
Grinder					Grinder	\$ 750,000				
Pickup Trucks	\$ 28,000	\$ 55,000			Pickup Trucks		\$ 38,000			
Compost Bagging Machine	\$ 45,888	\$ 30,000								
	\$ 513,385	\$ 613,000	Total Renewal and Replacement	\$ 1,259,000		\$ 1,145,000	\$ 702,000	\$ 1,875,000	\$ 854,000	\$ 395,000
			CAPITAL PROJECTS		CAPITAL PROJECTS					
District			District		District					
Curbside Green Waste Containers	\$ 62,006	\$ 161,000	Curbside Green Waste Containers	\$ 161,000	Curbside Green Waste Containers	\$ 161,000	\$ 161,000	\$ 161,000		
South Davis Recycling Facility	\$ 55,334	\$ 400,000	South Davis Recycling Facility	\$ 2,000,000	South Davis Recycling Facility	\$ 2,500,000				\$ 6,000,000
					North Davis Transfer Station					
Plant			Plant		Plant					
Fairfield Entrance to Plant		\$ 250,000	Fairfield Entrance to Plant	\$ 250,000	Fairfield Entrance to Plant					
Ash Discharge Conveyors	\$ 159,554	\$ 220,000	Ash Grapple	\$ 63,000	Ash Grapple					
Control System Upgrade	\$ 192,832	\$ 335,000	Grate Tumbler Pattern	\$ 8,000	Grate Tumbler Pattern					
Landfill			Landfill		Landfill					
Groundwater Monitoring Network	\$ 57,135	\$ 105,500	Buffer Property Acquisition	\$ 2,500,000	Phase 4 Construction			\$ 413,800	\$ 939,000	
Bins		\$ 30,000	Phase 5 Construction	\$ 1,500,000	Phase 3 Temporary Cover	\$ 300,000				
Phase 5 Construction	\$ 223,588	\$ 2,244,370			Landfill Gas Upgrade		\$ 300,000			
	\$ 750,449	\$ 3,745,870	Total Capital Projects	\$ 6,482,000		\$ 2,961,000	\$ 461,000	\$ 574,800	\$ 939,000	\$ 6,000,000

TOTAL CAPITAL BUDGET	\$ 4,358,870	\$ 7,741,000	\$ 4,106,000	\$ 1,163,000	\$ 2,449,800	\$ 1,793,000	\$ 6,395,000
Renewal and Replacement Account Requirement		\$ 3,252,200					
Capital Projects Account Requirement		\$ 5,250,280					
Total Capital Projects Accounts Required Funding		\$ 8,502,480					

APPLICATION OF FUNDS
Fiscal Year Ending June 30, 2012

Title 9, Application of Funds, of the District Code requires the Administrative Control Board set by resolution, as part of the annual budgeting process, minimum fund balances to be maintained within the system of funds and accounts for the financial management of the District.

Revenue Fund

Operating Account **\$3,328,200**

The District may establish an amount of working capital reasonably required for efficient operation and maintenance of the System, which amount shall be not less than an amount reasonably estimated to pay the Operation and Maintenance Costs of the System for three calendar months.

Cash Operation and Maintenance Costs budgeted for the 2011 Fiscal Year is \$12,524,790. Three months operation and maintenance reserves are therefore \$3,131,197.

Debt Service Fund

Bond Accounts **\$0**

The District has no outstanding bond requirements for the fiscal year ended June 30, 2012.

Capital Projects Fund

Landfill Closure Account **\$5,140,000**

The Landfill Closure Account shall be a special trust account held by the Utah State Treasurer in accordance with regulations of the Utah Division of Solid and Hazardous Waste (R315-309, Utah Administrative Code). Moneys on deposit in the Landfill Closure Account shall be used to provide a portion of the required financial assurance for closure and post-closure costs of the System.

Paragraph 9-3-102(c) of the District Code provides that the amount in the Landfill Closure Account shall not be less than the total accrued liability for plant and landfill closure and post closure care costs. Total accrued liability for closure and post closure care costs are estimated to be \$5,133,206 as of June 30, 2012.

As of June 30, 2012, total closure and post-closure care for the landfill and waste to energy facility is estimated to be \$11,242,698. Based on budgeted revenue for fiscal year 2012 of approximately \$16,347,903, we can provide financial assurance via the local government test for up to \$7,029,598 (\$16.35M*.43). The balance of approximately \$4,213,099 shall be provided through the trust account mechanism. Paragraph 9-3-102(d) of the District Code provides that the amount in the Landfill Closure Account shall not be less than the

amount required to meet financial assurance requirements established by Utah Division of Solid and Hazardous Waste regulations.

Project Accounts

There shall be paid into the Project Accounts in Capital Projects Fund the amounts required to be so paid by the Annual Budget or any resolution of the Board, including but not limited to the proceeds of Bonds issued to finance the cost of construction of any Project or of insurance maintained in connection with a Project.

Renewal and Replacement Account **\$3,252,200**

Renewal and replacement items, consisting primarily of rolling stock and process equipment, as identified in the 5 year capital plan are to be funded at the following levels:

Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%

Capital Projects Account **\$5,250,280**

Capital Projects, as identified in the 5 year capital plan are to be funded at the same percentages as Renewal and Replacement items.

Reserve Account **\$0**

Funds are not currently required in the Reserve Account

Extension and Repair Fund **\$1,500,000**

The amount of deposit in the Extension and Repair Fund is to be used for the payment of extraordinary Operation and Maintenance Costs and for the prevention or correction of any unusual loss or damage to the System. A balance of \$1,500,000 was set as part of the original bond issue for construction of the facility in 1984. Excellent maintenance and operation of the system has resulted in no recommended increases in the Extension of Repair Fund balance for over 22 years.

Rate Stabilization Fund **\$4,000,000**

All moneys in the Rate Stabilization Fund may be drawn on and used at any time by the District for any lawful purpose of the District including, without limitation: (i) refunding any outstanding Bonds; (ii) providing reserves for future capital improvements to and renewals and replacements of System components; and (iii) providing contingency funds for rate stabilization.

The District anticipates substantial revenue reduction in 2013 as a direct result of the repeal of District flow control authority by the Utah State Legislature in 2008. Retention of funds in the Rate Stabilization Fund will preclude a short

term rate reduction now coupled with a larger increase in 2013 to cover anticipated revenue shortfall.

Surplus Fund

\$0

Total required funds of \$24,478,200 exceed the amount of funds estimated to be available at the end of the 2010 Fiscal Year considering the level of current assets, budgeted capital expenditures, and the 2010 operating budget; therefore, no monies will be deposited into the Surplus Fund. The Renewal and Replacement Account and Capital Projects Account of the Capital Projects Fund will be funded at a reduced amount until additional funds become available.

MINIMUM FUND BALANCES - SUMMARY

Fiscal Year Ending June 30, 2012

Title 9, Application of Funds, of the District Code requires the Administrative Control Board set by resolution, as part of the annual budgeting process, minimum fund balances to be maintained within the system of funds and accounts for the financial management of the District.

Revenue Fund

Operating Account

\$3,328,200

Debt Service Fund

Bond Accounts

\$0

Capital Projects Fund

Landfill Closure Account

\$5,140,000

Project Accounts

Renewal and Replacement Account

\$3,252,200

Capital Projects Account

\$5,250,280

Reserve Account

\$0

Extension and Repair Fund

\$1,500,000

Rate Stabilization Fund

\$4,000,000

Surplus Fund

\$0

Total Required Minimum Fund Balances

\$22,470,680