

WASATCH

INTEGRATED

waste management district

2017 Budget
For the Fiscal Year Ending June 30, 2017

	2015 Actual	2016		2017 Budget	2016 Budget vs. 2017 Budget	
		Forecast	Budget		Higher (Lower)	
Operating Revenues						
Household Containers	\$6,444,462	\$6,525,515	\$6,422,179	\$6,554,264	132,085	2.06%
Commercial Containers	76,113	78,737	75,303	79,162	3,859	5.12%
Tipping Fees	3,224,995	3,796,384	3,630,415	3,960,946	330,531	9.10%
Special Waste	1,075,630	1,453,013	1,320,504	1,334,244	13,740	1.04%
Outside District Waste	207,162	220,348	200,000	220,776	20,776	10.39%
Steam/Co-Generation/L.F. Gas	3,587,103	4,949,520	4,614,510	5,010,670	396,160	8.59%
Recycling	555,633	536,479	691,139	441,774	(249,365)	-36.08%
Permits/Fees & Other	20,145	43,604	17,856	5,580	(12,276)	-68.75%
Leases	154,388	21,014	2,400	15,636	13,236	551.50%
Total Operating Revenues	15,345,631	17,624,614	16,974,306	17,623,052	648,746	3.82%
Operating Expenses						
Personnel	5,494,462	5,797,112	6,087,203	6,371,458	284,255	4.67%
Temporary Labor	265,295	311,119	345,082	658,000	312,918	90.68%
Supplies	1,284,300	1,433,885	1,989,184	1,674,292	(314,892)	-15.83%
Environmental Testing	161,718	195,075	196,996	226,996	30,000	15.23%
Utilities	681,080	637,759	729,210	756,138	26,928	3.69%
Maintenance	6,714,783	2,793,768	3,482,118	4,510,797	1,028,679	29.54%
Memberships/Subscriptions	28,929	31,133	36,197	36,197	0	0.00%
Telephone/Communications	49,405	54,972	52,353	52,833	480	0.92%
Permits/Fees	51,419	56,602	62,828	62,828	0	0.00%
Insurance	370,420	352,563	399,907	363,155	(36,752)	-9.19%
Training/Travel	94,314	112,528	149,004	142,992	(6,012)	-4.03%
Professional Services - Engineering	295,442	148,334	185,000	192,000	7,000	3.78%
Professional Services - Other	125,062	134,966	180,864	180,864	0	0.00%
Professional Services - Legal	43,648	44,012	60,000	60,000	0	0.00%
Community Outreach	37,010	33,378	35,000	35,000	0	0.00%
Bank Fees	32,230	36,484	30,660	41,180	10,520	34.31%
Closure/Post Closure	478,750	448,524	448,524	354,624	(93,900)	-20.94%
Depreciation	3,666,825	4,168,566	4,549,080	4,537,500	(11,580)	-0.25%
Total Operating Expenses	19,875,092	16,790,780	19,019,210	20,256,854	1,237,644	6.51%
Net-Operating Income (Loss)	(4,529,461)	833,834	(2,044,904)	(2,633,802)	(588,898)	28.80%
Non-Operating Revenues (Expenses)						
Interest	97,949	97,150	93,480	89,400	(4,080)	-4.36%
Gain/Loss Surplus Equipment	557,396	540,681	370,100	285,000	(85,100)	-22.99%
Bad Debts	(135)	(124)	(20,000)	(20,000)	0	0.00%
Special Items	0	(138,008)	(138,008)	(1,500,000)	(1,361,992)	
Total Non-Operating Revenues (Expenses)	655,210	499,699	305,572	(1,145,600)	(1,451,172)	-474.90%
Change in Net Position	(\$3,874,251)	\$1,333,533	(\$1,739,332)	(\$3,779,402)	(2,040,070)	117.29%
Capital Expenses						
	9,498,052	7,261,896	7,261,896	2,073,800	(5,188,096)	-71.44%
Revenue	\$16,000,841	\$18,124,313	\$17,279,878	\$16,477,452	(802,426)	-4.64%
Fund Transfer	13,372,303	5,928,363	9,001,228	5,853,202	(3,148,026)	-34.97%
Total Sources	29,373,144	24,052,676	26,281,106	22,330,654	(3,950,452)	-15.03%
Total Expenses	\$29,373,144	\$24,052,676	\$26,281,106	\$22,330,654	(3,950,452)	-15.03%

2016	YTD 03/31/16	BUDGET	2017	BUDGET	FIVE YEAR BUDGET PLAN	2018	2019	2020	2021	2022
RENEWAL AND REPLACEMENT			RENEWAL AND REPLACEMENT		RENEWAL AND REPLACEMENT					
DISTRICT			DISTRICT		DISTRICT					
District Improvements	\$ 51,193	\$ 50,000	District Improvements	\$ 50,000	District Improvements	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
			District Vehicle	\$ 30,000				\$ 30,000		
PLANT			PLANT		PLANT					
Plant Improvements	\$ 9,778	\$ 50,000	Plant Improvements	\$ 60,000	Plant Improvements	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Haul Truck	\$ 189,088	\$ 200,000	Haul Truck	\$ 195,000	Haul Truck		\$ 150,000			
Loader	\$ -		Loader	\$ 185,000	Loader	\$ 185,000			\$ 185,000	\$ 185,000
Roll Off Bins	\$ 16,500	\$ 50,000	Control Room AC	\$ 15,000	Fork Lifts			\$ 50,000		
Forklift	\$ 31,900	\$ 55,000	Plant Truck	\$ 22,000	Roll Off Bins	\$ 20,000		\$ 20,000		
LANDFILL			LANDFILL		LANDFILL					
Landfill Improvements	\$ 39,648	\$ 128,728	Landfill Improvements	\$ 50,000	Landfill Improvements	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Loader	\$ -	\$ 114,500	Windrow Turner	\$ 970,000	Loader (s)	\$ 150,000	\$ 550,000			
D8T Rebuild	\$ 303,528	\$ 303,528	Compactor Wheels	\$ 105,000	D8 Dozer		\$ 525,000			
Excavator	\$ 223,950	\$ 250,000	Mini loader	\$ 80,000	Excavator			\$ 225,000		
Roll Off Truck	\$ 180,879	\$ 200,000	Snow Plow Attachment	\$ 16,800	Compactor	\$ 1,005,000			\$ 1,005,000	
Roll Off Bins	\$ 44,000	\$ 50,000			Roll Off Truck	\$ 200,000		\$ 200,000		\$ 200,000
					Pick Up Truck			\$ 25,000		
					Roll Off Bins	\$ 50,000		\$ 50,000		
					Greenwaste Screen	\$ 350,000				
TOTAL	\$ 1,090,463	\$ 1,451,756	TOTALS	\$ 1,778,800	TOTALS	\$ 2,210,000	\$ 1,325,000	\$ 970,000	\$ 1,470,000	\$ 635,000
CAPITAL PROJECTS			CAPITAL PROJECTS		CAPITAL PROJECTS					
DISTRICT			DISTRICT		DISTRICT					
					Transfer Station					\$ 6,000,000
PLANT			PLANT		PLANT					
Ash Separation	\$ 132,672	\$ 132,672	Arc Flash Upgrades	\$ 30,000	Arc Flash Upgrades	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	
Arc Flash Upgrades	\$ -	\$ -	Break and Bathrooms Remodel	\$ 75,000	ESP Third Field Replacement				\$ 600,000	
Generation Bank Replacement	\$ 945,220	\$ 945,220	Materials Recovery Expansion	-	Condenser Replacement			\$ 800,000		
Special Waste Storage	\$ 274,580	\$ 265,000	DeltaV Upgrade	\$ 80,000	Reverse Osmosis Water System			\$ 475,000		
Mixed Waste Processing Line	\$ 2,638,663	\$ 3,800,000	Mixed Waste Processing Line	\$ 50,000	Nox Control, SNCR	\$ 1,600,000				
					Economizer Tube Replacement		\$ 400,000			
					1st Pass Refurbishment	\$ 2,200,000				
LANDFILL			LANDFILL		LANDFILL					
1700 East Entrance Road	\$ 456,327	\$ 500,000	Leachate Line	\$ 30,000	Phase IV Construction				\$ 1,500,000	
Phase V Tie-in	\$ 117,248	\$ 117,248	Stormwater Overflow	\$ 30,000	Phase V Closure		\$ 850,000			
Landfill Gas Upgrades	\$ -	\$ 50,000			Phase V Landfill Gas Expansion		\$ 300,000			
TOTAL	\$ 4,564,710	\$ 5,810,140	TOTALS	\$ 295,000	TOTALS	\$ 3,830,000	\$ 1,580,000	\$ 1,305,000	\$ 2,130,000	\$ 6,000,000
TOTAL	\$ 5,655,173	\$ 7,261,896	TOTALS	\$ 2,073,800	TOTALS	\$ 6,040,000	\$ 2,905,000	\$ 2,275,000	\$ 3,600,000	\$ 6,635,000

RENEWAL AND REPLACEMENT ACCOUNT REQUIREMENT \$ 4,567,000

CAPITAL PROJECTS ACCOUNT REQUIREMENT \$ 7,929,000

TOTAL CAPITAL PROJECTS ACCOUNTS REQUIRED FUNDING \$ 12,496,000

APPLICATION OF FUNDS
Fiscal Year Ending June 30, 2017

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 **\$3,800,000**

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 2017 Fiscal Year is \$15,364,730. Three months operation and maintenance reserves are therefore \$3,841,183.

Debt Service Fund

Bond Accounts **\$0**

The District has no outstanding bond requirements for the fiscal year ended June 30, 2017.

Capital Projects Fund

Landfill Closure Account **\$5,800,000**

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 \$5,836,504 as of June 30, 2017.

As of June 30, 2017, total closure and post-closure care for the landfill and waste to energy facility is estimated to be \$13,812,253 and the largest area requiring closure at any time and post-closure care for the landfill and waste to energy facility is estimated to be \$8,819,747. Based on budgeted revenue for fiscal year 2017 of approximately \$17,623,052, we can provide financial

assurance via the local government test for up to \$7,577,912 (\$17.9M*.43). The balance of approximately \$1,241,835 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, nor less than the total accrued liability of \$5,836,504.

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 \$4,567,000

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 \$7,929,000

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 29 years.

Rate Stabilization Fund \$0

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.

Surplus Fund

\$0

Total required funds of \$23,673,687 exceed the amount of funds estimated to be available at the end of the 2017 Fiscal Year considering the level of current assets, budgeted capital expenditures, and the 2017 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, 2017

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

\$3,800,000

Debt Service Fund

Bond Accounts

\$0

Capital Projects Fund

Landfill Closure Account

\$5,800,000

Project Accounts

Renewal and Replacement Account

\$4,567,000

Capital Projects Account

\$7,929,000

Reserve Account

\$0

Extension and Repair Fund

\$1,500,000

Rate Stabilization Fund

\$0

Surplus Fund

\$0

Total Required Minimum Fund Balances

\$23,673,687