

WASATCH

INTEGRATED

waste management district

2014 Final Budget
For the Fiscal Year Ending June 30, 2014

	2012 Actual	2013		2014 Budget	2013 FRCST vs. 2014 BUD	
		Forecast	Budget		Higher (Lower)	
Operating Revenues						
Household Containers	\$6,221,209	\$6,175,672	\$6,146,053	\$6,001,601	(174,071)	-2.82%
Commercial Containers	65,087	65,622	62,701	70,997	5,375	8.19%
Tipping Fees	3,512,889	3,241,336	3,155,001	3,100,000	(141,336)	-4.36%
Special Waste	874,529	996,570	929,296	910,298	(86,272)	-8.66%
Outside District Waste	287,963	253,513	253,000	260,000	6,487	2.56%
Steam/Co-Generation	3,095,277	3,274,093	3,001,000	3,300,233	26,140	0.80%
Recycling	1,156,649	1,081,594	1,155,400	1,134,003	52,409	4.85%
Permits/Fees & Other	283,008	12,988	11,003	11,998	(990)	-7.62%
Leases	<u>92,211</u>	<u>40,432</u>	<u>28,998</u>	<u>70,000</u>	29,568	73.13%
Total Operating Revenues	<u>15,588,822</u>	<u>15,141,820</u>	<u>14,742,452</u>	<u>14,859,130</u>	(282,690)	-1.87%
Operating Expenses						
Personnel	5,293,071	5,217,046	5,569,212	5,529,838	312,792	6.00%
Temporary Labor	371,952	338,966	350,002	395,082	56,116	16.56%
Supplies	1,750,677	2,125,372	2,297,569	1,839,386	(285,986)	-13.46%
Environmental Testing	149,686	136,178	179,548	185,196	49,018	36.00%
Utilities	390,619	405,936	417,564	498,336	92,400	22.76%
Maintenance	5,432,992	4,237,852	4,771,911	4,822,151	584,299	13.79%
Memberships/Subscriptions	39,676	25,437	39,951	36,197	10,760	42.30%
Telephone/Communications	23,656	29,559	26,652	27,072	(2,487)	-8.41%
Permits/Fees	55,371	63,560	71,828	62,828	(732)	-1.15%
Insurance	341,671	363,122	356,950	370,636	7,514	2.07%
Training/Travel	110,511	102,633	150,106	150,298	47,665	46.44%
Professional Services - Engineering	415,870	371,671	337,000	355,004	(16,667)	-4.48%
Professional Services - Other	251,348	153,527	149,404	176,404	22,877	14.90%
Professional Services - Legal	44,911	94,612	80,000	100,000	5,388	5.69%
Community Outreach	35,564	35,929	30,000	35,000	(929)	-2.59%
Bank Fees	30,646	27,512	27,360	30,460	2,948	10.72%
Closure/Post Closure	416,439	(618,910)	(495,000)	387,600	1,006,510	-162.63%
Depreciation	<u>3,828,326</u>	<u>3,933,796</u>	<u>3,860,000</u>	<u>4,236,324</u>	302,528	7.69%
Total Operating Expenses	<u>18,982,986</u>	<u>17,043,798</u>	<u>18,220,057</u>	<u>19,237,812</u>	2,194,014	12.87%
Net-Operating Income (Loss)	<u>(3,394,164)</u>	<u>(1,901,978)</u>	<u>(3,477,605)</u>	<u>(4,378,682)</u>	(2,476,704)	130.22%
Non-Operating Revenues (Expenses)						
Interest	166,972	138,931	144,999	165,998	27,067	19.48%
Gain/Loss Surplus Equipment	(35,359)	1,002	720	252,040	251,038	25053.69%
Gain/Loss Marketable Securities	278,234	0	0	0	0	
Bad Debts	<u>(1,207)</u>	<u>(21,914)</u>	<u>(20,000)</u>	<u>(20,000)</u>	1,914	-8.73%
Total Non-Operating Revenues (Expenses)	<u>408,640</u>	<u>118,019</u>	<u>125,719</u>	<u>398,038</u>	280,019	237.27%
Change in Net Position	<u>(\$2,985,524)</u>	<u>(\$1,783,959)</u>	<u>(\$3,351,886)</u>	<u>(\$3,980,644)</u>	(2,196,685)	123.14%
Capital Expenses	2,750,369	10,801,908	10,801,908	3,075,000	(7,726,908)	-71.53%
Revenue	\$15,997,462	\$15,259,839	\$14,868,171	\$15,257,168	(2,671)	-0.02%
Fund Transfer	<u>5,735,893</u>	<u>12,585,867</u>	<u>14,153,794</u>	<u>7,055,644</u>	(5,530,223)	-43.94%
Total Sources	<u>21,733,355</u>	<u>27,845,706</u>	<u>29,021,965</u>	<u>22,312,812</u>	(5,532,894)	-19.87%
Total Expenses	<u>\$21,733,355</u>	<u>\$27,845,706</u>	<u>\$29,021,965</u>	<u>\$22,312,812</u>	(5,532,894)	-19.87%

DISTRICT CAPITAL REPORT

2012	YTD	2013	YTD	BUDGET	2014	BUDGET	FIVE YEAR BUDGET PLAN	2015	2016	2017	2018	2019
RENEWAL AND REPLACEMENT		RENEWAL AND REPLACEMENT			RENEWAL AND REPLACEMENT		RENEWAL AND REPLACEMENT					
DISTRICT		DISTRICT			DISTRICT		DISTRICT					
Office Equipment, Computers, Software	\$ 27,920	Office Equipment, Computers, Software	\$ 19,832	\$ 50,000	Office Equipment	\$ 65,000	Office Equipment	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
		District Vehicle	\$ 29,616	\$ 30,000			District Vehicle	\$	\$ 35,000	\$	\$	\$
PLANT		PLANT			PLANT		PLANT					
Plant Improvements	\$ 87,621	Plant Improvements	\$ 25,800	\$ 50,000	Plant Improvements	\$ 50,000	Plant Improvements	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
		Maintenance Truck	\$ 38,999	\$ 39,000	Tipping Floor Fork Lift	\$ 40,000	Dump Truck	\$	\$ 225,000	\$ 145,000	\$ 145,000	\$
							Loader	\$	\$	\$	\$	\$
							Generation Bank Replacement	\$ 4,700,000	\$	\$	\$	\$
LANDFILL		LANDFILL			LANDFILL		LANDFILL					
Landfill Improvements	\$ 37,610	Landfill Improvements	\$ 33,281	\$ 50,000	Landfill Improvements	\$ 80,000	Landfill Improvements	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Loader	\$ 97,250	Loader	\$ 354,117	\$ 354,117	Loader	\$ 175,000	Loader	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000	\$
Compactor	\$ 528,950	Grinder	\$ 699,828	\$ 700,000	Roll Off Truck	\$ 200,000	DB Dozer	\$ 525,000	\$	\$	\$	\$
Stacker	\$ 57,500	Sweeper	\$ 42,750	\$ 42,750	Haul Truck	\$ 350,000	Excavator	\$	\$ 875,000	\$	\$	\$ 875,000
Trommel	\$ 297,830	Roll-off Bins	\$ 29,564	\$ 42,000	Pickup Truck	\$ 30,000	Compactor	\$	\$	\$	\$	\$
Roll-off Bins	\$ 40,462				Recycling Transfer Bunker	\$ 60,000	Roll Off Truck	\$	\$ 200,000	\$	\$	\$
					Roll-off Bins	\$ 75,000	Compost Turner	\$	\$ 700,000	\$	\$	\$
							Pick Up Truck	\$ 30,000	\$	\$	\$	\$ 30,000
TOTAL	\$ 1,175,142	TOTALS	\$ 1,273,786	\$ 1,357,867	TOTAL	\$ 1,125,000	TOTALS	\$ 5,475,000	\$ 1,610,000	\$ 1,555,000	\$ 625,000	\$ 1,155,000
CAPITAL PROJECTS		CAPITAL PROJECTS			CAPITAL PROJECTS		CAPITAL PROJECTS					
DISTRICT		DISTRICT			DISTRICT		DISTRICT					
Curbside Green Waste Containers	\$ 3,186						Transfer Station	\$	\$	\$	\$	\$ 6,000,000
PLANT		PLANT			PLANT		PLANT					
Fairfield Entrance to Plant	\$ 260,368	Natural Gas Burners	\$ 132,139	\$ 283,516	Ash Separation	\$ 1,500,000		\$	\$	\$	\$	\$
Plant Purchase from Morishita-land	\$ 67,625							\$	\$	\$	\$	\$
Ash Grapple	\$ 68,985							\$	\$	\$	\$	\$
Natural Gas Burner Upgrade	\$ 116,481							\$	\$	\$	\$	\$
Control System Upgrade	\$ 170,049							\$	\$	\$	\$	\$
LANDFILL		LANDFILL			LANDFILL		LANDFILL					
Phase 3 - Temporary Cover	\$ 239,624	Green Waste Composting Facility	\$ 985,965.70	\$ 2,594,861	Phase 3 Temporary Cover	\$ 250,000	Phase 4 Construction	\$	\$	\$	\$	\$ 1,500,000
Phase 5 Construction	\$ 365,114	Property Acquisition	\$ 4,695,743	\$ 4,695,743	Litter Fencing	\$ 100,000	Litter Fencing	\$ 100,000	\$	\$	\$	\$
HHW Facility Loading Ramp	\$ 53,921	Phase 5 Construction	\$ 1,836,728	\$ 1,836,728	Landscaping Berm	\$ 30,000	Replacement Water Well	\$ 175,000	\$	\$	\$	\$
Road/Pad Construction	\$ 229,875	Road/Pad Construction	\$ 33,192	\$ 33,193	Stormwater Discharge So Weber	\$ 30,000	Landfill Gas Upgrade	\$	\$ 500,000	\$	\$	\$
					Compost Pad Water connection	\$ 40,000		\$	\$	\$	\$	\$
TOTAL	\$ 1,575,226	TOTALS	\$ 7,683,767	\$ 9,444,041	TOTAL	\$ 1,950,000	TOTALS	\$ 275,000	\$ 500,000	\$ -	\$ -	\$ 7,500,000
TOTAL	\$ 2,750,369	TOTALS	\$ 8,957,553	\$ 10,801,908	TOTAL	\$ 3,075,000	TOTALS	\$ 5,750,000	\$ 2,110,000	\$ 1,555,000	\$ 625,000	\$ 8,655,000

RENEWAL AND REPLACEMENT ACCOUNT REQUIREMENT \$ 8,177,000

CAPITAL PROJECTS ACCOUNT REQUIREMENT \$ 2,175,000

TOTAL CAPITAL PROJECTS ACCOUNTS REQUIRED FUNDING \$ 10,352,000

APPLICATION OF FUNDS
Fiscal Year Ending June 30, 2014

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 **\$3,700,000**

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 2014 Fiscal Year is \$14,613,888. Three months operation and maintenance reserves are therefore \$3,653,472.

Debt Service Fund

Bond Accounts **\$0**

The District has no outstanding bond requirements for the fiscal year ended June 30, 2014.

Capital Projects Fund

Landfill Closure Account **\$5,100,000**

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 \$4,704,516 as of June 30, 2014.

As of June 30, 2014, total closure and post-closure care for the landfill and waste to energy facility is estimated to be \$13,367,000 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 \$8,583,511. Based on budgeted revenue for fiscal year 2013 of approximately \$14,819,400, we can provide financial assurance via the local government test for up to \$6,372,342 (\$14.8M*.43). The balance of approximately \$2,211,169 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 \$5,073,132.

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 **\$8,177,000**

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 **\$2,175,000**

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 28 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 \$20,652,000 exceed the amount of funds estimated to be available at the end of the 2014 Fiscal Year considering the level of current assets, budgeted capital expenditures, and the 2014 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, 2013

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	\$3,700,000
Debt Service Fund	
Bond Accounts	\$0
Capital Projects Fund	
Landfill Closure Account	\$5,100,000
Project Accounts	
Renewal and Replacement Account	\$8,177,000
Capital Projects Account	\$2,175,000
Reserve Account	\$0
Extension and Repair Fund	\$1,500,000
Rate Stabilization Fund	\$0
Surplus Fund	\$0
Total Required Minimum Fund Balances	\$20,652,000