

Montgomery County, Maryland
Solid Waste Fund Financial Disclosure
Fiscal Year 2014

Introduction

This document contains updated Fiscal Year 2014 financial information for the Montgomery County, Maryland Solid Waste Fund. This information is being provided in relation to the Montgomery County Solid Waste Disposal System Refunding Revenue Bonds (2003 Series A) and the Northeast Maryland Waste Disposal Authority Solid Waste Refunding Revenue Bonds (Montgomery County Solid Waste Disposal System) Series 2003 (collectively, the “Bonds”).

Audited Financial Information

The audited financial information pertaining to the Montgomery County, Maryland Solid Waste Fund has been filed under separate cover as part of the County’s Comprehensive Annual Financial Report for Fiscal Year 2014.

Material Changes to Chapter 48

There have been no material changes to Chapter 48 since the dates of the official statements relating to the Bonds.

Updates to Description of County System

The description of the County System set forth in the official statements relating to the Bonds under the headings “Legislative Authority,” “Solid Waste Management Plan,” “Master Authorization” and “Disposal System Revenues” remains materially correct except as updated as follows:

Long Term Expenses are any amounts payable by the County pursuant to Long Term Obligations. Under the Master Authorization, the available fund balances that may be taken into account in determining compliance with the Rate Covenant may not exceed 25% of the rates, fees, and charges which would have to be imposed to meet the Rate Covenant if such balances were not considered.

Updated Financial Information

The following tables update the financial information set forth in the official statements relating to the Bonds:

Table 3

Historical Waste Disposal Methods for County Generated Waste (in tons)

Waste Disposal by Type of Facility

	2010	2011	2012	2013	2014
County System					
Refuse Sent to Resource Recovery Facility ¹	535,980	565,439	540,644	546,664	577,787
By-Pass; Accepted But Not Burned (Pilot Test)	0	0	0	0	0
Yard Waste at County System Facilities	72,349	65,393	71,531	64,241	69,110
Other Recyclables at County System Facilities ²	148,561	154,342	120,015	115,001	112,339
Nonprocessable Waste at County Facilities	57,812	38,425	35,085	39,461	33,087
Total Solid Waste Processed by County System	814,702	823,599	767,275	765,367	792,323
Non-County System					
Back-yard composting	13,826	35,562	0	0	0
Recyclables at Non-County System Facilities	224,973	228,864	250,889	261,437	281,671
Exported Refuse	151,149	148,296	158,337	171,171	140,008
Total Solid Waste Disposed by Non-County System Facilities³	389,948	412,722	409,226	432,608	421,679
Total County Generated Waste	1,204,650	1,236,321	1,176,501	1,197,975	1,214,002

1. Refuse loaded on rail to RRF plus residue from County yard trim recycling facility to RRF.

2. Does not include metals recovered from residue or ash recycled.

3. Does not include construction and demolition debris exported by private sector.

Disposition of Waste Delivered to Resource Recovery Facility

	2010	2011	2012	2013	2014
Waste reduction through combustion	370,811	385,235	369,737	385,482	402,478
Metals recovered from Residue	11,653	12,575	13,463	9,835	10,289
Ash Recycled	--	135,678	157,444	151,347	165,020
Ash Landfilled	153,516	31,951	--	--	--
Total Refuse combusted at Resource Recovery Facility¹	535,980	565,439	540,644	546,664	577,787

1. Refuse loaded on rail to RRF plus residue from County yard trim recycling facility to RRF.

Source: Montgomery County, Maryland

Table 6

**Annual Per-Household Rates of Residential
System Benefit Charges**

	2011	2012	2013	2014	2015
Single Family ¹ (\$ per Dwelling Unit)					
Solid Waste Disposal Fee	\$52.04	\$48.71	\$48.77	\$46.95	\$47.27
Base System Benefit Charge	41.43	51.75	55.77	37.41	38.11
Incremental System Benefit Charge	116.38	113.30	109.22	129.40	128.37
Total Single- Family	\$209.85	\$213.76	\$213.76	\$213.76	\$213.75
Multi-Family ² (\$ per Dwelling Unit)					
Base System Benefit Charge	\$6.90	\$13.82	\$16.66	\$18.31	\$8.80
Incremental System Benefit Charge	9.52	2.91	0.07	(1.58)	7.93
Total Multi- Family	\$16.42	\$16.73	\$16.73	\$16.73	\$16.73
Incorporated Municipality Base System Benefit Charge (\$ per Dwelling Unit)	\$41.43	\$51.75	\$55.77	\$37.41	\$38.11
Non-Residential Charges (average \$ per 2000 square feet)	\$205.68	\$214.08	\$220.90	\$239.72	\$239.72

1. Includes residences in multi-family buildings with six or fewer dwelling units

2. Buildings with seven or more units

Source: Montgomery County, Maryland

Table 8

Solid Waste Disposal Fund
Historical Revenues and Expenses – Budgetary Basis

	2010	2011	2012	2013	2014
Revenues¹					
Tipping Fees	\$15,051,157	\$15,494,742	\$15,124,985	\$15,465,637	\$16,435,113
System Benefit Charges	62,896,415	63,969,495	65,992,281	68,011,240	68,902,023
Miscellaneous	8,965,734	10,472,774	10,823,089	10,164,603	9,222,160
Investment Income	382,054	98,854	23,517	24,239	40,533
Subtotal Revenues	87,295,360	90,035,865	91,963,872	93,665,719	94,599,829
Interfund Transfers					
Charge to General Fund for County Agency Waste	1,992,800	1,992,800	2,081,490	1,431,670	1,262,760
Distribution of Excess Series 1993 Bond Proceeds	-	-	-	-	-
OPEB Contribution					
Transfer from Leaf Vacuuming Fund	758,780	1,012,650	837,140	892,410	885,196
Indirect Costs Paid to General Fund	(1,664,380)	(1,515,250)	(1,520,690)	(1,491,850)	(1,743,936)
Subtotal Inter-fund Transfers	1,087,200	1,490,200	1,397,940	832,230	404,020
Expenditures¹					
Personnel Costs	(8,725,514)	(8,811,818)	(8,551,347)	(8,945,181)	(9,033,072)
Operating Expenses	(81,195,285)	(87,019,722)	(82,551,531)	(81,761,483)	(86,393,620)
Capital Outlay	(623,708)	(1,159,006)	(568,819)	(636,433)	(468,588)
Subtotal Expenditures	(90,544,507)	(96,990,546)	(91,671,697)	(91,343,097)	(95,895,280)
Other Fixed Assets Acquisition					
	(3,674,505)				
Landfill Costs²	832,000	1,250,777	630,441	(329,532)	2,282,074
Gude Remediation³					(28,500,000)
Net Change	(\$5,004,452)	(\$4,213,704)	\$2,320,556	\$2,825,320	(\$27,109,357)

1. This table does not include leaf vacuuming collection charges or associated expenses which were included in the Disposal Fund for this period. Beginning in 2004, the County began to account for leaf vacuuming revenues and expenses in a separate fund.

2. Represents the payout of closure costs, less current year accrued closure costs.

3. The County's Solid Waste Fund recognized a pollution remediation obligation under GASB 49.

Source: Montgomery County, Maryland

Table 10

**Solid Waste Disposal Fund
Ending Cash and Investments**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Unrestricted equity in pooled cash and investments	\$19,650,693	\$18,877,625	\$24,175,041	\$23,778,355	\$30,228,510
Restricted equity in pooled cash and investments	30,636,090	29,941,835	30,015,766	28,180,296	31,654,984
Restricted investments	4,299,223	4,382,960	3,788,132	3,796,253	0.00
Total ending cash and investments	<u>\$54,586,006</u>	<u>\$53,202,420</u>	<u>\$57,978,939</u>	<u>\$55,754,904</u>	<u>\$61,883,494</u>

Source: Montgomery County, Maryland