

Montgomery County, Maryland
Solid Waste Fund Financial Disclosure
Fiscal Year 2007

Introduction

This document contains updated Fiscal Year 2007 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 2007.

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 (a) any amounts payable by the County pursuant to Long Term Obligations and (b) debt service on certain general obligation bonds that the County issued prior to adoption of the Master Authorization and of which \$2,447 in principal amount remains outstanding. 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

	2003	2004	2005	2006	2007
County System					
Refuse Sent to Resource Recovery Facility ¹	624,445	639,764	572,441	625,782	593,185
By-Pass; Accepted But Not Burned (Pilot Test)	0	6,405	0	0	0
Yard Waste at County System Facilities	89,077	79,051	76,925	85,029	77,280
Other Recyclables at County System Facilities ²	93,682	132,039	127,154	135,843	118,546
Nonprocessable Waste at County Facilities	60,959	124,049	126,435	89,015	96,644
Total Solid Waste Processed by County System	868,163	981,308	902,955	935,669	885,655
Non-County System					
Back-yard composting	99,457	82,274	110,852	80,654	85,024
Recyclables at Non-County System Facilities	153,531	158,961	184,968	202,102	209,762
Exported Refuse	141,190	158,153	188,795	179,958	159,602
Total Solid Waste Disposed by Non-County System Facilities ³	394,178	399,388	484,615	462,714	454,388
Total County Generated Waste	1,262,341	1,380,696	1,387,570	1,398,383	1,340,043

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.

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

Disposition of Waste Delivered to Resource Recovery Facility

	2003	2004	2005	2006	2007
Waste reduction through combustion	424,736	449,415	385,175	422,150	400,354
Metals recovered from Residue	19,504	19,626	17,534	16,838	15,916
Ash Recycled	--	--	--	--	--
Ash Landfilled	180,205	190,349	169,732	186,794	176,915
Total Refuse combusted at Resource Recovery Facility ¹	624,445	659,390	572,441	625,782	593,185

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**

	2004	2005	2006	2007	2008
Single Family ¹ (\$ per Dwelling Unit)					
Solid Waste Disposal Fee	\$45.47	\$52.67	\$51.98	\$46.40	\$53.65
Base System Benefit Charge	50.92	39.69	51.86	49.55	29.50
Incremental System Benefit Charge	80.31	96.92	91.74	98.43	115.27
Total Single- Family	\$176.70	\$189.28	\$195.58	\$194.38	\$198.42
Multi-Family ² (\$ per Dwelling Unit)					
Base System Benefit Charge	\$27.60	\$ 8.46	\$14.81	\$12.88	\$1.83
Incremental System Benefit Charge	9.05	12.10	6.48	5.27	14.58
Total Multi- Family	\$36.65	\$20.56	\$21.29	\$18.15	\$16.41
Incorporated Municipality Base System Benefit Charge (\$ per Dwelling Unit)	\$50.92	\$39.69	\$51.86	\$49.55	\$29.50
Non-Residential Charges (average \$ per 2000 square feet)	\$222.88	\$163.81	\$182.24	\$159.33	\$172.81

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

	2003	2004	2005	2006	2007
Revenues¹					
Tipping Fees	\$18,954,480	\$23,321,563	\$15,700,174	\$17,258,365	\$17,178,361
System Benefit Charges	59,510,287	57,820,672	53,179,002	58,930,771	56,463,159
Miscellaneous	2,351,386	3,946,765	13,178,715	11,830,814	11,987,783
Investment Income	2,192,984	1,178,923	2,221,810	3,809,906	4,790,327
Subtotal Revenues	83,009,137	86,267,923	84,279,701	91,829,856	90,419,630
Interfund Transfers					
Charge to General Fund for County Agency Waste	1,155,580	1,316,550	1,341,100	1,484,820	1,704,140
Distribution of Excess Series 1993 Bond Proceeds	-	-	-	-	-
Transfer from Leaf Vacuuming Fund		624,900	771,850	838,250	815,190
Indirect Costs Paid to General Fund	(1,381,407)	(919,540)	(1,104,950)	(1,059,660)	(1,200,720)
Subtotal Inter-fund Transfers	(225,827)	1,021,910	1,008,000	1,263,410	1,318,610
Expenditures¹					
Personnel Costs	(3,605,105)	(5,876,629)	(6,100,155)	(6,662,717)	(7,435,517)
Operating Expenses	(74,397,886)	(83,152,646)	(88,544,338)	(84,957,661)	(84,969,146)
Capital Outlay	(979,754)	(1,544,055)	(1,025,225)	22	(1,045,985)
Subtotal Expenditures	(78,982,745)	(90,573,330)	(95,669,718)	(91,620,356)	(93,450,648)
Other Fixed Assets Acquisition	(276,674)	(110,253)	(490,150)	(115,347)	(4,976,871)
Landfill Costs²	825,688	938,994	345,000	(48,400)	(2,547,000)
Net Change	\$4,349,579	(\$2,454,756)	(\$10,527,167)	\$1,309,163	(\$9,236,279)

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. The amounts for fiscal years 2003 and 2004 were adjusted to reflect their effect on total expenditures. In both years, the actual landfill closure costs exceeded the accrued closure costs; therefore, the amounts should be shown as decreases, and not increases, to total expenditures. These adjustments conform to the County's Comprehensive Annual Financial Reports for both fiscal years.

Source: Montgomery County, Maryland

Table 10

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Unrestricted equity in pooled cash and investments	\$50,190,820	\$47,970,453	\$41,817,460	\$43,455,067	\$42,621,767
Restricted equity in pooled cash and investments	31,483,785	31,593,539	28,013,581	29,534,688	28,667,668
Restricted investments	<u>3,153,552</u>	<u>3,123,233</u>	<u>3,215,206</u>	<u>3,290,441</u>	<u>3,475,968</u>
Total ending cash and investments	<u>\$84,828,157</u>	<u>\$82,687,225</u>	<u>\$73,046,247</u>	<u>\$76,280,196</u>	<u>\$74,765,403</u>

Source: Montgomery County, Maryland