

Montgomery County, Maryland
Solid Waste Fund Financial Disclosure
Fiscal Year 2011

Introduction

This document contains updated Fiscal Year 2011 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 2011.

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

	2007	2008	2009	2010	2011
County System					
Refuse Sent to Resource Recovery Facility ¹	593,185	579,660	540,407	535,980	565,439
By-Pass; Accepted But Not Burned (Pilot Test)	0	0	0	0	0
Yard Waste at County System Facilities	77,280	74,040	67,928	72,349	65,393
Other Recyclables at County System Facilities ²	118,546	138,037	130,474	148,561	154,342
Nonprocessable Waste at County Facilities	96,644	80,481	56,819	57,812	38,425
Total Solid Waste Processed by County System	885,655	872,218	795,628	814,702	823,599
Non-County System					
Back-yard composting	85,024	80,617	62,475	13,826	35,562
Recyclables at Non-County System Facilities	209,762	246,585	221,631	224,973	228,864
Exported Refuse	159,602	160,556	151,041	151,149	148,296
Total Solid Waste Disposed by Non-County System Facilities ³	454,388	487,758	435,147	389,948	412,722
Total County Generated Waste	1,340,043	1,359,976	1,230,775	1,204,650	1,236,321

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

	2007	2008	2009	2010	2011
Waste reduction through combustion	400,354	381,997	367,522	370,811	385,235
Metals recovered from Residue	15,916	14,222	12,862	11,653	12,575
Ash Recycled	--	--	--	--	135,678
Ash Landfilled	176,915	183,441	160,023	153,516	31,951
Total Refuse combusted at Resource Recovery Facility ¹	593,185	579,660	540,407	535,980	565,439

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**

	2008	2009	2010	2011	2012
Single Family ¹ (\$ per Dwelling Unit)					
Solid Waste Disposal Fee	\$53.65	\$52.39	\$55.04	\$52.04	\$48.71
Base System Benefit Charge	29.50	30.25	24.45	41.43	51.75
Incremental System Benefit Charge	115.27	120.08	130.36	116.38	113.30
Total Single- Family	\$198.42	\$202.72	\$209.85	\$209.85	\$213.76
Multi-Family ² (\$ per Dwelling Unit)					
Base System Benefit Charge	\$1.83	\$2.17	\$3.92	\$6.90	\$13.82
Incremental System Benefit Charge	14.58	14.24	12.50	9.52	2.91
Total Multi- Family	\$16.41	\$16.41	\$16.42	\$16.42	\$16.73
Incorporated Municipality Base System Benefit Charge (\$ per Dwelling Unit)	\$29.50	\$30.25	\$24.45	\$41.43	\$51.75
Non-Residential Charges (average \$ per 2000 square feet)	\$172.81	\$183.54	\$202.02	\$205.68	\$214.08

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

	2007	2008	2009	2010	2011
Revenues¹					
Tipping Fees	\$17,178,361	\$17,168,965	\$15,144,535	\$15,051,157	\$15,494,742
System Benefit Charges	56,463,159	57,966,855	59,861,053	62,896,415	63,969,495
Miscellaneous	11,987,783	12,568,014	9,241,413	8,965,734	10,472,774
Investment Income	4,790,327	3,979,482	1,584,133	382,054	98,854
Subtotal Revenues	90,419,630	91,683,316	85,831,134	87,295,360	90,035,865
Interfund Transfers					
Charge to General Fund for County Agency Waste	1,704,140	1,835,230	1,981,550	1,992,800	1,992,800
Distribution of Excess Series 1993 Bond Proceeds	-	-	-	-	-
OPEB Contribution		411,000	305,880		
Transfer from Leaf Vacuuming Fund	815,190	762,271	966,540	758,780	1,012,650
Indirect Costs Paid to General Fund	(1,200,720)	(1,246,560)	(1,521,390)	(1,664,380)	(1,515,250)
Subtotal Inter-fund Transfers	1,318,610	1,761,941	1,732,580	1,087,200	1,490,200
Expenditures¹					
Personnel Costs	(7,435,517)	(8,351,845)	(8,845,092)	(8,725,514)	(8,811,818)
Operating Expenses	(84,969,146)	(79,792,804)	(79,432,437)	(81,195,285)	(87,019,722)
Capital Outlay	(1,045,985)	(1,659,543)	(1,699,440)	(623,708)	(1,159,006)
Subtotal Expenditures	(93,450,648)	(89,804,192)	(89,976,969)	(90,544,507)	(96,990,546)
Other Fixed Assets Acquisition	(4,976,871)	(4,007,875)	(10,142,534)	(3,674,505)	
Landfill Costs²	(2,547,000)	359,000	(963,000)	832,000	1,250,777
Net Change	(\$9,236,279)	(\$7,810)	(\$13,518,789)	(\$5,004,452)	(\$4,213,704)

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.

Source: Montgomery County, Maryland

Table 10

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Unrestricted equity in pooled cash and investments	\$42,621,767	\$36,076,986	\$30,765,025	\$19,650,693	\$18,877,625
Restricted equity in pooled cash and investments	28,667,668	30,061,764	28,664,452	30,636,090	29,941,835
Restricted investments	<u>3,475,968</u>	<u>3,715,126</u>	<u>4,064,057</u>	<u>4,299,223</u>	<u>4,382,960</u>
Total ending cash and investments	<u>\$74,765,403</u>	<u>\$69,853,876</u>	<u>\$63,493,534</u>	<u>\$54,586,006</u>	<u>\$53,202,420</u>

Source: Montgomery County, Maryland