

Montgomery County, Maryland
Solid Waste Fund Financial Disclosure
Fiscal Year 2012

Introduction

This document contains updated Fiscal Year 2012 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 2012.

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

	2008	2009	2010	2011	2012
County System					
Refuse Sent to Resource Recovery Facility ¹	579,660	540,407	535,980	565,439	540,644
By-Pass; Accepted But Not Burned (Pilot Test)	0	0	0	0	0
Yard Waste at County System Facilities	74,040	67,928	72,349	65,393	71,531
Other Recyclables at County System Facilities ²	138,037	130,474	148,561	154,342	120,015
Nonprocessable Waste at County Facilities	80,481	56,819	57,812	38,425	35,085
Total Solid Waste Processed by County System	872,218	795,628	814,702	823,599	767,275
Non-County System					
Back-yard composting	80,617	62,475	13,826	35,562	0
Recyclables at Non-County System Facilities	246,585	221,631	224,973	228,864	250,889
Exported Refuse	160,556	151,041	151,149	148,296	158,337
Total Solid Waste Disposed by Non-County System Facilities ³	487,758	435,147	389,948	412,722	409,226
Total County Generated Waste	1,359,976	1,230,775	1,204,650	1,236,321	1,176,501

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

	2008	2009	2010	2011	2012
Waste reduction through combustion	381,997	367,522	370,811	385,235	369,737
Metals recovered from Residue	14,222	12,862	11,653	12,575	13,463
Ash Recycled	--	--	--	135,678	157,444
Ash Landfilled	183,441	160,023	153,516	31,951	--
Total Refuse combusted at Resource Recovery Facility ¹	579,660	540,407	535,980	565,439	540,644

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**

	2009	2010	2011	2012	2013
Single Family ¹ (\$ per Dwelling Unit)					
Solid Waste Disposal Fee	\$52.39	\$55.04	\$52.04	\$48.71	\$48.77
Base System Benefit Charge	30.25	24.45	41.43	51.75	55.77
Incremental System Benefit Charge	120.08	130.36	116.38	113.30	109.22
Total Single- Family	\$202.72	\$209.85	\$209.85	\$213.76	\$213.76
Multi-Family ² (\$ per Dwelling Unit)					
Base System Benefit Charge	\$2.17	\$3.92	\$6.90	\$13.82	\$16.66
Incremental System Benefit Charge	14.24	12.50	9.52	2.91	0.07
Total Multi- Family	\$16.41	\$16.42	\$16.42	\$16.73	\$16.73
Incorporated Municipality Base System Benefit Charge (\$ per Dwelling Unit)	\$30.25	\$24.45	\$41.43	\$51.75	\$55.77
Non-Residential Charges (average \$ per 2000 square feet)	\$183.54	\$202.02	\$205.68	\$214.08	\$220.90

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

	2008	2009	2010	2011	2012
Revenues¹					
Tipping Fees	\$17,168,965	\$15,144,535	\$15,051,157	\$15,494,742	\$15,124,985
System Benefit Charges	57,966,855	59,861,053	62,896,415	63,969,495	65,992,281
Miscellaneous	12,562,611	9,241,413	8,965,734	10,472,774	10,823,089
Investment Income	3,981,785	1,584,133	382,054	98,854	23,517
Subtotal Revenues	91,680,216	85,831,134	87,295,360	90,035,865	91,963,872
Interfund Transfers					
Charge to General Fund for County Agency Waste	1,835,230	1,675,670	1,992,800	1,992,800	2,081,490
Distribution of Excess Series 1993 Bond Proceeds	-	-	-	-	-
OPEB Contribution	411,000	305,880			
Transfer from Leaf Vacuuming Fund	762,271	966,540	758,780	1,012,650	837,140
Indirect Costs Paid to General Fund	(1,246,560)	(1,521,390)	(1,664,380)	(1,515,250)	(1,520,690)
Subtotal Inter-fund Transfers	1,761,941	1,426,700	1,087,200	1,490,200	1,397,940
Expenditures¹					
Personnel Costs	(8,351,845)	(8,845,092)	(8,725,514)	(8,811,818)	(8,551,347)
Operating Expenses	(79,792,804)	(79,432,437)	(81,195,285)	(87,019,722)	(82,551,531)
Capital Outlay	(1,659,543)	(1,699,440)	(623,708)	(1,159,006)	(568,819)
Subtotal Expenditures	(89,804,192)	(89,976,969)	(90,544,507)	(96,990,546)	(91,671,697)
Other Fixed Assets Acquisition	(4,007,875)	(10,142,534)	(3,674,505)		
Landfill Costs²	359,000	(963,000)	832,000	1,250,777	630,441
Net Change	(\$10,910)	(\$13,824,669)	(\$5,004,452)	(\$4,213,704)	\$2,320,556

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>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Unrestricted equity in pooled cash and investments	\$36,076,986	\$30,765,025	\$19,650,693	\$18,877,625	\$24,175,041
Restricted equity in pooled cash and investments	30,061,764	28,664,452	30,636,090	29,941,835	30,015,766
Restricted investments	<u>3,715,126</u>	<u>4,064,057</u>	<u>4,299,223</u>	<u>4,382,960</u>	<u>3,788,132</u>
Total ending cash and investments	<u>\$69,853,876</u>	<u>\$63,493,534</u>	<u>\$54,586,006</u>	<u>\$53,202,420</u>	<u>\$57,978,939</u>

Source: Montgomery County, Maryland