

***CENTRAL VIRGINIA WASTE MANAGEMENT  
AUTHORITY***

**Comprehensive Annual Financial Report**

**July 1, 2008 Through June 30, 2009**

***Kimberly A. Hynes CPA  
Executive Director***

***Prepared By:***

***Nan B. Downey  
Director of Administration and Finance***

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

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# **Introductory** **Section**

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September 11, 2009

Board of Directors  
Central Virginia Waste Management Authority  
Richmond, Virginia

Members of the Board:

The Comprehensive Annual Financial Report (“CAFR”) of the Central Virginia Waste Management Authority (“Authority” or “CVWMA”) for the year ended June 30, 2009 is submitted herewith. This report was prepared by the Director of Administration and Finance and the Executive Director. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the undersigned management of the Authority. The financial statements have been audited by the independent accounting firm of Cherry, Bekaert & Holland L.L.P., whose report is included herein. The CAFR has been prepared in accordance with accounting principles generally accepted in the United States of America for governmental accounting and reporting as promulgated by the Governmental Accounting Standards Board.

We believe that the data, as presented, is accurate in all material respects; that it is presented in a manner designed to present fairly the financial position and results of operation of the various funds; and that all disclosures necessary to enable the reader to gain an understanding of the Authority’s financial activity have been included.

The CAFR is presented in four sections: Introductory, Financial, Statistical and Compliance. The **Introductory** Section contains this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting, a listing of Authority Board members and administrative staff and the Authority’s organizational chart. The **Financial** Section contains the independent auditors’ report and the financial statements and related notes. The **Statistical** Section includes a number of statistical tables and charts that present financial trends and the fiscal capacity of the Authority. The **Compliance** Section contains the *Independent Auditors’ Report On Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.

A brief history of the Authority, its financial operations and selected accomplishments are presented below. In addition, Management’s Discussion and Analysis precedes the basic financial statements.

## ORGANIZATION AND FUNCTION

The Authority was created in December 1990 under the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950 as amended) to assist

member localities with satisfying Virginia's recycling requirement and other waste management initiatives.

The Authority serves thirteen member local governments: the Cities of Colonial Heights, Hopewell, Petersburg and Richmond; the Town of Ashland; and the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan and Prince George. A Board of Directors consisting of one or more representatives appointed by each of the member jurisdictions governs the operations of the CVWMA. The Authority is a primary government with no component units and each member government has a financial interest and responsibility to the Authority.

## **ECONOMIC CONDITION AND OUTLOOK**

The central Virginia region is not immune to the economic decline experienced in the last 18 months across the nation. Although the region has suffered job losses across many industries, the diverse mix of employers across the 2,500 square miles of our service area continues to be strong. The area doesn't rely on one or two large companies for employment; instead there is a good mix of manufacturing, food service, retail, and more. Unemployment in this region of the Commonwealth has escalated, but remains consistent with Virginia's unemployment rate of 7.3% (June 2009) and both are below the national average of 9.4%. During a time of declining real estate assessments, retail sales and State spending cuts, member local governments are struggling to continue to provide the level of service residents have come to expect over the years, and preserve their work force. The CVWMA recognizes the need for efficient and sustainable government programs and services and is focused on sound financial management, cost effective programs and contracts and customer service for its member local governments.

The recycling industry has come a long way in two decades and continues to grow. Just a little more than twenty years ago, only one curbside recycling program existed in the United States. Since then, more than 8,500 curbside programs have sprouted up around the Country. Through innovation, engineering and technology, the recycling industry has become a vital contributor to the federal, state and local economies. Recycling protects and expands jobs and increases competition in manufacturers. By diverting valuable materials from landfills, we reduce energy consumption, conserve resources and decrease emissions.

Recycling markets remained robust until November of 2008, following the sharp decline in the national economy. Paper and metal markets have increased slightly since then. Many Authority contracts include a provision to share in the revenue generated from the sale of recyclable material, which in the past have alleviated some of the costs to localities for recycling. CVWMA's recycling contracts protect localities from further costs as a result of downside markets.

## **MAJOR INITIATIVES**

The Authority continues to explore new and innovative ways to meet the recycling and solid waste management needs of the region. The CVWMA provides a variety of cost effective recycling and solid waste programs for members to choose from to best meet the needs of individual localities. The Authority negotiated more attractive contracts for metal, waste tires, used oil and yard waste recycling in addition to household hazardous waste disposal. The metal and used oil recycling programs are provided at no cost to localities and generate revenue from the sale of the material. Because of these new contracts, localities

have an opportunity to share in more of the revenue than under previous agreements. In addition, procurement for yard waste and household hazardous waste collection and disposal services resulted in a reduction in expenditures for these services.

The CVWMA participated in a joint procurement with Virginia Peninsula Public Service Authority and the City of Newport News for curbside recycling effective July 1, 2009. The Authority has maintained one of the lowest rates for curbside recycling in the mid-Atlantic region.

## **FINANCIAL CONTROLS**

**Internal Controls:** The accounting system of the Authority is dependent upon a strong system of internal accounting controls to ensure that financial information generated is both accurate and reliable. The Authority's internal controls are designed to ensure that the assets of the Authority are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America.

Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments made by management.

All internal control evaluations occur within the above framework. We believe that the Authority's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

**Budgetary Controls:** The Authority maintains budgetary controls to ensure compliance with the annual appropriated budget approved by the Authority's Board of Directors. Budgets are prepared by program.

## **CASH MANAGEMENT**

The Authority's approach to managing cash is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Excess cash in the Authority's pooled operating account remains in the interest bearing checking account. Idle funds available for longer periods of time are invested in Certificates of Deposit, Bankers' Acceptances, Commercial Paper, term repurchase agreements and the Local Government Investment Pool (LGIP). The average yield on Authority investments in fiscal year 2009 was about 1.70%. The total amount of interest earned on Authority investments was \$31,996 in 2009 compared to \$108,252 in 2008.

## **RISK MANAGEMENT**

The risk management program currently involves maintaining comprehensive insurance policies and identifying and monitoring loss exposure. The Authority's insurance coverage includes comprehensive property and casualty, healthcare, comprehensive vehicle liability and public official's liability policies.

## INDEPENDENT AUDIT

State statute requires an annual audit by independent certified public accountants. The public accounting firm of Cherry, Bekaert & Holland L.L.P. was selected by the Authority's Audit Committee to perform the audit for the fiscal year ended June 30, 2009. The independent auditors' report on the financial statements is included in the financial section of this report.

## AWARDS AND ACHIEVEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Central Virginia Waste Management Authority for its comprehensive annual financial report for the fiscal year ended June 30, 2008. This was the twelfth consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

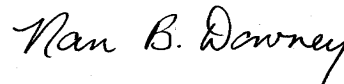
## ACKNOWLEDGMENTS

Through proper financial planning and management, the Authority continues to maintain its sound financial position. The timely preparation of this Comprehensive Annual Financial Report could not have been accomplished without the dedicated services of the entire staff of the Authority. We would like to express our sincere gratitude to the Board of Directors and the staff whose continuing support is vital to the financial stability of the Authority.

Respectfully submitted,



Kimberly A. Hynes CPA  
Executive Director



Nan B. Downey  
Director of Administration and Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Central Virginia Waste Management Authority

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## 2008-2009 Board of Directors

Marcia R. Phillips, County of Chesterfield  
**Chair**

Gentry Bell, County of Henrico  
**Vice Chair**

Elliot A. Danburg, County of Powhatan  
**Secretary**

William G. Kuthy, County of Prince George  
**Treasurer**

Mark Kukoski, City of Richmond  
**Director**

Donnie Tolley, Town of Ashland  
John F. Miniclier, County of Charles City  
Robert L. Dunn, County of Chesterfield  
William E. Johnson, County of Chesterfield  
Richard A. Anzolut, City of Colonial Heights  
Leigh Dunn, County of Goochland  
Stephen E. Chidsey, County of Hanover

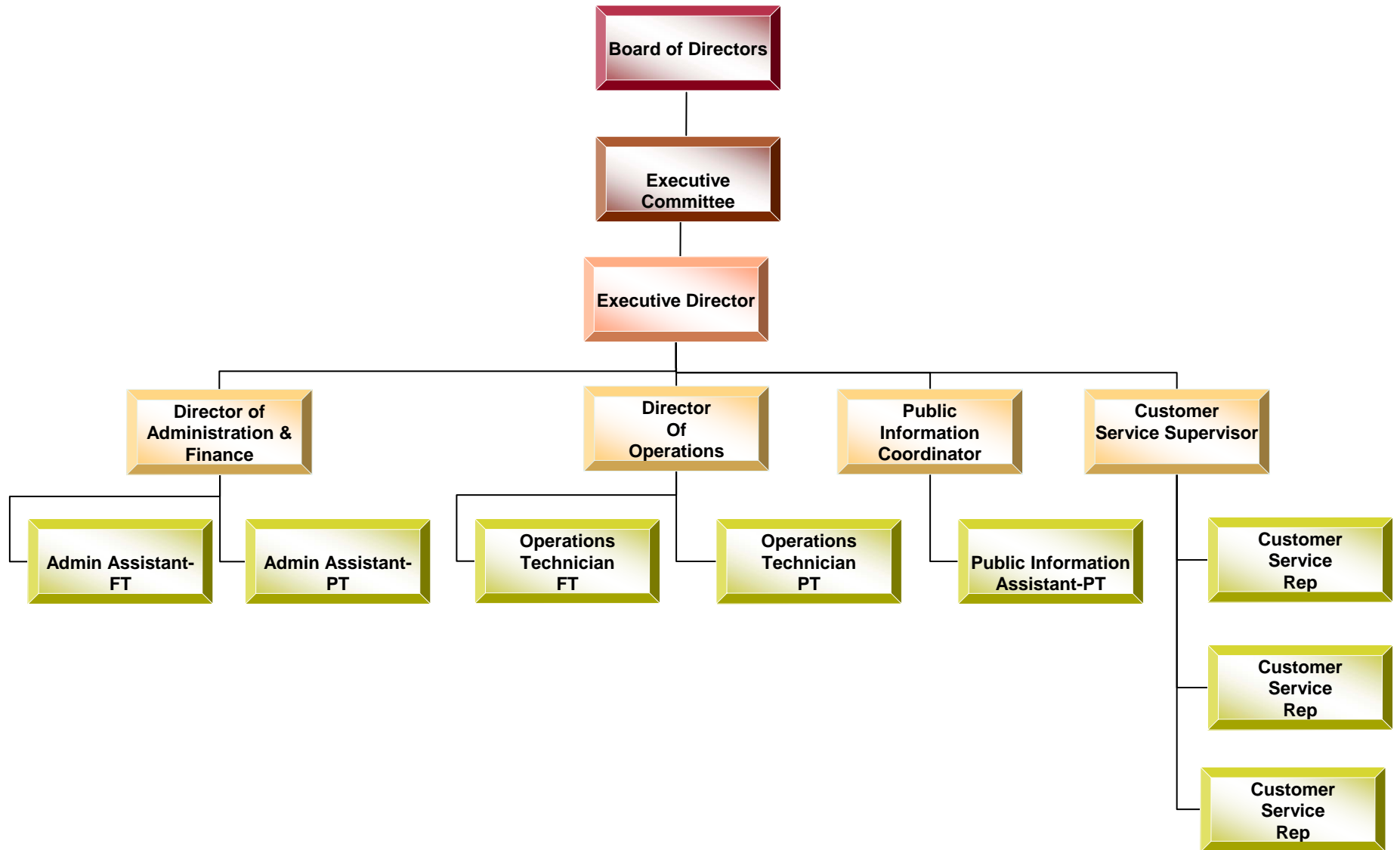
Robert R. Setliff, County of Hanover  
Marcia E. Kelley, County of Henrico  
Robert C. Whiteman, County of Henrico  
James H. Burrell, County of New Kent  
Michael D. Briddell, City of Petersburg  
Phillip E. Elloit, City of Hopewell  
Matthew D. Benka, City of Richmond  
Dexter White, City of Richmond

### Administrative Staff

Kimberly A. Hynes CPA, Executive Director  
Nan B. Downey, Director of Administration and Finance  
Bernard B. Harris, Director of Operations  
Nancy W. Drumheller, Public Information Coordinator  
Reginald D. Thompson, Operations Technician  
Valerie Pegues-Johnson, Administrative Assistant  
Stephanie N. Breaker, Customer Service Supervisor  
Carolyn M. Bagby, Customer Service Representative  
Mecca M. Anderson, Customer Service Representative  
Mariette L. Robinson, Customer Service Representative  
Charles R. Howe, Operations Technician, part-time  
Kelly W. Caddell, Public Information Assistant, part-time  
Barbara M. Trimmer, Administrative Assistant, part-time

CVWMA General Counsel  
Patricia Collins McCullagh  
McCandlish Holton PC

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY ORGANIZATIONAL CHART



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# Financial Section

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## Independent Auditors' Report

The Board of Directors  
Central Virginia Waste Management Authority  
Richmond, Virginia

We have audited the financial statements of each major fund, and the aggregate remaining fund information of the Central Virginia Waste Management Authority (the "Authority"), as of, and for the year ended June 30, 2009, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Authority. Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative information has been derived from the Authority's 2008 financial statements and, in our report dated September 15, 2008, we expressed an unqualified opinion on the financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Specifications for Audit of Authorities, Boards and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each major fund and the aggregate remaining fund information of the Authority, as of June 30, 2009, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2009, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the Schedule of Funding Progress at Note V. D. are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied limited procedures, which consisted principally of inquiries of management

regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, combining financial statements and statistical tables are presented for purposes of additional analysis, and are not a required part of the basic financial statements. The combining financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Cherry, Bekant & Holland, L.L.P.*

Richmond, Virginia  
September 11, 2009

# **Management's Discussion And Analysis**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion provides an overview of the financial activities of the Central Virginia Waste Management Authority ("Authority" or "CVWMA") for the fiscal year ended June 30, 2009. This information should be read in conjunction with the letter of transmittal and the financial statements.

### Financial Highlights

The assets of the Authority exceeded its liabilities by \$885,715 at the close of the 2009 fiscal year. Total net assets decreased by \$67,618. Operating revenues increased by 2.9% to \$13,337,165 and operating expenses increased 3.7% to \$13,458,101.

### Overview of the Financial Statements

The Statement of Net Assets presents information on all the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful measure of the Authority's financial health or position. The current fiscal year revenues and expenses of the Authority are accounted for in the Statements of Revenues, Expenses and Changes in Net Assets. The Statements of Cash Flows provide information on the Authority's cash receipts, payments, and net changes in cash. It also provides insight on the source, use and change in cash for the reporting period. Notes to the financial statements provide additional information that is essential to understanding data in the financial statements.

The Authority reports its operations as enterprise funds and uses proprietary fund accounting. Accordingly, the operations of the Authority are recorded on the accrual basis of accounting. Under this method, revenues from member jurisdictions for services provided and revenues from other entities are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash.

### Financial Analysis of CVWMA's Financial Position and Results of Operation

The tables presented herein provide a summary of the CVWMA's financial position and operations for FY 2009 and 2008.

#### Condensed Statements of Net Assets June 30,

	<u>2009</u>	<u>2008</u>	<u>Change</u>	
			<u>Amount</u>	<u>%</u>
Assets:				
Current	\$ 4,322,196	\$ 4,632,227	\$ (310,031)	-6.7%
Capital assets, net	74,016	67,300	6,716	10.0%
Total assets	4,396,212	4,699,527	(303,315)	-6.5%
Liabilities	3,510,497	3,746,194	(235,697)	-6.3%
Net assets:				
Invested in capital assets	74,016	67,300	6,716	10.0%
Unrestricted	811,699	886,033	(74,334)	-8.4%
Total net assets	\$ 885,715	\$ 953,333	\$ (67,618)	-7.1%

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Net assets decreased by \$67,618 in 2009 predominantly as a result of the economic climate and the decline in interest rates and recycling markets. The CVWMA relies on interest and investment income and revenue from the recycling markets to balance expenses. Although the sale of recyclable material was higher in 2009 than 2008, the decline was significant in the last six months of the fiscal year. In addition, the CVWMA conducted a study to determine characteristics of recyclers and non-recyclers for education purposes.

Capital assets, consisting of furniture, office and electronic equipment, vehicles and leasehold improvements, have not fluctuated significantly. Capital assets greater than \$500 are stated at historical cost. The Authority upgraded telephone equipment, purchased a new conference room table and chairs, and installed a security system in accordance with the 2009 Operating Budget. More information on capital assets is included in the Notes to the Financial Statements.

### Condensed Statements of Revenues, Expenses and Changes in Net Assets For the years ended June 30,

	<u>2009</u>	<u>2008</u>	<u>Change</u>	
			<u>Amount</u>	<u>%</u>
Operating revenues:				
Local government assessments	\$ 497,069	\$ 491,808	\$ 5,261	1.1%
Recycling	5,677,879	5,231,168	446,711	8.5%
Refuse and solid waste	6,023,046	6,153,941	(130,895)	-2.1%
Composting and yard waste	471,765	426,106	45,659	10.7%
Other project revenue and fees	228,914	313,343	(84,429)	-26.9%
Material sales rebate	438,492	343,625	94,867	27.6%
Total operating revenues	13,337,165	12,959,991	377,174	2.9%
Operating expenses:				
Administrative/operating	331,606	347,610	(16,004)	-4.6%
Salaries and benefits	671,271	601,933	69,338	11.5%
Professional service fees	94,522	56,730	37,792	66.6%
Depreciation	31,247	31,278	(31)	-.1%
Project contractual services	11,912,611	11,660,096	252,515	2.2%
Material sales rebate	416,844	281,482	135,362	48.1%
Total operating expenses	13,458,101	12,979,129	478,972	3.7%
Operating loss	(120,936)	(19,138)	(101,798)	531.9%
Non-operating revenues:				
Grants and sponsorships	17,448	8,390	9,058	108.0%
Interest income	31,996	108,252	(76,256)	-70.4%
Miscellaneous income	3,874	816	3,058	374.8%
Non-operating revenues	53,318	117,458	(64,140)	-54.6%
Net income	(67,618)	98,320	(165,938)	-168.8%
Beginning net assets	953,333	855,013	98,320	11.5%
Ending net assets	\$ 885,715	\$ 953,333	\$ (67,618)	-7.1%

The recycling and solid waste industry is not immune to fluctuations in the economy. The loss of earning power has resulted in a reduction in waste generation as evidenced by the decline in the tons of refuse and

solid waste disposed of through the Authority's transfer and disposal programs. Although the growth in the volume of recycling collected has slowed in the last six months of the fiscal year, a record total of over 41,200 tons was recycled through the curbside and drop off recycling programs in 2009, a 3% increase over the previous fiscal year. More than 3,000 homes became eligible for curbside recycling; Hanover County re-joined the program with 1,700 homes. The revenue earned from the sale of paper was strong through the first six months of the year. Through a new contract for metal recycling, material sales have consistently been greater than in years past. Revenue earned is shared with participating localities. The yard waste and other projects are used by localities on an as needed basis. The City of Richmond added a program to continually collect, recycle and properly dispose of paints, solvents, used oil, propane tanks and batteries at their solid waste facility, thus eliminating the need for annual, costly household hazardous waste events.

### **Contacting CVWMA's Financial Management**

This financial analysis is designed to provide a general overview of CVWMA's finances to all interested parties. If you have questions about this report, or need additional financial information, contact the CVWMA's Executive Director at Central Virginia Waste Management Authority, 2100 W. Laburnum Avenue; Suite 105, Richmond, Virginia 23227 or by telephone at 804-359-8413.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**STATEMENTS OF NET ASSETS  
JUNE 30, 2009  
With Comparative Totals at June 30, 2008**

	<i>General Operating Fund</i>	<i>Curbside Recycling</i>	<i>Drop-Off Recycling</i>	<i>Municipal Solid Waste</i>	<i>Waste Transfer &amp; Disposal</i>	<i>Non Major Funds</i>	<i>Total 2009</i>	<i>2008</i>
<b>Assets:</b>								
Cash and cash equivalents	\$ 260,294	\$ 1,115,676	\$ 73,187	\$ 417,440	\$ 225,411	\$ 131,219	\$ 2,223,227	\$ 2,258,942
Accounts receivable	358,047	516,053	95,526	756,061	198,567	158,014	2,082,268	2,357,070
Interfund balances	97,489	-	-	-	-	(97,489)	-	-
Prepaid expenses	<u>11,557</u>	<u>4,388</u>	<u>151</u>	<u>605</u>	<u>-</u>	<u>-</u>	<u>16,701</u>	<u>16,215</u>
<b>Total current assets</b>	<u>727,387</u>	<u>1,636,117</u>	<u>168,864</u>	<u>1,174,106</u>	<u>423,978</u>	<u>191,744</u>	<u>4,322,196</u>	<u>4,632,227</u>
<b>Capital Assets:</b>								
Furniture, fixtures & equipment	41,128	15,289	-	7,263	-	-	63,680	80,388
Computer equipment	125,727	90,000	-	12,009	-	-	227,736	221,948
Vehicles	39,466	-	-	-	-	-	39,466	39,466
Leasehold improvements	<u>29,061</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,061</u>	<u>29,061</u>
	235,382	105,289	-	19,272	-	-	359,943	370,863
Accumulated depreciation	<u>(184,655)</u>	<u>(89,816)</u>	<u>-</u>	<u>(11,456)</u>	<u>-</u>	<u>-</u>	<u>(285,927)</u>	<u>(303,563)</u>
<b>Capital assets, net</b>	<u>50,727</u>	<u>15,473</u>	<u>-</u>	<u>7,816</u>	<u>-</u>	<u>-</u>	<u>74,016</u>	<u>67,300</u>
<b>Total assets</b>	<u>778,114</u>	<u>1,651,590</u>	<u>168,864</u>	<u>1,181,922</u>	<u>423,978</u>	<u>191,744</u>	<u>4,396,212</u>	<u>4,699,527</u>
<b>Liabilities:</b>								
Accounts payable	8,647	781,123	101,317	582,100	224,949	73,657	1,771,793	1,645,934
Unearned revenue	353,311	498,312	-	549,799	197,439	-	1,598,861	1,974,220
Other accrued liabilities	<u>38,848</u>	<u>14,561</u>	<u>109</u>	<u>325</u>	<u>-</u>	<u>86,000</u>	<u>139,843</u>	<u>126,040</u>
<b>Total liabilities</b>	<u>400,806</u>	<u>1,293,996</u>	<u>101,426</u>	<u>1,132,224</u>	<u>422,388</u>	<u>159,657</u>	<u>3,510,497</u>	<u>3,746,194</u>
<b>Net Assets</b>								
Invested in capital assets	50,727	15,473	-	7,816	-	-	74,016	67,300
Unrestricted	<u>326,581</u>	<u>342,121</u>	<u>67,438</u>	<u>41,882</u>	<u>1,590</u>	<u>32,087</u>	<u>811,699</u>	<u>886,033</u>
<b>Total net assets</b>	<u>\$ 377,308</u>	<u>\$ 357,594</u>	<u>\$ 67,438</u>	<u>\$ 49,698</u>	<u>\$ 1,590</u>	<u>\$ 32,087</u>	<u>\$ 885,715</u>	<u>\$ 953,333</u>

The notes are an integral part of the financial statements.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2009  
With Comparative Totals for the Year Ended June 30, 2008**

	<i>General Operating Fund</i>	<i>Curbside Recycling</i>	<i>Drop- Off Recycling</i>	<i>Municipal Solid Waste</i>	<i>Waste Transfer &amp; Disposal</i>	<i>Non Major Funds</i>	<i>2009</i>	<i>2008</i>
<b>Operating revenues:</b>								
Local government assessments	\$ 497,069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 497,069	\$ 491,808
Recycling		5,078,537	599,342	-	-	-	5,677,879	5,231,168
Refuse and solid waste	-	-	-	3,531,021	2,492,025	-	6,023,046	6,153,941
Composting and yard waste	-	-	-	-	-	471,765	471,765	426,106
Other project revenues	-	-	-	-	-	228,914	228,914	313,343
Material sales rebates	-	49,254	27,768	-	-	361,470	438,492	343,625
<b>Total operating revenues</b>	<u>497,069</u>	<u>5,127,791</u>	<u>627,110</u>	<u>3,531,021</u>	<u>2,492,025</u>	<u>1,062,149</u>	<u>13,337,165</u>	<u>12,959,991</u>
<b>Operating expenses:</b>								
Administrative/operating	72,135	236,370	6,260	10,743	2,033	4,065	331,606	347,610
Salaries and benefits	410,398	217,878	7,338	31,459	3,369	829	671,271	601,933
Professional service fees	39,983	42,918	776	5,174	4,573	1,098	94,522	56,730
Depreciation	19,974	9,094	-	2,179	-	-	31,247	31,278
Project contractual services	-	4,618,274	599,342	3,502,308	2,492,008	700,679	11,912,611	11,660,096
Material sales rebate	-	36,940	19,589	-	-	360,315	416,844	281,482
<b>Total operating expenses</b>	<u>542,490</u>	<u>5,161,474</u>	<u>633,305</u>	<u>3,551,863</u>	<u>2,501,983</u>	<u>1,066,986</u>	<u>13,458,101</u>	<u>12,979,129</u>
<b>Operating income (loss)</b>	<u>(45,421)</u>	<u>(33,683)</u>	<u>(6,195)</u>	<u>(20,842)</u>	<u>(9,958)</u>	<u>(4,837)</u>	<u>(120,936)</u>	<u>(19,138)</u>
<b>Non-operating revenues:</b>								
Grants and sponsorships	17,448	-	-	-	-	-	17,448	8,390
Interest income	2,378	14,696	809	8,409	3,938	1,766	31,996	108,252
Miscellaneous Income	3,874	-	-	-	-	-	3,874	816
<b>Total non-operating revenues</b>	<u>23,700</u>	<u>14,696</u>	<u>809</u>	<u>8,409</u>	<u>3,938</u>	<u>1,766</u>	<u>53,318</u>	<u>117,458</u>
<b>Net income (loss)</b>	<u>(21,721)</u>	<u>(18,987)</u>	<u>(5,386)</u>	<u>(12,433)</u>	<u>(6,020)</u>	<u>(3,071)</u>	<u>(67,618)</u>	<u>98,320</u>
<b>Net assets - beginning of year</b>	<u>399,029</u>	<u>376,581</u>	<u>72,824</u>	<u>62,131</u>	<u>7,610</u>	<u>35,158</u>	<u>953,333</u>	<u>855,013</u>
<b>Net assets - end of year</b>	<u>\$ 377,308</u>	<u>\$ 357,594</u>	<u>\$ 67,438</u>	<u>\$ 49,698</u>	<u>\$ 1,590</u>	<u>\$ 32,087</u>	<u>\$ 885,715</u>	<u>\$ 953,333</u>

The notes are an integral part of the financial statements.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**STATEMENTS OF CASH FLOWS**

**YEAR ENDED JUNE 30, 2009**

**With Comparative Totals for the Year Ended June 30, 2008**

	<i>General Operating Fund</i>	<i>Curbside Recycling</i>	<i>Drop- Off Recycling</i>	<i>Municipal Solid Waste</i>	<i>Waste Transfer &amp; Disposal</i>	<i>Non Major Funds</i>	<i>Total 2009</i>	<i>2008</i>
<b>Cash Flows From Operating Activities</b>								
Receipts from localities	\$ 481,562	\$ 5,193,506	\$ 583,368	\$ 3,505,085	\$ 2,452,583	\$ 589,254	\$ 12,805,358	\$ 12,539,559
Receipts from the sale of recyclables, net	-	12,314	8,179	-	-	1,155	21,648	62,144
Payments to contractors	-	(4,548,384)	(582,585)	(3,485,349)	(2,496,881)	(674,001)	(11,787,200)	(11,668,450)
Payments to suppliers	(118,313)	(280,171)	(7,059)	(16,097)	(6,606)	(5,163)	(433,409)	(413,128)
Payments to employees	(398,662)	(215,984)	(7,304)	(31,319)	(3,369)	(829)	(657,467)	(596,176)
<b>Net cash provided by (used in) operating activities</b>	<b>(35,413)</b>	<b>161,281</b>	<b>(5,401)</b>	<b>(27,680)</b>	<b>(54,273)</b>	<b>(89,584)</b>	<b>(51,070)</b>	<b>(76,051)</b>
<b>Cash Flows From Noncapital Financing Activities:</b>								
Grants and sponsorships	17,448	-	-	-	-	-	17,448	8,390
Interfund transfers, net	(94,745)	-	-	-	-	94,745	-	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(77,297)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94,745</b>	<b>17,448</b>	<b>8,390</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>								
Proceeds from insurance	3,874	-	-	-	-	-	3,874	-
Sale of capital assets	-	-	-	-	-	-	-	816
Acquisitions of capital assets	(18,594)	(12,106)	-	(7,263)	-	-	(37,963)	(26,753)
<b>Net cash provided by (used in) Capital and related financing activities</b>	<b>(14,720)</b>	<b>(12,106)</b>	<b>-</b>	<b>(7,263)</b>	<b>-</b>	<b>-</b>	<b>(34,089)</b>	<b>(25,937)</b>
<b>Cash Flows From Investing Activities:</b>								
Interest received	2,378	14,696	809	8,409	3,938	1,766	31,996	108,252
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(125,052)</b>	<b>163,871</b>	<b>(4,592)</b>	<b>(26,534)</b>	<b>(50,335)</b>	<b>6,927</b>	<b>(35,715)</b>	<b>(18,346)</b>
<b>Cash and cash equivalents at June 30, 2008</b>	<b>385,346</b>	<b>951,805</b>	<b>77,779</b>	<b>443,974</b>	<b>275,746</b>	<b>124,292</b>	<b>2,258,942</b>	<b>2,277,288</b>
<b>Cash and cash equivalents at June 30, 2009</b>	<b>\$ 260,294</b>	<b>\$ 1,115,676</b>	<b>\$ 73,187</b>	<b>\$ 417,440</b>	<b>\$ 225,411</b>	<b>\$ 131,219</b>	<b>\$ 2,223,227</b>	<b>\$ 2,258,942</b>

The notes are an integral part of the financial statements.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**STATEMENTS OF CASH FLOWS**

**YEAR ENDED JUNE 30, 2009**

**With Comparative Totals for the Year Ended June 30, 2008**

	<i>General Operating Fund</i>	<i>Curbside Recycling</i>	<i>Drop- Off Recycling</i>	<i>Municipal Solid Waste</i>	<i>Waste Transfer &amp; Disposal</i>	<i>Non Major Funds</i>	<i>Total 2009</i>	<i>2008</i>
Net operating income (loss)	\$ (45,421)	\$ (33,683)	\$ (6,195)	\$ (20,842)	\$ (9,958)	\$ (4,837)	\$ (120,936)	\$ (19,138)
Adjustments to reconcile operating income (loss) to net cash provided by (used in):								
Depreciation	19,974	9,094	-	2,179	-	-	31,247	31,279
Accounts receivable - local governments	128,242	63,419	(15,974)	249,982	(39,442)	(111,425)	274,802	(254,378)
Prepaid expenses	599	(883)	(23)	(179)	-	-	(486)	1,935
Increase/(decrease) in operating liabilities:								
Accounts payable	(6,794)	69,890	16,757	16,959	2,369	26,678	125,859	10,573
Unearned revenue	(143,749)	51,550	-	(275,918)	(7,242)	-	(375,359)	147,921
Other accrued liabilities	<u>11,736</u>	<u>1,894</u>	<u>34</u>	<u>139</u>	<u>-</u>	<u>-</u>	<u>13,803</u>	<u>5,757</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (35,413)</u>	<u>\$ 161,281</u>	<u>\$ (5,401)</u>	<u>\$ (27,680)</u>	<u>\$ (54,273)</u>	<u>\$ (89,584)</u>	<u>\$ (51,070)</u>	<u>\$ (76,051)</u>

The notes are an integral part of the financial statements.

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2009

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Central Virginia Waste Management Authority ("Authority") was created in December 1990 under the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950 as amended). The Authority's purpose is to plan, acquire, construct, reconstruct, improve, extend, operate, contract for and maintain any garbage and refuse collection, transfer and disposal program or system, including waste reduction, waste material recovery, recycling as mandated by law or otherwise, resource recovery, waste incineration, landfill operation, ash management, sludge disposal from water and wastewater treatment facilities, household hazardous waste management and disposal and similar programs or systems, within one or more of the political subdivisions which are members of the Authority.

**A. Reporting Entity -** The Authority is a primary government with no component units. The members of the Authority are the Cities of Colonial Heights, Hopewell, Petersburg and Richmond; the Town of Ashland; and the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan and Prince George. The Authority is governed by a Board of Directors consisting of one or more representatives appointed by each of the member cities, town and counties. The Authority is a jointly governed organization of the thirteen member jurisdictions listed herein, however it is not a component unit of any of the participating governments. The participating governments do have a financial interest and responsibility to the Authority.

**B. Basis of Presentation -** The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as applicable to enterprise funds of governmental units. The economic resources measurement focus is based upon the determination of net income. Periodic determination of revenues earned, expenses incurred and net income is appropriate for capital maintenance, public policy, management control, and accountability.

**C. Basis of Accounting -** The accounting records for the Authority are maintained on the accrual basis with revenue recorded when earned and expenses recorded when incurred. The accounting and reporting policies conform with accounting principles generally accepted in the United States of America. The Authority applies all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless the latter conflicts with or contradicts GASB pronouncements.

**D. Estimates -** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**E. Cash and Cash Equivalents -** Cash and cash equivalents are defined as being cash and short-term interest bearing investments consisting of certificates of deposit, repurchase agreements and other income producing securities of less than or equal to three months maturity when purchased. These investments are readily convertible to cash and are stated at cost, which approximates market.

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

**F. Receivables** - All revenue and receivables are recognized when earned. Receivables consist of amounts due from the participating governments for services performed for residents. Each government is liable for the actual cost of service based on contractual arrangements, therefore, there is no allowance for doubtful accounts.

**G. Capital Assets** - Capital assets are stated at historical cost. The capitalization threshold for capital assets is \$500. Expenses for repairs and upgrading which materially add to the value or life of an asset are capitalized. Other maintenance and repair costs are charged to expense as incurred. Depreciation is charged as an expense using the straight-line method over the assets' estimated useful lives as follows:

Furniture, fixtures and equipment	5-7 years
Computer equipment	2-3 years
Vehicles	5 years
Leasehold improvements	6 years

**H. Compensated Absences** - Authority employees, in the event of termination, are reimbursed for accumulated annual leave in full, and for sick leave in the amount of one third (1/3) of sick leave accumulated up to \$3,500. Vested annual and sick leave balances are reflected in the accompanying financial statements as a current liability.

**I. Unearned Revenues** - In connection with certain contracts, the Authority bills for services and receives cash in advance. These amounts are recorded as unearned revenues in the accompanying balance sheets until earned by the Authority.

**J. Net Assets** - Net assets comprise the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net assets are classified in the following three components: invested in capital assets, net of related debt; restricted and unrestricted net assets. Invested in capital assets, net of related debt, consists of all capital assets, net of accumulated depreciation and reduced by any outstanding debt that is attributable to the acquisition, construction and improvement of those assets. Restricted net assets consists of net assets for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations and enabling legislation, including self-imposed legal mandates, less any related liabilities. Unrestricted consists of all other net assets not included in the above categories. The Authority did not have any restricted net assets at June 30, 2009 or 2008, nor is there any debt associated with capital assets.

**K. Risk Management** - The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority maintains commercial insurance for all risks of loss including general liability, employee health and accident, workers' compensation, automobile and public officials' liability insurance. Any settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

**L. Revenue Classification** - Revenues from recycling and solid waste collection, local government assessments and other program revenues are reported as operating revenues. All other revenues including certain grants, contributions and interest income are reported as non-operating revenues.

**M. Summarized Comparative Information for 2008** - The financial information for the year ended June 30, 2008, presented for comparative purposes, is not intended to be a complete financial statement presentation because only the total of all funds has been reflected.

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## II. DEPOSITS AND INVESTMENTS

Deposits. At June 30, 2009, the carrying value of the Authority's deposits with banks and savings institutions, was \$997,766 and the bank balance was \$1,018,922. All of the bank balance was covered by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with the Virginia Security for Public Deposits Act (Act). Under the Act, banks holding public deposits in excess of the amounts insured by FDIC must pledge collateral in the amount of 50% of excess deposits to a collateral pool in the name of the State Treasury Board. If any member financial institution, whose public deposits are collateralized in accordance with the requirements of the Act fails, the entire market value of the collateral pool becomes available to satisfy the claims of governmental entities. If the value of the pool's collateral is inadequate to cover a loss, additional amounts would be assessed on a pro rata basis to the members of the pool. Savings and loan institutions are required to collateralize 100% of deposits in excess of FDIC limits. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of compliance by banks and savings and loans.

Investment Policy. In accordance with the Code of Virginia and other applicable law, including regulations, the Authority's investment policy (Policy) permits investments in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes; banker's acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP).

At year end, the carrying value of the Authority's deposit and investments were as follows:

	2009	2008
	<u>Fair Value</u>	<u>Fair Value</u>
<u>Cash and Cash Equivalents</u>		
Local Government Investment Pool	\$ 1,225,361	\$1,204,673
Total Deposits	997,766	1,054,169
Cash on Hand	<u>100</u>	<u>100</u>
Totals Deposits and Investments	<u>\$ 2,223,227</u>	<u>\$2,258,942</u>

Interest Rate Risk: Investment maturity is managed to proceed or coincide with expected need of funds to help limit exposure to fair value losses arising from rising interest rates. As of June 30, 2009, the Authority's investments were all in the Local Government Investment Pool (LGIP). The LGIP is a short-term investment pool offered through the State Treasurer to public entities of the Commonwealth (a "2a7-like pool") providing daily liquidity.

Credit Risk: Policy, consistent with state statute, requires commercial paper, including bankers acceptances, and corporate notes have a short-term debt rating of no less than "P-1" from Moody's Investors Service, and "A-1" from Standard & Poor's. The Authority's investments in the LGIP are rated AAAM by Standard's & Poor's.

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### III. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance June 30, 2007	Additions	Disposals	Balance June 30, 2008	Additions	Disposals	Balance June 30, 2009
Furniture, fixtures & equipment	\$ 76,555	\$ 3,833	\$ -	\$ 80,388	\$ 28,726	\$45,434	\$ 63,680
Computer equipment	203,002	20,316	1,370	221,948	9,237	3,450	227,735
Leasehold improvements	26,457	2,604	-	29,061	-	-	29,061
Vehicles	<u>58,066</u>	<u>-</u>	<u>18,600</u>	<u>39,466</u>	<u>-</u>	<u>-</u>	<u>39,466</u>
Total capital assets	364,080	26,753	19,970	370,863	37,963	48,884	359,942
Accumulated depreciation:							
Furniture, fixtures & equipment	72,113	2,622	-	74,735	6,443	45,434	35,744
Computer equipment	174,037	16,200	1,370	188,867	15,098	3,450	200,515
Vehicles	29,161	7,893	18,600	18,454	7,893	-	26,347
Leasehold improvements	<u>16,943</u>	<u>4,564</u>	<u>-</u>	<u>21,507</u>	<u>1,813</u>	<u>-</u>	<u>23,320</u>
Total accumulated depreciation	<u>292,254</u>	<u>31,279</u>	<u>19,970</u>	<u>303,563</u>	<u>31,247</u>	<u>48,884</u>	<u>285,926</u>
Capital assets, net	<u>\$ 71,826</u>	<u>\$ (4,525)</u>	<u>\$ -</u>	<u>\$ 67,300</u>	<u>\$ 6,716</u>	<u>\$ -</u>	<u>\$ 74,016</u>

### IV. LEASES

The Authority has noncancelable operating leases for the rental of a vehicle, office space and equipment. Rental expense for operating leases during 2009 and 2008 was \$66,331 and \$65,811, respectively, and is included in Administrative/operating expenses in the Statements of Revenues, Expenses and Changes in Net Assets. The lease for office space contains an escalation clause which results in an annual increase of 3% in the rate per square foot.

Future minimum lease payments under noncancelable operating leases at June 30, 2009 are:

2010	68,660
2011	70,474
2012	42,835
2013	<u>4,004</u>
	<u>\$ 185,973</u>

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### V. RETIREMENT PLAN

#### A. Plan Description

The Authority contributes to the Virginia Retirement System (VRS), an agent and cost-sharing multiple-employer defined benefit public employee retirement system that acts as a common investment and administrative agent for political subdivisions in the Commonwealth of Virginia.

All full-time, salaried, permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with five years of service or at age 50 with 30 years of service. The benefit is payable monthly for life in an amount equal to 1.7 percent of average final compensation (AFC) for each year of credited service. Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for an annual cost-of-living adjustment (COLA) beginning in their second year of retirement. The COLA is limited to 5% per year. AFC is defined as the highest consecutive 36 months of reported compensation. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The VRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information. A copy of that report may be obtained by writing the VRS at P.O. Box 2500, Richmond, VA 23218-2500 or may be downloaded from the VRS website at <http://www.varetire.org/Pdf/2008AnnuRept.pdf>.

#### B. Funding Policy

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5% of their annual salary to the VRS. This 5% member contribution may be assumed by the employer. The Authority has elected to assume the 5% member contribution. In addition, the Authority is required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The Authority's contribution rate for the fiscal year ended June 30, 2009 was 5.17% of annual covered payroll.

#### C. Annual Pension Cost

For 2009, the Authority's annual pension cost of \$48,590 was equal to the Authority's required and actual contributions. The required contribution was determined as part of the June 30, 2007 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return, (b) projected salary increases at 3.75% to 5.60% per year, and (c) 2.5% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 2.5%. The actuarial value of the Authority's assets is equal to the modified market value of assets. This method was determined using techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The Authority's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2007, was twenty years.

#### D. Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the plan was 104.2% funded. The actuarial accrued liability for benefits was \$781,519, and the actuarial value of assets was \$814,193, resulting in an unfunded actuarial accrued liability (UAAL) of (\$32,674). The covered payroll (annual payroll of active employees covered by the plan) was \$418,392, and ratio of the UAAL to the covered payroll was (7.8%).

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2009	\$ 48,590	100%	-0-
June 30, 2008	\$ 33,429	100%	-0-
June 30, 2007	\$ 29,513	100%	-0-

### REQUIRED SUPPLEMENTARY INFORMATION Schedule of Funding Progress Unaudited

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Assets/Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Annual Covered Payroll	UAAL as a % of Payroll (4)/(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
June 30, 2008	\$814,193	\$ 781,519	\$(32,674)	104.2%	\$418,392	(7.8)%
June 30, 2007	724,349	708,432	(15,917)	102.3%	418,625	(3.8)%
June 30, 2006	633,062	539,574	(93,488)	117.3%	441,506	(21.2)%

Information included in the Schedule of Funding Progress is the most recent and only information available.

## VI. RELATED PARTIES

Each member jurisdiction has a financial responsibility to the Authority for assessments and fees for services. The Authority remits rebates from the sale of recycled materials to the participating governments.

The due from amounts are included in accounts receivable, and the due to amounts are reported as accounts payable. Total amounts due from and payable to the related jurisdictions at June 30, 2009 and 2008 are as follows:

	<u>2009</u>		<u>2008</u>	
	<u>Due From</u>	<u>Due To</u>	<u>Due From</u>	<u>Due To</u>
Town of Ashland	\$ 42,548	\$ -	\$ 40,679	\$ -
County of Charles City	3,312	-	3,326	-
County of Chesterfield	445,229	1272	579,811	130
City of Colonial Heights	223,268	-	206,485	-
County of Goochland	31,489	834	23,562	138
County of Hanover	60,478	2043	80,891	-
County of Henrico	322,130	3238	309,445	96
City of Hopewell	245,745	139	537,354	-
County of New Kent	9,405	1269	12,604	202
City of Petersburg	342,177	157	293,440	-
County of Powhatan	64,520	493	31,248	140
County of Prince George	29,853	-	25,826	123
City of Richmond	258,699	-	212,149	-
Total	<u>\$ 2,078,852</u>	<u>\$ 9,445</u>	<u>\$ 2,356,820</u>	<u>\$ 829</u>

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

Total revenues from and expenses to related jurisdictions in the years ended June 30, 2009 and 2008 are follows:

	<u>2009</u>		<u>2008</u>	
	<u>Revenues</u>	<u>Expenses</u>	<u>Revenues</u>	<u>Expenses</u>
Town of Ashland	\$ 304,264	\$ 275	\$ 298,115	\$ 1,198
County of Charles City	3,326	251	3,360	264
County of Chesterfield	3,221,630	87,968	3,138,525	75,320
City of Colonial Heights	1,023,409	7,699	1,089,843	8,105
County of Goochland	663,232	49,383	621,167	23,727
County of Hanover	191,367	67,463	186,561	3,263
County of Henrico	2,043,917	116,600	1,877,911	92,414
City of Hopewell	1,374,523	3,316	1,323,384	2,692
County of New Kent	419,354	44,065	460,568	20,149
City of Petersburg	1,286,096	2,346	1,238,868	3,504
County of Powhatan	503,677	8,531	510,314	4,417
County of Prince George	174,724	19,504	222,302	12,849
City of Richmond	1,687,255	9,443	1,641,596	33,580
Total	<u>\$12,896,774</u>	<u>\$ 416,844</u>	<u>\$12,612,514</u>	<u>\$ 281,482</u>

### VII. NET ASSETS

The following individual fund has deficit net assets balances as of June 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
<b>Non-Major Funds:</b>		
Yard Waste Projects	\$ 4,293	\$ 2,806
	*****	

# **Combining Financial Statements**

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Combining Statement of Net Assets  
Non-Major Funds  
June 30, 2009**

	<u>CFC/ HCFC</u>	<u>Special Waste Collections</u>	<u>Waste Tire Processing</u>	<u>Appliance &amp; Scrap Metal</u>	<u>Yard Waste Projects</u>	<u>Total</u>
Assets:						
Cash and cash equivalents	\$ 5,430	\$ 20,090	\$ 20,349	\$ 85,350	\$ -	\$ 131,219
Accounts receivable -						
local governments	5,060	17,926	7,304	(412)	128,136	158,014
Interfund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(97,489)</u>	<u>(97,489)</u>
Total current assets	<u>10,490</u>	<u>38,016</u>	<u>27,653</u>	<u>84,938</u>	<u>30,647</u>	<u>191,744</u>
 Total assets	 <u>10,490</u>	 <u>38,016</u>	 <u>27,653</u>	 <u>84,938</u>	 <u>30,647</u>	 <u>191,744</u>
Liabilities and net assets:						
Accounts payable	5,062	8,610	17,400	7,645	34,940	73,657
Other accrued liabilities	<u>1,000</u>	<u>20,000</u>	<u>-</u>	<u>65,000</u>	<u>-</u>	<u>86,000</u>
 Total liabilities	 <u>6,062</u>	 <u>28,610</u>	 <u>17,400</u>	 <u>72,645</u>	 <u>34,940</u>	 <u>159,657</u>
Net Assets						
Unrestricted (deficit)	<u>\$ 4,428</u>	<u>\$ 9,406</u>	<u>\$ 10,253</u>	<u>\$ 12,293</u>	<u>\$ (4,293)</u>	<u>\$ 32,087</u>

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Combining Statement of Revenues, Expenses and Changes in Net Assets  
Non-Major Funds  
Year Ended June 30, 2009**

	<u>CFC/ HCFC</u>	<u>Special Waste Collections</u>	<u>Waste Tire Fund</u>	<u>Appliance &amp; Scrap Metal</u>	<u>Yard Waste Projects</u>	<u>Total</u>
Operating revenues:						
Composting and yard waste revenue	\$ -	\$ -	\$ -	\$ -	\$471,765	\$ 471,765
Other project revenue and fees	30,990	137,024	60,900	-	-	228,914
Material sales rebates	<u>-</u>	<u>17,383</u>	<u>-</u>	<u>344,087</u>	<u>-</u>	<u>361,470</u>
 Total operating revenues	<u>30,990</u>	<u>154,407</u>	<u>60,900</u>	<u>344,087</u>	<u>471,765</u>	<u>1,062,149</u>
 Operating expenses:						
Administrative/operating	49	3,128	299	66	523	4,065
Salaries and benefits	77	171	62	104	415	829
Professional service fees	110	220	73	146	549	1,098
Project contractual services	30,990	137,024	60,900	-	471,765	700,679
Material sales rebate (to localities)	<u>-</u>	<u>16,228</u>	<u>-</u>	<u>344,087</u>	<u>-</u>	<u>360,315</u>
 Total operating expenses	<u>31,226</u>	<u>156,771</u>	<u>61,334</u>	<u>344,403</u>	<u>473,252</u>	<u>1,066,986</u>
 Operating income (loss)	<u>(236)</u>	<u>(2,364)</u>	<u>(434)</u>	<u>(316)</u>	<u>(1,487)</u>	<u>(4,837)</u>
 Non-operating revenues:						
Interest income	<u>65</u>	<u>301</u>	<u>120</u>	<u>1,280</u>	<u>-</u>	<u>1,766</u>
 Net income (loss)	<u>(171)</u>	<u>(2,063)</u>	<u>(314)</u>	<u>964</u>	<u>(1,487)</u>	<u>(3,071)</u>
 Interfund transfers	-	-	-	-	-	-
 Net assets - beginning of year	<u>4,599</u>	<u>11,469</u>	<u>10,567</u>	<u>11,329</u>	<u>(2,806)</u>	<u>35,158</u>
 Net assets - end of year	<u>\$ 4,428</u>	<u>\$ 9,406</u>	<u>\$10,253</u>	<u>\$ 12,293</u>	<u>\$ (4,293)</u>	<u>\$ 32,087</u>

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## Combining Statement of Cash Flows Non-Major Funds Year Ended June 30, 2009

	<u>CFC/ HCFC</u>	<u>Special Waste Collections</u>	<u>Waste Tire Processing</u>	<u>Appliance &amp; Scrap Metal</u>	<u>Yard Waste Projects</u>	<u>Total</u>
Cash Flows From Operating Activities:						
Receipts from local governments	\$ 30,150	\$ 129,000	\$ 63,234	\$ 412	\$ 366,458	\$ 589,254
Receipts from the sale of recyclables	-	1,155	-	-	-	1,155
Payments to contractors	(30,161)	(135,101)	(56,653)	7,629	(459,715)	(674,001)
Payments to suppliers	(159)	(3,348)	(371)	(212)	(1,073)	(5,163)
Payments to employees	(77)	(171)	(62)	(104)	(415)	(829)
Net cash provided by (used in) operating activities	<u>(247)</u>	<u>(8,465)</u>	<u>6,148</u>	<u>7,725</u>	<u>(94,745)</u>	<u>(89,584)</u>
Cash Flows From Noncapital Financing Activities:						
Interfund transfers, net	-	-	-	-	94,745	94,745
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,745</u>	<u>94,745</u>
Cash Flows From Investing Activities:						
Interest received	65	301	120	1,280	-	1,766
Net cash provided by investing activities	<u>65</u>	<u>301</u>	<u>120</u>	<u>1,280</u>	<u>-</u>	<u>1,766</u>
Net increase (decrease) in cash and cash equivalents	(182)	(8,164)	6,268	9,005	-	6,927
Cash and cash equivalents at June 30, 2008	<u>5,612</u>	<u>28,254</u>	<u>14,081</u>	<u>76,345</u>	<u>-</u>	<u>124,292</u>
Cash and cash equivalents at June 30, 2009	<u>\$ 5,430</u>	<u>\$ 20,090</u>	<u>\$ 20,349</u>	<u>\$ 85,350</u>	<u>\$ -</u>	<u>\$ 131,219</u>

### Reconciliation of operating loss to net cash provided by operating activities:

Operating income (loss)	\$ (236)	\$ (2,364)	\$ (434)	\$ (316)	\$ (1,487)	\$ (4,837)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:						
(Increase) decrease in operating assets:						
Accounts receivable-local governments	(840)	(8,024)	2,334	412	(105,307)	(111,425)
Increase (decrease) in operating liabilities:						
Accounts payable	828	1,923	4,247	7,629	12,051	26,678
Net cash provided by (used in) operating activities	<u>\$ (248)</u>	<u>\$ (8,465)</u>	<u>\$ 6,147</u>	<u>\$ 7,725</u>	<u>\$ (94,743)</u>	<u>\$ (89,584)</u>

# Statistical Section

*The Statistical Section supports and provides additional historical perspective, context and detail to the Financial Section.*

## **Financial Trends**

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Page 26	Net Assets by Component
Page 27	Changes in Net Assets
Page 28	Operating Revenues by Source
Page 29	Operating Expenses
Page 30	Nonoperating Revenues

## **Revenue Capacity**

This schedule contains information to help the reader assess the Authority's significant revenue sources.

Page 31	Curbside Recycling and Municipal Solid Waste Rates
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## **Debt Capacity**

The Authority does not issue debt and as a result no disclosure is required.

## **Economic and Demographic Information**

These schedules offer economic and demographic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Page 32	Revenue by Locality
Page 33	Demographic and Economic Statistics

## **Operating Information**

These schedules contain service and operational data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

Page 34	Material Collected
Page 35	Number of Customers by Type
Page 36	Number of Employees by Function

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Net Assets by Component – Last Six Fiscal Years**

	<b>Fiscal Year</b>					
	<u><b>2009</b></u>	<u><b>2008</b></u>	<u><b>2007</b></u>	<u><b>2006</b></u>	<u><b>2005</b></u>	<u><b>2004</b></u>
Invested in capital assets	\$ 74,016	\$ 67,300	\$ 71,826	\$ 63,236	\$ 72,964	\$ 73,379
Unrestricted	<u>811,699</u>	<u>886,033</u>	<u>783,187</u>	<u>655,855</u>	<u>586,791</u>	<u>586,173</u>
Total net assets	<u>\$ 885,715</u>	<u>\$ 953,333</u>	<u>\$ 855,013</u>	<u>\$ 719,091</u>	<u>\$ 659,755</u>	<u>\$ 659,552</u>

***Notes:***

Six years of data is presented beginning with fiscal year 2004, the year in which the Authority adopted Governmental Accounting Standards Board Statement No. 34.

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### Changes in Net Assets – Last Ten Fiscal Years

<i>Fiscal Year</i>	<i>Operating Revenues</i>	<i>Operating Expenses</i>	<i>Operating Income (Loss)</i>	<i>Total Non-operating Revenues (Expenses)</i>	<i>Change in Net Assets</i>
<b>2009</b>	\$ 13,337,165	\$ 13,458,101	\$ (120,936)	\$ 53,318	\$ (67,618)
<b>2008</b>	12,959,991	12,979,129	(19,138)	117,458	98,320
<b>2007</b>	12,484,272	12,512,725	(28,453)	164,375	135,922
<b>2006</b>	11,235,013	11,291,906	(56,893)	116,229	59,336
<b>2005</b>	11,294,121	11,344,839	(50,718)	50,921	203
<b>2004</b>	10,723,773	10,781,501	(57,728)	18,333	(39,395)
<b>2003</b>	10,366,556	10,439,523	(72,967)	30,252	(42,715)
<b>2002</b>	10,219,023	10,402,383	(183,360)	51,138	(132,222)
<b>2001</b>	9,701,491	9,788,604	(87,113)	147,977	60,864
<b>2000</b>	9,197,421	9,343,051	(145,630)	99,373	(46,257)

*Notes:*

The Authority adopted Governmental Accounting Standards Board (GASB) Statement No. 34 in fiscal year 2004.

Further detailed information on revenues and expenses can be found on pages 28-30 of this document.

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### Operating Revenues by Source – Last Ten Fiscal Years

	<i>Local Gov't Assmts</i>	<i>Recycling</i>	<i>Refuse and Solid Waste*</i>	<i>Composting and Yard Waste**</i>	<i>Other Projects***</i>	<i>Material Sales****</i>	<i>Total</i>
2009	\$ 497,069	\$ 5,677,879	\$ 6,023,046	\$ 471,765	\$ 228,914	\$ 438,492	\$ 13,337,165
2008	491,808	5,231,168	6,153,941	426,106	313,343	343,625	12,959,991
2007	483,888	5,159,923	5,530,833	842,723	315,866	151,039	12,484,272
2006	478,128	4,902,672	5,210,911	314,848	192,498	135,956	11,235,013
2005	472,080	4,597,609	5,249,047	579,312	216,082	179,991	11,294,121
2004	466,550	4,422,097	5,315,264	156,841	205,187	157,834	10,723,773
2003	466,550	4,268,968	5,056,457	282,471	193,402	98,708	10,366,556
2002	466,550	4,014,016	5,134,515	309,479	219,652	74,811	10,219,023
2001	443,184	3,862,115	4,819,443	306,642	184,332	85,775	9,701,491
2000	437,952	3,555,385	4,628,321	346,137	141,104	88,522	9,197,421

**Notes:**

\* The refuse and solid waste programs include municipal solid waste collection and disposal in Ashland, Colonial Heights, Hopewell and Petersburg and transfer and disposal from the convenience centers in Chesterfield, Goochland, New Kent, Powhatan and Prince George.

\*\* The yard waste grinding and leaf composting contracts are on an as needed basis with no minimum volume guaranteed. In fiscal year 1999, the yard waste grinding contract was put into place in addition to leaf composting contracts to provide localities with a mechanism to recycle yard waste. The decline in 2004 is believed to be related to Hurricane Isabel in September 2003 whereas much of the yard waste was cleaned up with the debris from the storm instead of being recycled through CVWMA programs. In 2005 activity increased significantly as the Authority renegotiated the contract with one of the grinding contractors to include billing through the CVWMA instead of direct billing the locality. The City of Richmond and County of Henrico increased their usage of the program in 2007, however Henrico did not use yard waste or grinding services in 2008. In 2009, yard waste tonnage exceeded 100,000 tons.

\*\*\* Other projects include other waste disposal and recycling programs such as waste tires, appliance and scrap metal hauling and household hazardous waste. In fiscal year 2007, Richmond hosted a household hazardous waste collection event for its residents incurring expenses of almost \$125,000. In the spring of 2008, the City of Richmond opened an on going collection site for household hazardous waste such as paint, solvents, oil, propane tanks and batteries. The City of Richmond did not host a household hazardous waste collection event in 2009. In addition, prior to fiscal year 2000, the household hazardous waste program was billed directly to the participating locality by the contractor. Electronics recycling increased significantly in 2009. Fourteen events were held and over 111 tons collected. In addition, four localities began collecting electronic waste at solid waste convenience centers recycling almost 300 tons.

\*\*\*\* The revenue generated from the sale of recyclables is dependent upon the market at the time of the sale. Markets have fluctuated in the last ten years typically related to the fluctuation in the economy. The curbside program only received revenue share for the first four months of the 2009 fiscal year. The first quarter of 2009 the market price for metal averaged \$308 per ton, dropping to a range of \$20 to \$70 per ton in the latter part of the year.

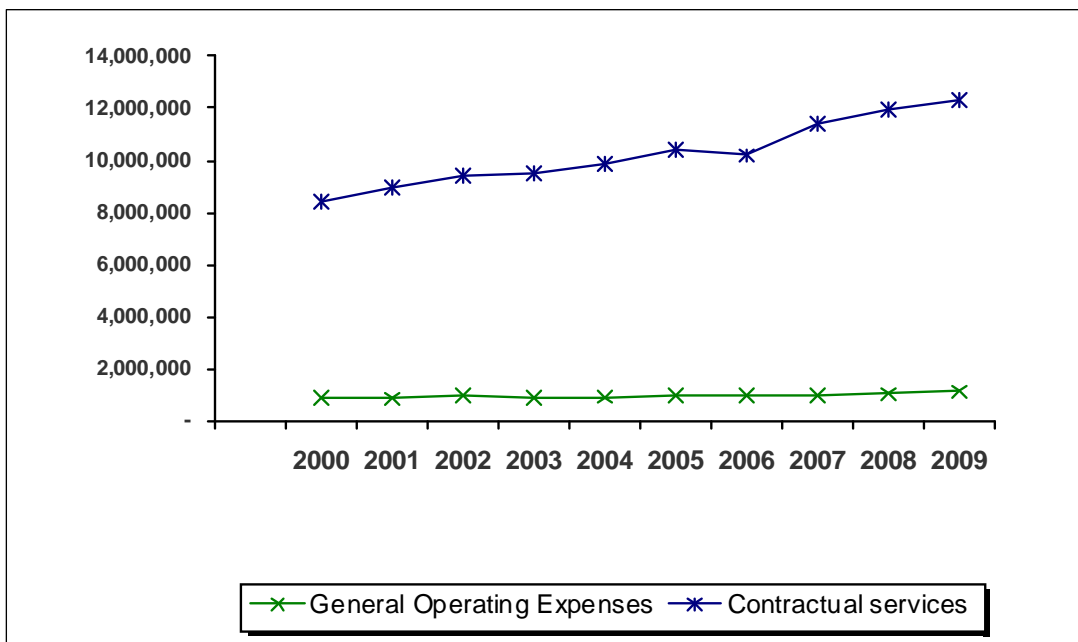
# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## Operating Expenses – Last Ten Fiscal Years

	<i>Administrative/ Operating</i>	<i>Salaries And Benefits</i>	<i>Professional Service Fees</i>	<i>Depreciation</i>	<i>Project Contractual Services</i>	<i>Material Sales Rebates</i>	<i>Total Operating Expenses</i>
<b>2009</b>	\$ 332,276	\$ 671,271	\$ 94,522	\$ 30,577	\$11,912,611	\$ 416,844	\$13,458,101
<b>2008</b>	347,610	601,933	56,730	31,278	11,660,096	281,482	12,979,129
<b>2007</b>	336,010	546,538	67,941	29,136	11,406,423	126,677	12,512,725
<b>2006</b>	300,708	597,878	42,244	34,242	10,198,982	117,852	11,291,906
<b>2005</b>	295,331	576,452	46,967	33,598	10,239,347	153,144	11,344,839
<b>2004</b>	300,479	537,014	60,248	40,295	9,707,304	136,161	10,781,501
<b>2003</b>	297,369	523,410	57,349	44,757	9,432,406	84,232	10,439,523
<b>2002</b>	317,854	496,921	113,145	41,062	9,375,937	57,464	10,402,383
<b>2001</b>	261,660	471,195	84,140	40,415	8,874,643	56,551	9,788,604
<b>2000</b>	290,284	468,123	122,761	38,954	8,365,326	57,603	9,343,051

**Notes:**

Administrative/operating costs were reduced in accordance with shrinking revenues. The Authority implemented the results of a pay, classifications and benefits study conducted in 2008. In addition, the Authority conducted a study of eligible curbside recyclers in 2009 in an effort to ultimately increase participation and usage of the program by residents. Many of the Authority’s contracts include a provision to share revenue generated from the sale of the various commodities, as described on the previous page. The Authority shares this revenue with the participating localities and the increases over the years are dependent upon the revenues generated. See notes on the previous page. General operating expenses, including salaries, benefits and professional fees have remained relatively constant in relation to program costs over the last ten years.



## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### Nonoperating Revenues – Last Ten Fiscal Years

<i>Fiscal Year</i>	<i>Grants and Sponsorships</i>	<i>Interest Income</i>	<i>Miscellaneous</i>	<i>Total Nonoperating Revenues</i>
2009	\$ 17,448	\$ 31,996	\$ 3,874	\$ 53,318
2008	8,390	108,252	816	117,458
2007	20,700	143,675	-	164,375
2006	2,936	113,293	-	116,229
2005	2,500	47,631	790	50,921
2004	2,000	16,333	-	18,333
2003	7,000	22,025	1,227	30,252
2002	11,500	39,638	-	51,138
2001	52,600	95,377	-	147,977
2000	-	99,373	-	99,373

**Notes:**

The Authority conducted a two year pilot study in fiscal years 2008 and 2009 to determine the amount of recyclable material generated in schools through a grant from the US Environmental Protection Agency. The Authority relies somewhat on investment and interest income, the fluctuation of which is a factor of the economy.

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### Curbside Recycling and Municipal Solid Waste Rates Last Ten Fiscal Years

#### Curbside Recycling – Rates per household per month

	<u>Bi-Weekly Collection</u>	<u>Weekly Collection</u>	<u>Public Education</u>	<u>Customer Service</u>
<b>2009</b>	\$ 1.479	\$ 2.332	\$ .086	\$ .070
<b>2008</b>	1.422	2.242	.083	.067
<b>2007</b>	1.383	2.181	.080	.065
<b>2006</b>	1.338	2.109	.078	.063
<b>2005</b>	1.298	2.046	.076	.061
<b>2004</b>	1.266	2.002	.085	.056
<b>2003</b>	1.229	1.944	.085	.055
<b>2002</b>	1.211	1.915	.085	.054
<b>2001</b>	1.177	1.861	.085	.052
<b>2000</b>	1.135	1.795	.085	.050

#### Municipal Solid Waste Rates

	<u>Municipal Solid Waste Collection per household Per month</u>	<u>Tipping Fees Range Dollars Per Ton</u>
<b>2009</b>	\$9.00 - \$14.13	\$27.76 - \$35.59
<b>2008</b>	\$8.64 - \$15.27	\$26.64 - \$34.16
<b>2007</b>	\$6.12 - \$10.611	\$24.89 - \$31.92
<b>2006</b>	\$5.87 - \$10.183	\$24.89 - \$27.34
<b>2005</b>	\$5.71 - \$9.906	\$24.21 - \$26.42
<b>2004</b>	\$5.54 - \$9.60	\$23.48 - \$25.00
<b>2003</b>	\$5.43 - \$9.40	\$32.02 - \$36.02
<b>2002</b>	\$4.54 - \$6.26	\$32.02 - \$36.02
<b>2001</b>	\$4.42 - \$6.04	\$30.91 - \$34.77
<b>2000</b>	\$4.27 - \$5.86	\$29.98 - \$33.72

**Notes:**

The curbside recycling program collection rates vary based on the participating jurisdictions' desire to provide weekly or bi-weekly collection to households eligible for curbside collection. The current contract became effective July 1, 1999 and was renewed July 1, 2004. A fee is charged participating localities for public education and the CVWMA uses those funds to promote the program regionally. A separate fee is charged for customer service. Beginning in 1999, the Authority implemented a call center to handle service related calls in the curbside program. During the renewal in 2004, the public relations rate was reduced and the call center assessment was increased to cover related costs.

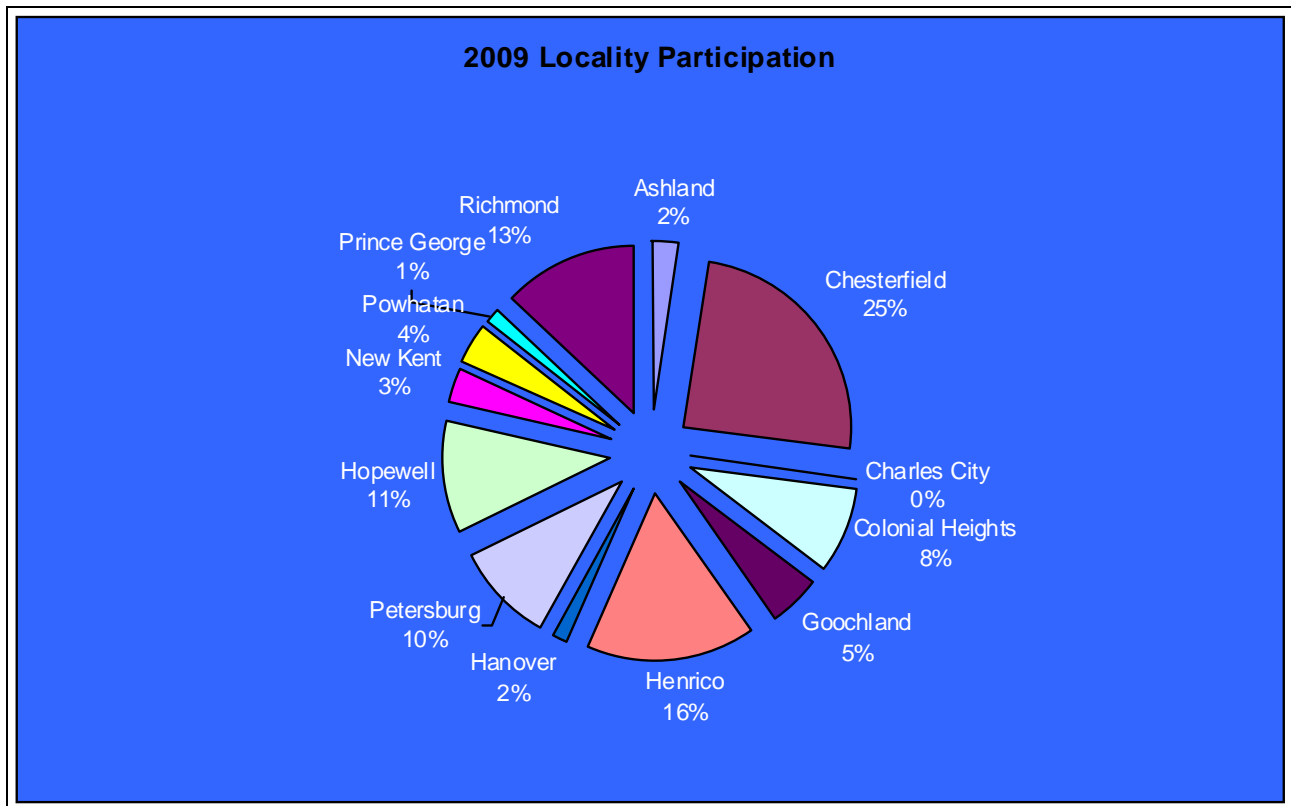
The current municipal solid waste contracts include the Cities of Colonial Heights, Hopewell and Petersburg and the Town of Ashland. Prior to the contract procurement in 2002, the rates included collection only and disposal was based on the current tipping fees at the time. Beginning with the 2003 fiscal year, the collection rates include disposal. In addition in fiscal year 2003, Petersburg joined the program with over 11,000 households.

The Authority also has contracts for waste disposal from area convenience centers. The tipping fees (per ton disposal fees) were reduced in fiscal year 2003-2004 with the early renewal of those contracts.

# CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

## Revenue by Locality – Current Year and Nine Years Ago

<i>Locality</i>	<i>2009 Operating Revenues</i>	<i>2009 Percent of Revenue</i>	<i>Locality</i>	<i>2000 Operating Revenues</i>	<i>2000 Percent of Revenue</i>
County of Chesterfield	\$ 3,221,630	25.0%	County of Chesterfield	\$ 2,677,312	29.4%
County of Henrico	2,043,917	15.9%	County of Henrico	1,263,501	13.9%
City of Richmond	1,687,255	13.1%	City of Richmond	1,244,412	13.7%
City of Hopewell	1,374,523	10.7%	City of Colonial Heights	1,020,215	11.2%
City of Petersburg	1,286,096	9.8%	City of Hopewell	957,508	10.5%
City of Colonial Heights	1,023,409	7.9%	County of Powhatan	414,313	4.5%
County of Goochland	663,232	5.1%	County of New Kent	405,397	4.5%
County of Powhatan	503,677	3.9%	County of Goochland	371,656	4.1%
County of New Kent	419,354	3.3%	County of Prince George	264,990	2.9%
Town of Ashland	304,264	2.4%	County of Hanover	203,933	2.2%
County of Hanover	191,367	1.5%	Town of Ashland	196,735	2.2%
County of Prince George	174,724	1.4%	City of Petersburg	82,886	.9%
County of Charles City	<u>3,326</u>	<u>0.0%</u>	County of Charles City	<u>3,216</u>	<u>0.0%</u>
<b>Sub-totals</b>	12,896,774	<u>100.0%</u>		9,106,074	<u>100.0%</u>
CVWMA Contractors	<u>440,391</u>			<u>91,347</u>	
<b>Totals</b>	<u>\$ 13,337,165</u>			<u>\$ 9,197,421</u>	



## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

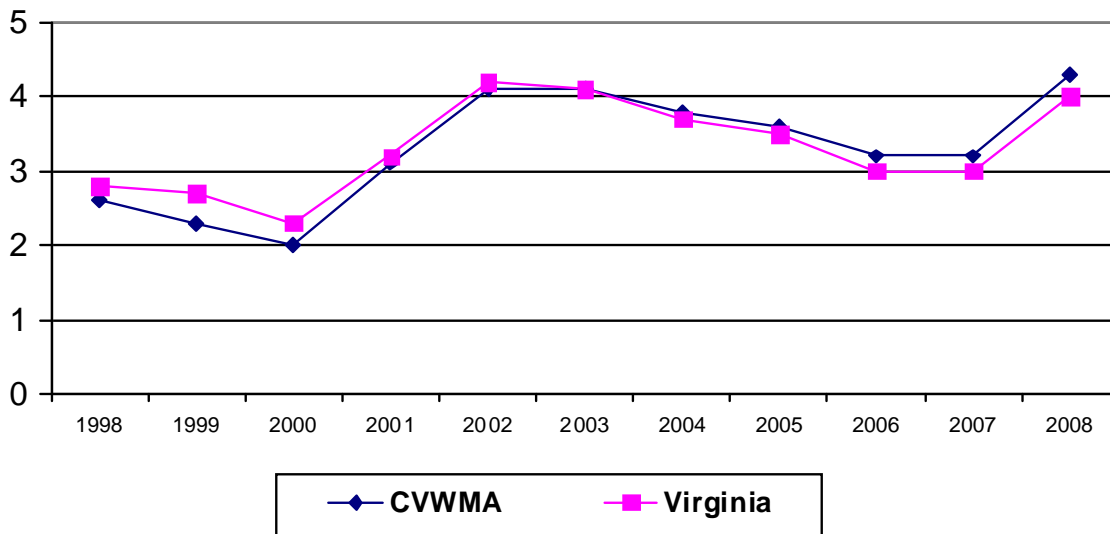
### Demographic and Economic Statistics – Last Ten Calendar Years

<i>Calendar Year</i>	<i>Population</i>	<i>Personal Income</i>	<i>Per Capita Personal Income</i>	<i>Unemployment Rate</i>	
				<i>CVWMA</i>	<i>Virginia</i>
2008	1,070,522	Not available	Not available	4.3%	4.0%
2007	1,061,818	\$ 44,839,275	\$ 39,329	3.2%	3.0%
2006	1,044,658	42,324,089	37,110	3.2%	3.0%
2005	1,033,800	41,898,041	35,364	3.6%	3.5%
2004	1,024,600	40,977,815	35,422	3.8%	3.7%
2003	1,008,500	38,013,232	33,316	4.1%	4.1%
2002	996,100	36,593,355	32,513	4.1%	4.2%
2001	983,500	35,437,187	31,887	3.1%	3.2%
2000	971,979	33,603,113	30,546	2.0%	2.3%
1999	963,700	31,149,996	28,668	2.3%	2.7%

Source of Data: Weldon Cooper Center for Public Service, Bureau of Economic Analysis, and Virginia Employment Commission.

The data above represents the Central Virginia Waste Management Authority Service Area which includes the Cities of Colonial Heights, Hopewell, Petersburg and Richmond; the Town of Ashland; and the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan and Prince George.

### Unemployment Rate Comparison



## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### Material Collected – Last Ten Fiscal Years

<i>Fiscal Year</i>	<i>Tons Recycled*</i>	<i>Tons of Municipal Solid Waste</i>	<i>Cubic Yards Of Yard Waste</i>	<i>Gallons of Paint Collected</i>	<i>Gallons of Used Oil Collected</i>	<i>Tons of Batteries Recycled</i>	<i>Propane Tanks Recycled</i>	<i>Tons of Tires Recycled</i>	<i>Tons of Electronics Recycled</i>	<i>Tons of Textile</i>
2009	43,750	75,154	419,465	13,475	49,660	56.8	1,789	652	398	177
2008	42,580	120,287	343,540	13,255	45,795	99.2	2,029	756	173	56
2007	40,807	124,628	653,420	9,900	46,065	127.3	1,896	673	45	-
2006	39,639	107,525	277,751	9,490	45,660	143.8	2,285	713	40	-
2005	39,594	111,937	450,235	12,485	43,830	102.1	1,862	606	21	-
2004	40,658	118,242	253,048	10,695	97,996	1.3	1,819	602	-	-
2003	39,862	102,036	387,759	11,660	91,485	.4	1,307	547	-	-
2002	37,840	83,336	353,095	14,135	88,732	.4	-	761	-	-
2001	38,597	81,623	410,122	10,450	82,356	.3	-	828	-	-
2000	38,512	81,886	426,290	3,465	76,632	.3	-	951	-	-

\* Includes paper, metals, plastic and glass.

Source of Data: CVWMA Operations Department

## CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

### Number of Customers by Type – Last Ten Fiscal Years

#### Curbside Recycling

<i>Fiscal Year</i>	<i>Ashland</i>	<i>Chesterfield</i>	<i>Colonial Heights</i>	<i>Goochland</i>	<i>Hanover*</i>	<i>Henrico</i>	<i>Richmond</i>	<i>Total</i>
2009	1,465	93,767	6,279	1,207	1,031	82,031	60,179	245,959
2008	1,465	91,983	6,246	1,166	-	80,584	61,306	242,750
2007	1,465	91,017	6,216	1,099	-	79,026	61,007	239,830
2006	1,465	88,492	6,200	1,066	-	77,703	64,291	239,217
2005	1,465	86,313	6,179	1,053	-	73,096	64,106	232,212
2004	1,465	85,463	6,127	1,013	-	72,428	64,060	230,556
2003	1,465	84,807	6,067	992	-	71,538	63,976	228,845
2002	1,465	72,162	6,024	962	4,341	68,218	63,753	216,925
2001	1,465	71,644	5,957	932	4,321	67,272	63,464	215,055
2000	1,465	67,447	5,893	870	4,275	63,385	62,895	206,230

#### Municipal Solid Waste Collection

<i>Fiscal Year</i>	<i>Ashland</i>	<i>Colonial Heights</i>	<i>Hopewell</i>	<i>Petersburg**</i>	<i>Total</i>
2009	1,465	6,500	8,768	12,041	28,774
2008	1,465	6,498	8,768	12,041	28,772
2007	1,465	6,494	8,768	12,032	28,759
2006	1,465	6,446	8,156	11,905	27,972
2005	1,465	6,607	8,156	11,775	28,003
2004	1,465	6,607	8,156	11,742	27,970
2003	1,465	6,554	8,156	11,447	27,622
2002	1,465	6,471	8,156	-	16,092
2001	1,465	6,471	8,156	-	16,092
2000	1,465	6,471	8,156	-	16,092

#### *Notes:*

Each member locality has the option to choose from a menu of programs that best meet their needs. The above represents the jurisdictions that participate or have participated in the curbside recycling and municipal solid waste programs. The other Authority programs are available to all residents of the jurisdiction(s) that participate in those programs.

\* The County of Hanover decided to stop offering curbside recycling to its residents effective July 1, 2002, but reinstated some subdivisions on July 1, 2008.

\*\* The City of Petersburg joined the municipal solid waste collection program July 1, 2002.

Source of Data: CVWMA Operations Department.

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY**

**Number of Employees by Function – Last Ten Fiscal Years**

	Full-time Equivalent Employees as of June 30,									
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Program Management and Operations	2.5	2.5	2.5	2.5	1.5	2.5	2.5	2.5	2.5	2.0
Public Information and Education	1.5	1.5	1.5	1.5	1.5	1.5	1.0	1.5	1.5	2.0
Finance and Administration	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Call Center Operations	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>3.5</u>	<u>3.5</u>	<u>2.5</u>	<u>3.0</u>
Total Employees	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>	<u>11.5</u>	<u>10.5</u>	<u>11.5</u>	<u>10.5</u>	<u>11.0</u>	<u>10.0</u>	<u>10.5</u>

CVWMA provides recycling and solid waste management programs to its member localities through the use of contracts with the private sector.

Source of Data: CVWMA Administrative Office

# Compliance Section

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**Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

The Board of Directors  
Central Virginia Waste Management Authority  
Richmond, Virginia

We have audited the financial statements of each major fund, and the aggregate remaining fund information of Central Virginia Waste Management Authority (the “Authority”) as of and for the year ended June 30, 2009, which collectively comprise the Authority’s basic financial statements, and have issued our report thereon dated September 11, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Authority’s financial statements that is more than inconsequential will not be prevented or detected by the Authority’s internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Authority’s internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might

be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of, management, the Board of Directors, audit committee, member jurisdictions, and state agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Cherry, Bekaert & Holland, L.L.P.*

Richmond, Virginia  
September 11, 2009