



## White Goods Accounting Worksheet

The following worksheet was designed to help North Carolina counties accurately determine the annual reportable costs for managing white goods. Two tables are included to assist in calculating the overall cost incurred. Although this worksheet identifies potential cost areas, your program may not incur costs under some categories or may have additional categories. Questions regarding reportable costs should be directed to the Division of Waste Management's Solid Waste Section at (919) 733-0692.

The directions provided below will walk you through the worksheet, identifying what should be recorded and how. To begin, you will need to know the remaining balance brought forward from the prior year and some general information about the costs associated with your white goods management program. Since many employees spend only a portion of the time working on white goods management you will need to estimate the percentage of time each employee handles white goods. This will also hold true for drop-off sites, equipment, etc. that are multi-functional and are only partially used for white goods management. **Rule of Thumb:** If a person or piece of equipment touches white goods, there is a reportable cost.

**Note:** The White Goods Management Program does not allow indirect costs (e.g., overhead, utility bills, county manager's salary, etc.) to be reported.

The use of this form is not mandatory and it does not need to be submitted to the state. However, you may use this form to ensure that all appropriate costs are accounted for and recovered. This form also provides a basis for justifying and explaining the costs incurred by your county for white goods management. This form may also be used to justify costs when applying for a grant from the White Goods Management Account.

**Directions** (you may want to make additional copies of the tables provided)

1. Enter the remaining balance from the prior year on the White Goods Accounting Table.
2. To calculate the "Daily Operation" costs, please fill out the Daily Operation Costs Table provided with this worksheet. Daily operations are broken down into several cost categories.
3. Based on the information provided below, calculate the costs incurred for each category and enter it into the Daily Operation Costs Table. Items 1 through 3 will require that smaller cost categories be totaled to determine the overall cost (e.g., for item one, labor + equipment + contract costs = collection cost).

**DAILY OPERATION COSTS** – Daily operation costs are those incurred by a county for the day-to-day operation of a white goods management program. These costs are likely to recur every year regardless of capital improvements or other investments into a program. Daily operation costs are broken down into several categories consisting mainly of labor and maintenance costs. Since these costs require more effort to calculate, each one will be discussed individually.

**Collection** – Collection costs will generally include labor and equipment maintenance.

**Labor** – These costs are related to curbside or convenience site collection of white goods.

Labor costs should be allocated based on weight or volume and **does include** benefits paid as part of labor. Example: For each staffed convenience site that collects white goods, please estimate the labor needed by the attendant to assist with this collection. If eight (8) percent of the total weight of materials that moves through a drop-off site annually is white goods and the

attendant provides assistance to individuals dropping off white goods, then eight (8) percent of his time is labor attributed to white goods management.

**Equipment Operation/Maintenance** – The cost of operating and maintaining equipment used for the collection of white goods should be reported. This includes roll-offs, vehicles, etc. As with labor costs, the allocation of costs associated with split-duty equipment should be determined based on weight, volume or time. These costs may include parts, maintenance labor, fuel, etc.

**Contract Costs** – If your county contracts for white goods collection or convenience center operation, enter the portion of the contract cost that can be attributed to white goods collection (this will be calculated the same as labor).

**Material Upgrading** – Most counties conduct some material upgrading to maximize the market value of white goods collected. The most common types of upgrading include CFC removal and the removal of motors. However, maintaining a pile of white goods can also be considered material upgrading.

**Labor** – Calculate the labor costs associated with pile maintenance, CFC extraction, motor removal and other upgrading activities if applicable and report these costs in the appropriate lines. If one person generally conducts all upgrading, simply report costs as a general labor cost for material upgrading. Since upgrading usually takes place at a transfer station or landfill, it is most appropriate to base calculations as a percentage of time spent on each activity. For example, if a machine operator spends 30% of his time conducting white goods upgrading, then 30% of his labor costs should be reported.

**Disposal** – Report the disposal cost of materials that are non-recyclable. For example, if no market is available to recycle motors from white goods, report the costs incurred for the disposal of the motors.

**Equipment Operation/Maintenance** – As with operation and maintenance of collection equipment, report the equipment costs for upgrading white goods (e.g., skid steer, knuckle boom, etc). Once again, this will be allocated based on usage.

**Contract Costs** – If your county contracts for specific aspects of material upgrading (CFC extraction), enter the portion of the contract cost that can be attributed to white goods. If you have a general contract for white goods management enter the cost of the contract under item four (4).

**Hauling** – Counties may incur hauling costs at various stages. Most likely there will be costs associated with moving white goods from a convenience site to a transfer station or landfill for upgrading or stockpiling and again when white goods are shipped to a processor or market.

**Labor** – Labor costs should be determined based on the labor cost per haul for white goods and the number of hauls made in a given year.

**Equipment Operation/Maintenance** – Calculate equipment operation and maintenance in the same manner it was calculated for collection and material upgrading.

**Contract Costs** – If hauling is contracted, enter the portion of the contract cost that can be attributed to hauling white goods. If you have a general white goods management contract that includes hauling, do not enter the cost here, enter the contract cost under item 4.

**General Contract Costs** – Some counties use a contractor to handle all or most aspects of white goods management. Enter the cost of this contract here.

**Distributions to Municipalities** – Some municipalities collect white goods curbside or have full-scale white goods management programs. If your county is providing distributions to such municipalities, enter the total dollar amount of annual distributions here.

**Other Costs** – Determine any other “Daily Operation” costs associated with white goods management that were not included above. Use the same principles provided above to determine the actual cost incurred.

4. For each cost appearing in the right column, transfer the amount to the appropriate entry on the White Goods Accounting Table.
5. On the White Goods Accounting Table, enter the appropriate costs as described below.

**CAPITAL IMPROVEMENTS** – Capital improvement costs can be reported under the White Goods Management Program and as with other costs they should be allocated based on the usage. Such costs generally include engineering, land acquisition, land preparation, construction and equipment purchases. Costs related to capital improvements may or may not be depreciated using traditional accounting principles. Keep in mind that if the White Goods Management Program is not reauthorized in 2001, distributions from the account will be discontinued. For example, your county purchases a skid steer loader in August of 2000 and based on accounting principles decides to depreciate the vehicle over seven years. If the White Goods Management program is not reauthorized, one year of depreciation will be credited to your distribution leaving six years of depreciation after program expiration.

**CLEAN-UP** – Two criteria regulate the reportable costs for illegal disposal clean-up under the white goods management program. 1) if a visual inspection indicates that the illegal disposal site is at least 50% white goods, then 100% of the clean-up cost for that site may be reported; 2) if a visual inspection indicates that less than 50% of the illegal disposal site is white goods, then the clean-up cost may be allocated to the White Goods Program based on the percentage of white goods. For example, if the site is 25% percent white goods, 25% of the cost may be reported. Clean-up costs generally include labor, disposal and contract costs, although in some cases other costs such as equipment purchases may be included.

6. On the White Goods Accounting Table, enter any revenues received as described below.

**REVENUES** – Any revenues received from the sale of white goods should be reported. Revenues should be reported for white goods only. No other metal revenues should be counted. If a breakout by tonnage is not available, a breakout based on visual estimations over the course of the year are sufficient.

**DISTRIBUTIONS RECEIVED** – Any distributions received from the state during the reporting year should be entered in the appropriate location.

7. Verify that all applicable information has been entered in the right hand column and perform calculations. The total provided at the bottom is the balance remaining from your distributions.
8. To determine your reportable costs for a given year, use the following equation. [Daily Operations + Capital Improvements + Clean-Up Costs] – Revenues = Reportable Costs.

**DESIGNATED FUNDS** – Identify and report any white goods funds that have been budgeted as Daily Operating Costs, Clean-up Costs, or anticipated Capital Improvements and report these items in the appropriate line of the table. These costs should be accounted for in the same manner as current year costs. Additionally, as with current year costs, all the designation of funds must be defensible (i.e., unless funds have truly been budgeted for operations or capital improvements they should not be identified as designated).

<b>White Goods Accounting Worksheet</b>		
<b>Balance Brought Forward</b>		\$
<b>Daily Operations</b>	<b>Annual Cost Incurred</b>	
Collection	\$	
Material Upgrading	\$	
Hauling	\$	
General Contracts	\$	
Municipal Distributions	\$	
<b>TOTAL</b>	Subtract	\$
	<b>Adjusted</b>	\$
<b>Capital Improvements</b>		
Engineering	\$	
Land Acquisition	\$	
Land Prep/Construction	\$	
Equipment/Structures	\$	
<b>TOTAL</b>	Subtract	\$
	<b>Adjusted</b>	\$
<b>Clean-up Costs</b>		
Contract Costs	\$	
Labor	\$	
Disposal	\$	
<b>TOTAL</b>	Subtract	\$
	<b>Adjusted</b>	\$
<b>Revenues</b>	Add	\$
	<b>Adjusted</b>	\$
<b>Distribution(s) Received</b>	Add	\$
	<b>Adjusted</b>	\$
<b>Designated Funds</b>	Subtract	\$
<b>Undesignated Balance Remaining</b>		\$

<b>Daily Operation Costs Table</b>		
<b>1) Collection</b>		
Labor	\$	
Equipment Operation/Maintenance	\$	
Contract Costs	\$	
<b>Subtotal</b>		\$
<b>2) Material Upgrading</b>		
Labor - Pile maintenance	\$	
Labor - CFC Extraction	\$	
Labor - Motor, Fluids removal	\$	
Labor – General	\$	
Disposal (motors, etc)	\$	
Equipment Operation/Maintenance	\$	
Contract Costs	\$	
<b>Subtotal</b>		\$
<b>3) Hauling</b>		
Labor	\$	
Equipment Operation/Maintenance	\$	
Contract Costs	\$	
<b>Subtotal</b>		\$
<b>4) Contract Costs</b>		\$
<b>5) Distribution(s) to Municipalities</b>		\$
<b>6) Other Costs (list below)</b>		
		\$
		\$
		\$
		+
<b>Total Daily Operation Costs</b>		<b>\$</b>