

FUND STATEMENT

Fund 40160, Energy/Resource Recovery Facility (E/RRF)

	FY 2016 Estimate	FY 2016 Actual	Increase (Decrease) (Col. 2-1)	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$66,425,583	\$66,425,583	\$0	\$66,410,045	\$65,696,774	(\$713,271)
Revenue:						
Disposal Revenue ¹	\$25,112,350	\$23,145,950	(\$1,966,400)	\$18,871,000	\$18,871,000	\$0
Interest on Investments	53,811	371,483	317,672	53,811	53,811	0
Miscellaneous ²	792,000	0	(792,000)	792,000	792,000	0
Total Revenue	\$25,958,161	\$23,517,433	(\$2,440,728)	\$19,716,811	\$19,716,811	\$0
Total Available	\$92,383,744	\$89,943,016	(\$2,440,728)	\$86,126,856	\$85,413,585	(\$713,271)
Expenditures:						
Personnel Services	\$1,009,485	\$805,169	(\$204,316)	\$1,017,126	\$1,017,126	\$0
Operating Expenses	24,915,214	23,392,073	(1,523,141)	25,788,423	25,801,785	13,362
Total Expenditures	\$25,924,699	\$24,197,242	(\$1,727,457)	\$26,805,549	\$26,818,911	\$13,362
Transfers Out:						
General Fund (10001) ³	\$49,000	\$49,000	\$0	\$49,000	\$49,000	\$0
Total Transfers Out	\$49,000	\$49,000	\$0	\$49,000	\$49,000	\$0
Total Disbursements	\$25,973,699	\$24,246,242	(\$1,727,457)	\$26,854,549	\$26,867,911	\$13,362
Ending Balance⁴	\$66,410,045	\$65,696,774	(\$713,271)	\$59,272,307	\$58,545,674	(\$726,633)
Tipping Fee Reserve ⁵	\$1,500,000	\$1,500,000	\$0	\$0	\$0	\$0
Rate Stabilization Reserve ⁶	53,910,045	53,196,774	(713,271)	48,272,307	47,545,674	(726,633)
Operations and Maintenance Reserve ⁷	11,000,000	11,000,000	0	11,000,000	11,000,000	0
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0
Disposal Fee/Ton	\$29	\$29	\$0	\$29	\$29	\$0

¹ The decrease in FY 2017 revenue reflects lower disposal tonnage associated with the new Waste Disposal Agreement (WDA). The fund is absorbing the reduction through use of balance.

² Miscellaneous revenue is generated by the excess amount that Covanta Fairfax, Inc. (CFI) charges for the disposal of Supplemental Waste.

³ FY 2017 funding in the amount of \$49,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40160. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

⁴ Ending balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions, tipping fee negotiations, and expenditure requirements.

⁵ The Tipping Fee Reserve is used to buffer against sharp annual changes in tipping fees. Potential changes could result from issues such as tax changes regarding energy sales, power deregulation, state or EPA environmental fees, and/or contract changes. Beginning in FY 2017, the remaining balance in this reserve is being redirected to the Rate Stabilization Reserve to help address the new Waste Disposal Agreement.

⁶ The Rate Stabilization Reserve (RSR) is maintained in order to safeguard against significant increases in tipping fees charged to users of the E/RRF. In FY 2017 and future years, this reserve will begin being used as a result of the new Waste Disposal Agreement that impacts both revenues received and expenditures required in this fund.

⁷ The Operations and Maintenance Reserve is maintained for ongoing improvements and enhancements to the E/RRF including emissions control efforts. Future projects may include additional retrofits to the air pollution control systems for reductions in nitrogen oxides. The reserve will fund the County's share of the initial capital expenditures on the improvements, future uses would include end-of-lease site management.