

# FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 112, Energy/Resource  
Recovery (ERR) Facility

	FY 2002 Estimate	FY 2002 Actual	Increase (Decrease) (Col. 2-1)	FY 2003 Adopted Budget Plan	FY 2003 Revised Budget Plan	Increase (Decrease) (Col. 5-4)
<b>Beginning Balance</b>	<b>\$12,993,592</b>	<b>\$12,993,592</b>	<b>\$0</b>	<b>\$9,934,280</b>	<b>\$11,682,067</b>	<b>\$1,747,787</b>
Revenue:						
Disposal Revenue: <sup>1</sup>						
County of Fairfax	\$20,720,000	\$22,452,987	\$1,732,987	\$25,922,100	\$25,922,100	\$0
District of Columbia	4,585,000	5,618,518	1,033,518	2,165,800	2,165,800	0
Waste Exchange Agreement	840,000	632,885	(207,115)	933,000	933,000	0
Wastewater Services	105,600	156,425	50,825	123,200	123,200	0
Other Jurisdictions	504,000	24,759	(479,241)	392,400	392,400	0
Tire Program	997,500	688,684	(308,816)	737,380	737,380	0
Supplemental/Spot Market Programs <sup>2</sup>	2,305,000	1,144,373	(1,160,627)	2,886,100	2,886,100	0
Subtotal Revenue	\$30,057,100	\$30,718,631	\$661,531	\$33,159,980	\$33,159,980	\$0
Other Revenue:						
Interest on Investments	\$564,369	\$238,570	(\$325,799)	\$221,293	\$221,293	\$0
Miscellaneous <sup>3</sup>	215,000	275,256	60,256	250,000	250,000	0
Subtotal Other Revenue	\$779,369	\$513,826	(\$265,543)	\$471,293	\$471,293	\$0
Total Revenue	\$30,836,469	\$31,232,457	\$395,988	\$33,631,273	\$33,631,273	\$0
<b>Total Available</b>	<b>\$43,830,061</b>	<b>\$44,226,049</b>	<b>\$395,988</b>	<b>\$43,565,553</b>	<b>\$45,313,340</b>	<b>\$1,747,787</b>
Expenditures:						
Personnel Services	\$463,610	\$351,732	(\$111,878)	\$486,351	\$486,351	\$0
Operating Expenses	33,406,171	32,169,598	(1,236,573)	33,405,444	33,405,444	0
Capital Equipment	26,000	22,652	(3,348)	0	0	0
Total Expenditures	\$33,895,781	\$32,543,982	(\$1,351,799)	\$33,891,795	\$33,891,795	\$0
<b>Total Disbursements</b>	<b>\$33,895,781</b>	<b>\$32,543,982</b>	<b>(\$1,351,799)</b>	<b>\$33,891,795</b>	<b>\$33,891,795</b>	<b>\$0</b>
<b>Ending Balance</b>	<b>\$9,934,280</b>	<b>\$11,682,067</b>	<b>\$1,747,787</b>	<b>\$9,673,758</b>	<b>\$11,421,545</b>	<b>\$1,747,787</b>
Tipping Fee Reserve <sup>4</sup>	\$1,936,801	\$1,936,801	\$0	\$1,500,000	\$1,500,000	\$0
Rate Stabilization Reserve <sup>5</sup>	6,600,908	6,600,908	0	8,173,758	9,921,545	1,747,787
<b>Unreserved Ending Balance</b>	<b>\$1,396,571</b>	<b>\$3,144,358</b>	<b>\$1,747,787</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Disposal Rate/Ton <sup>6</sup>	\$28/Ton	\$28/Ton	\$0/Ton	\$30/Ton	\$30/Ton	\$0/Ton

<sup>1</sup> Disposal revenue for FY 2003 has increased as a result of the \$2 increase in the Disposal Rate from \$28/ton to \$30/ton. Although waste tonnages directed to the Energy/Resource Recovery Facility from the District of Columbia are expected to decrease, any resulting unused waste processing capacity will be filled with spot market waste.

<sup>2</sup> Disposal revenue shown from Supplemental Waste and Spot Market Program operations reflects only that refuse tonnage for which the tipping fee/per ton disposal rate is charged. Additional income derived from charges in excess of the tipping fee for these operations is reflected as miscellaneous revenue.

<sup>3</sup> Miscellaneous revenue includes income received in excess of the tipping fee which is derived from the Spot Market and Supplemental Waste Programs.

<sup>4</sup> The Tipping Fee Reserve was established to provide for adjustments associated with additional funding requirements to Covanta Fairfax as a result of a year-end shortfall or audit reconciliation.

<sup>5</sup> On November 4, 1998, earlier bonds sold to finance the E/RRF were retired and refinanced at lower interest rates. The new bonds were refinanced at a rate between 5.5 to 6.1 percent compared to the older rate of 7.75 percent. Excess proceeds from the original bond issue totaling \$10.8 million, were released to the Solid Waste Authority (SWA). At its annual meeting held January 25, 1999, the SWA approved the transfer of these monies from a separate Solid Waste Authority account to Fund 112. As part of their discussions, the Solid Waste Authority directed that the funds be moved to, and reside in, a "Rate Stabilization Reserve" in Fund 112 where the funds were to be used to offset operating shortfalls in any of the funds that comprise the Division of Solid Waste Refuse Disposal and Resource Recovery. A balance of \$9,921,545 remains in this reserve in FY 2003.

<sup>6</sup> An increase of \$2 in the Disposal Rate from \$28/ton to \$30/ton based on increased net debt service and operating and maintenance costs due to increased air pollution control system costs. This increase will generate an additional \$1.8 million in revenue required to avoid drawing down the Rate Stabilization Reserve, which must be available to absorb a contractual decrease in anticipated energy revenue beginning in FY 2005.