

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 112, Energy/Resource Recovery Facility (E/RRF)

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2004 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$10,174,238	\$9,913,716	\$15,383,969	\$15,383,969	\$0
Revenue:					
Disposal Revenue:					
County of Fairfax ¹	\$24,874,509	\$25,791,570	\$25,791,570	\$25,340,606	(\$450,964)
District of Columbia ²	6,514,234	4,816,112	4,816,112	4,680,000	(136,112)
Waste Exchange Agreement ³	1,371,489	961,200	961,200	1,693,337	732,137
Wastewater Services ⁴	149,585	145,167	145,167	105,555	(39,612)
Non-Fairfax Waste ⁵	317,127	27,000	27,000	776,623	749,623
Tire Program ⁶	710,310	657,983	657,983	0	(657,983)
Supplemental Waste ⁷	173,315	1,200,192	1,200,192	91,106	(1,109,086)
Subtotal Revenue	\$34,110,569	\$33,599,224	\$33,599,224	\$32,687,227	(\$911,997)
Other Revenue:					
Interest on Investments	\$134,101	\$197,171	\$197,171	\$136,138	(\$61,033)
Miscellaneous ⁸	300,314	250,000	250,000	120,000	(130,000)
Subtotal Other Revenue	\$434,415	\$447,171	\$447,171	\$256,138	(\$191,033)
Total Revenue	\$34,544,984	\$34,046,395	\$34,046,395	\$32,943,365	(\$1,103,030)
Transfers In:					
General Fund (001)	\$0	\$0	\$1,763,704	\$1,763,704	\$0
Total Transfers In	\$0	\$0	\$1,763,704	\$1,763,704	\$0
Total Available	\$44,719,222	\$43,960,111	\$51,194,068	\$50,091,038	(\$1,103,030)
Expenditures:					
Personnel Services	\$466,024	\$518,725	\$518,725	\$526,249	\$7,524
Operating Expenses ⁹	28,869,229	32,943,299	34,707,003	36,707,003	2,000,000
Capital Equipment	0	30,000	30,000	19,343	(10,657)
Total Expenditures	\$29,335,253	\$33,492,024	\$35,255,728	\$37,252,595	\$1,996,867
Total Disbursements	\$29,335,253	\$33,492,024	\$35,255,728	\$37,252,595	\$1,996,867
Ending Balance¹⁰	\$15,383,969	\$10,468,087	\$15,938,340	\$12,838,443	(\$3,099,897)
Tipping Fee Reserve	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$0
Rate Stabilization Reserve ¹¹	12,422,388	8,968,087	12,976,759	11,338,443	(1,638,316)
Unreserved Ending Balance	\$1,461,581	\$0	\$1,461,581	\$0	(\$1,461,581)
Disposal Rate/Ton	\$30/ton	\$30/ton	\$30/ton	\$30/ton	\$0

¹ The fee for the I-95 Energy/Resource Recovery Facility was \$30 per ton for FY 2003 and FY 2004.

² Based upon an anticipated contract with the District of Columbia government for residential waste only.

³ Prince William County waste is received at the E/RRF as a result of the Interjurisdictional Solid Waste Facility Use Agreement. In recent years, haulers from Prince William County have disposed of increasing amounts of waste at the E/RRF.

⁴ Wastewater Services includes the disposal of grit and screenings and other wastewater-related material from the Alexandria Sanitation Authority (ASA).

⁵ Non-Fairfax Waste is waste from other jurisdictions that is disposed by haulers with contracts with the County. In recent years, there has been a significant increase in waste delivered from other jurisdictions.

⁶ Revenues received from the Tire Program. Tire Program revenues are now reflected in Fund 110, Refuse Disposal. Since the E/RRF no longer incinerates tires, it is more accurate to reflect their disposal in Fund 110, Refuse Disposal.

⁷ Supplemental Waste is being tracked separately from Spot Waste and is the basic fee to dispose of this waste. Additional fees that are paid above the basic fee are split between Covanta and the County and are reflected as Miscellaneous Revenue since tip fees vary depending upon the material types and market conditions. The Supplemental program has been under review by the Virginia Department of Environmental Quality which has accounted for the decrease in revenues. Spot Waste, though being tracked separately, is not budgeted and therefore is not listed on the Fund Statement.

⁸ Miscellaneous Revenue is generated by the excess amount that Covanta charges to dispose of Supplemental Waste.

⁹ In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of \$1,461,581 has been reflected as a decrease to FY 2003 expenditures to reflect an expenditure credit related to overbilling of tipping fees by Covanta Fairfax, Inc. The audit adjustment has been included in the FY 2003 Comprehensive Annual Financial Report. Details of the FY 2003 audit adjustments are included in the FY 2004 Third Quarter Package.

¹⁰ The ending balance increased between FY 2003 and FY 2004 primarily due to the carryover of unspent funds resulting from savings in contractor compensation. The *FY 2004 Revised Budget Plan* and the *FY 2004 Third Quarter Estimate* ending balances vary due to increased expenses from Hurricane Isabel that have drawn down the ending balance.

¹¹ The Rate Stabilization Reserve is used to buffer against sharp increases in tip fees annually. Potentially steep increases could result from issues such as tax changes regarding energy sales, power deregulation and state or EPA environmental fees.