

# FUND STATEMENT

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

	FY 2015 Estimate	FY 2015 Actual	Increase (Decrease) (Col. 2-1)	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	Increase (Decrease) (Col. 5-4)
<b>Beginning Balance</b>	\$56,718,645	\$56,718,645	\$0	\$63,865,845	\$66,425,583	\$2,559,738
Revenue:						
Disposal Revenue <sup>1</sup>	\$28,550,000	\$27,003,224	(\$1,546,776)	\$25,112,350	\$25,112,350	\$0
Interest on Investments	53,811	58,840	5,029	53,811	53,811	0
Miscellaneous <sup>2</sup>	125,000	206,211	81,211	792,000	792,000	0
<b>Total Revenue</b>	\$28,728,811	\$27,268,275	(\$1,460,536)	\$25,958,161	\$25,958,161	\$0
<b>Total Available</b>	\$85,447,456	\$83,986,920	(\$1,460,536)	\$89,824,006	\$92,383,744	\$2,559,738
Expenditures:						
Personnel Services	\$980,027	\$937,746	(\$42,281)	\$1,009,485	\$1,009,485	\$0
Operating Expenses <sup>3</sup>	20,559,584	16,581,591	(3,977,993)	24,791,786	24,915,214	123,428
<b>Total Expenditures</b>	\$21,539,611	\$17,519,337	(\$4,020,274)	\$25,801,271	\$25,924,699	\$123,428
Transfers Out:						
General Fund (10001) <sup>4</sup>	\$42,000	\$42,000	\$0	\$49,000	\$49,000	\$0
<b>Total Transfers Out</b>	\$42,000	\$42,000	\$0	\$49,000	\$49,000	\$0
<b>Total Disbursements</b>	\$21,581,611	\$17,561,337	(\$4,020,274)	\$25,850,271	\$25,973,699	\$123,428
<b>Ending Balance<sup>5</sup></b>	\$63,865,845	\$66,425,583	\$2,559,738	\$63,973,735	\$66,410,045	\$2,436,310
Tipping Fee Reserve <sup>6</sup>	\$1,500,000	\$1,500,000	\$0	\$1,500,000	\$1,500,000	\$0
Rate Stabilization Reserve <sup>7</sup>	51,356,555	51,356,555	0	51,473,735	53,910,045	2,436,310
Operations and Maintenance Reserve <sup>8</sup>	11,009,290	13,569,028	2,559,738	11,000,000	11,000,000	0
<b>Unreserved Ending Balance</b>	\$0	\$0	\$0	\$0	\$0	\$0
Disposal Fee/Ton	\$29	\$29	\$0	\$29	\$29	\$0

<sup>1</sup> The decrease in FY 2016 revenue reflects lower disposal tonnage based on actual experience. The fund is absorbing the reduction through a higher than projected beginning balance.

<sup>2</sup> Miscellaneous Revenue is generated by the excess amount that Covanta Fairfax, Inc. (CFI) charges for the disposal of Supplemental Waste.

<sup>3</sup> Operating Expenses rise in FY 2016 as a result of the new Waste Disposal Agreement.

<sup>4</sup> FY 2016 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.

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> The Rate Stabilization Reserve (RSR) is maintained in order to safeguard against significant increases in tipping fees charged to users of the E/RRF. This reserve is being used in FY 2016 as a result of the new Waste Disposal Agreement that increased disposal cost to the County.

<sup>8</sup> 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.