

FUND STATEMENT

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

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2016 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$56,718,645	\$63,865,845	\$66,425,583	\$66,425,583	\$0
Revenue:					
Disposal Revenue ¹	\$27,003,224	\$25,112,350	\$25,112,350	\$25,112,350	\$0
Other Revenue:					
Interest on Investments	58,840	53,811	53,811	53,811	0
Miscellaneous ²	206,211	792,000	792,000	792,000	0
Subtotal Revenue	\$265,051	\$845,811	\$845,811	\$845,811	\$0
Total Revenue	\$27,268,275	\$25,958,161	\$25,958,161	\$25,958,161	\$0
Total Available	\$83,986,920	\$89,824,006	\$92,383,744	\$92,383,744	\$0
Expenditures:					
Personnel Services	\$937,746	\$1,009,485	\$1,009,485	\$1,009,485	\$0
Operating Expenses ³	16,581,591	24,791,786	24,915,214	24,915,214	0
Total Expenditures	\$17,519,337	\$25,801,271	\$25,924,699	\$25,924,699	\$0
Transfers Out:					
General Fund (10001) ⁴	\$42,000	\$49,000	\$49,000	\$49,000	\$0
Total Transfers Out:	\$42,000	\$49,000	\$49,000	\$49,000	\$0
Total Disbursements	\$17,561,337	\$25,850,271	\$25,973,699	\$25,973,699	\$0
Ending Balance⁵	\$66,425,583	\$63,973,735	\$66,410,045	\$66,410,045	\$0
Tipping Fee Reserve ⁶	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$0
Rate Stabilization Reserve ⁷	51,356,555	51,473,735	53,910,045	53,910,045	0
Operations and Maintenance Reserve ⁸	13,569,028	11,000,000	11,000,000	11,000,000	0
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0
Disposal Rate/Ton	\$29	\$29	\$29	\$29	\$0

¹ The decrease in FY 2016 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 Operating Expenses increase beginning in FY 2016 as a result of the new Waste Disposal Agreement.

⁴ 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.

⁵ 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.

⁶ 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.

⁷ The Rate Stabilization Reserve (RSR) is maintained in order to safeguard against significant increases in tipping fees charged to users of the E/RRF. Starting in FY 2016, and especially in 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.

⁸ 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.