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May 27, 2004

The Honorable John G. Rowland
Governor
Executive Chambers
State Capitol
Hartford, CT 06106

**RE: Connecticut General Statutes 22a-263
Quarterly Report of Connecticut Resources Recovery Authority Operations
For the Quarter Ending March 31, 2004**

Dear Governor Rowland:

This is the quarterly report of operations of the Connecticut Resources Recovery Authority (the "Authority") for the 3rd Quarter of Fiscal Year 2004 (January 1, 2004 through March 31, 2004) as required by Connecticut General Statutes Section 22a-263 (the "Statute").

The Authority is responsible for implementing solid waste disposal and resource recovery systems and facilities throughout the State of Connecticut (the "State") in accordance with the State Solid Waste Management Plan. The Authority is comprised of four separate and distinct, comprehensive solid waste disposal systems located throughout the State. Therefore, the Statute requirements are reported separately for each project.

If you have any questions on these or other matters, or if I may provide additional information, please contact me directly at (860) 757-7777.

Very truly yours,

A handwritten signature in black ink, appearing to read "Thomas D. Kirk".

Thomas D. Kirk
President

cc: Michael A. Pace, Authority Chairman
Andrew M. Sullivan, Jr., Finance Committee Chairman
James P. Bolduc, Chief Financial Officer
Bettina M. Bronisz, Assistant Treasurer & Director of Finance
Chrono File

A listing of the number and type of waste management service contracts entered into with local government units and persons, and the charges therefore; a listing of the contracts entered into for the services of private industry in the operation of systems and facilities;

Name:	Type of contract:	Charges:
Mid-Connecticut Project Contracts entered into during Quarter ending 3/31/04		
CWPM, LLC	Spot Waste Delivery Agreement	Revenue to be received
Kroll, McNamara, Evans & Delehanty	Legal Services Agreement	Varies by Assignment
Power Line Models, Inc. (dba PLM)	Electric Power marketing & evaluation	\$20,000
Pratt & Whitney	Sale of 64 non-ozone season nox ercs	Revenue to be received
USA Hauling & Recycling	Spot Waste Delivery Agreement	Revenue to be received
U.S. Dept. of Agriculture – Wildlife	Pest Management Program re: Birds	11,500
Southeast Project Contracts entered into during Quarter ending 3/31/04		
American Ref-Fuel	Spot Waste Delivery Agreement	Revenue to be received
Public Financial Management	Financial Advisory Services	\$14,000
Bridgeport Project Contracts entered into during Quarter ending 3/31/04		
None	--	--
Wallingford Project Contracts entered into during Quarter ending 3/31/04		
Amico's Carting LLC	Spot Waste Delivery Agreement	Revenue to be received
General Contracts entered into during Quarter ending 3/31/04		
Alliance Crouse Company, LLC	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
Alternative Resources, Inc.	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
Arace & Company Consulting, LLC	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
Camp Dresser & McGee	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
Cashin Associates, PC	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
Charles River Associates	Solid Waste Three-Year Agreement	Varies by Assignment
Dvirka & Bartilucci	Solid Waste Three-Year Agreement	Varies by Assignment
Gershman, Brickner & Bratton, Inc	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
MI Holzman & Associates, LLC	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
Mission: A Consulting Group	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
RRT Design & Construction	Recycling Three-Year Agreement	Varies by Assignment
R.W. Beck, Inc.	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment
Stearns & Wheeler, LLC	Solid Waste, Recycling & Account. Consult. Svcs	Varies by Assignment

- *A map showing the location of all facilities owned or leased by the Authority;*

A map showing the facilities owned or leased by the Authority is attached to this letter.

- *A schedule of the amounts of waste received and processed in such facilities;*

Facility:	Tons Received for the Quarter Ending 3/31/04	Tons Processed for the Quarter Ending 3/31/04
Mid-Connecticut	182,069	171,387
Southeast	60,422	60,917
Bridgeport	169,295	170,392
Wallingford	37,297	34,279

- *A listing of the outstanding issues of notes and bonds of the Authority and the payment status thereof;*

FACILITY Series	Original Amount Bonded (\$000)	Principal Outstanding as of Quarter ending 3/31/04 (\$000)	Debt Service Payment Status:
MID-CONNECTICUT:¹			
1996 Series A Bonds	\$ 209,675	\$ 165,705	Current
1997 Series A Bonds	8,000	3,075	Current
2001 Series A Bonds	13,210	13,210	Current
SOUTHEAST:²			
1989 Series A	\$ 3,935	\$ 2,255	Current
1998 Series A	87,650	69,220	Current
BRIDGEPORT:			
1999 Series A Bonds	\$ 141,695	\$ 83,825	Current
2000 Series A Bonds	9,200	5,725	Current
WALLINGFORD:			
1991 Series A Bonds	\$ 7,000	\$ 1,250	Current
1998 Series A Bonds	33,790	21,540	Current

- *A budget showing the administrative expenses of the Authority;*

The administrative expenses section of the adopted project budgets (for the Fiscal Year ending June 30, 2005) for each project is attached to this letter.

- *A report of revenues of the Authority from all sources and of the redistribution of any surplus revenues.*

Facility:	All revenues³ received for the Quarter Ending 3/31/04	Redistribution⁴ for the Quarter Ending 3/31/04
Mid-Connecticut	\$ 64,108	0
Southeast	18,920	0
Bridgeport	35,875	0
Wallingford	17,327	0

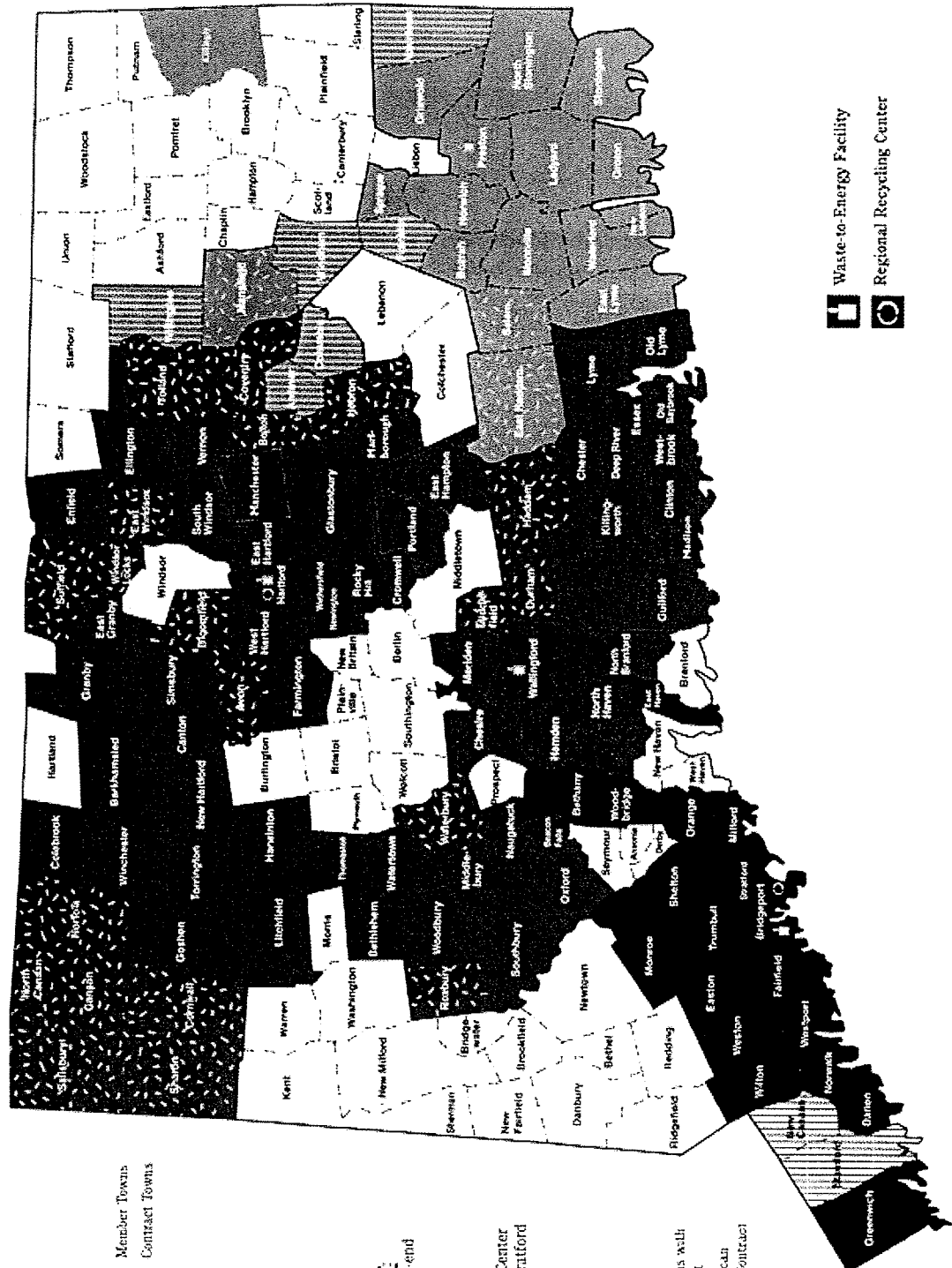
¹ In April 2002, the Connecticut General Assembly passed Public Act No. 02-46 authorizing a loan by the State to the Authority of up to \$115 million in support of debt service on the Mid-Connecticut project bonds. During the June 2003 Special Session, the Connecticut General Assembly passed Public Act No. 03-5, which authorized the Authority to borrow up to \$22 million for the period ending June 30, 2004 and an amount not to exceed \$93 million for subsequent fiscal years. In December 2003, the Authority made its formal request for \$20 million for the fiscal year ending June 30, 2005.

² In addition, the Authority served as a conduit issuer for three series of Corporate Credit Revenue Bonds issued by American Ref-Fuel, the operator of the Southeast project: 1992 Series A Bonds (\$30,000,000); 2001 Series A Bonds, Subseries I (\$6,750,000); and 2001 Series A Bonds, Subseries II (\$6,750,000). These bonds are not carried on the Authority's books.

³ Includes operating revenues and other non-operating income as reported in the Authority's unaudited quarterly financial statements.

⁴ There was no redistribution of surplus funds outside of the projects.

CONNECTICUT RESOURCES RECOVERY AUTHORITY PROJECT STATISTICS AND DEMOGRAPHICS



MID-CONNECTICUT PROJECT:
 Refuse derived fuel waste-to-energy facility that separates and reduces the volume of waste on the front end by removing recyclable metals and non-combustible material
 880,000 tons per year
 Population served: 1,025,532
 CRRA Regional Recycling Center and Visitors Center
 Lined ash disposal area with groundwater monitoring and leachate collection and treatment systems
 Hartford landfill for bulky and non-processible waste
 Transfer Stations: 4

BRIDGEPORT PROJECT:
 Mass-burn facility (no front-end separations)
 760,000 tons per year
 Population served: 750,000
 CRRA Regional Recycling Center and Garage Museum in Stratford
 Transfer Stations: 8

SOUTHEAST PROJECT:
 Mass-burn facility
 219,000 tons per year
 Population served: 277,022
 Lined ash disposal area with groundwater monitoring and leachate collection and treatment systems

WALLINGFORD PROJECT:
 Member Towns
 Mass-burn facility
 153,300 tons per year
 Population served: 198,760

Waste-to-Energy Facility
 Regional Recycling Center

MID-CONNECTICUT PROJECT – GENERAL ADMINISTRATIVE EXPENSES

DESCRIPTION	ADOPTED FY05
GENERAL ADMINISTRATION	
Postage & Delivery Fees	\$12,000
Telephone & Pagers	\$25,000
Outside Copying	\$10,000
Advertising	\$25,000
Office Equipment	\$500
Office Supplies	\$5,000
Protect Clothing/Safety Equip.	\$8,000
Miscellaneous Services	\$6,000
Business Meetings and Travel	\$1,500
Mileage Reimbursement	\$5,000
Vehicle Repair / Maintenance	\$6,000
Office Equipment Service	\$15,500
Building Operations	\$75,000
Grounds Maintenance	\$31,000
Fees/Licenses/Permits	\$1,000
Claims/Losses	\$10,000
Bad Debt Expense	\$10,000
Fuel	\$4,000
Legal	\$2,000,000
Financial	\$67,000
Auditor	\$40,000
Insurance, Consulting, Brokerage Serv	\$69,000
Other Consulting Services	\$155,000
Gas	\$8,000
Electricity	\$58,000
Computer Hardware	\$14,000
Computer Software	\$5,000
Information Technology	\$65,500
Allocation - Salaries	\$2,077,500
Allocation - Overhead	\$1,639,500
Total	\$6,449,000

SOUTHEAST PROJECT – GENERAL ADMINISTRATIVE EXPENSES

<u>DESCRIPTION</u>	<u>ADOPTED FY05</u>
GENERAL ADMINISTRATION	
Postage & Delivery Fees	\$100
Telephone & Pagers	\$100
Miscellaneous Services	\$500
Subscriptions/Publications	\$100
Business Meetings and Travel	\$100
Mileage Reimbursement	\$710
Legal	\$42,800
Insurance Broker	\$800
Auditor	\$20,000
Local Administration	\$597,612
Allocation - Salaries	\$144,810
Allocation - Overhead	\$117,170
Total	\$924,802

BRIDGEPORT PROJECT – GENERAL ADMINISTRATIVE EXPENSES

<u>DESCRIPTION</u>	<u>ADOPTED FY05</u>
GENERAL ADMINISTRATION	
Postage & Delivery Fees	\$3,600
Telephone & Pagers	\$9,300
Copier	\$3,500
Office Equipment	\$0
Office Supplies	\$300
Miscellaneous Services	\$300
Business Meetings and Travel	\$770
Mileage Reimbursement	\$6,000
Vehicle Repair/Maintenance	\$0
Office Equipment Service	\$0
Bad Debt Expense	\$5,000
Fuel	\$100
Legal	\$85,000
Insurance, Consulting and Brokerage Services	\$10,900
Other Consulting	\$0
Computer Hardware	\$2,000
Computer Software	\$1,000
Local Administration	\$100,000
Allocation-Salaries	\$491,930
Allocation-Overhead	\$388,600
Advertising	\$1,000
Total	\$1,109,300

WALLINGFORD PROJECT – GENERAL ADMINISTRATIVE EXPENSES

<u>DESCRIPTION</u>	<u>ADOPTED FY05</u>
GENERAL ADMINISTRATION	
Postage and Delivery Fees	\$500
Telephone & Pagers	\$1,000
Miscellaneous Services	\$10,000
Business Meetings & Travel	\$500
Mileage Reimbursement	\$1,000
Building Operations	\$2,500
Bad Debt Expense	\$5,000
Legal	\$125,000
Insurance Broker	\$13,500
Other Consulting Services	\$5,000
Electricity	\$2,500
Other Utilities	\$500
Local Administration	\$41,600
Allocation-Salaries	\$349,140
Allocation-Overhead	\$281,210
Total	\$838,950

GENERAL FUND – ADMINISTRATIVE EXPENSES

<u>EXPENDITURE DESCRIPTION</u>	<u>ADOPTED FY05</u>
Personal Services	\$5,806,000
Non-Personal Services	\$1,552,000
Capital Outlay	\$98,000
Debt Service/Administration	<u>\$112,500</u>
Total Expenditures	\$7,568,500

<u>ALLOCATION DESCRIPTION</u>	<u>ADOPTED FY05</u>
Mid-Connecticut	\$5,518,500
Jets / EGF	Incl. Above
Bridgeport	\$1,149,100
Wallingford	\$630,300
Southeast	\$262,000
Interest Income	<u>\$8,600</u>
Total Allocations	\$7,568,500

Mid-Connecticut figures include \$1,672,000 of allocation for regional recycling facility and \$131,000 for Jets. Bridgeport figures include \$268,590 of allocation for regional recycling facility.