

Fairfax County, Virginia

Fiscal Year 2006 Advertised Budget Plan

Overview



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Prepared by the
Fairfax County Department of Management and Budget
12000 Government Center Parkway
Suite 561
Fairfax, Virginia 22035

<http://www.fairfaxcounty.gov/dmb/default.htm>

Fairfax County is committed to a policy of nondiscrimination in all county programs, services and activities and will provide reasonable accommodations upon request. To request special accommodations, call (703) 324-2935 or TTY 711 (Virginia Relay Center). Please allow five working days in advance of events in order to make the necessary arrangements.

Fairfax County Vision Elements

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County by:

Maintaining Safe and Caring Communities -

The needs of a diverse and growing community are met through innovative public and private services, community partnerships and volunteer opportunities. As a result, residents feel safe and secure, capable of accessing the range of services and opportunities they need, and are willing and able to give back to their community.

Building Livable Spaces -

Together, we encourage distinctive “built environments” that create a sense of place, reflect the character, history and natural environment of the community, and take a variety of forms – from identifiable neighborhoods, to main streets, to town centers. As a result, people throughout the community feel they have unique and desirable places to live, work, shop, play and connect with others.

Connecting People and Places -

Transportation, technology and information effectively and efficiently connect people and ideas. As a result, people feel a part of their community and have the ability to access places and resources in a timely, safe and convenient manner.

Maintaining Healthy Economies -

Investments in the work force, jobs, and community infrastructure and institutions support a diverse and thriving economy. As a result, individuals are able to meet their needs and have the opportunity to grow and develop their talent and income according to their potential.

Practicing Environmental Stewardship -

Local government, industry and residents seek ways to use all resources wisely and to protect and enhance the County’s natural environment and open space. As a result, residents feel good about their quality of life and embrace environmental stewardship as a personal and shared responsibility.

Creating a Culture of Engagement -

Individuals enhance community life by participating in and supporting civic groups, discussion groups, public-private partnerships and other activities that seek to understand and address community needs and opportunities. As a result, residents feel that they can make a difference and work in partnership with others to understand and address pressing public issues.

Exercising Corporate Stewardship -

Fairfax County government is accessible, responsible and accountable. As a result, actions are responsive, providing superior customer service and reflecting sound management of County resources and assets.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Fairfax County
Virginia**

For the Fiscal Year Beginning

July 1, 2004

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to Fairfax County, Virginia for its annual budget for the fiscal year beginning July 1, 2004.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

BUDGET CALENDAR

For preparation of the FY 2006 Advertised Budget

July 1, 2004

Distribution of the FY 2006 budget development guide. Fiscal Year 2005 begins.



August - September 2004

Agencies forward completed budget submissions to the Department of Management and Budget (DMB) for review.



September - December 2004/ January 2005

DMB reviews agencies' budgets. Meetings with County Executive, Senior Management Team and budget staff for final discussions on the budget.



February 10, 2005

School Board advertises its FY 2006 Budget.



February 28, 2005

County Executive's presentation of the FY 2006 Advertised Budget Plan.



March 1, 2005

Complete distribution of the FY 2006 Advertised Budget Plan.

July 1, 2005

Fiscal Year 2006 begins.



June 30, 2005

Distribution of the FY 2006 Adopted Budget Plan. Fiscal Year 2005 ends.



April 25, 2005

Adoption of the FY 2006 budget plan, Tax Levy and Appropriation Ordinance by the Board of Supervisors.



April 18, 2005

Board action on *FY 2005 Third Quarter Review*. Board mark-up of the FY 2006 proposed budget.



April 4, 5, and 6, 2005

Public hearings on proposed FY 2006 budget, *FY 2005 Third Quarter Review* and FY 2006-2010 Capital Improvement Program (with Future Years to 2015) (CIP).



March 2005

Board authorization for publishing FY 2006 tax and budget advertisement.



Fairfax County is committed to complying with the Americans with Disabilities Act (ADA). Special accommodations will be made upon request. Please call 703-324-2391 (Virginia Relay: 711).

FOR ADDITIONAL INFORMATION

Information regarding the contents of this or other budget volumes can be provided by calling the Fairfax County Department of Management and Budget at (703) 324-2391 from 8:00 a.m. to 4:30 p.m.

Internet Access: The Fairfax County budget is also available for viewing on the Internet at:



<http://www.fairfaxcounty.gov/dmb/default.htm>

Reference copies of all budget volumes are available at all branches of the Fairfax County Public Library:

Fairfax City Regional

3915 Chain Bridge Road
Fairfax, VA 22030-3995
(703) 293-6227

Reston Regional

11925 Bowman Towne Drive
Reston, VA 20190-3311
(703) 689-2700

Centreville Regional

14200 St. Germain Drive
Centreville, VA 20121-2299
(703) 830-2223

Great Falls

9830 Georgetown Pike
Great Falls, VA 22066-2634
(703) 757-8560

John Marshall

6209 Rose Hill Drive
Alexandria, VA 22310-6299
(703) 971-0010

Dolley Madison

1244 Oak Ridge Avenue
McLean, VA 22101-2818
(703) 356-0770

Thomas Jefferson

7415 Arlington Boulevard
Falls Church, VA 22042-7499
(703) 573-1060

George Mason Regional

7001 Little River Turnpike
Annandale, VA 22003-5975
(703) 256-3800

Sherwood Regional

2501 Sherwood Hall Lane
Alexandria, VA 22306-2799
(703) 765-3645

Tysons-Pimmit Regional

7584 Leesburg Pike
Falls Church, VA 22043-2099
(703) 790-8088

Herndon Fortnightly

768 Center Street
Herndon, VA 20170-4640
(703) 437-8855

Lorton

9520 Richmond Highway
Lorton, VA 22079-2124
(703) 339-7385

Richard Byrd

7250 Commerce Street
Springfield, VA 22150-3499
(703) 451-8055

Kingstowne

6500 Landsdowne Centre
Alexandria, VA 22315-5011
(703) 339-4610

Pohick Regional

6450 Sydenstricker Road
Burke, VA 22015-4274
(703) 644-7333

Chantilly Regional

4000 Stringfellow Road
Chantilly, VA 20151-2628
(703) 502-3883

Martha Washington

6614 Fort Hunt Road
Alexandria, VA 22307-1799
(703) 768-6700

Kings Park

9000 Burke Lake Road
Burke, VA 22015-1683
(703) 978-5600

Patrick Henry

101 Maple Avenue East
Vienna, VA 22180-5794
(703) 938-0405

Woodrow Wilson

6101 Knollwood Drive
Falls Church, VA 22041-1798
(703) 820-8774

Access Services

12000 Government Center
Parkway, Suite 123
Fairfax, VA 22035-0012
(703) 324-8380
TTY (703) 324-8365

Additional copies of budget documents are also available on CD from the Department of Management and Budget (DMB) at no extra cost.

Please call DMB in advance to confirm availability of all budget publications.

Department of Management and Budget
12000 Government Center Parkway, Suite 561
Fairfax, VA 22035-0074
(703) 324-2391

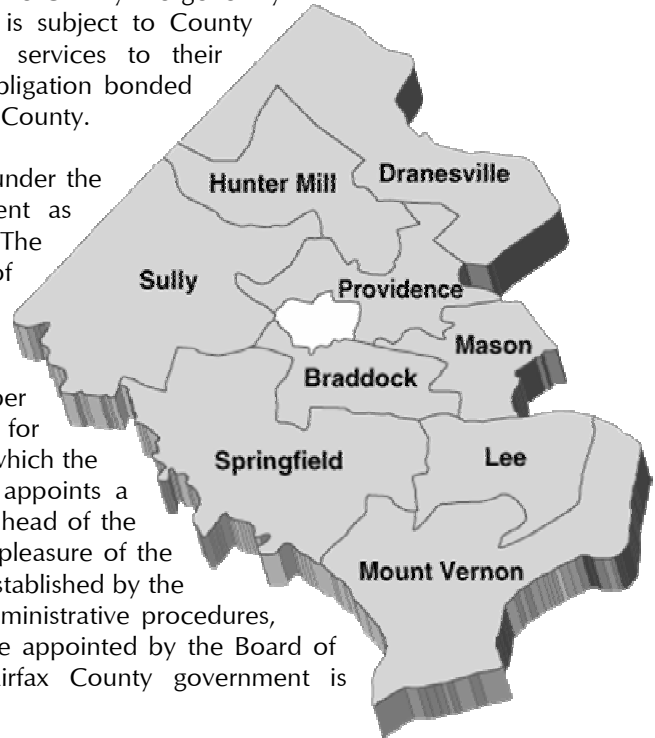
County Organization

Fairfax County Government

In Virginia, cities and counties are distinct units of government and do not overlap. Fairfax County completely surrounds the City of Fairfax and is adjacent to the City of Falls Church and the City of Alexandria. Property within these cities is not subject to taxation by Fairfax County, and the County generally is not required to provide governmental services to their residents. However, pursuant to agreements with these cities, the County does provide certain services to their residents.

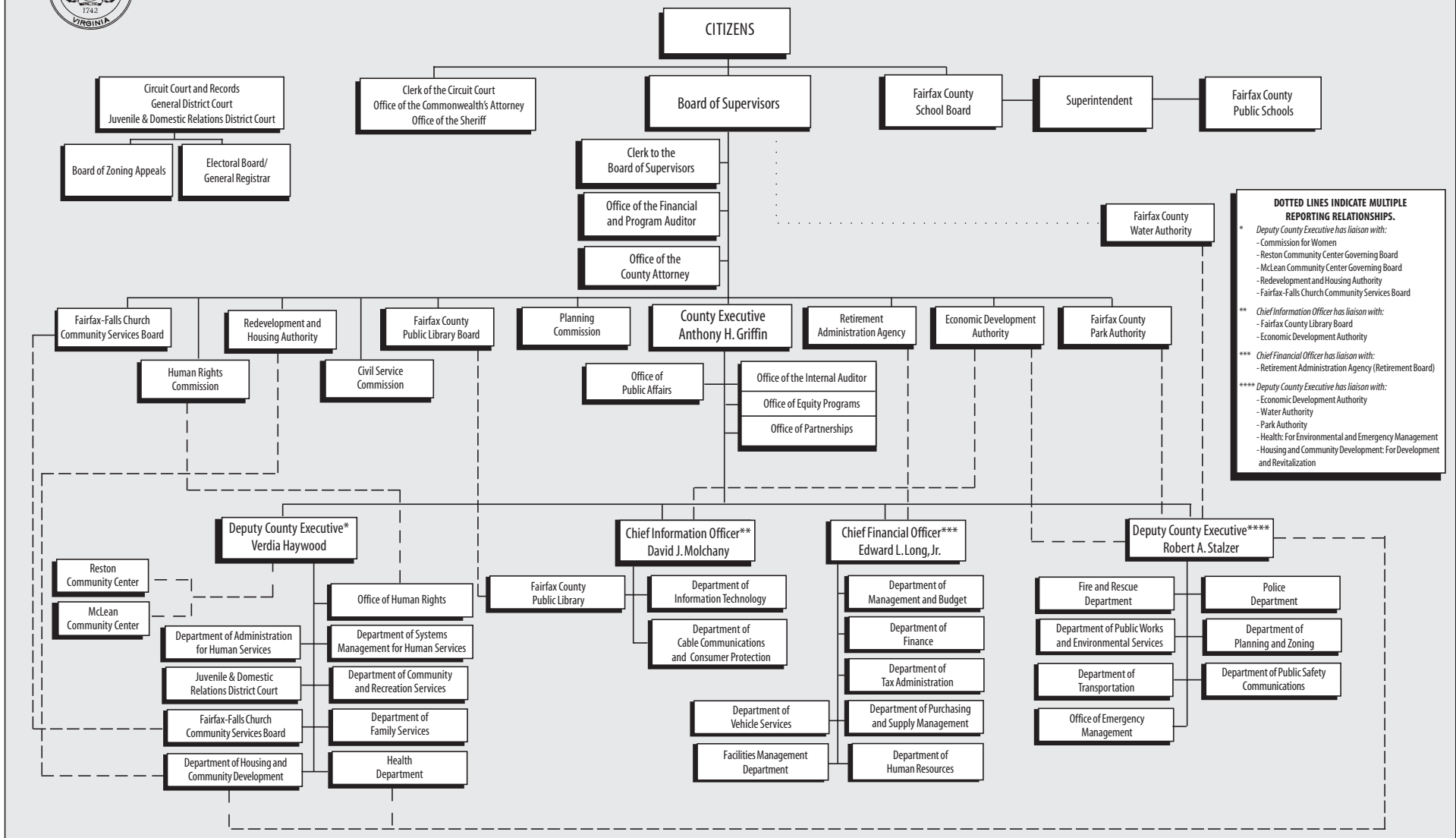
In Fairfax County, there are three incorporated towns - Clifton, Herndon and Vienna - which are overlapping units of government within the County. With certain limitations prescribed by the Code of Virginia, the ordinances and regulations of the County are generally effective in them. Property in these towns is subject to County taxation and the County provides certain services to their residents. These towns may incur general obligation bonded indebtedness without the prior approval of the County.

The Fairfax County government is organized under the Urban County Executive form of government as defined under the Code of Virginia. The governing body of the County is the Board of Supervisors, which makes policies for the administration of the County. The Board of Supervisors consists of ten members: the Chairman, elected at large, and one member from each of nine supervisory districts, elected for four year terms by the voters of the district in which the member resides. The Board of Supervisors appoints a County Executive to act as the administrative head of the County. The County Executive serves at the pleasure of the Board of Supervisors, carries out the policies established by the Board of Supervisors, directs business and administrative procedures, and recommends officers and personnel to be appointed by the Board of Supervisors. An organizational chart of Fairfax County government is provided on the next page.





ORGANIZATION OF FAIRFAX COUNTY GOVERNMENT



DOTTED LINES INDICATE MULTIPLE REPORTING RELATIONSHIPS.

* Deputy County Executive has liaison with:
 - Commission for Women
 - Reston Community Center Governing Board
 - McLean Community Center Governing Board
 - Redevelopment and Housing Authority
 - Fairfax-Falls Church Community Services Board

** Chief Information Officer has liaison with:
 - Fairfax County Library Board
 - Economic Development Authority

*** Chief Financial Officer has liaison with:
 - Retirement Administration Agency (Retirement Board)

**** Deputy County Executive has liaison with:
 - Economic Development Authority
 - Water Authority
 - Park Authority
 - Health: For Environmental and Emergency Management
 - Housing and Community Development: For Development and Revitalization

County Organization

BOARDS, AUTHORITIES AND COMMISSIONS

Appeal Groups

Board of Building Code Appeals
Board of Equalization of Real Estate Assessments
Board of Zoning Appeals ¹
Civil Service Commission
Human Rights Commission

Management Groups

Audit Committee (3 Board Members, 2 Citizens)
Burgundy Village Community Center Operations Board
Celebrate Fairfax, Incorporated
Economic Development Authority
Electoral Board
Fairfax County Convention & Visitors Corporation Board of Directors
Fairfax County Employees' Retirement System Board of Trustees
Fairfax County Park Authority
Fairfax County Public Library Board of Trustees
Fairfax County Water Authority
Fairfax-Falls Church Community Services Board
Industrial Development Authority of Fairfax County, Virginia
McLean Community Center Governing Board
Police Officers Retirement System Board of Trustees
Redevelopment and Housing Authority
Reston Community Center Governing Board
Uniformed Retirement System Board of Trustees

Regional Agencies to which Fairfax County Contributes

Health Systems Agency Board
Metropolitan Washington Airports (MWA) Policy Committee
Metropolitan Washington Council of Governments
National Association of Counties
Northern Virginia Community College Board
Northern Virginia Regional Commission
Northern Virginia Regional Park Authority
Northern Virginia Transportation Commission
Northern Virginia Transportation Coordinating Council
Route 28 Highway Transportation District Advisory Board
Upper Occoquan Sewage Authority
Virginia Association of Counties
Virginia Municipal League
Washington Metropolitan Area Transit Authority

¹ The members of this group are appointed by the 19th Judicial Circuit Court of Virginia.

County Organization

BOARDS, AUTHORITIES AND COMMISSIONS

Advisory Groups

- A. Heath Onthank Award Selection Committee
 - Advisory Plans Examiner Board
 - Advisory Social Services Board
 - Affordable Dwelling Unit Advisory Board
- Agricultural and Forestal Districts Advisory Committee
 - Airports Advisory Committee
- Alcohol Safety Action Program Local Policy Board
- Animal Services Advisory Commission
 - Architectural Review Board
 - Athletic Council
- Barbara Varon Volunteer Award Selection Committee
- Chesapeake Bay Preservation Ordinance Exception Review Committee
 - Child Care Advisory Council
 - Commission on Aging
 - Commission for Women
- Commission on Organ and Tissue Donation and Transplantation
 - Community Action Advisory Board
 - Community Criminal Justice Board
- Community Policy and Management Team, Fairfax-Falls Church
 - Consumer Protection Commission
- Countywide Non-Motorized Transportation (Trails) Committee
 - Criminal Justice Advisory Board
- Dulles Rail Transportation Improvement District Advisory Board, Phase I
 - Employer Child Care Council
 - Engineering Standards Review Committee
 - Environmental Quality Advisory Council
 - Fairfax Area Disability Services Board
- Fairfax Community Long Term Care Coordinating Council
 - Geotechnical Review Board
 - Health Care Advisory Board
 - History Commission
 - Human Services Council
- Information Technology Policy Advisory Committee
- Juvenile & Domestic Relations Court Citizens Advisory Council
- Oversight Committee on Drinking and Driving
 - Planning Commission
 - Road Viewers Board
- Security Alarm System Commission
- Small Business Commission, Fairfax County
 - Tenant Landlord Commission
- Transportation Advisory Commission
 - Tree Commission
 - Volunteer Fire Commission
 - Wetlands Board
- Youth Basketball Council Advisory Board

How to Read the Budget

THE BUDGET

The Fairfax County Budget Plan is presented in several volumes. A brief description of each document is summarized below:

The Citizen's Guide includes a summary of the key facts, figures and highlights of the budget.

The Budget Overview summarizes the budget, thereby allowing a complete examination of the budget through this document. The Overview contains the County Executive's message to the Board of Supervisors; budget highlights; a summary of the County's fiscal condition, allocation of resources, and financial history; and projections of future revenues and expenditure requirements. Also included is information on the County's taxes and fees; fiscal and demographic trends; direct spending by County departments; transfers to other public organizations, such as the Fairfax County Public Schools and Metro; and funded construction projects.

Volume 1 – General Fund details the budgets for County departments and agencies funded from general tax revenue such as real estate and personal property taxes. Included are summary budget schedules and tables organized by accounting classification and program area summaries. Detailed budget information is presented by program area and by department/agency. Also included are organizational charts, strategic issues, new initiatives and recent accomplishments, goals, objectives and performance indicators for each department/agency.

Volume 2 – Capital Construction and Other Operating Funds details budgets for County departments, agencies, construction projects and programs funded from non-general fund revenue sources, or from a mix of general fund and non-general fund sources, such as federal or state grants, proceeds from the sale of bonds, user fees and special tax districts. Included are detailed budget schedules and tables organized by accounting classification, as well as budget summaries by fund group. This volume also details information associated with Fairfax County funding for Contributory Agencies.

The Capital Projects Appendix Volume details the capital construction budget by project. All active projects are outlined in a Project Detail Sheet, including location, Supervisory District, project description, completion dates and sources of funding. It should be noted that this volume is published only as part of the Advertised Budget Plan.

BASIS OF ACCOUNTING AND BUDGETING

A budget is a formal document that enables the County to plan for the future, measure the performance of County services, and help the public to understand where revenues come from and how they are spent on County services. The budget serves many purposes and addresses different needs depending on the "audience" including, County residents, federal and state regulatory authorities, elected officials, other local governments, taxpayers or County staff.

The budget must comply with the Code of Virginia and regulatory requirements. According to the Code of Virginia, Fairfax County is required to have a balanced budget and to undergo an annual financial audit by independent auditors. Thus, the budget outlines the required information to serve legal and financial reporting requirements. The budget is prepared and organized within a defined basis of budgeting and financial structure to meet regulatory and managerial reporting categories of expenditures and revenues. The Commonwealth of Virginia requires that the County budget be based on fund accounting, which is a system that matches the sources of revenue (such as taxes or service fees) with the uses (program costs) of that revenue. Therefore, the County budgets and accounts for its revenues and expenditures in various funds.

How to Read the Budget

Accounting Basis

Each fund is considered a separate accounting entity, with operations accounted for in a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate.



Governmental and agency funds are accounted for on a modified accrual basis of accounting. Revenue is considered available and recorded if it is collectible within the current period or within 45 days thereafter, to be used to pay liabilities of the current period. Expenditures are generally recorded when the related fund liability is incurred, with the exception of certain liabilities recorded in the General Long-Term Obligations Account Group.

Proprietary, pension and non-expendable trust funds utilize the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred.

Accounting Standards

During FY 2006, the County continues to use the Governmental Accounting Standards Board's (GASB) Statement Number 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, financial reporting model, otherwise known as GASB 34. These new standards changed the entire reporting process for local governments. The standards required new entity-wide financial statements, in addition to the current fund statements and other additional reports such as Management Discussion and Analysis. Infrastructure values will be reported, and various changes in accounting have been implemented.

The County's basis of budgeting is consistent with generally accepted accounting principles.

It should be noted that beginning in FY 2008 the County's financial statements will be required to implement Governmental Accounting Standards Board (GASB) Statement Number 45 for post employment benefits including health care, life insurance, and other non-retirement benefits offered to retirees. This new standard addresses how local governments account for and report their costs related to post-employment healthcare and other non-pension benefits, such as the County's retiree health benefit subsidy. Currently, the County's subsidy is funded on a pay-as-you-go basis. GASB 45 will require that the County accrue the cost of these post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension/retirement benefits. The County will have the option of continuing to fund benefit payments as they come due, which would result in a large unfunded liability, or prepay during employees' active employment in order to decrease the unfunded liability. In FY 2006, the County will continue to examine the advantages and disadvantages of each option to insure that the County responds to the new GASB standard properly, while maintaining the fiscal integrity of the County.

How to Read the Budget

Budgetary Basis

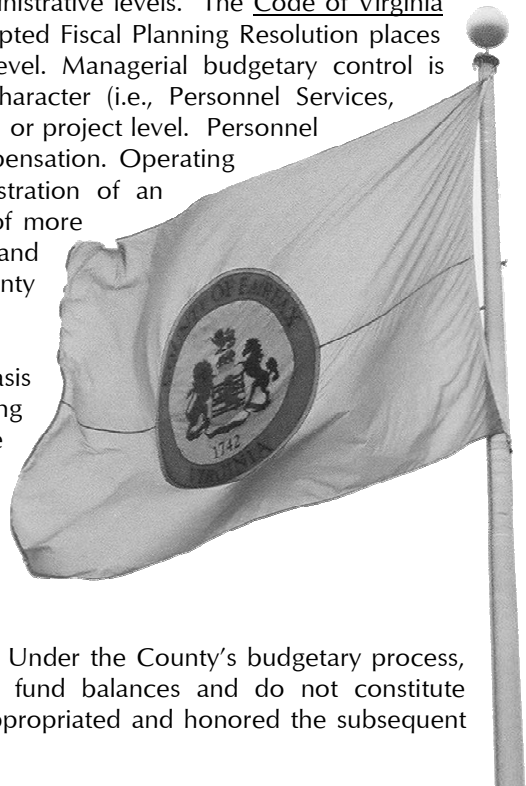
Annual budgets spanning the fiscal year (July 1 – June 30) are prepared on an accounting basis, with certain exceptions. Please refer to the table in the Financial Structure portion of this section for information regarding the purpose of various types of funds, supporting revenues and budgeting and accounting bases.

The budget is controlled at certain legal and managerial/administrative levels. The Code of Virginia requires that the County adopt a balanced budget. The adopted Fiscal Planning Resolution places legal restrictions on expenditures at the agency or fund level. Managerial budgetary control is maintained and controlled at the fund, department and character (i.e., Personnel Services, Operating Expenses, Recovered Costs and Capital Equipment) or project level. Personnel Services include regular pay, fringe benefits and extra compensation. Operating Expenses are the day-to-day costs involved in the administration of an agency. Capital Equipment reflects items that have a value of more than \$5,000 and an expected lifetime of more than one year, and Recovered Costs are reimbursements from other County agencies for specific services that have been provided.

During the fiscal year, budget reviews held on a quarterly basis (quarterly reviews) are the primary mechanism for revising appropriations. State law requires that a public hearing be held prior to the adoption of amendments to the current year budget when the adjustments exceed \$500,000 or one percent of revenues. In addition, any amendment of \$500,000 or more requires that the Board advertise a synopsis of the proposed changes.

All annual appropriations lapse at the end of the fiscal year. Under the County's budgetary process, outstanding encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities since the commitments will be reappropriated and honored the subsequent fiscal year.

The County's Department of Management and Budget is authorized to transfer budgeted amounts between characters or projects within any agency or fund. The budget process is controlled at the character or project level by an appropriations system within the automated financial accounting system. Purchase orders are encumbered prior to release to vendors, and those that exceed character level appropriations are not released until additional appropriations are available.



DEPARTMENTS AND PROGRAM AREAS

The County's departments and program areas are easiest to understand if compared to a filing cabinet. Each drawer of the filing cabinet is a separate fund type/fund, such as Special Revenue, and within each drawer or fund there are many file folders which represent County agencies, departments or funds. County organizations in the General Fund are called agencies or departments, while organizations in the other funds are called funds. For example, the Health Department, which is a General Fund agency, is one agency or folder in the General Fund drawer.

For reporting purposes, all agencies and departments in the General Fund are grouped into "program areas." A program area is a grouping of County agencies or departments with related countywide goals. Under each program area, individual agencies and departments participate in activities to support the program area goals. The Public Safety Program Area, for example, includes the Police Department and the Fire and Rescue Department, among others.

While most of the information in the budget is focused on an agency or fund, there are several summary schedules that combine different sources of information such as General Fund receipts and expenditures, County position schedules and other summary schedules.

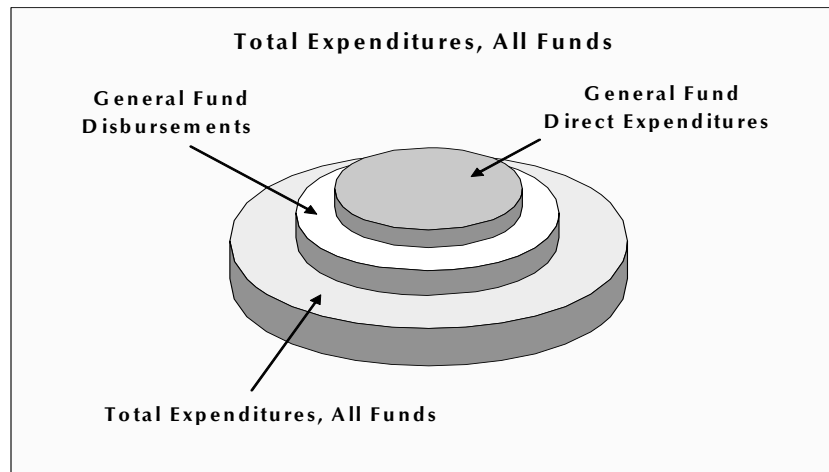
How to Read the Budget

COUNTY EXPENDITURES AND REVENUES

County Expenditures

Expenditures for Fairfax County services and programs can be categorized as three concentric circles. Each circle encompasses the funds inside it:

- ◆ In the smallest circle are the General Fund Direct Expenditures that support the day-to-day operations of most County agencies.
- ◆ The second largest circle is General Fund Disbursements. This circle includes General Fund Direct Expenditures and General Fund transfers to other funds, such as the Fairfax County Public Schools, Metro transportation system, and the County's debt service. The transfer of funding to the County Public Schools, including debt service, accounts for 52 percent of the County's disbursements in FY 2006.
- ◆ The largest circle is Total Expenditures. It represents expenditures from all appropriated funds.



How to Read the Budget

County Revenues

The revenue Fairfax County uses to fund its services and programs is generated from a variety of sources:

- ◆ The General Fund portion of Total Revenues consists of several major components, the two largest being Real Estate Tax revenues and Personal Property Tax revenues. In FY 2006, these categories are estimated to account for approximately 60.6 percent and 15.7 percent of the total General Fund revenues, respectively. Please note that a portion of the Personal Property Taxes are paid to the County by the state. These funds are included in the aforementioned Personal Property Tax total, rather than in Revenue from the Commonwealth. Local Taxes, which include Local Sales Tax receipts, Consumer Utility Taxes, and Business Professional and Occupational License Taxes, comprise approximately 15.1 percent of General Fund revenues in FY 2006. The remaining revenue categories, including Revenue from the Federal Government, Fines and Forfeitures, Revenue from the Use of Money and Property, Revenue from the Commonwealth, Recovered Costs, Charges for Services, and Permits, Fees and Regulatory Licenses make up 8.6 percent of the total.
- ◆ Total Revenues consist of all revenues received by all appropriated funds in the County. Total Revenues include all General Fund revenues, as well as sewer bond revenue, refuse collection and disposal fees, and revenue from the sale of bonds.

How to Read the Budget

FINANCIAL STRUCTURE

<u>Fund/Fund</u>	<u>Type Title</u>	<u>Purpose</u>	<u>Revenue</u>	<u>Budgeting Basis</u>	<u>Accounting Basis</u>
GOVERNMENTAL FUNDS					
General Fund (Volume 1)		Accounts for the cost of general County government.	Primarily from general property taxes, other local taxes, revenue from the use of money and property, license and permit fees, and State shared taxes.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
Revenue Stabilization Fund (Volume 2)		Established by the Board of Supervisors in FY 2000 to provide a mechanism for maintaining a balanced budget without resorting to tax increases and/or expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy.	Minimum of 40 percent of non-recurring balances identified at the Carryover and Third Quarter Reviews transferred to the Fund until a maximum balance of 3 percent of General Fund Disbursements is attained.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
Special Revenue Funds (Volume 2)		Account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.	A variety of sources including fees for service, General Fund transfers, Federal and State grant funding, cable franchise fees, and special assessments.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
Debt Service Funds (Volume 2)		Account for the accumulation of resources for and the payments of general obligation bond principal, interest and related expenses.	General Fund transfers and special assessment bond principal and interest from special assessment levies.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
Capital Project Funds (Volume 2)		Account for financial resources used for all general County and School construction projects other than Enterprise Fund construction.	General Fund transfers, bond proceeds, and miscellaneous contributions.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
PROPRIETARY FUNDS					
Enterprise Funds (Wastewater Management Program) (Volume 2)		Account for operations financed and operated in a manner similar to the private sector. The County utilizes Enterprise Funds for the Wastewater Management Program, which provides construction, maintenance, and operation of the Countywide sewer system.	User charges to existing customers for continuing sewer service and availability fees charged to new customers for initial access to the system.	Accrual, depreciation expenses not included	Accrual
Internal Service Funds (Volume 2)		Account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a reimbursement basis.	Reimbursement via various inter-governmental payments, including the General Fund, for services and goods provided.	Accrual, depreciation expenses not included	Accrual
FIDUCIARY FUNDS					
Trust Funds (Volume 2)		Account for assets held by the County in a trustee or agency capacity. Trust funds are usually established by a formal trust agreement.	Various inter-governmental payments, including the General Fund, and contributions by participants.	Accrual	Accrual
Agency Funds (Volume 2)		Agency funds are custodial in nature and are maintained to account for funds received and disbursed by the County for various governmental agencies and other organizations.	Various inter-governmental payments, including the General Fund, and contributions by participants.	Modified Accrual	Modified Accrual

Budget Process

BUDGET DOCUMENTS

The Fairfax County Budget Plan is presented in several volumes. A brief description of each document is provided below:

The Citizen's Guide includes a summary of the key facts, figures and highlights of the budget.

The Budget Overview summarizes the budget, thereby allowing a complete examination of the budget through this document. The Overview contains the County Executive's message to the Board of Supervisors; a new section on strategic linkages and key County indicators; a summary of the County's fiscal condition, allocation of resources, and financial history; and projections of future revenues and expenditure requirements. Also included is information on the County's taxes and fees; demographic trends; direct spending by County departments; transfers to other public organizations, such as the public schools and Metro; and, funded construction projects.

Volume 1 – General Fund details the budgets for County departments and agencies funded from general tax revenue such as real estate and personal property taxes. Included are detailed budget schedules and tables organized by accounting classification, positions, and other categories, as well as summaries of budgets by program area, department and agency. Also included are an organizational chart, goals, objectives, and performance indicators for each department and agency.

Volume 2 – Capital Construction and Other Operating Funds details budgets for County departments, agencies, construction projects and programs funded from Non-General Fund revenue sources, or from a mix of General Fund and Non-General Fund sources, such as Federal or State grants, proceeds from the sale of bonds, user fees, and special tax districts. Included are detailed budget schedules and tables organized by accounting classification, as well as budget summaries by fund group. This volume also details information associated with Fairfax County funding for Contributory Agencies.

Capital Projects Appendix Volume details the capital construction budget by project. All active projects are outlined in a Project Detail Sheet, including location, Supervisory District, project description, completion dates, and sources of funding. It should be noted that this volume is published only as part of the Advertised Budget Plan.

To view information on Fairfax County's budget and budget process on the Web, go to <http://www.fairfaxcounty.gov/dmb/default.htm>

GENERAL NOTE

All years referred to in this and other documents are fiscal years unless otherwise noted.

Budget Process

THE BUDGET CYCLE

The budget has several major purposes. It converts the County's long-range plans and policies into services and programs; serves as a vehicle to communicate these plans to the public; details the costs of County services and programs; and, outlines the revenues (taxes and fees) that support the County's services, including the rate of taxation for the coming fiscal year. Once the budget has been adopted by the Board of Supervisors, it becomes a work plan of objectives to be accomplished during the next fiscal year.

The annual Fairfax County budgetary process is an ongoing cyclical process simultaneously looking at two fiscal years (current and future). The budget year officially starts on July 1; however, the budget process itself is a continuum which involves both the current year budget and the next fiscal year's budget. Changes to the current year budget are made at the Third Quarter and Carryover Reviews. The Carryover Review closes out the previous year in addition to revising the expenditure level for the current year. These changes must be approved by the Board of Supervisors. During the fiscal year, quarterly reviews of revenue and expenditures are undertaken by the Department of Management and Budget, and any necessary adjustments are made to the budget. On the basis of these reviews, the Board of Supervisors revises appropriations. Public hearings are held prior to Board action when potential appropriation increases are greater than \$500,000.

Citizen involvement and understanding of the budget are a key part of the review process. Public hearings for the County Executive's FY 2006 Advertised Budget Plan and the FY 2006 - FY 2010 Capital Improvement Program (CIP) will be held on April 4, 5 and 6, 2005 at the Government Center.

The mark-up of the FY 2006 budget will occur on Monday, April 18, 2005, and the Board of Supervisors will formally adopt the FY 2006 Budget Plan on Monday, April 25, 2005.

July						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

July

The End-of-Year Closeout

The end-of-year closeout finalizes actual expenditures for all agencies, and when necessary, the fiscal plan is adjusted to reconcile the actual expenditure amounts. Such adjustments are accomplished through reallocations or supplemental appropriations.

Carryover Review

Carryover represents the analysis of balances remaining from the prior year and provision for the appropriation of funds to cover the prior year's legal obligations (encumbered items) in the new fiscal year without loss of continuity in processing payments. Carryover extends the previous year funding for the purchase of specific items previously approved in the budget process, but for which procurement could not be obtained for various reasons. Funding for those items carried over can be expended without a second full-scale justification and approval procedure.

Budget Process

THE BUDGET CYCLE

September						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
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September

Budget Submissions

Agencies submit their budget requests for the upcoming fiscal year to the Department of Management and Budget in two parts: the baseline request and the addendum, which includes program expansions and other requests beyond the budget development criteria.

Board of Supervisors' Action on the Carryover Review

Carryover revisions represent the first formal revision to the current year Adopted Budget. After public hearings to allow County citizens to voice their opinions on potential Carryover adjustments, the Board of Supervisors takes action on the Carryover Review as submitted by the County Executive.

September						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4

November						
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September through November

Review of Budget Submissions

The Department of Management and Budget reviews each agency's budget submission and provides recommendations to the County Executive. These recommendations consist of expenditure analyses and evaluations of agency goals, objectives, and performance measures. This review culminates in an agency narrative, which is included in a package forwarded to the County Executive for review and decision, and ultimately published in the Advertised Budget Plan.

December						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4

January						
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30	31					

December through Early January

Department of Management and Budget

The Department of Management and Budget finalizes recommendations on upcoming fiscal year requirements. These recommendations are forwarded to the County Executive, the Deputy County Executives, the Chief Financial Officer and the Chief Information Officer.

Senior Management Meetings

The County Executive meets with the Senior Management Team to discuss budget issues and priorities for the upcoming year and beyond.

County Executive Meetings

The County Executive, Deputy County Executives, Chief Financial Officer, Chief Information Officer and Department of Management and Budget staff meet to discuss budget recommendations.

Budget Process

THE BUDGET CYCLE

February						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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February

The County Executive releases the upcoming year's Advertised Budget Plan, which summarizes estimated revenues, expenditures, transfers, agency goals, objectives and performance data. In addition, sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County.

March						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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April						
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March through April

Third Quarter Review

In mid-March, the Department of Management and Budget conducts the Third Quarter Review on the current year Revised Budget Plan including a line item analysis of expenditure requirements. The Department of Management and Budget's recommendations are forwarded to the County Executive for review and adjustment. The package is then forwarded to the Board of Supervisors for action.

Public Hearings

Public hearings are held on the upcoming year's Advertised Budget Plan, the Capital Improvement Program and the Third Quarter Review providing a forum for County citizens to voice their opinions.

Board of Supervisors' Action on the Third Quarter Review and the Advertised Budget Plan

After public hearings, the Board of Supervisors approves the Third Quarter Review. Included are revisions to current year revenue estimates, which are used as the basis for final adjustments to the next fiscal year's budget. Following the public hearings on the Advertised Budget Plan, the Board of Supervisors conducts a mark-up session in which adjustments to the Advertised Budget Plan are made.

Board of Supervisors' Action on the Adopted Budget Plan and Tax Rate

Following the mark-up session, the Board of Supervisors adopts the budget and establishes tax rates for the upcoming year.

June						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
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26	27	28	29	30		

June

Adopted Budget Plan Distributed

Copies of the Adopted Budget Plan are distributed on CD-ROM to all County agencies and made available at County libraries and at the Publications Center in the Government Center. The budget is also published on the Department of Management and Budget's website: <http://www.fairfaxcounty.gov/dmb/default.htm>.



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FAIRFAX COUNTY

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V I R G I N I A

February 28, 2005

Honorable Board of Supervisors
County of Fairfax
Fairfax, Virginia

Chairman, Ladies and Gentlemen:

I am pleased to transmit to the Board of Supervisors and the citizens of Fairfax County my budget proposal for Fiscal Year 2006 which totals \$5,055,252,718 including General Fund Disbursements of \$3,004,161,761, a 6.93 percent increase over the *FY 2005 Revised Budget Plan*. The FY 2006 Advertised Budget Plan represents our collective commitment to preserve the high quality of life and exceptional services that residents have come to expect, while recognizing the essential challenge of weighing these services against taxpayers' ability to pay for them.

I am extremely proud of the progress we have made over the past few years in terms of defining strategic priorities for Fairfax County and taking steps to tie our investment of resources to meet those priorities. What began as an initiative to transform County government into a high performance organization has paid dividends in terms of articulating our values and operationalizing them through vision elements that support the Board of Supervisors' priorities. By listening to residents, Board members and County employees, we have been able to align spending with strategic objectives. With many competing needs and demands, this road map helps ensure we are investing in programs and services that will help us realize our collective core purpose and vision elements (see box to right).

COUNTY CORE PURPOSE

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County by:

- Maintaining Safe and Caring Communities
- Building Livable Spaces
- Practicing Environmental Stewardship
- Connecting People and Places
- Creating a Culture of Engagement
- Maintaining Healthy Economies
- Exercising Corporate Stewardship

BOARD OF SUPERVISORS' PRIORITIES

- Strong investment in education
- Public safety and gang prevention
- Affordable housing
- Environmental protection
- Transportation improvements
- Revenue diversification to reduce the burden on homeowners

The Board of Supervisors, at its strategic planning retreat in February 2004 identified priorities for the next four years (see box to left). Strategies and funding to address these priorities have been incorporated in the FY 2006 Advertised Budget Plan that I am proposing and will be addressed in greater detail on the following pages. Having these clearly defined priorities enabled us to focus budget strategies on those initiatives that will result in the greatest return on investment, while balancing the cost to taxpayers.

For the fifth consecutive year, average residential real estate assessments have increased by double-digits. This is consistent with the experience of other jurisdictions in the Metropolitan Washington area where most have seen average increases of over 20 percent. In Fairfax County, residential equalization (the reassessment of existing housing) is increasing 23.09 percent. In the past several years, this growth in the residential tax base has provided the primary, and many times, the only source of funding for

County Executive Message

increasing County service requirements. Also worth noting is the significant increase in nonresidential equalization, which was negative as recently as FY 2004 due to vacancies associated with the recession, but which has rebounded with an increase of 12.74 percent for FY 2006. This is important because it may represent the beginnings of a shift, albeit slight, in the burden shouldered predominantly by the residential taxpayer over the past few years.

Based on market factors as well as strong job growth, housing prices in Fairfax County continue to increase, reinforcing the belief that homeownership is indeed a good investment. It is noteworthy that for FY 2006, for every \$1 in new taxes average homeowners will pay, they will have gained \$167 in additional equity based on the value of their homes. This continuing trend of strong home sales in the County reflects the high quality of life afforded to residents and businesses. Reasons for relocating to Fairfax County consistently include the preeminent labor force, excellent schools, safe communities, and a broad range of cultural and recreational opportunities, supported by a government that is responsive to citizens' needs. Fairfax County offers the amenities many home-buyers are seeking. These benefits are especially attractive to knowledge-based workers who represent a large portion of new job growth.

Nevertheless, we continue to be challenged to meet these high expectations, while providing services that are cost-effective. And equally important, we must continue to push for reductions in the real estate tax rate to help offset the extraordinary assessment increases we are experiencing.

My proposed budget includes a significant cut of 10 cents in the real estate tax rate, which reduces the rate from \$1.13 to \$1.03 per \$100 of assessed value and results in a savings of \$445 to the typical homeowner. With this cut, the total tax rate reduction since FY 2002 is 20 cents or approximately \$1,531 in annual savings for residential taxpayers.

Accompanying my recommendation for a tax rate reduction is a note of caution against moving too quickly to cut the rate significantly beyond my proposal. We know from experience that when the bottom dropped out of the real estate market in 1992, there were severe repercussions for local governments for many years. During the boom of the late 1980s into the early 1990s, rapidly rising assessments led the Board of Supervisors to cut the tax rate 11 cents from FY 1989 to FY 1990 and another 8 cents from FY 1990 to FY 1991. Shortly thereafter, both residential and non-residential property prices declined drastically, leaving the County with negative revenue growth that required draconian budget cuts and a significant increase in the real estate tax rate. It took several years and considerable self-discipline to bring the County's structural deficit under control after those events. While the same market forces and economic factors that drove the real estate downturn of the early 1990s are not present in the current local and national economies, there are some signs that the housing market may be overpriced and at a minimum, future growth will adjust downward. In addition, as events in recent years have taught us, it is imperative that the County maintain the resources necessary to respond to both the service requirements and economic fall-out that could result from a catastrophic event such as a natural or manmade disaster. Such an event could have major consequences for the local economy and the budget, and we must have the flexibility to be able to respond accordingly.

Our current situation does, however, provide us the opportunity to begin to address some important, long-term issues that will have an impact for generations to come. I believe it is critical that we address the environmental and public safety requirements associated with our County stormwater system. Limited funding availability over the last several years has left us able to deal with only the most critical stormwater management projects. We know however, that the cost of required improvements -- those to address public safety, preserve home values and protect our environment -- total hundreds of millions of dollars. In lieu of creating a stormwater utility tax, I am recommending the allocation of \$17.9 million in General Fund monies, the equivalent of one penny on the real estate rate, to begin a

County Executive Message

dedicated funding source for these essential projects. In addition to being easier and timelier than a utility fee to implement, this approach will be more efficient as it is less administratively burdensome, enabling more funding to be spent directly on projects. It should also be noted that this allocation of \$17.9 million is in addition to \$2.74 million in ongoing funding for emergency watershed improvements, Kingstowne environmental monitoring, dam repairs and the requirements associated with the Municipal Separate Storm Sewer System (MS4) permit.

In addition, the Board of Supervisors recently accepted a report from the Affordable Housing Preservation Action Committee that called for the dedication of one penny of the real estate tax rate to help keep 1,000 units of housing at affordable rental rates. As noted by the report, the County must act now to maintain affordable housing in a market driven by rising demand and dwindling supply. Since 1997, the County has lost 1,300 affordable units that have been converted into luxury condominiums or market-rate apartments. Although the work of the committee concluded too late to be included in my advertised budget for FY 2006, I believe such a dedicated funding source will represent a meaningful investment toward stemming the ongoing loss of affordable housing in Fairfax County and should be considered by the Board during your budget deliberations.

The FY 2006 budget that I am proposing represents a commitment to maintaining a well-run government offering the level of services residents have come to expect, while balancing those demands with the cost to taxpayers. Last year, we began including benchmarking data in the budget that show how Fairfax County's performance compares to other large jurisdictions nationwide and in Virginia. This year, we have included cost per capita data showing how much we spend in each of the program areas, e.g., public safety, health and welfare, community development, etc. The Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually. It is included at the beginning of each program area section in Volume 1 of the FY 2006 Advertised Budget Plan. The jurisdictions selected for comparison are the Northern Virginia localities as well as those with a population of 100,000 or more elsewhere in the state. In every program area, Fairfax County's cost per capita is highly competitive with others in the state.

Another measure of the efficiency with which the County provides services is the number of staff required to meet service demands resulting from increases in the County's population as well as changing requirements. As a result of process redesign, enhanced technology and strategic prioritization of resources, we have successfully reduced the number of positions per 1,000 citizens from 13.57 in FY 1992 to 11.10 for FY 2006, a decrease of 18.2 percent. This represents significantly improved productivity because in that same period, we have added or expanded over 150 facilities based on community needs. These include fire and police stations, libraries, recreation centers, school age childcare centers and senior centers, among others. I have included a total of 166 new positions for FY 2006, 127 of which are associated with new facilities and public safety, while 39 are workload-related. Details of these new positions are included in the Expenditure Highlights section.

THE ECONOMY AND REVENUE

My proposed budget relies on projected revenue growth of \$246.36 million or 8.9 percent. Unlike recent years when rising real estate assessments accounted for all revenue growth, we are seeing the favorable impact of the improving economy. This revenue growth is consistent with factors influencing our national, regional and local economies.

County Executive Message

The National Economy

After several years of sluggish growth following the recession that ended in December 2001, we finally saw the national economy begin to accelerate in early 2004. Job growth averaged 150,000 monthly or approximately 1.8 million for the year. As a result, the national unemployment rate fell to 5.4 percent in December 2004. It had peaked at 6.3 percent in June 2003. Gross Domestic Product (GDP) increased 4.4 percent in 2004, a rate significantly higher than the 3.0 percent annual growth rate for 2003. In the final quarter of 2004 however, economic growth slowed to 3.1 percent. With higher energy prices, GDP is anticipated to moderate in 2005, most likely in the 3.3 percent range, which still represents healthy growth. In response to this economic growth, the Federal Reserve Board began to gradually tighten interest rates in order to keep inflation in check. At five consecutive meetings in 2004, the Fed raised the federal funds rate one-quarter point each meeting, moving the rate from 1.0 percent to 2.25 percent by December. More recently, at its first meeting of 2005, the Fed further raised the rate another quarter point to 2.50 percent.

Other indications of an expanding economy include the Consumer Confidence Index, which increased 12 percent between December 2003 and December 2004. The housing market continues to be strong nationwide as a result of continued low mortgage interest rates. This growth is anticipated to slow slightly in the coming years as the Federal Reserve Board is expected to continue to gradually tighten the federal funds rate, moving it to its historic equilibrium level of 3.5 to 4.0 percent. According to Dr. Stephen S. Fuller, Director of the Center for Regional Analysis at George Mason University, "...forecasts for the remainder of the decade show the expansion continuing at a moderate rate with little distortion but only moderate job growth." However, an ongoing caveat to forecasts about the national economy remains the potential negative impact of another terrorist attack.

The State Economy and Budget

The news at the state level is also encouraging. Virginia's economy continues to improve. The unemployment rate as of December 2004 was 3.3 percent, considerably below the national level. Nearly three out of four Virginians responding to the 13th Quality of Life Survey conducted by the Virginia Tech Center for Survey Research said they believe the state economy is improving. The percentage of those optimistic about conditions jumped from 58 percent in 2003 to 73 percent in 2004.

Higher employment has resulted in greater revenue collected by the Commonwealth. An additional \$918.7 million was included in Governor Warner's proposed amendments to the 2004-2006 Biennial Budget. That projected increase has subsequently grown to approximately \$1.2 billion. Accordingly, the Governor has stated, "We will budget the additional projected revenue just like any prudent business would. We will use it for one-time expenses that are urgently needed or that represent smart investments in economic growth, new jobs, or a better quality of life for Virginians. We will make a 'super deposit' to our Rainy Day Fund, speed up food tax relief for all Virginians, and make innovative investments in our transportation system. We will use current revenues rather than issuing new debt for capital expenses."

More than 80 percent of the net expenditures that Governor Warner has proposed are for one-time or mandated spending. Included is funding for transportation improvements, the largest cash infusion for transportation in many years. Education continues to be an important priority for the state and the Governor's proposed budget amendments provide general fund and additional lottery fund support for K-12 education, as well as a 3.0 percent salary increase for all public school employees effective December 1, 2005. This increase for education is in addition to the significant funding infusion for education approved by the 2004 General Assembly which resulted in an increase of over \$125 million for the Fairfax County Public School system over the biennium. Another major initiative proposed is

County Executive Message

increased funding to strengthen the safety net for Virginia's most vulnerable citizens, enhance systems of care for disabled persons and address high priority needs of at-risk children. The impact of these initiatives on Fairfax County will not be known until after the General Assembly takes final action on the 2004-2006 Biennium Budget after my budget goes to print.

The Regional and Local Economies

It is interesting that Dr. Stephen Fuller and others single out the Washington metropolitan area economy as the best performing among major metropolitan areas nationwide in 2004. Through the first nine months, it generated new jobs at an annual rate of 70,000 or 2.3 percent. This is twice the magnitude of the next best region – the Phoenix metro area. Dr. Fuller also projects that 2005 will be the best year for job growth in the region since 2000, with up to 80,000 new jobs added. Sixty percent of the new jobs expected to be created will be in Northern Virginia according to the Center for Regional Analysis. Fairfax County's job growth numbers are even more impressive. County unemployment was below 2 percent for the year and stood at 1.7 percent as of December – a rate that economists consider a workforce to be "fully employed." The County's job growth averaged over 4 percent for the year, which is almost 2 percentage points better than the region and 3 points better than the nation.

As a sign of its inherent strength, the breadth of the economy's acceleration spread across all major sectors. Only the two smallest segments – manufacturing and transport/utilities continued to lose jobs, while the largest sector – management and business sectors continued to account for a disproportionate share of new jobs. This results in better-paying jobs which increase the area's income growth and is also reflected in higher consumer spending.

The single most important factor affecting the regional economy's performance is federal spending. Even this is not evenly distributed across the region. Federal contractors in Northern Virginia captured 52.6 percent of the area's total contract value or 2.5 times the contract value of suburban Maryland contractors. The County's strong gains in federal procurement outlays have steadily upgraded the quality of jobs, which enable continued consumer spending that spreads across the local service economy. This underlying strength in jobs resulted in especially robust gains in the retail and housing sectors. Consumer spending also led to increased sales tax revenues, which by December, had increased for the fifth time in six months. This increase in sales tax is important because it provides a more diversified revenue base upon which the County can rely to finance services. Dr. Fuller projects more moderate growth in federal spending as concerns about the deficit rein in spending somewhat and the War on Terrorism stabilizes. However, he anticipates that non-federal core industries will accelerate their growth in response to increased domestic and global market demand.

The County's economic index reflects this growth. October's Coincident Index, which represents the current state of the County's economy, increased to 143.9 for a gain of 2.76 percent, establishing another new historic peak value. The Index has increased in five of the last six months and exceeds its October 2003 value by 9.2 percent. On a monthly over-the-prior year basis, the Coincident Index has increased for 13 consecutive months over the last year's same month values, with August 2003 being the last down month.

FY 2006 Revenues

FY 2006 General Fund revenues total \$3.02 billion, an 8.9 percent increase over FY 2005. Based on the proposed tax rate reduction of 10 cents, real estate tax receipts are anticipated to increase 12.5 percent over last year and represent 60.6 percent of total revenue. All other categories of revenue combined are forecasted to increase a moderate, but solid 3.7 percent over FY 2005 levels. This is encouraging because it indicates a rebound in categories such as sales tax and interest on investment.

County Executive Message

In previous years, real property tax revenue growth represented the only meaningful increase in the County's revenues. In FY 2006, Other Local Taxes, which includes sales tax, accounts for an increase of \$14.8 million or 6.0 percent of the total increase, while Personal Property Taxes are projected to increase \$10.0 million or 2.2 percent over the *FY 2005 Revised Budget Plan*. With the Federal Reserve raising the federal funds rate 150 basis points over the past year and in early February, we are seeing a concurrent increase in our investments, resulting in a projected increase of \$7.1 million or 27.2 percent over the FY 2005 level.

The increase in residential assessments continues to be the focal point of County revenue growth. The FY 2006 Real Estate estimate is based on a 23.49 percent increase in the FY 2006 valuation of real property reflecting a 20.80 percent increase in equalization and a 2.69 percent increase due to new construction. Not surprisingly, residential equalization contributes the largest component. Increased demand and a supply that cannot keep pace are driving up home prices. Low mortgage rates also continue to fuel sales. These trends remained strong over the past year and as a result, the County's residential equalization increased 23.09 percent in 2006. All categories of residential property experienced double-digit increase in value for FY 2006. Since FY 2000, average house values have more than doubled, growing 127 percent from \$195,713 to \$444,766 in FY 2006. A series of tax rate reductions in the last four years have offset a portion of this increase. Due to stagnant and often declining growth in other County revenues and the lack of availability of new, additional revenue sources, the County has had to rely on the real estate tax to fund basic service requirements.

The FY 2006 increase in the non-residential real estate tax base reflects an increase of 12.74 percent in equalization, up significantly from the FY 2005 increase of 3.74 percent and a turnaround from the FY 2004 loss of 2.94 percent. Leasing of office space was at near record levels in 2004 and the County's overall office vacancy rate declined from 11.2 percent at year-end 2003 to 9.7 percent by mid-year 2004. However, because of the substantially higher increase in residential equalization, the overall Commercial/Industrial percentage of the County's real estate tax base is 17.36 percent in FY 2006, down from 18.20 percent in FY 2005. This is a trend we need to turn around in order to reduce the burden on residential taxpayers. In FY 2006, every 0.1 percentage point change in the collection rate on the locally assessed Real Estate Tax levy yields a revenue change of \$1.8 million, while every penny on the tax rate yields \$17.9 million in revenue.

Revenue Diversification

The growth in revenue categories other than real estate in FY 2006 is a positive sign and perhaps a step toward a more balanced revenue base. Moderate growth in sales and BPOL taxes, personal property tax receipts and interest on investment support overall revenue growth and have enabled the large real estate tax rate reduction proposed in this budget. In order to enhance this revenue diversification and increase cost recovery, I have also recommended increases in some key fees based on the actual service costs. Land development fees have not been adjusted since FY 1996 despite increases in the number and complexity of cases as well as the growth in regulations placed on the development process. I am proposing a phased increase in these fees to improve cost recovery toward the Board's guideline of 90 percent. I have also recommended a further adjustment to the County's E-911 fee from \$2.50 per line per month to the state maximum of \$3.00 per line per month to more closely reflect the actual costs of our public safety communications system. Even with this increase, the General Fund subsidy in support of this service is \$13.5 million. This system is one of the most vital components of our comprehensive public safety system and it requires a significant investment to continue to address the growing volume of calls.

County Executive Message

Based on action by the 2004 General Assembly, the Board of Supervisors approved increases in the County's cigarette tax and recordation tax, effective September 1, 2004. The FY 2005 revenue from these increases as well as their FY 2006 impact total \$35.8 million, which has been held in a reserve to provide the Board with an opportunity to further reduce the real estate tax rate.

EXPENDITURE HIGHLIGHTS

This growth and diversification of revenue allowed me the opportunity to address a number of priorities that have been put on hold these past few years as we cut costs and could not afford to undertake new initiatives. As I noted previously, I used the Board of Supervisors' priorities and the County Vision Elements to guide the strategic allocation of resources. The following is a summary of key funding priorities for FY 2006. Additional details may be found in Volumes 1 and 2 of the FY 2006 Advertised Budget Plan, as well as the Budget Highlights section of this Overview Volume immediately following this section.

BOARD PRIORITY:
Strong Investment in Education

As always, the greatest share of the budget is dedicated to Fairfax County Public Schools (FCPS), the transfer for which will increase \$108.96 million or 8.24 percent. However, the School Board's proposed budget includes an increase in the General Fund transfer of \$121.52 million or 9.19 percent.

When compared to most other school systems in Virginia, Fairfax County funds a much larger portion of its school budget with local funds. The average school division in Virginia receives approximately half of its financial support from its local government, while local funding comprises three-fourths of FCPS' budget. We will continue to work with the School Board and FCPS in a spirit of cooperation in order to maintain our high quality system of public education, while ensuring that we are fiscally responsible. In addition to the operating transfer of \$1,431.34 million, an additional \$130.28 million is included for School Debt Service to fund school construction. This represents 52 percent of total General Fund Disbursements. Although General Fund revenue is increasing by 8.89 percent, the percent increase for the operating transfer to FCPS is slightly less to reflect the Schools sharing in the \$0.10 reduction in the real estate tax rate as well as the designated funding for priority stormwater projects.

Public safety also remains a top priority. We are one of the safest jurisdictions in the country due to our ongoing investment and commitment to public safety including stepped up efforts in recent years to address homeland security. The FY 2006 budget contains a number of adjustments to enable us to maintain this commitment as well as more broadly support the vision element – ***Maintaining Safe and Caring Communities***. They include:

- A significant investment of \$15 million in FY 2006 to complete funding for the Public Safety Transportation Operations Center (PSTOC) in order to provide a state-of-the-art public safety communications center and emergency operations center. By the time this facility is completed, the current center at the former Pine Ridge Elementary School will be over 20 years old and will not be adequate to address the 21st Century needs of over 1 million residents. I will also be recommending funding of \$30 million as part of the *FY 2005 Third Quarter Review* for this facility.
- A 3.07 percent Market Rate Adjustment for all uniformed public safety personnel as well as merit increments and an across-the-board salary adjustment of 4 percent for sworn Police and Fire and Rescue personnel based on compensation comparability with neighboring jurisdictions with whom we compete for employees;

County Executive Message

- Increases in the shift differential rates and holiday pay to be more comparable to surrounding jurisdictions to enhance recruitment and retention;
- An increase of an additional hour of guaranteed court overtime from two to three hours since police officers have increased travel time for mandatory court attendance, particularly during rush hour;
- A restructuring of the Public Safety Communications Center and provision of 11 additional staff to strengthen the organization, as well as attract and retain highly qualified staff;
- Continuation of the phase-in of the Fire and Rescue Department's Advanced Life Support Plan with a total of 35 positions in order to provide the necessary command and oversight infrastructure as well as a sufficient number of certified personnel to meet service demands on each shift daily and avoid excessive overtime that drives up costs and results in employee burn-out;
- A total of 12 additional Police positions including 8 for Patrol and 4 for the Gang Investigations Unit to address the needs associated with a growing population including the emerging gang threat;
- Opening the second half of a floor of the Adult Detention Center to accommodate the growing number of inmates, which will require 11 additional positions;
- A total of 6 Public Health Nurses and Clinic Room Aides to staff the new South County Secondary School scheduled to open in September 2005 as well as improve the ratio of school nurses to students;
- The opening of the Little River Glen Adult Day Health Care Center with 9 new positions to serve an additional 35 senior citizens daily to promote the health and independence of frail elderly and adults with disabilities as an alternative to more costly nursing home placement, as well as provide a respite for family caregivers;
- A Case Manager position to address the increased case management workload associated with the June 2005 special education graduates;
- A Security Analyst and associated operating expenses in the Office of Emergency Management to provide a position to manage the County's emergency training/exercise program;
- A Probation Counselor for the General District Court's Case Management Unit to address an increased workload of providing investigative information on incarcerated defendants to judges and magistrates to assist them with release decisions; providing pretrial community supervision to defendants awaiting trial; and supervising probation for convicted misdemeanants and convicted non-violent felons; and
- Full-year operating costs of the Fairfax Center Fire Station, as well as 36 positions and the start-up costs for the Crosspointe Fire Station scheduled to open in May 2006 to provide much-needed response capability in these areas of the County.

**BOARD PRIORITY:
Public Safety and
Gang Prevention**

County Executive Message

We also have a significant infrastructure investment to maintain. For the first time in many years, I have included funding to address a backlog of facility renewal requirements as well as invest in other Board priorities such as affordable housing. My budget includes a significant increase in the Capital Paydown Program to address the following initiatives that support our vision element of **Building Livable Spaces**:

- Asbestos mitigation and site stabilization at Laurel Hill, a former penitentiary and reformatory property on 2,340 acres of land that was transferred to the County from the federal government in early 2002;
- Renovation and expansion of the Mott Community Center based on changing demographics of the community and increased programming needs, as well as the anticipated development of the adjacent Popes Head Park site;
- Increased County funding for maintenance contract support for the Commercial Revitalization Program in four major revitalization areas – Annandale, Baileys Crossroads, Springfield and the Route 1 Corridor to enhance the appearance and ensure the vitality of these aging business districts;
- Emphasis on Capital Renewal Construction for which a new fund is created for FY 2006 to provide essential resources for building renewals to protect the County’s capital investment in order to maximize the life of County facilities, avoid their obsolescence and provide for planned repairs, improvements and restorations to meet organizational and community needs;
- Provide two Engineer positions to assist with construction administration at the West Ox Road Complex as well as numerous construction projects included in the Fall 2004 Bond Referenda approved by voters on November 2, 2004; and
- Seed money of \$2 million for the Housing Assistance Program to provide additional affordable/workforce housing (as noted previously, the Board may wish to consider additional resources for this strategic priority based on the recommendations of the Affordable Housing Preservation Action Committee).

**BOARD PRIORITY:
Affordable Housing**

For FY 2006, I have also designated funding to support the Board’s priority of **Environmental Protection** as well as the County vision element of **Practicing Environmental Stewardship**. This affords the opportunity to make a significant investment to address the following:

- A backlog of stormwater management projects to be addressed by the addition of 3 positions and funded through the investment of \$17.9 million in General Fund revenue annually instead of a more administratively-intensive utility tax in order to address public safety, preserve home values and protect our environment including the Chesapeake Bay as well as local waterways;
- Converting the Reston-Herndon Division of the FAIRFAX CONNECTOR to ultra-low sulfur diesel (ULSD) fuel as part of the County’s initiative to retrofit the entire CONNECTOR fleet with Green Diesel technology that has been shown to reduce harmful emissions by as much as 90 percent below current levels; and
- Mass transit improvements that are detailed below in support of the **Connecting People and Places** vision element.

**BOARD PRIORITY:
Environmental
Protection**

County Executive Message

While Fairfax County is viewed as a highly desirable place in which to live and work, we must be careful that our success does not overwhelm the capacity of our infrastructure to support the type of growth we continue to see. It is imperative that we invest in initiatives that will reduce the pressure on roads or gridlock will severely hamper economic growth as well as the quality of life for County residents. In addition, we are also seeing increased requirements to connect elderly residents with the services they need. To address these challenges as well as support the Board's priority for **Transportation Improvements** and the County vision element of **Connecting People and Places**, I have including funding for the following in my proposed budget:

- An increase of over \$4 million in the General Fund transfer to support Metrorail, Metrobus and MetroAccess (paratransit) service as well as contribute to construction costs associated with the 103-mile Metrorail system and the repair, maintenance, rehabilitation and replacement of capital equipment and facilities;
- Additional service hours in the Huntington Division of the FAIRFAX CONNECTOR to address ridership increases and annualize service enhancements begun in late September 2004 as part of a larger public transportation initiative in the South County area, as well as increased service in the Reston-Herndon Division pending receipt of additional Dulles Corridor Rapid Transit funds;
- Five positions in the Department of Transportation to address substantial workload-related issues such as traffic calming, pedestrian safety, Residential Traffic Administration (RTAP) Programs, traffic operations activities, bus stop safety study, Metrobus Service and Operations Planning, the Tyson's Area Transportation and Land Use Study, and work on the Laurel Hill Plan Update;
- Support for the Dulles Rail project including a Planner position in the Department of Planning and Zoning to address issues associated with the extension of Metrorail service that will provide much-needed mass transit to this rapidly growing section of the County;
- Five mechanic positions in order to address workload issues associated with the increase in the number of school buses in the fleet to ensure that students are transported safely and efficiently to school each day; and
- Establishment of a new Meals-on-Wheels route in the Centreville/Chantilly area to serve frail, homebound elderly persons to maximize their health with nutritious meals, in addition to piloting a program to provide ethnic meals at one site.

BOARD PRIORITY:
**Transportation
Improvements**

Since it is recognized that Fairfax County government alone cannot address all the challenges faced by our community, the success of many County initiatives is dependent upon partnering with the community in order to achieve our vision element, **Creating a Culture of Engagement**. For FY 2006, the budget contains funding for the following:

- An increase of 4.6 percent for the Consolidated Community Funding Pool to leverage resources of nonprofit organizations in order to meet community challenges;
- Five positions for the Department of Community and Recreation Services as well as one-time start-up costs to prepare the Southgate Community Center, the center for regional services in the North County region, including areas in the Hunter Mill, Dranesville and Sully districts that is estimated to serve 19,000 attendees per year when it opens in early FY 2007;

County Executive Message

- Continued training of citizens as Community Emergency Response Team (CERT) members who will be able to assist in the aftermath of a major disaster; and
- Full implementation of the Community Emergency Alert and Notification (CEAN) program where the public can register with the County to receive emergency alerts and notifications on any wireless device and e-mail system.

As noted above in the section on the Economy, Fairfax County benefits from low unemployment, relatively high income and steady growth. The strategic challenge we face is how to maintain our highly successful economy for the future. Toward achieving the vision element of ***Maintaining Healthy Economies***, my proposed budget for FY 2006 includes funding for the following:

- Staff resources consisting of 14 positions in Land Development Services to address longer plan review times, increased inspection requirements associated with more stringent environmental standards and increased workload due to greater volume and complexity of development such as an increase in revitalization and single lot (infill) projects;
- A Planner position in the Department of Planning and Zoning to review an anticipated increase in the number of special permit applications for the Board of Zoning Appeals; and
- Funding for an Economic Development Authority (EDA) representative in California to promote Fairfax County as a business location in order to generate new jobs and capital investment.

Lastly, we cannot forget our fiduciary responsibility to be good stewards of public resources. In addition to the efficiency indicators that I cited previously regarding positions per capita and per capita spending, we have a responsibility to County residents to seek ways to further diversify revenue, ensure a top-quality workforce, and protect our infrastructure investment. The following initiatives support the vision element, ***Exercising Corporate Stewardship***:

- Increase Land Development Services fees in order to recover approximately 90 percent of program costs. These fees have not been increased since FY 1996, resulting in a current cost recovery rate of approximately 75 percent, below the Board's 90 percent target. These fee increases will generate an additional \$4.2 million in additional General Fund Revenue and will also offset the cost of the 14 positions necessary to address the growing and increasingly more complex workload associated with development;
- Increase fees for all zoning applications and appeals and zoning compliance letters by up to 55 percent, which would be more comparable to the fees charged by similar local jurisdictions and generate approximately \$0.7 million in additional revenue each year. Current zoning fees cover only about a third of the costs incurred by DPZ staff involved in the processing of zoning applications (rezonings, special exceptions, special permits, variances, and amendments), appeals, and zoning compliance letters. A fee increase allows DPZ to recover approximately 50 percent of costs related to processing the zoning applications.

BOARD PRIORITY:
Revenue
Diversification to
Reduce the Burden
on Homeowners

County Executive Message

- Increase the E-911 fee to the State maximum charge of \$3.00 per line per month from the current \$2.50 rate. This change would be effective September 1, 2005 based on notification requirements, and in combination with the trend of declining number of eligible phone lines, would result in FY 2006 revenue of \$19.9 million. Despite the revenue increase, the General Fund Transfer to support the Public Safety Communications Center will also increase from \$9.8 million in FY 2005 to \$13.5 million in FY 2006 based on program requirements. To fully recover all allowable expenses without General Fund support would require an E-911 monthly charge per line of \$4.95;
- Continue to support the Pay for Performance program for all non-public safety employees in order to link salary increases to performance;
- Provide three civilian positions in the Police Department for financial, grants and Web site administration due to growth in the size of Police Department's sworn force, in order to ensure proper accountability for public resources, maximize non-County funding and address the workload increase in these technical functions;
- Add three positions in the Facilities Management Department to address growing maintenance needs of County facilities due to the increase in the number of facilities as well as square footage;
- Introduce a Deferred Retirement Option Plan (DROP) for non-public safety employees in order to retain trained experienced employees for a maximum of three years past their regular retirement date and provide a Retirement Counselor to manage this program; and
- Provide a more systematic Capital Renewal Program to ensure that facilities continue to operate efficiently and meet their functional requirements. Whereas the Capital Program has predominantly focused on new facilities – between 1984 and 2004, square footage grew from 2.5 million square feet to 7.3 million square feet – many of these facilities are now approaching the critical investment cycle where it is more economical to implement a planned system of replacement/renewal than address major breakdowns as emergencies. Consequently, this budget creates Fund 317, Capital Renewal, to address these needs. It will be funded with a combination of General Fund monies and General Obligation Bonds approved by voters in a referendum. The first such referenda were approved this past fall when voters overwhelmingly approved the Public Library Facilities Bond as well as the Human Services Facilities Bond, both of which contained \$2.5 million for capital renewal.

The table on the next page summarizes General Fund Disbursements proposed for FY 2006.

County Executive Message

Summary General Fund Statement (in millions of dollars)

	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase (Decrease) Over Revised	Percent Inc/(Dec) Over Revised
Beginning Balance ¹	\$152.34	\$79.40	(\$72.94)	-47.88%
Revenue ²	\$2,772.20	\$3,018.56	\$246.36	8.89%
Transfers In	\$1.67	\$2.10	\$0.44	26.28%
Total Available	\$2,926.21	\$3,100.06	\$173.85	5.94%
Direct Expenditures	\$1,051.21	\$1,076.87	\$25.66	2.44%
Transfers Out				
School Transfer ³	\$1,322.37	\$1,431.34	\$108.96	8.24%
School Debt Service	126.53	130.28	3.75	2.97%
<i>Subtotal Schools</i>	<i>\$1,448.90</i>	<i>\$1,561.62</i>	<i>\$112.72</i>	<i>7.78%</i>
Metro	\$18.14	\$22.32	\$4.17	22.99%
Community Services Board	82.07	90.85	8.78	10.70%
County Transit Systems	21.21	24.15	2.94	13.84%
Capital Paydown	24.59	51.23	26.64	108.33%
Information Technology	11.42	17.05	5.62	49.21%
County Debt Service	98.72	98.72	0.00	0.00%
Other Transfers	53.25	61.37	8.12	15.24%
<i>Subtotal County</i>	<i>\$309.40</i>	<i>\$365.67</i>	<i>\$56.26</i>	<i>18.18%</i>
Total Transfers Out	\$1,758.31	\$1,927.29	\$168.98	9.61%
Total Disbursements	\$2,809.52	\$3,004.16	\$194.64	6.93%
Ending Balance	\$116.69	\$95.90	(\$20.79)	-17.82%
Less:				
Managed Reserve	\$56.19	\$60.08	\$3.89	6.93%
Reserve for School Replacement Requirements (School Buses and Computers) ⁴	\$5.00		(\$5.00)	
Reserve for Environmental Projects ⁴	\$2.00		(\$2.00)	
Reserve for Board consideration and tax relief as part of the FY 2006 budget ⁵	\$23.21	\$35.81	\$12.61	
Reserve for FY 2005 Third Quarter Review - Public Safety Transportation Operations Center (PSTOC) ⁶	\$30.29		(\$30.29)	
Total Available	\$0.00	\$0.00	\$0.00	

¹ The FY 2005 Revised Beginning Balance reflects audit adjustments for revenue as included in the FY 2004 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2005 Revised beginning balance reflects a net increase in available balance of \$1,174,328.

² FY 2005 Revised Budget Plan revenues reflect an increase of \$44,239,242 based on revised revenue estimates as of November 2004. The FY 2005 Third Quarter Review will contain a detailed explanation of these changes.

³ The proposed County General Fund transfer for school operations in FY 2006 totals \$1,431,337,820 an increase of \$108,963,633 or 8.24% over the FY 2005 Revised Budget Plan transfer. It should be noted that the actual transfer request approved by the School Board on February 10, 2005 is \$1,443,894,483, an increase of \$121,520,296 or 9.2% over the FY 2005 transfer level. In order to fully fund this \$12,556,663 increase over the County Executive's proposed transfer, additional resources would need to be considered by the Board of Supervisors.

⁴ The FY 2005 Revised Budget Plan ending balance reflects reserve funding of \$5.0 million for school replacement requirements (School buses and computers) and \$2.0 million for environmental projects. This funding was identified by the Board of Supervisors as part of the FY 2004 Carryover Review pending approval by the Board of Supervisors of a plan for use of the funds. Plans for the allocation of these funds have been developed and provided to the Board of Supervisors. As a result, these funds will be appropriated as part of the FY 2005 Third Quarter Review.

⁵ The FY 2005 reserve of \$23.2 million represents the sum of the \$8.1 million reserved by the Board of Supervisors as part of the FY 2004 Carryover Review as well as additional revenue of \$15.1 million associated with the September 1, 2004 implementation of the increased rates for recordation and cigarette taxes. As the Board indicated, these additional dollars are to be held in reserve for Board consideration and tax relief as part of the FY 2006 budget. The sum of the FY 2005 reserves is \$23.2 million, which when added to the FY 2006 impact of the additional revenue associated with the recordation and cigarette taxes of \$12.6 million results in the FY 2006 reserve amount of \$35.8 million.

⁶ The FY 2005 Third Quarter Review reserve reflects funding of \$30.29 million. The County Executive's FY 2005 Third Quarter Review will include a recommendation that this reserve be used to complete construction and fund operating costs related to the Public Safety Transportation Operations Center (PSTOC). Further details will be included as part of the FY 2005 Third Quarter Review package.

County Executive Message

FY 2005 REVENUE

Staff has been closely reviewing FY 2005 revenue receipts to date and has updated projections for the remainder of the fiscal year. At this time, FY 2005 revenue estimates assume a net increase of \$44.2 million over the Revised Budget Plan, an increase of 1.6 percent. The majority of the increase is due to revenue categories that continue to react positively to improvement in the local and national economies. Recordation Tax/Deed of Conveyance collections are projected to increase \$17.3 million over the estimate based on the higher number of refinancings than previously anticipated due to continued low interest rates as well as the increase in the recordation tax rate effective September 1, 2005. Sales tax and BPOL tax receipts also show strong collections in FY 2005 to date and as such, these categories have been adjusted to show a 7.6 percent and 6.0 percent growth rate, respectively, for a total increase of \$15.4 million. Through January 2005, sales tax collections reflecting retail sales through November 2004 are up 7.3 percent; however, holiday sales data will be crucial to the overall fiscal year collections in this category.

Lastly, investment interest is increased \$7.9 million based on higher than projected portfolio size and the portion of the total investment portfolio associated with the General Fund as well as an investment yield that is trending near 2.0 percent for the year.

I will be recommending that the balance of the additional FY 2005 revenue that is not directly associated with the recordation/cigarette tax increases be prioritized toward the completion of the funding necessary for information technology and equipment requirements of the County's Public Safety Transportation and Operations Center (PSTOC), which will house the Public Safety Communications Center (PSCC) and the Emergency Operations Center (EOC). This facility, planned for the Camp 30 site, will ensure adequate space, technology, security and communications to manage the volume of 911 emergency calls handled by the PSCC. There has been an 80 percent increase in calls handled by the Center since it opened in 1985 and the operations floor cannot support additional equipment to expand call-taking or dispatching capacity required to efficiently manage the increase in call volume. It will also provide for a new EOC. The County's current EOC is inadequate in terms of space, equipment and technology to support representatives from 40 County and state/regional agencies during an emergency operation. In addition, the EOC lacks system redundancy for electricity and telephone service. This equipment is needed to ensure that essential utilities will continue to operate during and following an emergency. In the last several budget packages, the Board has committed a portion of available balances to this facility in an effort to provide sufficient funds to finance its construction and equipment. This proposed adjustment, along with the FY 2006 recommendation, will provide the final resources needed to complete this vital facility.

Details of these adjustments will be included in the *FY 2005 Third Quarter Review* that will be provided in March for the Board's consideration.

County Executive Message

FINANCIAL FORECAST

The financial forecast for FY 2007 and FY 2008 maintains the FY 2006 Advertised Budget Plan Real Estate Tax rate of \$1.03 and limits increases in County expenditures and the transfer to the Schools to the revenue growth rate anticipated in each year. This forecast projects County total revenue growth of 7.43 percent in FY 2007 and 6.82 percent in FY 2008. These rates of growth are due to projected moderating increases in real estate property values and decelerating growth in other revenue categories. This current forecast shows surpluses of \$11.8 million in FY 2007 and \$16.4 million in FY 2008, which are primarily due to one-time funding of \$15.0 million in FY 2006 for the Public Safety Transportation and Operations Center that is not included in the forecast years. The projected surpluses in FY 2007 and FY 2008 may be available for the Board of Supervisors' consideration of funding for additional service requirements or providing additional real estate tax relief. Details of the FY 2007 Forecast can be found in the Financial Forecast section of this volume.

As the Board is aware, we also face growing challenges due to the growing number of senior residents. Persons 65 and older are projected to increase in number and as a proportion of Fairfax County's total population. By 2010, this group will be 9.2 percent of the County's total population, increasing to 104,400. Furthermore, by 2020, it is projected that there will be 138,600 persons age 65 or older living in the County and they will represent 11.6 percent of the total population. We can expect to see increased demand for senior services as there will not be as many caregivers as for previous generations. This has the potential to have a tremendous impact on the County's budget.

Conclusion

More than anything else, this budget represents a commitment to the residents of Fairfax County, the Board of Supervisors and employees to maintain the high standard of excellence and quality of life we currently enjoy. I am proud of what we have accomplished collectively to make Fairfax County one of the premier local governments in the country. The overwhelming margin by which the four bond referenda passed this past November further validates that the public understands and supports our efforts. Nevertheless, there are a number of unmet needs and worthwhile initiatives, particularly in the public safety and human services areas for which I would have recommended funding if additional, non-real estate tax revenue was available.

As I noted previously, this budget provides opportunities to address a number of priorities for which funding has not been available in recent years. A total of 166 new positions are included, which while it represents a larger increase than previous years, is associated predominantly with new facilities slated to open during the coming fiscal year, as well as critical public safety requirements of which the Board is aware, i.e., Advanced Life Support staffing. A growing population continues to result in increasing service demands. Nevertheless, we continue to decrease the ratio of employees per 1,000 residents, while providing the level of service citizens have come to expect.

We cannot afford to become complacent nor will we. By keeping our focus on the Board's strategic priorities and our countywide core purpose and vision elements, we will ensure that we are doing the 'right thing.' And by continuing our efforts to become more efficient, we will make sure that we are doing things 'right.'

County Executive Message

When I conduct the annual fall strategic planning/performance measurement meetings with agency directors and staff, I never cease to be impressed with the high level of commitment, creativity and capacity with which County staff fulfill their duties. We are extremely fortunate to have a dedicated and highly talented workforce that continuously seeks to improve services to County residents. Our challenge for the future is to continue to maintain and enhance our people, services and infrastructure. The budget I am proposing for FY 2006 is intended to do this.

In closing, I want to acknowledge the Board's support and strategic direction this past year, as well as the many hours staff has committed to developing a thoughtful fiscal plan for FY 2006. While we cannot afford to fund every worthwhile proposal requested, we have forged a budget that will continue us on the path that will enable us to achieve our core purpose.

Respectfully submitted,



Anthony H. Griffin
County Executive

Budget Highlights

This section includes:

- ▶ *Fairfax County Budget Facts*
(Page 18)
- ▶ *General Fund Receipts*
(Page 19)
- ▶ *General Fund Disbursements*
(Page 20)
- ▶ *Budget Highlights*
(Page 21)

Budget Highlights

FY 2006 FAIRFAX COUNTY BUDGET FACTS

Budget Guidelines

- ◆ In May 2004, the Board of Supervisors finalized **Budget Guidelines** that directed the County Executive to develop a budget for Fiscal Year 2006 that limits increases in expenditures to projected increases in revenues.
- ◆ **Information on FY 2006 revenue and the economic outlook** should be forwarded to the Board in late 2004 in order to provide guidance regarding the Schools transfer.
- ◆ **If real estate assessments and other revenues increase significantly for FY 2006**, the County Executive should provide a budget that allows **further reduction of the real estate tax rate**.
- ◆ **Available balances materializing at the Carryover and Third Quarter Reviews** that are not required to support expenditures of a critical nature or to address the Board's policy on the Revenue Stabilization Fund should be held in reserve to offset future requirements or one-time requirements such as unfunded capital paydown as well as a replacement reserve for school buses and computers.
- ◆ **In order to prevent future structural imbalances**, non-recurring funds will be directed toward non-recurring uses and only recurring resources may be targeted toward recurring expenses, and that **the County's policy concerning the utilization of recurring and non-recurring funds should be followed by the School Board**.

Expenditures

- ◆ **General Fund Direct Expenditures** total \$1.08 billion, an increase of \$25.66 million or 2.44 percent over the *FY 2005 Revised Budget Plan*.
- ◆ **General Fund Disbursements** total \$3.00 billion and reflect an increase of \$194.64 million or 6.93 percent over the *FY 2005 Revised Budget Plan*.
- ◆ **The County General Fund Transfer** for school operations totals \$1.43 billion, an increase of \$108.96 million or 8.24 percent over the *FY 2005 Revised Budget Plan* transfer.
- ◆ **Expenditures for All Appropriated Funds** total \$5.06 billion.
- ◆ **General Fund Support for Information Technology (IT) Projects** is \$17.05 million. FY 2006 project consideration was guided by priorities established by the IT Senior Steering Committee. Projects with the highest priority include those mandated by the federal or state government, as well as those necessary to complete previous project investments, enhance County security, improve service and efficiency, and maintain the IT infrastructure.
- ◆ **Pay-As-You-Go Capital Construction** projects total \$60.95 million.
- ◆ **Authorized Positions** for all funds are increasing by 166/165.77 SYE positions in FY 2006, most of which are for new facilities and public safety requirements.

Tax Base

- ◆ **Total FY 2006 General Fund Revenue** is \$3.02 billion and reflects an increase of \$246.36 million or 8.89 percent over the *FY 2005 Revised Budget Plan*.
- ◆ **One Real Estate Penny** is equivalent to approximately \$17.9 million in tax revenue.
- ◆ **One Personal Property Penny** is equivalent to approximately \$1.0 million in tax revenue.
- ◆ **Average Residential Assessed Property Value** is \$444,766.
- ◆ **The Commercial/Industrial percentage** of the County's Real Estate Tax base is 17.36 percent, the lowest rate in over 20 years.
- ◆ **Assessed Value** of all real property is projected to increase \$34.0 billion or 23.49 percent over FY 2005.
- ◆ **Real Estate and Personal Property Taxes** (including the Personal Property portion being reimbursed by the Commonwealth) comprise approximately 76.3 percent of General Fund Revenues.

Tax Rates

- ◆ **Real Estate Tax Rate** is proposed to be reduced by \$0.10, from \$1.13 per \$100 assessed value to \$1.03 per \$100 assessed value.
- ◆ **Personal Property Tax Rate** remains at \$4.57 per \$100 assessed value.
- ◆ **Leaf Collection Rate** remains at \$0.015 per \$100 assessed value.
- ◆ **Refuse Collection Rate** for County collection sanitation districts increases from \$240 to \$270 per household.
- ◆ **Refuse Disposal Rate** remains at \$48 per ton.
- ◆ **Solid Waste Ash Disposal Rate** remains constant at \$11.50 per ton.
- ◆ **Integrated Pest Management Program**, a Countywide Special Tax, remains at \$0.001 per \$100 of assessed value, or an average of \$4.45 annually per household.
- ◆ **E-911 Tax Rate** will increase from \$2.50 to \$3.00 per line per month in order to enhance recovery of expenditures allowable by the [Code of Virginia](#).
- ◆ **Sewer Service Rate** increases from \$3.20 to \$3.28 per 1,000 gallons of water consumption.
- ◆ **Sewer Availability Charge** for new single family homes increases from \$5,621 to \$5,874.

Population

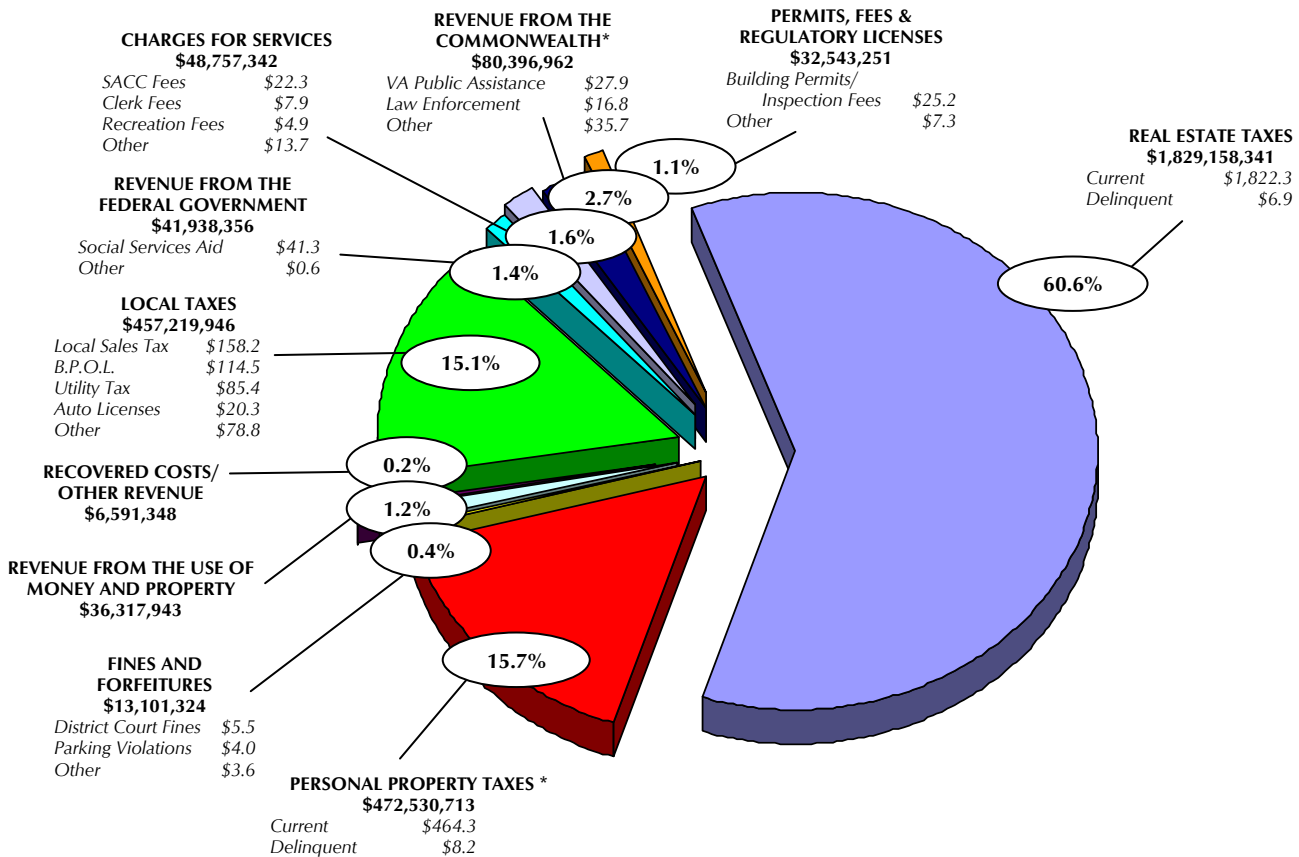
- ◆ **Fairfax County's population** is estimated to be 1,041,200 persons as of January 2005. This is an increase of 1.8 percent over the January 2004 estimate of 1,022,298 and is an increase of 27.20 percent over the 1990 census count of 818,584.

Budget Highlights

FY 2006 BUDGET GENERAL FUND REVENUES

FY 2006 revenues are projected to be \$3,018,555,526, an increase of \$246,360,279 or 8.89 percent over the FY 2005 Revised Budget Plan. This level of revenue growth in FY 2006 is due predominantly to an increase of \$203.5 million or a 12.52 percent in Real Estate Tax revenue. All other categories reflect a net increase of approximately \$42.9 million or 3.7 percent over FY 2005. The FY 2006 real estate tax base is projected to grow 23.49 percent due to an increase in equalization of 20.80 percent and growth of 2.69 percent due to new construction.

\$3,018,555,526
(subcategories in millions)



* For presentation purposes, Personal Property Taxes of \$198,262,860 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.

Budget Highlights

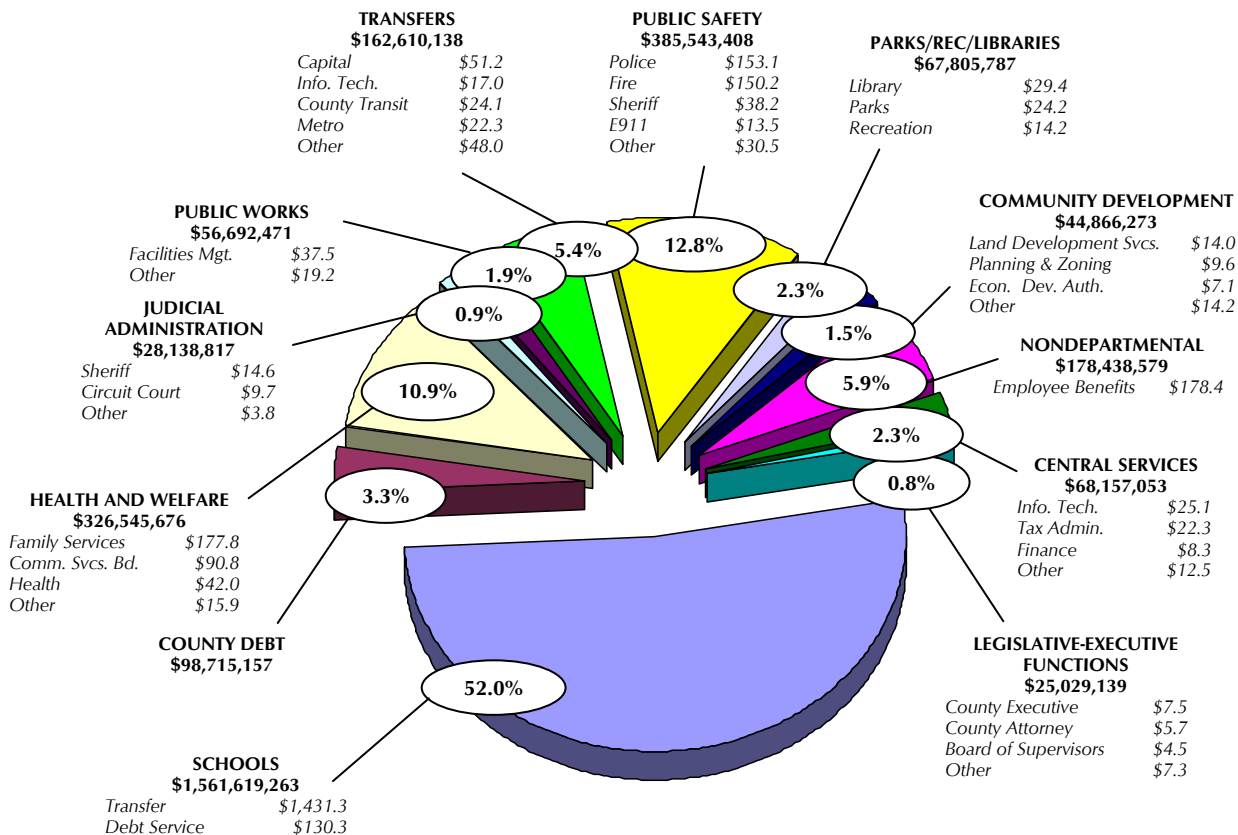
FY 2006 BUDGET GENERAL FUND DISBURSEMENTS

FY 2006 disbursements total \$3,004,161,761, an increase of \$194,643,579 or 6.93 percent over the *FY 2005 Revised Budget Plan* amount of \$2,809,518,182. Of this increase, \$112,717,023 or 57.9 percent is attributable to the County's transfer to the School Operating Fund and School Debt Service. The recommended transfer to the School Operating Fund is \$1,431,337,820, which is an increase of \$108,963,633 or 8.24 percent over FY 2005. In addition, the County's contribution to School Debt Service for FY 2006 is \$130,281,443, reflecting an increase of \$3,753,390 or 2.97 percent over the FY 2005 level.

The actual transfer request approved by the School Board on February 10, 2005 is \$1,443,894,483 and reflects an increase of \$121,520,296 or 9.2 percent over the FY 2005 transfer level. It is \$12,556,663 over the recommended transfer amount for FY 2006. To fully fund the School Board's request, the Board of Supervisors would have to identify additional resources.

Recommended General Fund Direct Expenditures total \$1,076,874,724 and reflect an increase of \$25,663,756 or 2.44 percent over the *FY 2005 Revised Budget Plan*. A summary of the major recommendations included in the FY 2006 Advertised Budget Plan is presented on the following pages. Details concerning each of these items can be found in the various budget volumes.

\$3,004,161,761
(subcategories in millions)



Budget Highlights

Major funding adjustments for FY 2006 are tied to Fairfax County's strategic priorities in order to clarify the linkage of the investment of resources to the desired outcomes. The road map used is based on the County Core Purpose supported by its seven associated vision elements (see box to right) as well as the priorities that the Board of Supervisors identified for the next four years at their strategic planning retreat in February 2004 (see below). Strategies and funding to address these priorities have been incorporated in the

BOARD OF SUPERVISORS' PRIORITIES

- Strong investment in education
- Public safety and gang prevention
- Affordable housing
- Environmental protection
- Transportation improvements
- Revenue diversification to reduce the burden on homeowners

FY 2006 Advertised Budget Plan and are addressed in greater detail on the following pages. These budget highlights are listed by the County vision element and/or Board of Supervisors' priority that they support. It should be noted that some of these initiatives may support more than one vision element; however, they are shown here based on their predominant focus.

COUNTY CORE PURPOSE

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County by:

- Maintaining Safe and Caring Communities
- Building Livable Spaces
- Practicing Environmental Stewardship
- Connecting People and Places
- Creating a Culture of Engagement
- Maintaining Healthy Economies
- Exercising Corporate Stewardship

BOARD PRIORITY:

Strong Investment in Education

For FY 2006, Fairfax County is providing \$1,561.62 billion or 52.0 percent of its total General Fund budget to Fairfax County Public Schools (FCPS). The County provides funding through two transfers: one to support FCPS operations and another to support debt service for bond-funded projects to build new schools and renew older facilities. These transfers are as follows:

- A transfer of \$1,431,337,820 to the School Operating Fund is included, which represents an increase of \$108,963,633 or 8.24 percent. The percentage increase for the operating transfer to FCPS is consistent with the General Fund revenue growth incorporating a ten cent cut in the real estate tax rate as well as the designation of one penny of the real estate tax rate for critical stormwater management projects; and
- A transfer of \$130,281,443 is provided for School Debt Service, which is an increase of \$3,753,390 or 2.97 percent over the FY 2005 level. FY 2006 debt service is based on funding of \$130 million for new school construction as well as renewals.

In addition to \$1.56 billion in the County transfers to FCPS for operations and debt service, Fairfax County provides additional support totaling \$50.90 million for the following programs:

- \$27.25 million for the Comprehensive Services Act (CSA), Head Start and School Age Child Care (SACC) programs within the Department of Family Services;
- \$11.07 million to support School Health including Public School Nurses and Clinic Room Aides;
- \$7.22 million for School Crossing Guards; Resource Officers who are assigned to all FCPS high schools, middle schools and alternative schools; and security for activities such as proms and football games;
- \$3.51 million for athletic field maintenance and other recreation programs;
- \$1.75 million in services provided by the Fairfax-Falls Church Community Services Board; and
- \$0.10 million for fire safety education programs for students.

More detailed information regarding this additional support for FCPS may be found in the Financial, Statistical and Summary Tables section of this Overview Volume of the FY 2006 Advertised Budget Plan.

Budget Highlights

MAINTAINING SAFE AND CARING COMMUNITIES

In order to support the County vision element of *Maintaining Safe and Caring Communities*, as well as the **Board's priority of public safety and gang prevention**, the following initiatives are funded to support the programs, personnel and facilities necessary to ensure that Fairfax County remains a very safe community. In addition, it should be noted that a number of these initiatives are focused on continuing the County's tradition as a caring community that strives to sustain, protect and nurture its most vulnerable citizens. The following represent the more significant funding strategies for FY 2006:

- \$3.5 million for 36/36.0 SYE positions and operating expenses for the new Crosspointe Fire Station scheduled to open in May 2006. Positions will be recruited and trained eight months in advance of the planned opening of the new station. This new station will provide additional response capacity to the southern part of the County. Countywide, the number of incidents continues to increase annually as a result of population growth. The aging of the population also contributes to increased calls for service. In recent years, less than 60 percent of fire suppression calls have had a response time of five minutes or less from dispatch to arrival on the scene. This is primarily due to congested roads and increased activity that may require the second or even third due station to respond when the first due unit is already on a call. The addition of this station will improve the percentage of the County that is within a five-minute response time, which is critical to successful fire suppression efforts. It will also enhance the percentage of incidents that meet the target of a six-minute travel response for emergency medical services (EMS) calls.
- \$2.2 million to implement Phase II of the Fire and Rescue Department's (FRD) Emergency Medical Services (EMS) Staffing Plan to provide 23/23.0 SYE positions in order to reach a full complement of these essential Advanced Life Support (ALS) and administrative staff to meet operational needs, as well as reduce the reliance on overtime and accompanying employee burn-out. The FRD is required to maintain a minimum level of staffing 24 hours a day, 365 days a year, including an ALS provider on all engines, two ALS providers on all medic units, and an EMS Captain in each of the six battalions. In recent years, the FRD has had to require mandatory recall on days off or obligate ALS providers to stay past their assigned shift for a period of up to 12 hours in order to meet minimum ALS staffing. This staffing shortage began with the Paramedic Engine Program when a paramedic was placed on all engines countywide to increase the FRD's capability to provide ALS services to citizens. This program was undertaken without additional personnel. The shortage has been exacerbated by the continued increase in the volume of medically-related calls requiring ALS staff.

To address this growing problem, the Board of Supervisors approved a two-phase process as part of the *FY 2004 Carryover Review* which adds 42/42.0 SYE ALS providers and 4/4.0 SYE civilian support positions over a two-year period. The 42 ALS positions will enable the assignment of 14 additional ALS providers to each of the three FRD shifts. An amount of \$2.2 million, including 21/21.0 SYE ALS Technician positions and 2/2.0 SYE administrative support positions, was included as part of the *FY 2004 Carryover Review* to support Phase I of this process. The first phase added seven ALS providers to each shift day. The second phase of this process, including 21/21.0 SYE additional ALS Technician positions and 2/2.0 SYE additional administrative support positions, is being funded as part of the FY 2006 Advertised Budget Plan. This second phase will achieve the goal of adding 14 additional ALS providers per shift day.

- \$1.1 million for 12/12.0 SYE positions as well as operating supplies for the new positions to complete the phase-in of improvements to address needs in the FRD's Emergency Medical Services (EMS) program. In order to address the growing number of responses and the increased complexity of EMS responses, to ensure the high quality of the care provided to citizens and maintain the necessary level of training for providers, the FRD developed a two-year plan to overhaul the command and oversight infrastructure of the EMS program. As a part of the *FY 2004 Carryover Review*, the Board of Supervisors approved \$1.3 million for Phase I, including 9/9.0 SYE positions for emergency medical services daily program supervision, compliance, quality assurance, training and continuing education management. In FY 2006, Phase II continues EMS infrastructure development by increasing the number of positions associated with quality assurance and training. Five Lieutenants will be assigned to training and quality assurance. Three

Budget Highlights

Management Analysts I will be assigned to assist in quality assurance and research by addressing issues related to monitoring new procedures and equipment, publishing standards, system evaluation, incident reporting system, and evaluation of educational/training program development. In addition, three Nurse Practitioners will focus primarily on training issues related to Continuing Medical Education (CME) and Basic Life Support certification/recertification. One Administrative Assistant III will support EMS management and administration. The administrative functions include data management and trend analysis, equipment allocation, maintenance and record keeping, protocol and procedure development, fiscal and grant management, procurement and inquiries/investigations.

- \$1.2 million to provide 8/8.0 SYE additional Police Officers for the Patrol Division to support the County's eight District Police Stations based on increased population which is driving service demands. This will reduce response times, enhance community policing, enable officer safety training, and engage citizens in partnerships to prevent crime. Officers assigned to Patrol provide essential law enforcement and public safety services by responding to emergency and non-emergency calls for service, as well as assisting with traffic control, community policing, and other activities in order to protect and serve the residents of Fairfax County. In addition to Personnel Services, funding is included for Operating Expenses and Capital Equipment (police cruisers and related equipment).
- \$0.6 million to add 4/4.0 SYE police officers to the Police Department's Gang Investigation Unit, expanding this unit from 8 to 12 detectives in order to keep up with the number of gang-related crimes as well as address community awareness and prevention/intervention measures. Officers assigned to the Gang Unit are responsible for investigating gang-related crimes and gathering intelligence, as well as addressing enforcement and community outreach activities. The unit has had to absorb a significant workload as gang-related crime has become a more prevalent issue in the County. The addition of these positions will help alleviate and better distribute the additional public education, investigative and enforcement responsibilities handled by the eight existing detectives. The expansion will also allow the Gang Unit to develop and further regional and national cases in a thorough and coordinated manner in partnership with the FBI's Washington Field Office and the Northern Virginia Regional Gang Task Force. In addition to Personnel Services, funding is included for Operating Supplies and Capital Equipment (police cruisers and related equipment).
- Several initiatives to enhance the staffing and structure of the Public Safety Communications Center (PSCC) including the following:
 - \$0.9 million for 11/11.0 SYE positions to continue to address significant recruitment and retention issues and staffing shortages through a revised organizational structure that will focus on: developing business analyses to measure and monitor performance; enhancing management structure to provide leadership in the areas of client services and call center operations; and providing human resources support for reengineering the recruitment program, redesigning the new hire program and promoting programs to encourage retention. During FY 2005, a PSCC study was conducted, revealing several operational issues within the existing center. Expenditure patterns reflected the continued dependence upon overtime to offset high vacancy and turnover rates. Call volume for both emergency and non-emergency lines – approximately 1.1 million calls annually – continued to stretch the center's capacity to maintain an acceptable level of performance to answer the calls, resulting in longer wait times, and the heavy workload resulted in low morale and high turnover. The review, performed jointly by the County and a consultant, resulted in a number of recommendations to enhance the center and provide the structure necessary for the new PSTOC scheduled to open in November 2007.

BOARD PRIORITY:
**Public Safety and
Gang Prevention**

The reorganization of the existing PSCC is a first step in the change plan. In FY 2006, the center will be moved from a division within the Police Department to independent agency status in Fund 120 as Agency 95, Department of Public Safety Communications. This agency will report to the Deputy County Executive, along with the other public safety agencies. A Client Advisory Board of Directors

Budget Highlights

will also be established to promote and improve service levels to client agencies served by the Department.

- A transfer of \$0.5 million and 153/153.0 SYE positions from the PSCC within the Police Department to a separate agency is necessary to create the separate Department of Public Safety Communications. It should be noted that the majority of funding supporting the 153/153.0 SYE positions and PSCC operating expenses is already reflected in Fund 120, E-911, as all expenditures allowable by law associated with the PSCC are billed directly to that fund. This \$0.5 million represents non-allowable expenses in the Police Department that will now be reflected in the new Department of Public Safety Communications, shown in Volume 2, Capital Construction and Other Operating Funds. This reorganization is effective July 1, 2005.
 - \$2.3 million in order to convert PSCC staff from the Fairfax County Employees' Retirement System to the Uniformed Retirement System in order to enhance recruitment and retention. In FY 2006, the first-responder positions, primarily Public Safety Communicator positions performing call dispatch and call taking functions, will be moved from the Fairfax County Employees' Retirement System to the Uniformed Retirement System, reflecting consistency within County public safety agencies for front-line, first-responder staff. The Uniformed Retirement System is structured to compensate employees who perform first-responder functions in a high stress environment daily. This change in retirement system is a key part of immediately addressing both the recruitment and retention issues facing the center. All new hires into first-responder positions within the Department of Public Safety Communications will be part of the Uniformed Retirement System, and existing first-responder staff will have the option of converting to that system, although they will be required to contribute to the conversion based on their salary and number of years of service.
- \$1.1 million for 11/11.0 SYE positions associated with opening the second half of a new floor of the Adult Detention Center (ADC) to accommodate a current and anticipated increase in the number of inmates due to a combination of more stringent DUI laws enacted by the state, as well as a continuing trend in general growth. A physical expansion of the ADC was completed in mid-FY 2001 and was partially opened for inmate housing. As part of the *FY 2004 Carryover Review*, the Board of Supervisors approved funding to address opening new jail space based on existing and projected jail population growth. The Carryover funding supported the opening of half of one floor. FY 2006 funding will enable the opening of the remaining half of that floor, providing for another 96 general inmate population cells. This, along with existing space, will provide capacity for 1,339 inmates double-bunked. The FY 2004 average daily inmate population was 1,253 with a peak of 1,313 during the year. Current estimates are that the inmate population will increase by 90 per year. Based on this trend, it may be necessary to continue to staff and fund at the rate of a half floor each year the remaining one and one-half floors of the ADC. Nevertheless, opening the new floors will not totally mitigate the jail overcrowding issue, requiring the Office of the Sheriff to continue to address a rising inmate population through double-bunking and the Electronic Incarceration Program.
- \$15.0 million in FY 2006 to support the new Public Safety Transportation and Operations Center (PSTOC), which will house the state-of-the-art Public Safety Communications Center (PSCC) and the Emergency Operations Center (EOC) required to accommodate a tremendous growth in emergency calls and other workload, as well as significantly enhanced technology. There has been an 80 percent increase in calls handled by the current center since it opened in 1985 and the operations floor at the Pine Ridge facility cannot support additional equipment to expand call-taking or dispatching capability. As part of the Fall 2002 Public Safety Bond Referendum, voters approved \$29 million for the PSTOC. This facility, planned for the Camp 30 site on West Ox Road, will ensure adequate space, technology, security and communications capability to manage the increased volume of 911 emergency calls. The total cost of the PSTOC including construction, equipment, information technology, furnishings, etc. is projected to be \$102.5 million. Funding for this facility has been identified over several quarterly reviews as one-time balances became available. A total of \$57.5 million has been appropriated to date. The FY 2006 allocation, along with funding of \$30 million to be earmarked as part of the *FY 2005 Third Quarter Review*, will completely fund this project. The facility is scheduled to open in November 2007.

Budget Highlights

- \$10.5 million including fringe benefits for a 3.07 percent Market Rate Adjustment for Public Safety personnel including Police, Sheriff and Fire and Rescue Department employees. In FY 2002, the County adopted a Market Index to maintain pay competitiveness in the future and avoid the need for large adjustments to catch up with the market. The Market Index consists of the following components: the Consumer Price Index (CPI) for the Washington-Baltimore area, which represents 70 percent of the index; the Employment Cost Index, which measures the rate of change in employee compensation (private sector, state and local government employees) and accounts for 20 percent of the index; and the Federal Wage Adjustment for the Washington-Baltimore area, which accounts for 10 percent of the index. It should be noted that while the index is applied to public safety uniformed staff salaries, as of FY 2001, non-public safety employee raises are based solely on their performance ratings. However, to ensure that pay scales remain competitive with the market, non-public safety pay scales are adjusted in accordance with the annual market index. Non-public safety employees do not receive this adjustment as they did in the past through a cost-of-living adjustment; however, by having their pay scales adjusted, their long-term earning potential remains competitive with the market.
- \$11.2 million including fringe benefits to provide a 4.0 percent across-the-board salary adjustment for uniformed Police and Fire and Rescue personnel. A review of public safety compensation was performed to ensure salaries remain competitive with neighboring jurisdictions in order to attract and retain highly qualified staff. In 1996, the Board of Supervisors approved a compensation policy to align pay at the market average (using the midpoint pay rate) of Metropolitan Washington area comparators. This year's survey data showed the pay rate for a number of Police and Fire and Rescue job classes to be below market. However, prior to recommending changes to the pay grades of specific job classes, staff reviews the impact of any proposed changes in terms of internal alignment or possible pay compression between ranks. As a result, it is recommended that the entire O and F pay scales (uniformed Police and Fire and Rescue personnel) be adjusted by 4 percent in FY 2006. Also, despite the past practice of maintaining parity between Police and Sheriff personnel, survey data over the last several years have clearly shown that Sheriff salaries (C pay scale) are extremely competitive in the market and therefore do not require a salary adjustment beyond the market rate adjustment. Fairfax County has demonstrated a high degree of efficiency and effectiveness in both the Police and Fire and Rescue workforces compared to jurisdictions of similar size (for details on comparative performance, refer to the Public Safety Program Area Summary in Volume 1 of the FY 2006 Advertised Budget Plan).
- \$2.5 million for merit increments for those public safety employees eligible to receive them based on grade and step. It is anticipated that between 45 and 50 percent of uniformed public safety employees will be eligible to receive merit increments in FY 2006.
- \$2.4 million to adjust shift differential and holiday pay, particularly for those who provide essential services 24 hours a day, seven days a week. This includes Police, Fire, Sheriff, E-911, Elderly Housing, and Fairfax-Falls Church Community Service Board personnel among others and brings these rates and practices more in line with neighboring jurisdictions. The shift differential rates would increase from \$0.65 to \$0.85 per hour for the evening shift, and from \$0.90 to \$1.10 per hour for the midnight shift. The adjustment to holiday pay changes County policy from a standard payment for 8 hours of holiday pay regardless of the shift worked to granting hour for hour holiday pay/compensatory time to all employees who are required to work a schedule of more than 8 hours per day and who are required to work on the County-observed holiday. In the case of Fire and Rescue employees on a 24-hour shift, the number of holiday pay hours would increase to 16, which is the typical way other jurisdictions have addressed the holiday pay issue for 24-hour shifts.

Budget Highlights

- \$1.0 million to fund an additional hour of guaranteed overtime from two to three hours for police officers required to appear in court to testify in felony and misdemeanor trials on behalf of the County. Given traffic conditions, officers have seen increased time to travel to mandatory court attendance, particularly during rush hour. Currently, police officers are entitled to claim two hours of overtime for court attendance. This additional hour recognizes the increasing time and cost of commuting, as well as need for childcare arrangements when police officers are required to fulfill this essential job duty.
- \$0.3 million for the Juvenile and Domestic Relations District Court including an increase of \$250,000 to support the Enterprise Alternative School and \$71,195 in contract services based on a projected loss of federal dollars for the Juvenile Sex Offender program. The Enterprise School (TES) is a partnership between the nonprofit TES, FCPS and the Juvenile Court. TES serves approximately 40 youths who have been unable or unwilling to comply with the requirements of public school. Most have demonstrated a pattern of challenging authority, delinquent behavior and academic shortcoming, in addition to mental health and substance abuse issues. TES enables the Court and Schools to refer youths to this intensive therapeutic educational setting within the community. Through FY 2003, TES was funded with County General Fund dollars. As part of the FY 2004 budget, General Fund support was eliminated and TES was funded with Title IV-E funds that are now not guaranteed, making this funding necessary to ensure that these students who cannot be mainstreamed back in public school are served.
- \$0.2 million and 4/3.27 SYE positions associated with the opening of the new South County Secondary School in September 2005. Funding will support the addition of 2/2.0 SYE Public Health Nurses and 2/1.27 SYE Clinic Room Aide positions. Public Health Nurses are responsible for developing and implementing health plans for students with identified health conditions, while Clinic Room Aides administer medication, provide care for sick and injured students, and conduct vision and hearing screenings.
- \$0.2 million and 2/2.0 SYE Public Health Nurses (PHN) for the Health Department's School Health program. Due to the growing number of students with health plans required to be in place, as well as the increased complexity and scope of procedures performed in the school setting, additional Public Health Nurses are included to improve the ratio of nurses to students and the rate at which health plans are implemented. These additional positions will act in a roving capacity at 187 Fairfax County Public School sites. There are currently 53 Public Health Nurses that serve the entire school district and are responsible for developing and implementing health plans for students with identified health conditions, as well as addressing other student health issues. On average, there is one PHN for every 3,137 students. In 1993, the Board of Supervisors established a School Health Task Force to evaluate the school health program. At that time, the Task Force recommended a ratio of one PHN for every 2,000 students. The Health Department also has an objective of putting student health plans in place within five days of notification that such a plan is necessary. However, given staffing availability, only 36 percent of students have had their plans in place within five days. These positions will help improve that percentage and together with the 2/2.0 SYE positions associated with the new South County Secondary School, will result in a PHN to student ratio of 1:2,930. The agency will continue to annually review the PHN to student ratio and monitor the number and percentage of students that have their health plans in place within five days of notification.
- \$0.2 million and 9/9.0 SYE positions associated with the start-up of the Little River Glen Adult Day Health Care Center. Little River Glen is expected to open in early FY 2007 and will have the capacity to serve 35 clients per day daily to promote the health and independence of frail elderly and adults with disabilities as an alternative to more costly nursing home placement and to provide a respite for family caregivers. Funding will support three months of salary costs for the Center Nurse Coordinator and an Administrative Assistant IV, who will coordinate the hiring of additional staff and purchase all the necessary supplies and equipment prior to the center's opening. Funding will also support 1/1.0 SYE Public Health Nurse II, 1/1.0 SYE Recreation Specialist III, 1/1.0 SYE Senior Center Assistant, and 4/4.0 SYE Home Health Aides.

Budget Highlights

- \$0.1 million for 1/1.0 SYE position in the Fairfax-Falls Church Community Services Board to address the increased case management workload associated with June 2005 special education graduates and the administrative oversight of the expected additional Medicaid Waiver slots to be awarded to the CSB in Spring 2005. Based on the anticipated Medicaid revenue from the state, it is projected that the 57 special education graduates entering the CSB system in June 2005 can be accommodated without supplemental funding from the County. This will allow additional time to design and begin implementing a new service delivery model that incorporates consumer-directed care. As part of the FY 2006 Budget Guidelines approved by the Board of Supervisors on April 19, 2004, the Board directed County staff, with input from the Human Services Council, the Community Services Board and advocacy groups to develop a program for serving special education graduates that encourages greater family participation in order to reduce the County's costs for these services.

County staff and stakeholder groups, with the assistance of a consultant, have identified a two-pronged approach to meet this directive. First, after reviewing national trends and practices for service cost containment strategies, and meeting with stakeholder groups comprised of family members, service providers and advocates to ensure community support for implementation of a pilot program, the work group is exploring a consumer-directed model for providing services. Second, staff will continue to implement recommendations from the two previous studies on MR special education graduates, completed in 2002 and 2004, to achieve program efficiencies and to maximize non-County revenue. In FY 2005, the CSB received a total of 94 new Medicaid Waiver slots from the Virginia General Assembly that offset the need for additional County funding for the June 2004 graduates. The CSB also anticipates another allocation of Medicaid Waiver slots effective FY 2006 that will offset the projected costs for the June 2005 special education graduates.

- \$0.1 million for 1/1.0 SYE Security Analyst and associated operating expenses in the Office of Emergency Management to provide a position to manage the County's emergency training and exercise program. This Training and Exercise Officer will coordinate emergency management training and exercises for 40 County agencies and partners. In addition, with the opening of the new Alternate Emergency Operations Center (AEOC), County agencies are required to have technical knowledge of the facility and must complete training on computer software, emergency operations, etc., in addition to completing annual incident management training. The Training and Exercise Officer will coordinate these exercises, as well as assess agencies' emergency management-related needs and direct them toward appropriate training opportunities.
- \$0.06 million for 1/1.0 SYE Probation Counselor II associated with substantial workload-related issues in the General District Court. The Court Services Division (CSD) has experienced a high turnover rate in its Case Management Unit due to the workload and salary level since the state pay scale is lower than the County and the state has not provided step increases. This position will address an increased workload including providing investigative information on incarcerated defendants to judges and magistrates to assist them with release decisions; providing pretrial community supervision to defendants awaiting trial; and supervising probation for convicted misdemeanants and convicted non-violent felons. In FY 2004, the Court's probation counselors each had an average daily caseload of 46 pretrial cases as well as 56 probation cases. This exceeds the state's standards of 25 pretrial cases and 50 probation cases.

Budget Highlights

BUILDING LIVABLE SPACES

The FY 2006 Advertised Budget Plan provides the opportunity to address a number of unmet needs that have been on hold pending the availability of funding. Several of these will help protect the County's significant infrastructure investment, while others will enhance affordable housing and revitalization. The following addresses major initiatives that support the County vision element of **Building Livable Spaces** and the Board's priority of **Affordable Housing**.

In FY 2006, an amount of \$60,950,900 has been included for the Capital Paydown Program. This funding level is supported by the General Fund in the amount of \$51,228,212 and state revenue in the amount of \$9,722,688. In recent years, the paydown construction program has been considerably constrained due to budget limitations. The FY 2006 paydown commitment represents a substantial increase largely due to several major projects that will be funded with General Fund dollars. Between FY 1986 and FY 1990, the County paydown construction program averaged approximately \$46.0 million or 4.6 percent of the General Fund disbursements. The FY 2006 Advertised Budget Plan paydown program of \$60.95 million represents two percent of General Fund disbursements. The FY 2006 funding level also reflects an increase of \$41.6 million over the FY 2005 Adopted Budget Plan. This increase can be primarily attributed to \$15 million for the Public Safety and Transportation Operations Center (PSTOC) and \$17.9 million, approximately the value of one penny of the real estate tax, which will be used for capital improvements to the County's stormwater system. Other major expenditures associated with this program include the following:

- \$7.7 million is included in Fund 317, Capital Renewal Construction, in FY 2006 to provide much-needed investment in building renewal to protect the County's investment in order to maximize the life of County facilities, avoid their obsolescence, and provide for planned repairs, improvements and restorations to make them suitable for organizational needs. Capital renewal is the planned replacement of building subsystems such as roofs, electrical systems, HVAC, plumbing systems, carpet replacement, parking lot resurfacing, fire alarm replacement and emergency generator replacement that have reached the end of their useful life. Without significant reinvestment in building subsystems, older facilities can fall into a state of ever-decreasing condition and functionality, and the maintenance and repair costs necessary to operate the facilities will increase. Fairfax County presently has a facility inventory of 155 buildings (excluding schools, parks, housing and human services residential facilities), with over 7.3 million square feet of space. Historically, only the most critical renewal requirements have been funded; however, with such a large inventory and the acquisition of additional facilities, it is essential that a planned program of repair and restoration be maintained. In addition, the age of a major portion of this inventory of facilities is reaching a point where major reinvestment is required in the building subsystems. Of this funding, \$2.7 million is supported by the General Fund. An additional \$5.0 million is supported by General Obligation Bond funding specifically for library, juvenile and human services facilities capital renewal, approved as part of the November 2004 bond referenda.

- \$5.6 million is included to continue to address property management and development, as well as continued asbestos mitigation efforts at the Laurel Hill property. This amount fully funds all anticipated requirements for both asbestos removal and site stabilization efforts. Laurel Hill, formerly known as the Lorton Correctional Facility, was transferred to the County by the federal government in early 2002. The property includes approximately 2,340 acres of land and 1.48 million square feet of building space. In FY 2005, the County Executive approved the redirection of 1/1.0 SYE position to the Department of Planning and Zoning in order to address significant workload-related issues associated with Laurel Hill. This position, a Project Coordinator, will coordinate the activities of a multi-agency team in the development and adaptive reuse of the Laurel Hill properties. This position will focus on three main objectives: adaptive reuse of historic buildings and structures located within the site's eligible historic district; coordination of the design, funding and construction of public infrastructure; and development of a financing and/or partnership strategy that leverages resources and minimizes public costs.

Budget Highlights

- \$2.0 million is provided for the renovation and expansion of the Mott Community Center. The acceleration of the Mott Community Center expansion is based on several significant events and changes, including increased programming needs, changing demographics of the community served by the center, designation of the center for a new computer clubhouse, and the anticipated development of the Popes Head Park site. The center is currently comprised of a half-court gymnasium and one large multipurpose room that can be divided into three small program rooms. Programming space at the center can no longer accommodate the needs of the community. In order to address these spatial constraints, the proposed renovations include the expansion of the gymnasium to full court and construction of additional classroom space. In addition, the center has been designated the regional teen services hub for the West County region. As a result, over 300 additional youth are now served at Mott. Additional space is necessary to adequately serve these teens, as well as provide for a continued increase in participation expected from an expanded variety of teen programming. This expansion will accommodate the regional teen center, the new computer clubhouse, and the anticipated continued increase in center usage.
 - \$2.0 million is recommended to provide seed money for the Housing Assistance Program for Affordable Housing. A report from the Affordable Housing Preservation Action Committee called for the dedication of one penny of the real estate tax rate to help keep 1,000 units of housing at affordable rental rates; however, the work of the committee concluded too late to be included in the advertised budget for FY 2006. The supply of affordable housing in Fairfax County is rapidly decreasing based on market forces. An infusion of public funding is necessary to stem the loss of affordable housing units in the County. Since 1997, the County has lost 1,300 affordable units that have been converted into luxury condominiums or market-rate apartments.
- BOARD PRIORITY:**
Affordable Housing
- \$0.2 million in increased County funding for maintenance contracts is included to support the Commercial Revitalization Program. In the past several decades, the County has provided a significant investment in revitalization and neighborhood improvements to help stabilize and enhance the condition and appearance of its older communities. These programs have focused on the preservation and improvement of older, yet stable communities that are currently vulnerable to deterioration. Many of these revitalization improvements now require annual maintenance including landscaping, mowing, trash pickup, and maintenance of bicycle racks, area signs and street furniture. Maintenance is provided in four major revitalization areas of the County, including Annandale, Route 1, Springfield and Baileys Crossroads to improve the appearance and ensure the vitality of these aging business districts.
 - \$0.3 million in the Department of Housing and Community Development for Fund 966, Section 8 Annual Contributions Housing Choice Vouchers (HCV) to fund a projected FY 2006 revenue shortfall due to revisions in the U.S. Department of Housing and Urban Development (HUD) calculations for Housing Assistance Payments and corresponding reductions in fees earned for administering the program. Without this General Fund support, the County would be unable to administer the program at its current staffing level, thereby impacting the support provided to citizens receiving vouchers, and potentially delaying placements, responses to inquiries and in making payments to landlords.
 - Net funding of \$20,000 for the Office of Capital Facilities is associated with an increase of \$0.1 million in Personnel Services, partially offset by Recovered Costs to provide for 2/2.0 SYE additional Engineer II positions required to assist with construction administration at the West Ox Road Complex for the PSTOC and other facilities, as well as other construction projects included in the Fall 2004 Bond Referenda approved by voters on November 2, 2004. Sufficient staffing is required to ensure proper contract administration and the timely completion of these projects.

Budget Highlights

PRACTICING ENVIRONMENTAL STEWARDSHIP

The quality of life in Fairfax County is maintained and enhanced when we invest in the Board of Supervisors' priority of **Environmental Protection**, as well as ensure that we are addressing the County vision element of **Practicing Environmental Stewardship**. While there are many activities going on throughout the County to support Environmental Stewardship, the following are a few of the major funding commitments for FY 2006:

- \$17.9 million in General Fund monies has been included for prioritized stormwater capital improvements in the County's stormwater system. Proper management of stormwater is essential to protect public safety, preserve home values and support environmental mandates, such as those aimed at protecting the Chesapeake Bay and the water quality of other local waterways. There is an unfunded backlog of projects totaling several hundred million dollars to be addressed. This dedicated funding, the equivalent of one penny on the real estate rate, will enable the County to begin addressing this backlog. This is a more efficient manner of funding these critical projects than establishing a stormwater utility which take time to implement and would have significant administrative requirements to operate. A total of 3/3.0 SYE Engineer positions will be provided to assist in addressing requirements associated with maintenance and rehabilitation of the County's stormwater infrastructure and compliance with various water requirements. Their salaries will be recovered from the \$17.9 million in stormwater projects. The dedication of the equivalent of one penny on the real estate tax rate is in addition to \$2.74 million in ongoing funding allocated to emergency watershed improvements, Kingstowne environmental monitoring, dam repairs, and requirements associated with the Municipal Separate Storm Sewer System (MS4) permit.
- An increase of \$0.1 million for the Northern Virginia Soil and Water Conservation District (NVSWCD) is included to support the soil mapping contract in FY 2006. The goal of the NVSWCD is to continue to improve the quality of the environment and general welfare of the citizens of Fairfax County by providing them with a means of dealing with soil, water conservation and related natural resource problems. It provides County agencies with comprehensive environmental evaluations for proposed land use changes with particular attention to the properties of soils, erosion potential, drainage and the impact on the surrounding environment. In FY 2001, Fairfax County entered into a partnership with the NVSWCD to support the cost of soil mapping the southeastern portion of the County. Under the agreement, the U.S. Department of Agriculture's Natural Resource Conservation Service provides a survey team which is managed by the NVSWCD. Fairfax County's portion of the annual cost of the Soil Survey Project is \$195,000 annually; however, due to carryover of funding from previous years, the amount over the baseline funding required for FY 2006 is \$100,375. It is anticipated that this project will be completed in FY 2007.

BOARD PRIORITY:
**Environmental
Protection**

CONNECTING PEOPLE AND PLACES

A county the size of Fairfax, with over one million residents, has the potential to be perceived as large, impersonal and distant by its citizens. The shifting demographics of the County, e.g., the growth in the number and percentage of those ages 65 and older, also presents a challenge for **Connecting People and Places** in order to connect residents with the services they need as well as enable them to feel as if they are part of the greater community. In addition, the County's tremendous success in attracting businesses, jobs and residents can also overwhelm the capacity of the transportation infrastructure to support them. Consequently, one of the Board's priorities is **Transportation Improvements**. In support of the Board's priority and the County vision element, the following initiatives are included in the FY 2006 Advertised Budget Plan.

Budget Highlights

- The total Fairfax County requirement (subsidy) for the Washington Metropolitan Area Transit Authority (WMATA) operating expenses totals \$59.3 million, an increase of 9.5 percent over the *FY 2005 Revised Budget Plan* and supports Metro rail, Metro bus and Metro Access (para-transit) service. This large increase in jurisdictional subsidy is based on the WMATA General Manager's proposed budget and the undesirability of additional fare hikes after two straight years of increases. Based on the Northern Virginia Transportation Commission (NVTC) formula, the County receives State Aid and Gas Tax Receipts to support operating requirements. In FY 2006, a total of \$26.5 million in State Aid and \$11.8 million in Gas Tax Receipts will be used for WMATA. In addition, \$20.6 million is supported by a General Fund Transfer, \$0.3 million will be funded from interest on funds at NVTC, and \$0.1 million will be transferred from Fund 301, Contributed Roadway Improvement Fund, to support shuttle service in the Franconia/Springfield area. It should be noted that the \$20.6 million General Fund total reflects an increase of \$4.1 million, or nearly 25.0 percent, over the FY 2005 total of \$16.5 million. The General Fund is bearing a disproportionately large portion of Fairfax County's overall subsidy increase due primarily to the fact that very little additional State Aid is projected to be available in FY 2006 above the FY 2005 level.

In addition, the County's share for capital requirements totals \$37.5 million, of which \$28.0 million is supported by Fairfax County General Obligation Bonds. The remainder is funded through Virginia Transportation Act 2000 funds, State Aid and Gas Tax receipts. Capital expenditures are focused on the recently approved Metro Matters Program, including acquiring facilities, equipment, rail cars and buses. This includes \$15.8 million for the Infrastructure Renewal Program (IRP), which includes the rehabilitation of the railcar fleet, upgrades to Metrorail system components such as fare gates and farecard machines, improvements to Metrobus and Metrorail facilities, and capital equipment. It is anticipated that this amount will continue to increase in future years. The System Access Program (SAP) requires \$18.1 million, primarily to fund Fairfax County's share of the purchase cost of new railcars and buses. An amount of \$0.4 million is to support preliminary engineering requirements associated with the System Expansion Program (SEP) and \$3.2 million funds Adopted Regional System (ARS) debt service requirements.

- An increase of \$3.0 million or 13.1 percent in General Fund support for County Transit Systems will enable mass transit service enhancements as well as the continuing transition of the FAIRFAX CONNECTOR fleet to ultra-low sulfur diesel (ULSD) fuel. The total FY 2006 General Fund Transfer for Fund 100, County Transit Systems, is \$24.1 million. Included in this total is \$1.4 million in funding for additional service hours in the Huntington Division to address unanticipated ridership increases and to annualize service enhancements started in late September 2004 as part of the larger public transportation initiative in South County to provide citizens with more peak and mid-day service as well as new travel options to recent development in the area. In addition, \$0.6 million funding is included for increased service in the Reston-Herndon Division pending receipt of additional State Dulles Corridor Rapid Transit funds to focus on service between the Reston South Park and Ride and West Falls Church Metro, express service between the Herndon-Monroe Park and Ride and West Falls Church Metro, and for additional service to metro stations starting at 5:00 a.m. when WMATA starts train service. This total also funds \$0.7 million for a 2.58 percent personnel-based contractual adjustment for FAIRFAX CONNECTOR contractors based on the Washington/Baltimore area inflation rates as required by the contract and measured by the Consumer Price Index (CPI) and provides \$0.9 million in funding for increased Department of Vehicle Services charges due primarily to increased fuel prices as well as costs associated with FAIRFAX CONNECTOR's continuing transition to ultra-low sulfur diesel fuel. These increases are partially offset by \$0.6 million in savings achieved through targeted expenditure savings in non-service-related items as well as increased farebox revenue estimates based on projected ridership.

BOARD PRIORITY:
**Transportation
Improvements**

- \$4.1 million in Local Cash Match is anticipated to be required for various transportation-related projects primarily funded through the Congestion Mitigation Air Quality program, Regional Surface Transportation Program, Job Access/Reverse Commute program, and federal appropriations. This total reflects an increase of \$2.7 million over the FY 2005 Adopted Budget Plan total of \$1.4 million, but will allow the Department of Transportation (DOT) to leverage over \$11.5 million in federal funds for projects in the

Budget Highlights

Route 236 Corridor and the Richmond Highway Corridor, as well as expansions and improvements at the Reston East and Springfield Park and Ride facilities, and Virginia Railway Express (VRE) station parking lots. This funding is consistent with information previously provided to the Board when applications were made or when federal funding opportunities have been identified. As in the past, the DOT will formally notify the Board of Supervisors when formal awards are made and obtain the Board's concurrence prior to spending these funds.

- \$0.4 million is included for enhanced maintenance of bus shelters located in the County. More specifically, an increase of \$0.2 million supports an increased level of maintenance for County-owned bus shelters, including the new shelters for the Richmond Highway Public Transportation system, and an additional \$0.2 million provides for a basic level of maintenance at shelters owned by WMATA and VDOT, as well as those whose ownership is undetermined at this time. In particular, trash removal will be increased to three times a week from once a week for all County-owned bus shelters. Weekly trash removal will be provided for all other bus shelters. Having cleaner bus shelters will help attract and retain riders, as well as promote a positive environment for residences and businesses located near the shelters.
- \$0.4 million and 5/5.0 SYE positions in the Department of Transportation (DOT) are provided to address considerable workload-related issues. The last position increase as part of an annual budget process was six positions approved as part of the FY 2001 Adopted Budget Plan. Among other responsibilities, these positions will address expanded workload in traffic calming, pedestrian safety, Residential Traffic Administration Programs, traffic operations activities and the bus stop safety study. In addition, these staff will enable DOT to complete work associated with Metrobus Service and Operations Planning, work on issues arising from the Tyson's Area Transportation and Land Use Study, and work on the Laurel Hill Plan Update. Additional oversight will be provided on contract-related issues including safety, security, risk management and customer service including regular verification of contractual performance requirements. Additional capacity will be available to respond to daily operational issues impacting service delivery and to coordinate dissemination of transit-specific information to the public. These positions will also assist in developing, maintaining and updating contingency and emergency plans, and will coordinate with other planning and incident management personnel at VDOT as well as regional, county, contractor and other contacts.
- \$0.1 million and 1/1.0 SYE Planner III, as well as limited term funding, for the Department of Planning and Zoning (DPZ) will be dedicated to the Dulles Rail initiative, the extension of the Metrorail system, which will pass through the Tysons Corner area to Dulles Airport and into Loudoun County. This Planner III will serve as DPZ's liaison with various County and state agencies in addition to providing guidance and assistance on the project's implementation with the Virginia Department of Rail and Public Transportation (VDRPT). Other workload includes Special Exception and Proffered Condition Amendments for the rail station areas and surrounding areas, as well as responsibility for the anticipated increase in rezoning applications in areas of proximity to rail stations as property owners seek to increase density, and any associated increase in related 2232 applications.
- 5/5.0 SYE mechanic positions in the Department of Vehicle Services (DVS) are recommended in order to address workload issues associated with the increase in the number of school buses in the fleet to ensure that students are transported safely and efficiently each day. In the period from June 1999 to June 2004, the number of school buses maintained by DVS increased by 19.5 percent from 1,295 to 1,547. In order to accommodate this increased workload, DVS has increasingly relied on overtime and additional commercial repair contracts with outside vendors. With the addition of the 5/5.0 SYE positions, the department will be able to provide improved service to address FCPS' growing fleet. The costs associated with these positions will be recovered as a result of savings in overtime and contracted services.
- \$0.4 million is associated with the establishment of a new Meals-on-Wheels route in the Centreville/Chantilly area to serve frail, homebound elderly persons to maximize their health with nutritious meals, in addition to establishing a pilot program to provide ethnic meals at one site serving 45 clients.

Budget Highlights

- \$17.2 million, which includes a General Fund transfer of \$17.0 million and interest income of \$0.2 million, is provided for initiatives that meet one or multiple priorities established by the Senior Information Technology Steering Committee. These initiatives include a mix of projects that provide benefits for both citizens and employees and that adequately balance continuing initiatives with the need for maintaining and strengthening the County's technology infrastructure. Funded projects will support initiatives in the Human Services, Planning and Development, General County Services and Public Safety program areas. In most recent years, the County has scaled back its strategic project efforts to a modest level of investment due to countywide fiscal constraints; however, the FY 2006 funding level of \$17.2 million more adequately supports the County's goals of providing an appropriate infrastructure of basic technology for agencies to use in making quality operational improvements, and to generate administrative efficiencies and redesign business processes to achieve large-scale improvements in service quality. The County's long-term commitment to provide quality customer service through the effective use of technology is manifested in service enhancements, expedited response to citizen inquiries, improved operational efficiencies, better information for management decisions and increased performance capabilities. Although many initiatives meet more than one of the technology priorities, for narrative purposes below, projects have been grouped into only one priority area. In addition, they may also address other vision elements; however, have been included under ***Connecting People and Places*** because that is a key focus for many of them.

Priority	FY 2006 Advertised Funding
Mandated Requirements	\$0.5 million
Completion of Prior Investments	\$2.4 million
Enhanced County Security	\$1.4 million
Improved Service and Efficiency	\$8.3 million
Maintaining a Current and Supportable Technology Infrastructure	<u>\$4.6 million</u>
TOTAL	\$17.2 million

CREATING A CULTURE OF ENGAGEMENT

As noted previously, the sheer size of Fairfax County can sometimes inhibit citizen interaction. In addition, the multitude and diversity of challenges faced in all aspects of County government make it necessary to partner with the community in order to achieve mutually beneficial outcomes. The FY 2006 Budget contains the following funding adjustments in order to address the vision element of ***Creating a Culture of Engagement***:

- \$0.3 million to provide a 4.6 percent increase in the General Fund Transfer to Fund 118, Consolidated Community Funding Pool, in order to leverage nonprofit funding and tie it to performance on achieving community challenges. The total General Fund support for Fund 118 for FY 2006 is \$7.1 million. The Consolidated Community Funding Pool is funded from federal Community Development Block Grant (CDBG) funds for Targeted Public Services and Affordable Housing; Federal Community Services Block Grant funds; as well as local Fairfax County General Funds. FY 2006 is the second year of the two-year funding cycle and while this 4.6 percent increase fully funds the General Fund contribution, the status of CDBG funding is unclear given recent recommendations in the President's budget which effectively proposes elimination of the CDBG program. The impact of subsequent proposals to replace CDBG, as well as the result of Congressional deliberations on the President's budget, are as yet unknown. It is anticipated in the FY 2006 budget that CDBG funding would be approximately \$2.2 million.
- \$0.3 million and 5/5.0 SYE positions for the Department of Community and Recreation Services including funding for three months of salary costs for 1/1.0 SYE Recreation Specialist IV, 1/1.0 SYE Recreation

Budget Highlights

Specialist III, 1/1.0 SYE Recreation Specialist II, and 2/2.0 SYE Recreation Specialists I, as well as one-time start-up costs to prepare the Southgate Community Center for opening in early FY 2007. The Southgate Community Center will be the center for regional services in the North County region, including areas in the Hunter Mill, Dranesville and Sully districts and is estimated to serve 19,000 attendees per year. The size of the new Southgate Community Center will increase from 3,600 square feet to over 7,700 square feet and will provide a teaching kitchen for nutrition programs and cooking classes, a daycare facility, and a $\frac{3}{4}$ gym for fitness and sports programs. Its programs will range from after-school and summer programs targeted toward at-risk youth, as well as programs designed for adults and seniors.

MAINTAINING HEALTHY ECONOMIES

The County benefits from a highly successful local economy; however, the long-term sustainability of Fairfax County depends on its success in achieving the vision element, *Maintaining Healthy Economies*. The following initiatives are intended to continue that success:

- \$1.2 million and 14/14.0 SYE additional positions in Land Development Services of the Department of Public Works and Environmental Services due to requirements in Site Development and Building Code Services associated with the increased level of development within the County. These staff will address longer plan review times, increased inspection requirements associated with more stringent environmental standards and increased workload due to greater volume and complexity of development such as an increase in revitalization and single lot (infill) projects. In addition, it should also be noted that Land Development Services fees are also proposed to increase in order to recover approximately 90 percent of program costs. These fees have not been increased since FY 1996, resulting in a current cost recovery rate of approximately 75 percent, below the Board's 90 percent target. These fee increases will generate an additional \$4.2 million in additional General Fund Revenue and will also offset the cost of the 14 positions necessary to address the growing and increasingly more complex workload associated with development.
- \$0.1 million and 1/1.0 SYE Planner II in the Department of Planning and Zoning (DPZ) will be dedicated to reviewing special permits for the Board of Zoning Appeals. Due to a recent amendment to the Zoning Ordinance, most variance applications will now be considered special permit uses. Unlike variances that require only a factual staff report, special permits require a full site inspection and report, notification of adjacent homeowners and more detailed analysis based on Zoning Ordinance Standards. It is anticipated that the number of applications for special permits will increase from approximately 200 to 300 per year. This position will help offset the increased workload due to the significant increase in the amount of staff time needed to process special permits including research, site visits, analysis and applicant support.
- \$0.1 million to fund the contract for a Fairfax County Economic Development Authority (FCEDA) representative in California to promote the County as a business location in order to generate new jobs and capital investment. A recent survey conducted by the California Business Roundtable and California Chamber of Commerce indicated that one-fifth of the business leaders surveyed plan to expand or relocate outside of the state to escape the pressures of California's costs and regulations. In addition, 40 percent of the executives interviewed said that their companies have a policy to move jobs elsewhere in the United States. Many California companies also see federal programs as an attractive market, particularly in the area of homeland security and could be attracted to the Northern Virginia area and Fairfax County in particular.

Budget Highlights

EXERCISING CORPORATE STEWARDSHIP

In order to continue to earn the trust and enjoy the support of citizens, it is critical that County government be accountable for demonstrating proper stewardship of public resources. For FY 2006, there are a number of initiatives to support the Board priority of **Revenue Diversification to Reduce the Burden on Homeowners**, as well as ensure comprehensive support for the vision element, *Exercising Corporate Stewardship*. These include:

- Increase Land Development Services fees in order to recover approximately 90 percent of program costs. County building fees have not been adjusted since FY 1991 and site review and inspection fees have not changed since FY 1996, resulting in a current cost recovery rate of approximately 75 percent, below the Board's 90 percent target. These fee increases will generate an additional \$4.2 million in additional General Fund Revenue and will also offset the cost of the 14 positions necessary to address the growing and increasingly more complex workload associated with development.

In recent years, LDS' costs to process plans and permits, and perform inspections have increased, particularly in the site inspection area. These increased costs are due to more complex development associated with increases in infill and redevelopment projects, as well as state and federal mandates such as the Chesapeake Bay Ordinance and Erosion and Sediment Control requirements. The proposal is to increase the fees for site plan review (except Fire Marshal fees) by 38 percent, increase site inspection fees by 82 percent, and increase various building code fees as detailed in the staff report provided to the Board of Supervisors on January 24, 2005. In consideration of the large increase in site inspection fees and based upon input from industry, staff recommends phasing the proposed site inspection increase over two years. All other fees would be fully adopted and effective on July 1, 2005.

BOARD PRIORITY:
**Revenue
Diversification to
Reduce the Burden
on Homeowners**

- Increase fees for all zoning applications and appeals and zoning compliance letters by up to 55 percent, which would be more comparable to the fees charged by similar local jurisdictions and would generate approximately \$0.7 million in additional revenue each year. Current zoning fees cover only about a third of the costs incurred by DPZ staff involved in the processing of zoning applications (rezonings, special exceptions, special permits, variances and amendments), appeals, and zoning compliance letters. A fee increase will enable DPZ to recover approximately 50 percent of costs related to processing zoning applications.
- Increase the E-911 fee to the State maximum charge of \$3.00 per line per month from the current \$2.50 rate. This change would be effective September 1, 2005 based on notification requirements, and in combination with the trend of declining number of eligible phone lines, would result in FY 2006 revenue of \$19.9 million, an increase of \$3.0 million over the FY 2005 level. Despite the revenue increase, the General Fund Transfer to support the Public Safety Communications Center will also increase from \$9.8 million in FY 2005 to \$13.5 million in FY 2006 based on program requirements. The increase in costs is being driven by salary adjustments, an increase in the number of positions required to perform necessary program functions, as well as increased contractual, telecommunications and repair costs. To fully recover all allowable expenses without General Fund support would require an E-911 monthly charge per line of \$4.95.
- Provide \$9.8 million including \$8.0 million for the General Fund and \$1.8 million for General Fund-supported agencies in order to continue the Pay for Performance program for over 8,000 non-public safety employees. The program retains the 0-6 percent range for employee raises and uses the more rigorous point requirements developed for FY 2005. As noted previously, the non-public safety pay scales are increased in accordance with the annual market index in order to keep County pay scales from falling below the marketplace, and requiring large-scale catch-up. However, it is important to note that employees do not receive this adjustment as they did in the past through a cost-of-living increase. Pay increases can only be earned through performance. By adjusting the pay scales, however, employees' long-term earning potential remains competitive with the marketplace.

Budget Highlights

➤ Funding for Fringe Benefits totals \$176.75 million, an increase of \$15.03 million or 9.3 percent over the *FY 2005 Revised Budget Plan* of \$161.72 million primarily due to the following:

- Retirement (Fairfax County Employees', Uniformed, Police) reflects a net increase of \$7.02 million or 10.4 percent over the *FY 2005 Revised Budget Plan*. This increase is primarily due to the impact of increases in the Employer Contribution rates and salary adjustments necessary to support the County's compensation program, offset by a reduction due to one-time savings as a result of the full-year implementation of DROP for Uniformed and Police employees and the subsequent reduction in the underlying salary base used to calculate contributions as a result of excluding the salaries of those who enroll in DROP. Included in the increase is \$0.35 million for the Employees' System employer contribution rate change required to fund the Deferred Retirement Option Plan (DROP) benefit enhancement. In addition the increase includes the Employees' System employer contribution rate increase of \$0.20 million based on the funding ratio falling further below the pre-defined 90 percent threshold and a \$0.41 million increase in the employer contribution for the Police Officers system rate due to a retiree cost-of-living increase benefit enhancement approved by the system's Board of Trustees effective July 1, 2004. In March 2002, the Board of Supervisors adopted a corridor approach to employer contributions, which enhances stability and ensures adequate funding for the retirement systems. In the corridor approach, a fixed contribution rate is assigned to each system, with the County funding contributions at that rate unless benefit enhancements are approved or the system's funding ratio falls outside of a pre-determined corridor (90-120 percent). Once outside the corridor, the County rate is either increased or decreased to accelerate or decelerate the funding until the ratio falls back within the corridor.
- Health Insurance funding is increased \$3.06 million or 5.7 percent over the *FY 2005 Revised Budget Plan*, based on a projected premium increase of 12.0 percent for the self-insured plan and an average increase of 15.0 percent for the HMOs, effective January 1, 2006, as well as adjustments to reflect the inclusion of new positions. It should be noted that the primary factors for the premium increase are escalating cost growth, increased utilization and the rising costs of prescription drugs. This increase has moderated from increases in recent years as a result of strategies employed by the County to contain health care costs such as increasing deductibles and out-of-pocket limits, as well as added incentives for generic drugs.
- Retiree Health Insurance increases \$0.12 million or 3.2 percent over the *FY 2005 Revised Budget Plan* level of \$3.70 million to \$3.82 million. Monthly subsidy payments to eligible County retirees to help pay for insurance are provided in Fund 500, Retiree Health Benefits. Beginning in FY 2004, payments were adjusted to reflect changes to the subsidy structure, which includes a change from the flat per month subsidy to a graduated subsidy based on age and length of service. No changes are recommended in the payment levels; however, the average number of subsidy recipients, including new retirees, who are eligible to receive the subsidy, is expected to increase by 160 or 8.1 percent, from 1,979 in FY 2005 to 2,139 in FY 2006. Estimates of the average number of subsidy recipients are based on a review of the projected number of retirements as well as the health subsidy eligibility of personnel already retired from the Fairfax County Employees', Uniformed, and Police Officers Retirement Systems.

In addition, it should be noted that beginning in FY 2008 the County's financial statements will be required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for post-employment benefits including health care, life insurance and other non-retirement benefits offered to retirees. This new standard addresses how local governments should account for and report their costs related to post-employment healthcare and other non-pension benefits such as the County's retiree health benefit subsidy. Currently, the County's subsidy is funded on a pay-as-you-go basis. GASB 45 will require that the County accrue the cost of these post-employment benefits during the period of employees' active employment while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension/retirement benefits. The County will have the option of

Budget Highlights

continuing to fund benefit payments as they come due, which would result in a large unfunded liability, or prepay during employees' active employment in order to decrease the unfunded liability. The County's actuarial accrued liability with advanced funding is \$250 million or \$575 million with no advanced funding. In FY 2006, the County will continue to examine the advantages and disadvantages of each option to ensure that the County responds to the new GASB standard properly, while maintaining the fiscal integrity of the County.

- Dental Insurance totals \$2.56 million and reflects the first full-year impact of the provision of a 50 percent employer contribution for employees who elect coverage. Fairfax County Government offers its employees and retirees a dental insurance preferred provider option in order to provide a comprehensive plan with maximum flexibility. The new dental insurance plan became effective January 1, 2005, and replaced three plans with a single dental insurance Preferred Provider Organization (PPO) plan. The inclusion of an employer contribution as part of the award of contract allowed the County to acquire a high quality, affordable dental insurance plan.
- Social Security reflects a net increase of \$2.84 million or 7.6 percent over the *FY 2005 Revised Budget Plan*, based on salary adjustments necessary to support the County's compensation program and the change in the federally set maximum pay base against which contributions are calculated from \$87,900 to \$90,000.
- Provide \$0.1 million and 1/1.0 SYE Retirement Counselor position due to the anticipated implementation of the Deferred Retirement Option Plan (DROP) for the Employees' Retirement System. Additional limited term funding is included for increased hours due to the workload associated with a rise in retirees and retirement-eligible employees. The investment portfolios and investment strategies for the systems have increased in volume and complexity and are anticipated to continue to grow as the systems pursue more sophisticated means of enhancing returns in a managed-risk environment. Meeting investment targets in the capital markets environment over the next decade will require the use of more complex investment instruments and stronger analytical resources.
- Provide \$0.2 million and 3/3.0 SYE positions for the Police Department, including 1/1.0 SYE Management Analyst II for the Financial Resources Division, 1/1.0 SYE Management Analyst I for grants administration, and 1/1.0 SYE Internet/Intranet Architect II to act as the agency's Web site administrator. Given the County's growing population, and subsequently, the size of Police Department's sworn force, additional civilian staff has also become necessary to support the administrative, fiscal, logistical and technical functions of the Department. Specifically, the Management Analyst II will assist existing staff in managing a General Fund budget of over \$150 million and other fiscal issues related to a force of over 1,700 sworn and civilian positions. The Management Analyst I will assist in the administration of COPS UHP, homeland security, emergency management, and gang-related grants. The Department's level of grant funding and number of grant-funded positions have both grown by over 100 percent over the last eight years. The Internet/Intranet Architect II will assist the agency in further developing its Web site in order to provide an enhanced channel of communication with the public and improve e-government services to further the Department's customer service capabilities.
- Provide \$0.2 million and 3/3.0 SYE additional positions in the Facilities Management Department for preventive and regular maintenance of County facilities due to the increase in number as well as square footage. Between 1984 and 2005, square footage of County facilities grew from 2.5 million square feet to 7.3 million square feet. The positions added include an Electronic Equipment Technician to help support the County's 130 fire alarm, 135 fire suppression and 83 generator systems that require periodic testing and maintenance. A Building Maintenance Worker at the South County Center would assist the one position currently assigned there with plumbing and carpentry work. The third position, a Locksmith, would assist three existing locksmiths who serve over 160 facilities in order to address the average backlog of 25 work requests and reduce the number of days to respond to emergency requests.

Budget Highlights

- In order to achieve greater efficiencies and find additional savings in the budget, a fleet analysis was performed during the first half of 2005. This study included identifying under-utilized vehicles, which take up a disproportionate amount of resources for maintenance as well as replacement contributions and staff time compared to their use. Vehicles with less than 4,000 miles driven between June 1, 2003 and June 1, 2004 were reviewed and agencies had to justify their continued ownership in light of their low usage. As a result of this review, 117 vehicles were recommended for rotation, reassignment or sale. Of this total, 17 are being redirected to address critical requirements that would otherwise have resulted in the acquisition of new vehicles in FY 2005 or FY 2006. The remaining 100 vehicles will be designated as surplus and removed from the fleet. One-time savings of approximately \$1.2 million, as well as ongoing annual savings of approximately \$250,000 in maintenance and replacement requirements will result from this contraction of the fleet. It is anticipated that the one-time savings generated from this analysis will be used in FY 2005 to support agencies that require additional funding due to the substantial increase in the cost of fuel beyond the FY 2005 budgeted amount, as well as the increased use of the more expensive ultra-low sulfur diesel fuel.

TAX AND FEE ADJUSTMENTS

The following describes the Tax Relief Program and the proposed Real Estate Tax Rate Reduction, as well as fee increases in several Other Funds such as E-911, solid waste and sewer service.

Tax Relief Program

The FY 2006 Advertised Budget Plan maintains the current Tax Relief Program with the maximum level of assets allowed for Real Estate Tax relief eligibility at \$240,000. Income limits remain at 100 percent exemption for elderly and disabled taxpayers with incomes up to \$40,000; 50 percent for eligible applicants with income between \$40,001 and \$46,000; and 25 percent if income is between \$46,001 and \$52,000.

Real Estate Tax Rate Reduction

The FY 2006 Advertised Budget Plan includes a proposal to reduce the real estate tax rate from \$1.13 per \$100 assessed value to \$1.03 per \$100 assessed value. This results in a savings of \$445 to the typical homeowner compared to what would be paid under the \$1.13 rate. With this cut, the total tax rate reduction since FY 2002 is 20 cents or approximately \$1,531 in annual savings for residential taxpayers.

Refuse Collection Fee Increase

Residents within Sanitary Refuse Collection Districts who receive County refuse collection service are charged an annual service fee through the semiannual property tax bill for regular trash pick-up and recycling. These districts are created by the Board of Supervisors upon citizen petition. From FY 2000 through FY 2004, the annual fee was maintained at \$210 per unit in order to draw down the unreserved fund balance. Over the past few years, this balance has been reduced. In fact, during FY 2004, more fund balance was used than projected due to the substantial clean-up services required as a result of Hurricane Isabel. These costs were beyond the amount of the reimbursement from the Federal Emergency Management Agency (FEMA). Due to increasing disposal fees, rising personnel costs and low fund balance, it is necessary to increase the annual fee from \$240 per unit in FY 2005 to \$270 in FY 2006 for approximately 40,000 customers who receive this service.

Budget Highlights

E-911 Fee Increase

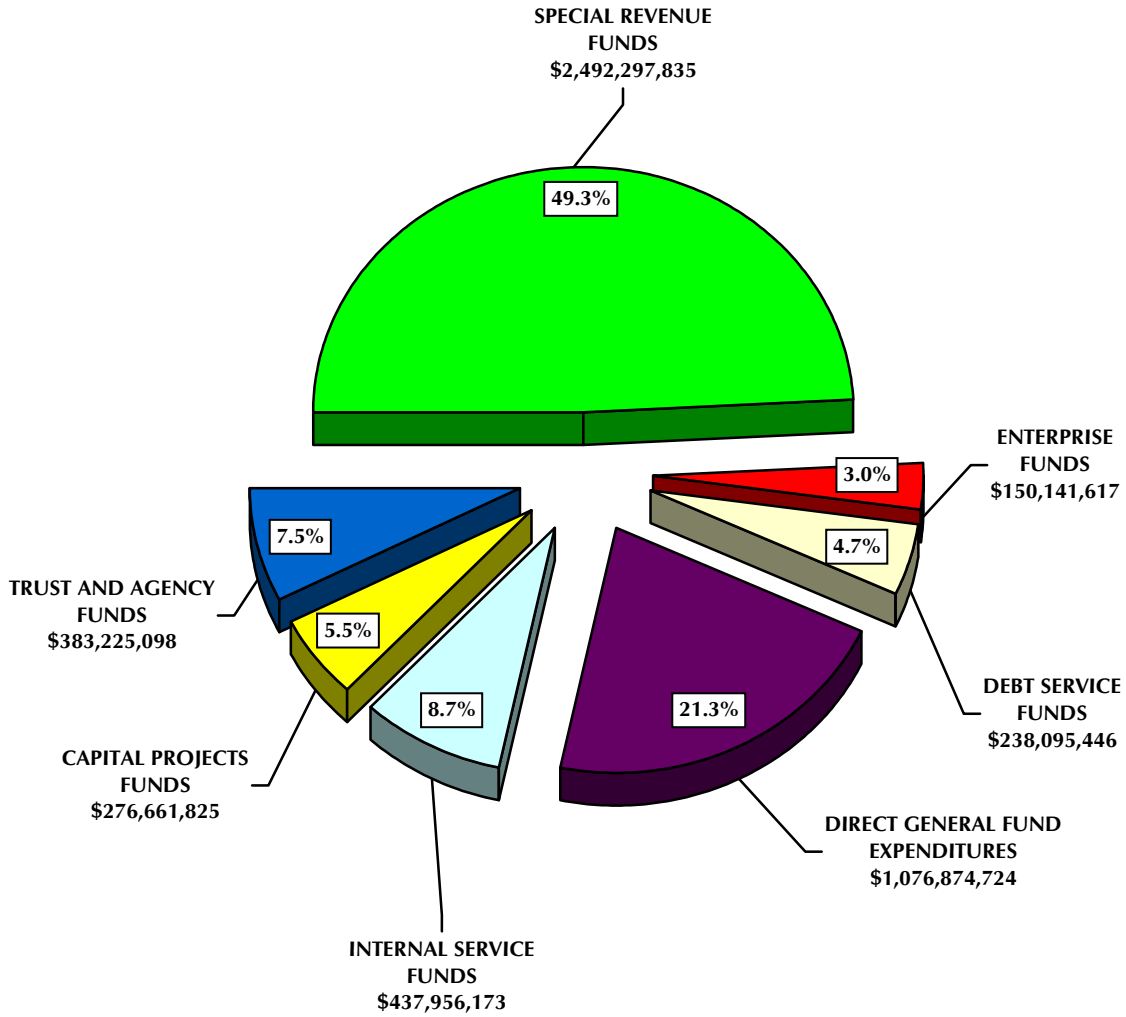
Fund 120, E-911, includes funding for the Department of Public Safety Communications as well as various public safety information technology projects. This involves the emergency dispatch of police fire and rescue units; emergency medical dispatch (EMD), a medical intervention program that provides emergency medical instructions by phone until emergency services personnel arrive on the scene; critical incident management services to County agencies; response to all commercial and residential alarm calls; and non-emergency services such as responding to the non-emergency phone line, reporting tow-ins and providing teletype operations. These services are supported by an E-911 fee levied per line per month. Current authorizing legislation allows for recovery of costs associated with the E-911 system's capital equipment, installation, maintenance and system upgrades, as well as salaries of call-takers and dispatchers that are directly attributable to the program.

The E-911 fee is proposed to increase to the State maximum charge of \$3.00 per line per month from the current \$2.50 rate. This change would be effective September 1, 2005 based on notification requirements and in combination with the trend of declining number of eligible phone lines, would result in FY 2006 revenue of \$19.9 million, an increase of \$3.0 million over the FY 2005 level. However, it should be noted that even with this increase, the General Fund Transfer will also be required to increase from \$9.8 million in FY 2005 to \$13.5 million in FY 2006 in order to support the necessary costs of the program.

Sewer Fees Increase

The FY 2006 Sewer Service Charge and Availability Fee are based on increased costs associated with capital project construction, system operation and maintenance, debt service, and upgrades to reduce nitrogen discharge from wastewater in order to meet more stringent environmental regulations. In FY 2006, the Availability Fee charged to new customers for initial access to the system will increase from \$5,621 in FY 2005 to \$5,874 for single-family homes based on current projections of capital requirements and is consistent with the analysis included in the Forecasted Financial Statement for July 1, 2004 through June 30, 2009. The Sewer Service Charge is billed to all existing customers and is used to fully recover operating and maintenance costs, debt service payments, and capital project funding primarily attributable to improving wastewater treatment effluent standards as mandated by state and federal agencies. The Sewer Service Charge will increase from \$3.20 to \$3.28 per 1,000 gallons of water consumption in FY 2006. Based on this rate increase, the additional annual cost to the typical household is anticipated to be \$6.08.

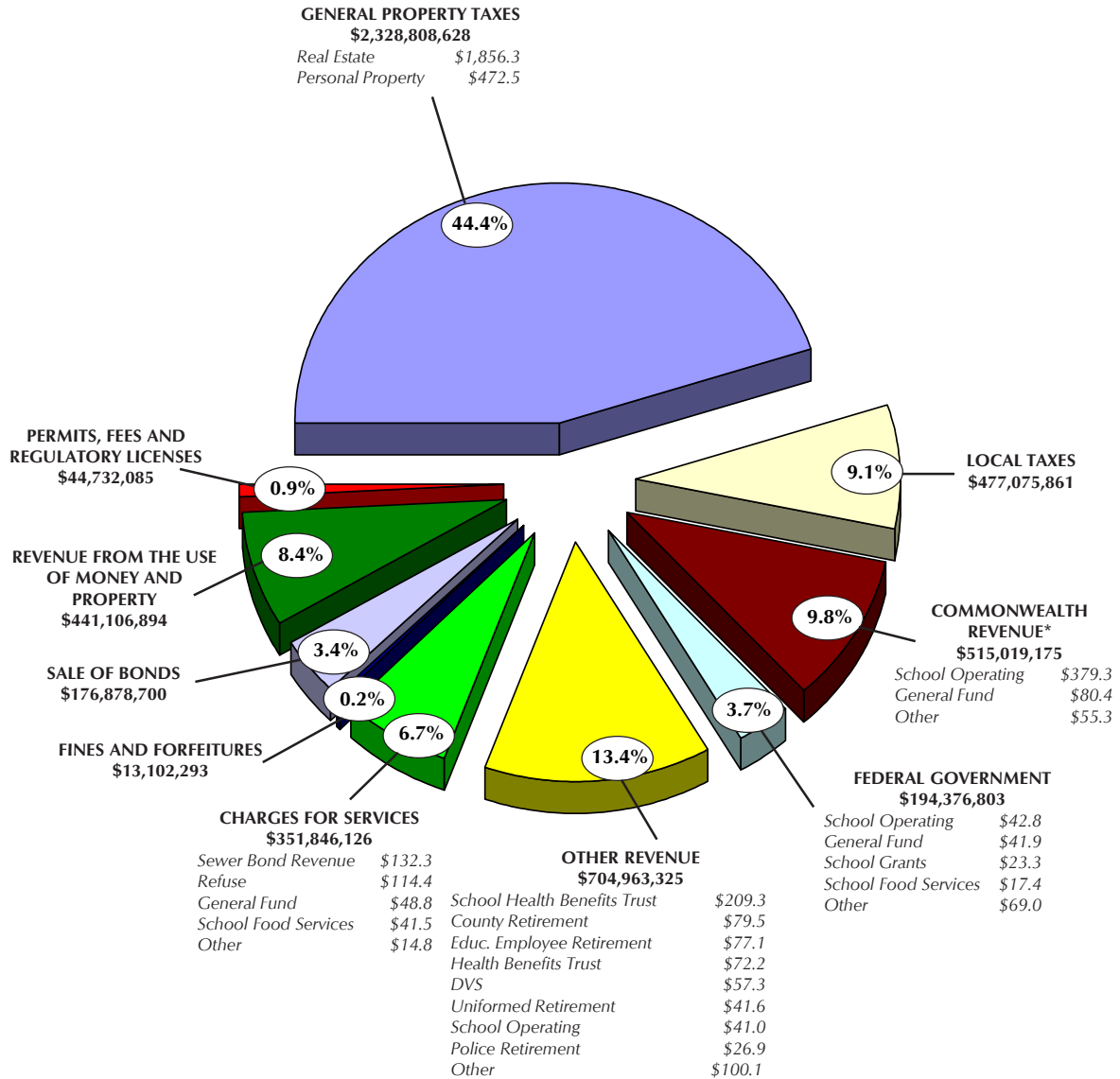
FY 2006 EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = \$5,055,252,718

FY 2006 REVENUE ALL FUNDS

(subcategories in millions)



TOTAL REVENUE = \$5,247,909,890

* For presentation purposes, Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.



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Strategic Linkages

This section includes:

- ▶ **Overview Strategic Linkages Summary**
(Page 44)
- ▶ **Key County Indicators** *(Page 48)*
- ▶ **Fairfax County Public Schools (FCPS)**
Systemwide Targets *(Page 60)*

Strategic Linkages

Context and Background

Fairfax County has been working on a number of initiatives in recent years to strengthen decision making and infuse a more strategic approach into the way business is performed. These initiatives include developing an employee Leadership Philosophy and Vision Statement, identifying the priorities of the Board of Supervisors, implementing a coordinated agency strategic planning process, incorporating Performance Measurement and benchmarking into the budget process, implementing a countywide Workforce Planning initiative, redesigning the Budget Process and converting to Pay for Performance. The process has been challenging and has required a shift in organizational culture; however, the benefit of these efforts is a high-performing government in Fairfax County, which is more accountable, forward-thinking and better able to further its status as one of the premier local governments in the nation.

Strategic Thinking

Among the first steps Fairfax County took to improve strategic thinking was to build and align leadership and performance at all levels of the organization through discussions and workshops among the County Executive, senior management and County staff. This initiative included the development of an employee leadership philosophy and vision statement to help employees focus on the same core set of concepts. This dialogue among the County Executive, senior management and staff has continued over several years and culminated in the development of seven "Vision Elements" for the County, which are consistent with the priorities of the Board of Supervisors. These Vision Elements are intended to describe what success will look like as a result of

the County's efforts **to protect and enrich the quality of life for the people, neighborhoods, and diverse communities of Fairfax County by:**

Employee Vision Statement

As Fairfax County Employees we are committed to excellence in our work. We celebrate public service, anticipate changing needs and respect diversity. In partnership with the community, we shape the future.

We inspire integrity, pride, trust and respect within our organization. We encourage employee involvement and creativity as a source of new ideas to continually improve service. As stewards of community resources, we embrace the opportunities and challenges of technological advances, evolving demographics, urbanization, revitalization, and the changing role of government. We commit ourselves to these guiding principles: Providing Superior Service, Valuing Our Workforce, Respecting Diversity, Communicating Openly and Consistently, and Building Community Partnerships.

Employee Leadership Philosophy

We, the employees of Fairfax County, are the stewards of the County's resources and heritage. We are motivated by the knowledge that the work we do is critical in enhancing the quality of life in our community. We value personal responsibility, integrity and initiative. We are committed to serving the community through consultative leadership, teamwork and mutual respect.



Maintaining Safe and Caring Communities: The needs of a diverse and growing community are met through innovative public and private services, community partnerships and volunteer opportunities. As a result, residents feel safe and secure, capable of accessing the range of services and opportunities they need, and are willing and able to give back to their community.



Building Livable Spaces: Together, we encourage distinctive "built environments" that create a sense of place, reflect the character, history, and natural environment of the community, and take a variety of forms – from identifiable neighborhoods, to main streets, to town centers. As a result, people throughout the community feel they have unique and desirable places to live, work, shop, play, and connect with others.



Connecting People and Places: Transportation, technology, and information effectively and efficiently connect people and ideas. As a result, people feel a part of their community and have the ability to access places and resources in a timely, safe, and convenient manner.

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Maintaining Healthy Economies: Investments in the work force, jobs, and community infrastructure and institutions support a diverse and thriving economy. As a result, individuals are able to meet their needs and have the opportunity to grow and develop their talent and income according to their potential.



Practicing Environmental Stewardship: Local government, industry and residents seek ways to use all resources wisely and to protect and enhance the County's natural environment and open space. As a result, residents feel good about their quality of life and embrace environmental stewardship as a personal and shared responsibility.



Creating a Culture of Engagement: Individuals enhance community life by participating in and supporting civic groups, discussion groups, public-private partnerships, and other activities that seek to understand and address community needs and opportunities. As a result, residents feel that they can make a difference and work in partnership with others to understand and address pressing public issues.



Exercising Corporate Stewardship: Fairfax County government is accessible, responsible, and accountable. As a result, actions are responsive, providing superior customer service and reflecting sound management of County resources and assets.

In FY 2005 Vision Element posters were distributed to County agencies to be prominently placed in County facilities to continue to foster the adoption of these concepts at all levels of the organization and to increase their visibility to citizens as well.

Strategic Planning

In the spring of 2002, Fairfax County implemented a countywide strategic planning effort. Strategic planning furthers the County's commitment to high performance and strategic thinking by helping agencies to focus resources on services that are the most needed in the County. While some agencies already had strategic plans, the new process directed all agencies to forge a link between their individual missions and goals and the broader County vision laid out in the seven Vision Elements.

Each agency performed an agency-wide environmental scan to determine what factors influence service delivery and customer demands, identified business areas within each department to more specifically define the services provided, aligned the specific tasks performed by business areas within the departmental and vision element framework, and refined goals to meet the countywide vision elements and agency mission. The strategic planning effort involved a cross section of employees at all levels and in all areas of the organization. In FY 2005 the County is evaluating the strategic planning process and identifying what action is appropriate for the next round of the effort. The County Executive began meeting with agencies individually in Fall 2004 specifically to discuss the process of strategic planning, consistent with one of his primary themes during the last three years which has been that especially in the early stages of strategic planning, the process is as important as the product in that the steps agencies take must be effective in orchestrating the shift in organizational culture discussed previously.

The strategic planning efforts in Fairfax County have been bolstered by four on-going efforts—performance measurement, pay-for-performance, workforce planning and technology enhancements—which help the County maintain a top quality workforce and fund County programs and technology improvements, often despite budget reductions:

Performance Measurement: Since 1997, Fairfax County has used performance measurement to gain insight into, and make judgments about, the effectiveness and efficiency of its programs, processes and employees. While performance measures do not in and of themselves produce higher levels of effectiveness, efficiency and quality, they do provide data that can help to reallocate resources or realign strategic objectives to improve services, processes and priorities. Each Fairfax County agency decides which indicators will be used to measure progress toward strategic goals and objectives, gathers and analyzes performance measurement data, and uses the results to drive improvements in the agency.

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Fairfax County also uses benchmarking, the systematic comparison of performance with other jurisdictions, in order to discover best practices that will enhance performance. The County has participated in the International City/County Management Association's (ICMA) benchmarking effort since 2000. Over 100 cities and counties provide comparable data annually in the following service areas: Police, Fire/EMS, Library, Parks and Recreation, Youth Services, Code Enforcement, Refuse Collection/Recycling, Housing, Fleet Management, Facilities, Information Technology, Human Resources, Risk Management and Purchasing. ICMA performs extensive data cleaning to ensure the greatest accuracy and comparability of data. In service areas that are not covered by ICMA's effort, agencies rely on various sources of comparative data prepared by the state, professional associations and/or nonprofit/research organizations. It is anticipated each year that benchmarking presentations will be enhanced based on the availability of information. This year, we have included cost per capita data showing how much we spend in each of the program areas, e.g., public safety, health and welfare, community development, etc. The Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually. It is included at the beginning of each program area section in Volume 1 of the [FY 2006 Advertised Budget Plan](#). The jurisdictions selected for comparison are the Northern Virginia localities as well as those with a population of 100,000 or more elsewhere in the state. Most compelling is that Fairfax County's cost per capita in each of the program areas is highly competitive with others in the state.

Pay for Performance: In FY 2001, Fairfax County implemented a new performance management system for non-public safety employees. Based on ongoing dialogue between employees and supervisors regarding performance and expectations, the system focuses on using countywide behaviors and performance elements for each job class to link employees' performance with variable pay increases. FY 2002 was the last year for automatic step increases and cost-of-living adjustment for over 8,000 non-public safety employees so annual compensation adjustments are now based solely on performance. Consistent with the County's ongoing assessment of its compensation philosophy and policy, staff undertook a review of the pay for performance system during FY 2004, the fourth year of the program. As part of this analysis, other jurisdictions with pay for performance systems were surveyed for best practices. As a result, the County Executive recommended changes to the system for FY 2005, to better align the pay for performance system with the County's goals and competitive marketplace practices. Efforts will continue to update employee performance elements and assure their linkage to departmental strategic plans and performance measures. Countywide training for employees and managers will continue to be a priority, as will the expansion of options for multi rater feedback as part of the performance management process.

As an integral part of the transition to pay for performance, and in order to ensure that pay scales remain competitive with the market, non-public safety pay scales are increased in accordance with the annual market index, which is calculated based on data from the Consumer Price Index; the Employment Cost Index, which includes private sector, state and local government salaries; and the Federal Wage adjustment. This is designed to keep County pay scales from falling below the marketplace, requiring a large-scale catch-up every few years. It is important to note that employees do not receive this adjustment as they did in the past through a cost-of-living increase. Pay increases can only be earned through performance. By adjusting the pay scales, however, employees' long-term earning potential remains competitive with the market.

Workforce Planning: The County's workforce planning effort began in FY 2002 to anticipate and integrate the human resources response to agency strategic objectives. Changes in agency priorities such as the opening of a new facility, increased demand for services by the public, the receipt of grant funding, or budget reductions can greatly affect personnel needs. Given these varying situations, workforce planning helps agency leadership to retain employees and improve employee skill sets needed to accomplish the strategic objectives of the agency. Effective workforce planning is a necessary component of an organization's strategic plan, to provide a flexible and proficient workforce able to adapt to the changing needs of the organization.

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Information Technology Initiatives: The County is committed to providing the necessary investment in information technology, realizing the critical role it plays in improving business processes and customer service. Fund 104, Information Technology Fund, was established to accelerate the redesign of business processes to achieve large-scale improvements in service quality and to provide adequate enterprise-wide technological infrastructure. Consequently, the County is consolidating its investments to accommodate and leverage technological advancements and growth well into the 21st century. Management continues to explore and monitor all areas of County government as potential candidates for further information technology enhancements and/or modifications.

Strategic Planning Links to the Budget

The FY 2005 budget presentation included the County's first steps to link the comprehensive strategic initiatives described above into the budget documents. To achieve these links, agency budget narratives now include discussions of Countywide Vision Elements and agency strategic planning efforts, program area summaries have been expanded to include cross-cutting efforts and benchmarking data, and a Key County Indicator presentation was developed to show how the County is performing as a whole. As a result, the budget information is presented in a more user-friendly format and resource decisions are more clearly articulated to Fairfax County citizens. In FY 2006 this linkage is strengthened with expanded benchmark data in the program area summary sections of the budget and more focus on Vision Elements and Board priorities both when making funding decisions and when presenting them. This is most visible in the County Executive's memorandum to the Board included in the Overview Volume.

- **Agency Narratives:** Individual agency narratives identify strategic issues, which were developed during the agency strategic planning efforts, link new initiatives and recent accomplishments as well as core services to the Vision Elements and expand the use of performance measures to clearly define how well the agency is delivering a specific service. Agency narratives are included in budget Volumes I and II.
- **Program Area Summaries:** Summaries by Program Area (such as Public Safety, Health and Welfare, Judicial Administration, etc.) provide a broader perspective of the strategic direction of several related agencies and how they are supporting the County Vision Elements. This helps to identify common goals and programs that may cross over departments. In addition, benchmarking information is included on Program Area services to demonstrate how the County performs in relation to other comparable jurisdictions. Program area summaries are included in budget Volumes I and II.
- **Key County Indicators:** The Key County Indicator presentation provides several performance measurement indicators for each Vision Element. The presentation gives the reader a high-level perspective on how the County is doing as a whole to reach its service vision. The presentation of Key County Indicators will continue to be refined to ensure that the measures best represent the needs of the community. A detailed presentation and discussion of the FY 2006 Key County Indicators is included in the Overview Volume following this discussion.
- **Schools:** The Fairfax County Public Schools provide an enormous contribution to the community and in an effort to address the County's investment in education and the benefits it provides, future Key County Indicator presentations will communicate results in education. In the FY 2006 budget, a list of Fairfax County School Systemwide Targets is included following the Key County Indicator presentation.

Positive Outcomes of Strategic Planning Links to the Budget

Resource Decisions

- Enables funding of priorities that directly support agency strategic goals and the County's Vision elements
- Clearly articulates funding decisions to County citizens

Performance Measurement

- Creates measures of Countywide success in meeting the County's Vision Elements
- Improves tracking of agency progress toward desired outcomes
- Identifies common goals that cross over agencies
- Benchmarks the County's performance in key areas to other jurisdictions

New Budget Format

- Presents budget information in a more user-friendly format, which improves readability

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Next Steps

The development of the County's leadership philosophy and emphasis on strategic planning is an ongoing process that will continue to be refined in the coming years. The FY 2005 budget presentation was extremely well received within the County and nationally. The County received an "Overall Performance Management Award" from the Performance Institute in San Diego, California for strategic planning and budgeting. Specifically the County was recognized for: enabling funding of priorities that directly support the vision goals of Fairfax County; articulating funding decisions to the residents and citizens of the County; and improving comprehension of budget information by organizing it in a user-friendly format. While recognition of this sort is positive the efforts undertaken by the County are designed to facilitate discussion and improvements will be discussed by the Board and the community, and it is anticipated that refinements to the strategic linkages efforts will be driven by that dialogue.

Key County Indicators

Introduction

The Key County Indicator presentation includes several measures of countywide performance for each of the seven Vision Elements. The Indicators were compiled by a diverse team of Fairfax County senior management and agency staff through a series of meetings and workshops during the FY 2005 budget development process. Indicators were chosen if they are reliable and accurate, represent a wide array of County services, and provide a strong measure of how the County is performing in support of each Vision Element. Since this was the first year of the Key County Indicator presentation, the team also suggested Indicators to be included in future years, once the data can be collected and organized. In some cases, new indicators would require more extensive input from the community either from citizen satisfaction surveys conducted by the County or working groups with citizens. The County is committed to continue to refine and improve the Key County Indicator presentation in the coming years, to ensure it best communicates the County's progress on each of the Vision Elements. Benchmarking data will be included in the future as information becomes available to provide a high-level picture of how Fairfax County is performing compared to other jurisdictions of its size and diversity. Benchmarking data is currently discussed in program area summaries in budget Volumes I and II to provide the reader with more context for agency performance.

Key County Indicators—How is Fairfax County performing on its seven Vision Elements?

- ✓ Maintaining Safe and Caring Communities
- ✓ Practicing Environmental Stewardship
- ✓ Building Livable Spaces
- ✓ Maintaining Health Economies
- ✓ Connecting People and Places
- ✓ Creating a Culture of Engagement
- ✓ Exercising Corporate Stewardship

The following presentation lists the Key County Indicators for each of the Vision Elements, provides data from FY 2003 to FY 2006, where available, and includes a discussion of how the Indicators relate to their respective Vision Elements. For some indicators, if FY 2003 or FY 2004 is the most recent year in which data are available, it was used to forecast estimates for FY 2005 and 2006. If FY 2004 actuals are unavailable, NA was used in the table until the data becomes available. All of the Indicator data are for Fairfax County only, listed by Fiscal Year, unless otherwise noted in the text.

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Maintaining Safe and Caring Communities: The needs of a diverse and growing community are met through innovative public and private services, community partnerships and volunteer opportunities. As a result, residents feel safe and secure, capable of accessing the range of services and opportunities they need, and are willing and able to give back to their community.

Key County Indicators	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate
Ratio of Part I Index Crimes (Violent Criminal Offenses) per 100,000 County Population (Calendar Year)	105.84	NA	105.84	105.84
Clearance rate of Part I Index Crimes (Violent Criminal Offenses) (Calendar Year)	44.40%	NA	NA	NA
Fire suppression response rate for engine company within 5 minutes	53.64%	51.38%	50.00%	50.00%
Percent of Advanced Life Support (ALS) transport units on scene within 9 minutes	85.49%	85.27%	85.00%	85.00%
Percent of low birth weight babies (under 5 lbs 8 oz)	NA	6.40%	6.40%	6.40%
Immunizations: completion rates for 2-year olds	79.0%	78.0%	80.0%	81.0%
High School graduation rates	96.6%	NA	96.6%	96.6%
Percent of children in foster care per 1,000 in total youth population	1.81%	1.56%	1.56%	1.56%
Percent of Seniors, Adults with Disabilities and/or family caregivers who report that the community based services that are provided by Fairfax County help them remain in their home/community.	95.0%	95.0%	95.0%	95.0%
Percent of restaurants operating safely	90.8%	95.0%	91.0%	92.0%

Fairfax County is one of the nation's safest jurisdictions in which to live and work. The County expects to maintain its low crime rate. The Fairfax County **ratio of Part I Index Crimes** remains low at 105.84 violent crimes per 100,000 population, as compared to the National County Suburban average of 353.7 per 100,000. The County will also continue the current case **clearance rate for Part I crimes**, which is an index of four major crimes (murder, rape, robbery, and aggravated assault). The case clearance rate of 44.4 percent is below the average for national suburban counties (54 percent in CY 2002), though that was largely attributable to shifting resources during the Sniper Event of October 2002. *(Note: The Police Department collects and reports performance data based upon a calendar year rather than a fiscal year. Therefore, the Key County Indicators shown reflect calendar year information. Updated data will be provided in the FY 2006 Adopted Budget Plan.)*

The Fairfax County Fire and Rescue Department Advanced Life Support (ALS) and fire unit measures are standards set by the National Fire Protection Association (NFPA). A slight decrease is expected in meeting the ALS and fire response time standards due to increasing traffic congestion throughout the jurisdiction. The County is committed to providing fire suppression and ALS resources in a timely manner and will address the issue by opening three new fire stations in the next several years, including the Crosspointe Fire Station, which is due to open in May 2006 and will provide additional response capacity to the southern part of the County. While the **5 minute fire suppression response standard** of the NFPA is met only 51.38 percent of the time, the average countywide **fire suppression response time** is just above 5 minutes, at 5 minutes 19 seconds. The County also met a second NFPA suppression response standard 94.83 percent of the time, which requires 14 Fire and Rescue personnel to be on site within 9 minutes. The complement of responding personnel may be greater than 14 and is appropriate to the incident and structure type, and may include response from engine, truck, heavy rescue, EMS units and other specialty units.

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The health and well-being of children in Fairfax County is evident in the low percentage of children born with **low birth weight** and the high **immunization completion rates** for two-year-olds. The County's immunization rate of 78 percent exceeds the national rate of 75 percent. Fairfax County also funds numerous programs to help children stay in school, while providing recreational activities during after-school programs. These services contribute the County's high **graduation rate** of 96.6 percent. Currently, the **ratio of children in foster care per 1000** in the total population of children 0–17 years old is 1.56. While this is low compared to the statewide ratio of 4.1, Fairfax County is still working to decrease the number of children in foster care as well as reduce the time spent in foster care through intensive prevention and early intervention efforts and a stronger emphasis on permanent placements of children in foster care who are unable to return safely to their families.

The County continues to be successful in **caring for elderly residents and persons with disabilities by helping them stay in their homes** as indicated by the 95.0 percent satisfaction rating on four support programs– adult day health care, meals programs (congregate and home-delivered), home-based care, and home-based bathing and respite program.

Fairfax County is committed to protecting the health of its citizens and currently 95 **percent of restaurants are operating safely**. This measure reflects restaurants that do not present a health hazard to the public and are determined to be safe at the time of inspection, otherwise the operating permit would be suspended and the restaurant would be closed. It is anticipated that the percentage of closures will increase over the current level due to a projected increase in the percentage of restaurants that are inspected at least once per year.



Building Livable Spaces: Together, we encourage distinctive “built environments” that create a sense of place, reflect the character, history, and natural environment of the community, and take a variety of forms – from identifiable neighborhoods, to main streets, to town centers. As a result, people throughout the community feel they have unique and desirable places to live, work, shop, play, and connect with others.

Key County Indicators	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate
Acres of park land held in public trust	37,265	38,572	38,900	38,900
Miles of trails and sidewalks maintained by the County	554	565	580	590
Annual number of visitations to libraries, park facilities and recreation and community centers	11,161,341	11,170,262	11,293,902	11,516,465
Value of construction authorized on existing residential units	\$219,448,244	\$199,149,906	\$199,149,906	\$199,149,906
Percent of people in the labor force who both live and work in Fairfax County	51.6%	52.1%	52.1%	52.1%
Percent of dwelling units within business or transit centers as measured by zoning approvals	76.3%	61.3%	61.3%	61.3%
Number of affordable rental senior housing units	1,496	2,552	2,618	2,643

Many of the indicators above capture some aspect of quality of life for Fairfax County residents and focus on the sustainability of neighborhoods and the community. The **acres of park land held in public trust** continue to increase each year and this preservation of open space enhances the County's appeal as an attractive place to live. In addition, the availability of trails and sidewalks supports pedestrian friendly access, and accessibility for non-motorized traffic. This indicator is measured by the **miles of trails and sidewalks** that are maintained by the County. In addition to the 565 miles of trails and sidewalks currently maintained by the County, approximately 1,400 miles are maintained by the Virginia Department of Transportation (VDOT) and approximately 250 miles are contained within County parks. In addition, an estimated 2,000 to 3,000 miles of

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walkway are maintained by private homeowners associations. This increasing number of walkways contributes to the sense of community and connection to places.

Availability and **use of libraries, parks and recreation facilities** is often used as a "quality-of-life" indicator and is cited as a major factor in a family's decision for home location and a company's decision for site location. FY 2003 and FY 2004 data demonstrates a high level of participation at County facilities and it is likely that this number will increase over time, as new facilities are planned and constructed.

Citizen investment in their own residences reflects the perception of their neighborhood as a "livable community." The **value of construction authorized on existing residential units** has increased dramatically in the years prior to FY 2003, as citizens renovated and expanded their living spaces, and then leveled off more recently.

Mixed use development is an indication of the quality of built environments and is supported by the Comprehensive Plan which encourages built environments suitable for work, shopping and play. Business centers in the County require additional residential development to facilitate an appropriate mix of uses. Additional residential development in centers increases the potential for the workforce to live in proximity to place of work. The **percentage of employed people who both live and work in Fairfax County** is currently above 50 percent and may be linked to both quality of life and access to mixed use development in the County.

The stock of housing that is affordable to seniors is stable. Loss of **senior housing** due to private market forces and financing mechanisms is more or less offset by continued production of senior housing. Future indicators under development may include a more comprehensive measure for affordable housing in relation to the current housing stock.



Connecting People and Places: Transportation, technology, and information effectively and efficiently connect people and ideas. As a result, people feel a part of their community and have the ability to access places and resources in a timely, safe and convenient manner.

Key County Indicators	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate
Number of times County information and interactive services are accessed electronically (millions)	32.0	39.0	50.8	66.1
Percent change in number of times County information and interactive services accessed electronically	29.2%	21.9%	30.3%	30.1%
Library materials circulation per capita	11.2	11.0	10.5	10.1
Percent of library circulation represented by materials in languages other than English	NA	35%	35%	35%
Percent change in transit passengers	9.3%	0.0%	3.5%	1.9%

An important measure of a community's quality of life is whether or not its residents are connected to the community. Do residents have, or can they easily, conveniently and safely access, information, services and activities that are of interest to them? Fairfax County effectively and efficiently leverages technology and transportation to serve this end. Technology, for example, provides most residents of Fairfax County with 24-hour access to the County's website, which is continually being enhanced and expanded to include more and more useful information. Not only does the website provide information on County services, but it also enables citizens to transact business with the County. Citizens no longer have to appear in person, during normal business hours, at a County facility. They can now pay parking tickets, request special pickup for bulk and brush debris, sign up to testify at public hearings, and register for various programs, such as those offered by the Park Authority, online. Given hectic schedules, traffic congestion, an aging population and the sheer geographic size of the County, being able to access information 24 hours a day at home, the office or the local library is a highly valued convenience. Not only does it broaden how many people can access County government and services, but it also enhances that interaction. For example, technology is enabling the provision of information that was not readily available before. As a result, citizens can become better informed and better served by the County. Evidence of the County's success in providing useful and

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convenient access to information and services is found in the **percent change in electronic access to County information and interactive services**. This indicator measures use of the County's website, utilization of County kiosks and use of interactive services such as online payment of personal property taxes. This measure has sustained significant double digit growth rate for several years. This trend is expected to continue in FY 2005 and FY 2006 as more applications are offered online and as more citizens opt for the convenience.

For residents of Fairfax County who do not have access to a computer at home or at work, do not possess the technical skills or are not able to utilize technology due to language barriers, the County utilizes other methods and media to connect County residents with information and services. Libraries, for example, are focal points within the community and offer a variety of brochures, flyers and announcements containing information on community activities and County services. This is reflected in the County's visitation per capita ratio which was 5.1 in FY 2004. This compares favorably to the average for jurisdictions of more than 100,000 people of 4.04, according to FY 2002 data compiled by the International City/County Management Association (ICMA). Further evidence of the heavy utilization of Fairfax County libraries is demonstrated by the **library materials circulation per capita** which was 11.0 in FY 2004. While this metric is projected to decline to 10.1 by FY 2006 based on a decline in items available to citizens due to budget constraints in materials, it is still well above the mean for jurisdictions of 100,000 or more people of 6.7 based on benchmark data from the ICMA. This high circulation indicates a desire among Fairfax County residents for information and the holdings of the Library system.

As previously mentioned, Fairfax County is becoming an increasingly diverse community in terms of culture and language. In 2003, 34.6 percent of Fairfax County residents spoke a language other than English at home. In an attempt to better serve the non-English speaking population, the Fairfax County Public Library has dedicated a portion of its holdings to language appropriate materials for this portion of the community. In FY 2004, 35 **percent of library circulation was represented by materials in languages other than English**. Efforts are underway to refine the collection of these data. Additionally, other indicators that would reflect what the County is doing to communicate with the non-English speaking segments of the population are being evaluated for future inclusion in the Key County Indicators.

Another important aspect of connecting people and places is actually moving them from one place to another. While transportation is largely a state function, the County does contribute funding to Metro and the Virginia Railway Express, support the County's CONNECTOR bus system and provide FASTRAN services to seniors, individuals who are mobility-impaired and clients of the County's human services agencies. Support of these mass transit options is intended to reduce road congestion and facilitate the transport of individuals from one place to another. In FY 2003, a 9.3 **percent change in transit passengers** was experienced. Significant increases in the number of transit passengers boarding Metrorail in Fairfax County and the number of passengers transported by the CONNECTOR bus system fueled this strong performance in FY 2003 and are due to population increases and traffic congestion. While the County will continue to expand the number of transit passengers, growth like that experienced in FY 2003 has not been sustained. In FY 2004 no growth is shown in the numbers due to methodology change in the tracking of Metrorail ridership originating in Fairfax County. If adjustments are made for this methodology change, an increase of 2.7 percent in the number of transit passengers would have been recorded. Further, but moderate growth is anticipated in FY 2005 and FY 2006.

In the future, supplementing the aforementioned output-based indicators with some which focus on citizen satisfaction would provide a better picture of how effective the County really is at connecting people and places. Similarly, an indicator is not currently included on the accessibility of County facilities with respect to the Americans with Disabilities Act requirements. These are being discussed for possible future inclusion.

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Maintaining Healthy Economies: Investments in the work force, jobs, and community infrastructure and institutions support a diverse and thriving economy. As a result, individuals are able to meet their needs and have the opportunity to grow and develop their talent and income according to their potential.

Key County Indicators	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate
Total employment (not just payroll; includes part-time, contract, etc.)	559,029	581,952	608,140	632,102
Growth rate	1.8%	4.1%	4.5%	4.0%
Unemployment rate	2.8%	2.2%	2.0%	2.0%
Percent of Commercial/Industrial vs. Residential	21.97%	19.14%	18.20%	17.36%
Gross County Product (in billions) - Unadjusted	\$68.742	\$74.341	\$79.480	\$84.063
Growth rate	6.5%	8.1%	6.9%	5.8%
Percent of persons living below the federal poverty line (Calendar Year)	4.2%	NA	4.2%	4.2%
Percent of homeowners that pay 30.0% or more of household income on housing (Calendar Year)	26.0%	NA	26.0%	26.0%
Percent of renters that pay 30.0% or more of household income on rent (Calendar Year)	42.2%	NA	42.2%	42.2%
Direct (excludes sublet space) office space vacancy rate (Calendar Year)	11.2%	NA	11.2%	11.2%

Maintaining a healthy economy is critical to the sustainability of any community. In addition, many jurisdictions have learned that current fiscal health does not guarantee future success. Like the other vision elements, this one was selected because it is a high priority for Fairfax County. Performance in this area affects how well the County can respond to the other six vision elements. The above eight indicators shown for the Healthy Economies Vision Element were selected because they are perceived as providing the greatest proxy power for gauging the health of Fairfax County's economy.

Total employment was selected as an indicator to illustrate the magnitude of Fairfax County's jobs base. For context, there are more jobs in Fairfax County than there are people in the entire state of Wyoming. Total employment includes all jobs, part-time and contract, and not just payroll jobs as is reported for the unemployment rate. Dr. Stephen Fuller of the Center for Regional Analysis at George Mason University provides this data for Fairfax County's Economic Index monthly newsletter. While related to the number of jobs, the **unemployment rate** is also included because it shows the proportion of the County's population out of work. Fairfax County enjoys a relatively low unemployment rate in comparison to state and national trends. While the County's rate was 2.2 percent for FY 2004, the Commonwealth of Virginia experienced 3.8 percent unemployment for the same period. The strength of the County's economy is even more apparent when compared to the national unemployment rate of 5.8 percent for that same timeframe.

The **percent of commercial/industrial** is a benchmark identified by the Board of Supervisors, which places priority on a diversified revenue base. The target is 25 percent of the assessment base. In recent years, this percentage has declined to less than 20 percent due to the slow economy and is further exacerbated by the booming housing market attributable to record low mortgage rates that has resulted in double-digit residential real estate assessment increases for consecutive years. This imbalance increases the burden on the residential component to finance government services.

According to the County's contracted economist, Dr. Fuller, **gross county product** is the overall best measure of how well the County economy is performing because it captures the value of goods and services produced in Fairfax County and can be expressed in dollars as well the growth rate, which indicates an upward trend even in years when the national economy has been in a recession.

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While it was recognized that **percent of persons living below the federal poverty line** is an imperfect measure due to the unrealistic level set by the federal government, i.e., \$18,810 for a family of four, it is a statistic that is regularly collected and presented in such a way that it can be compared to other jurisdictions as well as tracked over time to determine improvement. In relative terms, Fairfax County's 4.2 percent poverty rate is better than most, yet it still translates to over 40,000 persons living below the federal poverty level.

The next two measures, **percent of homeowners that pay 30 percent or more of household income on housing** and **percent of renters that pay 30 percent or more of household income on rent**, are included because they relate the cost of housing to income and provide an indication of the relative affordability of living in Fairfax County. That capacity has an effect on other aspects of the County's economy. For example, if housing is so expensive that businesses cannot attract employees locally, they may choose to relocate from Fairfax County, thus resulting in loss of jobs. In calendar year (CY) 2003, 26.0 percent of homeowners paid 30 percent or more of their household income on housing, while a substantially greater number of renters, 42.2 percent, paid 30 percent or more of their household income on rent.

Finally, the **direct (excludes sublet space) office space vacancy rate** is included because it reflects yet another aspect of the health of the business community. In recessionary conditions, businesses contract and use less space. The office market showed improvement in CY 2003 when the direct office vacancy rate fell to 11.2 percent. With sublet space, the vacancy rate improved to 15.6 percent in CY 2003. Through midyear CY 2004, the direct office vacancy rate continued to improve as it fell further to 9.7 percent while the rate including sublet space decreased to 13.3 percent. Fairfax County devotes considerable resources to attracting and maintaining businesses that will contribute to the revenue base through income and jobs, which helps to ensure a healthy local economy.



Practicing Environmental Stewardship: Local government, industry and residents seek ways to use all resources wisely and to protect and enhance the County's natural environment and open space. As a result, residents feel good about their quality of life and embrace environmental stewardship as a personal and shared responsibility.

Key County Indicators	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate
Unhealthy Air Days recorded on Fairfax County monitors, based on the EPA Air Quality Index (Calendar Year)	2	2	10	10
Overall Level of Stream Quality as a weighted index of overall watershed/ stream conditions on a scale of 5 (Excellent) to 1 (Very Poor)	2.76	2.80	2.80	2.43
Percentage of Tree Coverage in County	45%	44%	43%	42%
Number of homes that could be powered as a result of County Alternative Power Initiatives	67,856	69,115	68,646	69,625
Solid Waste Recycled as a percentage of the waste generated within the County (Calendar Year)	34.0%	34.0%	34.0%	34.0%

The Environmental Stewardship Vision Element demonstrates the County's commitment to the environment. Rapid growth and development since the 1980's have created new challenges for environmental preservation and stewardship. In recent years, Fairfax County has sought greater integration of environmental issues into all levels of agency decision making and a proactive approach in preventing environmental problems and associated costs. Success in this area is demonstrated by the County's Solid Waste Management Program, Wastewater Management Program, and the Department of Vehicle Services having earned the Virginia Department of Environmental Quality's designation as Environmental Enterprises, or E2, in accordance with Virginia's Environmental Excellence Program (July 2003). This designation is given if a facility has a record of significant compliance with environmental laws and requirements and can demonstrate its commitment to improving environmental quality and evaluating the facility's environmental impacts.

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In support of the regional goal of attaining the federal standard for ozone levels, Fairfax County is concerned with minimizing **unhealthy air days** as measured and defined by all criteria pollutants. The Environmental Protection Agency (EPA) has set National Ambient Air Quality Standards for these criteria pollutants: ground-level ozone, particulate matter, lead, carbon monoxide, sulfur dioxide, and nitrogen dioxide. The **EPA Air Quality Index** for the criteria pollutants assign colors to levels of health concern, code orange indicating unhealthy for sensitive groups, code red - unhealthy, purple - very unhealthy, and maroon - hazardous. The data above include all of these color levels. In 2004, EPA started the transition from the one-hour ozone standard to a more stringent eight-hour ozone standard. Fairfax County, along with the metropolitan Washington region, has been classified as being in moderate non-attainment of the eight-hour ground-level ozone standard. To meet the new standard, additional control strategies will have to be implemented. Also, the more stringent standard has resulted in higher future year estimates for **unhealthy air days**. Several initiatives are already in place to help meet the new standard. These include partnerships with area jurisdictions, reducing County vehicle emissions through the purchase of hybrid vehicles, diesel retrofits and the use of ultra low sulfur fuel, transportation strategies including free Connector bus rides on Code Red Days, gas can replacement, teleworking, community outreach, vigilant monitoring efforts, and maintaining standards and procedures that promote healthy air. Through the County's Environmental Coordinating Committee, the County has been examining the adequacy of current air pollution measures and practices, education and notification processes, codes and regulations, and assessing the impact on air quality of the County's comprehensive plan. Further air pollution reduction initiatives have already been started as a result of these efforts. New measures with funding costs are being presented to the Board of Supervisors for approval. Fairfax County continues its membership with Clean Air Partners, a volunteer, non-profit organization chartered by the Metropolitan Washington Council of Governments (COG) and the Baltimore Metropolitan Council (BMC).

Stream quality in the County affects County residents' recreational use of streams, as well as the national and regional goal of eliminating pollution within the Chesapeake Bay, impacted in part by County streams. Fairfax County is moving aggressively to develop and implement watershed management plans for each of the County's 30 watersheds in order to meet the Chesapeake Bay 2000 goal of having watershed plans completed for two-thirds of the basin before 2010. Development of detailed watershed management plans commenced in 2003 for five watersheds (40 percent of the County land area), and all watershed management plans are anticipated to be developed over the next five to seven years. By the end of FY 2005, two watershed management plans will be completed and two more will be initiated. The first phase of watershed planning was a detailed stream physical assessment, under the County's ongoing Stream Protection Strategy (SPS) program. Each year, a percentage of County streams is sampled, measuring the condition of 20 to 25 percent of targeted sites initially measured in a 1999 stream baseline study. Sites are ranked from 5 (Excellent), 4 (Good), 3 (Fair), 2 (Poor) to 1 (Very Poor). Measured data includes benthic macro-invertebrate community integrity, stream and riparian habitat conditions, fish taxa richness, and the percent impervious cover in the drainage area of the sampling site. A future average **stream quality ranking** of 3 (Good) is set forth as a 2010 goal associated with meeting Chesapeake Bay requirements. The EPA recognized Fairfax County as a Charter 2003 Clean Water Partner for its leadership role in the protection of the Chesapeake Bay (April 2003).

Tree coverage contributes to healthy air, clean water, preservation of habitat for birds and other wildlife, and quality and enjoyment of the environment by County residents. County planning and land development processes emphasize tree preservation and integrate this concern into new land development projects when possible. **Tree coverage** in the County is expressed as the percentage of the County's land mass covered by the canopies of trees. The latest data were collected over a one-year period between the fall of 2002 and 2003 through the interpretation of high-resolution satellite imagery. Annual estimates of **tree coverage** in the County for individual years are premised on statistical analyses and knowledge of recent development activities in the County. The most recent satellite analysis was funded by a Federal Urban and Community Forestry Grant. Satellite analysis is typically done once every five years with staff estimating annual changes based on interim surveys. Despite intense development in the County over the last 20 years, the County still anticipates maintaining a 42 percent **tree cover**, as compared with 68 percent 20 years ago. This figure compares favorably to the average **tree cover** levels reported by the U.S. Department of Agriculture Forest Service for other urbanized areas of Virginia (35.3 percent) and Maryland (40.1 percent). The County improved environmental protection through the implementation of new **tree cover** requirements in 2002 that contain incentives to preserve higher quality existing trees, preserve or plant trees to conserve energy, and

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plant species suited to the urban/suburban environment that will not be disruptive to native forest ecosystems.

Alternative power initiatives highlight County efforts to contribute to lowering pollution through the generation, procurement and/or use of cleaner, more efficient energy sources. These initiatives go to the heart of environmental stewardship. County **alternative power initiatives** are expressed as the equivalent number of homes that could be powered by energy realized from alternative sources, such as the energy from the County's Energy/Resource Recovery Facility and from methane recovery at the County landfill. Locally, average energy use per home equals 800 Kilowatt-hours (kWh) per month. Current electric sales from the County's resource recovery facility are approximately 52,500,000 kWh/month. Methane project sales are 2,500,000 kWh/month.

Solid waste management is a key environmental responsibility, and waste reduction through reuse and **recycling** is considered the most desirable method of waste management at all government levels. In May 2004, the Board of Supervisors approved the County's Solid Waste Management Plan, putting in place an integrated management system and long-range planning for waste and recycling for the next 20 years. A number of new recycling initiatives will be implemented under this plan for FY 2006. These new initiatives include collecting additional recyclables curbside from residents and improving participation by County businesses in recycling. The annual countywide **recycling rate** includes data on recyclable materials collected by the County, by permitted, privately-owned refuse and recycling companies, and a variety of businesses located within the County. The County's 2004 **recycling rate** of 34 percent of the municipal solid waste stream (which includes private haulers) exceeds the state-mandated goal of 25 percent. The amount of **solid waste recycled** measures material no longer of value to its owner, which would have been disposed of if not diverted to a recycling activity. Revenue is generated from the sale of recyclable materials, partially offsetting expenditure requirements. Expenditures are further reduced when materials are recycled, since disposal costs of that material are avoided. The countywide **recycling rate** is calculated on an annual basis through the authority of Fairfax County Code, Chapter 109, specifically section 109-2.2. Solid waste collectors and certain businesses operating in the County are required to prepare an annual report on the tonnage of materials collected for recycling. This report is due to the County on March 1 of each year. The annual **recycling rate**, required to be reported to the Virginia Department of Environmental Quality by the end of April each calendar year, shows a calendar year 2004 recycling rate of 34 percent, excluding the impact of Hurricane Isabel. The rate is 37 percent when the impact of Hurricane Isabel is included.

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Creating a Culture of Engagement: Individuals enhance community life by participating in and supporting civic groups, discussion groups, public-private partnerships, and other activities that seek to understand and address community needs and opportunities. As a result, residents feel that they can make a difference and work in partnership with others to understand and address pressing public issues.

Key County Indicators	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate
Volunteerism for Public Health and Community Improvement (Bioterrorism Medical Action Team, Community Health Partners and Volunteer Fairfax)	4,900	7,075	7,775	8,900
Volunteer hours leveraged by the Consolidated Community Funding Pool (CCFP)	348,685	311,139	315,352	315,352
Percent of Registered Voters Who Voted in General and Special Elections	45.9%	32.6%	73.8%	51.0%
Percent of Park Authority, Fairfax County Public Schools, and Community and Recreation Services athletic fields adopted by community groups	34.6%	35.4%	34.6%	34.2%
Residents Completing Educational Programs About Local Government (Includes Citizens Police Academy, Neighborhood College Program, and Fairfax County Youth Leadership Program)	119	146	224	240

Fairfax County benefits greatly from citizens who are knowledgeable about, and actively involved in, community programs and initiatives. In February 2002, the **Bioterrorism Medical Action Teams (B-MAT) Task Force** was created and began recruiting teams of medical and non-medical volunteers who could be called upon to assist the Health Department in administering vaccine or dispensing medication to residents in Fairfax County, and the cities of Fairfax and Falls Church in the event of a public health emergency. During FY 2004, all active B-MAT volunteers and any additional community volunteers added through on-going recruitment efforts were re-organized to fall under the auspices of the Medical Reserve Corps (MRC), a national program sponsored by the Office of the Surgeon General. Fairfax County's MRC consists of physicians, Fairfax County School employees, nurses and non-medical volunteers from the community. The large influx of volunteers has largely arisen from the significant increase of volunteers in the MRC from 4,100 in FY 2003 to 7,000 in FY 2006. Since October 2003, a similar partnership comprising the **Community Health Partners** has been formed with ethnic community leaders and community volunteers to assist the Health Department in on-going community outreach initiatives. In addition, **Volunteer Fairfax** is a private, nonprofit corporation created in 1975 that promotes volunteerism through a network of over 700 nonprofit agencies by mobilizing people and other resources to meet regional community needs. **Volunteer Fairfax** serves as a central, accessible resource dedicated to community involvement by actively engaging in community life and promoting awareness of the needs and issues throughout Fairfax County.

Volunteerism not only reflects a broad-based level of engagement with diverse organizations and residents throughout the County, but also greatly benefits citizens through the receipt of expertise and assistance at minimal cost to the County. As indicated by the number of volunteer hours garnered by the **Consolidated Community Funding Pool**, there is a strong nucleus and core of volunteers who feel empowered to freely participate in vital community programs and they "make a difference" in our community.

In recent elections, the **percent of voting Fairfax County residents** has surpassed state averages, based on the 2001 Commonwealth of Virginia Election rate of 46.4 percent, and 2002 Commonwealth of Virginia Election rate of 39.4 percent. The percent of voting Fairfax County residents was 46.9 percent in the 2001 Commonwealth of Virginia Election, and 46.1 percent in the 2002 Commonwealth of Virginia Election. In FY 2005, the **percent of Fairfax County voters** of 73.8 percent surpassed the previous General Election turnout, based on the 2000 Presidential Election rate of 71.8 percent of Fairfax County voters. These high

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voter participation levels reflect a community that is increasingly well informed, engaged, and involved in working hand-in-hand with local government to address community needs and opportunities.

Another aspect of an engaged community is the extent to which citizens take advantage of opportunities to improve their physical surroundings. The **percent of athletic field adoptions** by community groups is solid as evidenced by the consistent range of just over one-third of total fields over the recent period of time, reflecting the willingness of participants to maintain the fields they use. **Athletic field adoptions** also reduce the County's financial burden to maintain these types of public facilities.

In addition to the many volunteer opportunities, Fairfax County has designed several programs to educate citizens about local government. The **Citizens Police Academy** is a 30-hour program designed to provide a unique "glimpse behind the badge" and learn about departmental resources, programs, and the men and women who comprise an organization nationally recognized as a leader in the law enforcement community. Attendees experience a simulated crime in progress. Course content parallels a subsequent police response, as students learn more about the volume of resources that assist in preventing and solving crime. Annually, approximately 60 residents complete this course. The **Neighborhood College Program** provides training opportunities for citizens specially engaged in or curious about participating in their local government or in developing healthy neighborhoods and strong communities. The program utilizes a combination of panel presentations, hands-on activities, group discussions, and fieldwork. This program has experienced significant growth, rising from 41 in FY 2003 to 144 in FY 2006. The **Fairfax County Youth Leadership Program** is designed to educate and motivate high school students to become engaged citizens and leaders in the community. This is a very selective program with one to two students from each of the County's 24 high schools represented. The students are chosen based on a range of criteria including student activities and awards, written essays and recommendations. The number of participants has risen 38 percent over the past four years. During a one-year period, the program includes a series of monthly sessions about County government, work assignments related to each session, a summer internship in a County agency and a presentation to 8th grade civics students. The goal of this initiative is to inspire young people to become citizens who will share their ideas and bring their energy to local government.



Exercising Corporate Stewardship: Fairfax County government is accessible, responsible, and accountable. As a result, actions are responsive, providing superior customer service and reflecting sound management of County resources and assets.

Key County Indicators	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate
Average tax collection rate for Real Estate taxes, Personal Property taxes and Business, Professional, and Occupational License taxes	98.93%	98.94%	98.98%	99.04%
County direct expenditures per capita	\$902	\$915	\$1,016	\$1,021
Percent of household income spent on residential real estate tax	4.15%	4.15%	4.43%	4.86%
County (merit regular) positions per 1,000 citizens	11.36	11.22	11.15	11.10
Number of consecutive years receipt of highest possible bond rating from major rating agencies (Aaa/AAA/AAA)	25	26	27	28
Cumulative savings from both County bond sales as compared to the Bond Buyer Index and County refundings (in millions)	\$255.39	\$315.27	\$323.11	\$323.11
Number of consecutive years receipt of unqualified audit	22	23	24	25

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The Corporate Stewardship Vision Element is intended to demonstrate the level of effort and success that the County has in responsibly and effectively managing the public resources allocated to it. The County is well regarded for its strong financial management as evidenced by its long history of high quality financial management and reporting (**number of consecutive years receipt of highest possible bond rating and unqualified audit**). The Board of Supervisors adopted *Ten Principles of Sound Financial Management* on October 22, 1975 to ensure prudent and responsible allocation of County resources. These principles, which are reviewed, revised and updated as needed to keep County policy and practice current, have resulted in the County receiving and maintaining a Aaa bond rating from Moody's Investors Service in 1975, AAA from Standard and Poor's Corporation in 1978 and AAA from Fitch Investors Services in 1997. Maintenance of the highest rating from the major rating agencies has resulted in significant flexibility for the County in managing financial resources generating **cumulative savings from County bond sales and refundings** of \$323.11 million since 1978. This savings was achieved as a result of the strength of County credit as compared to other highly rated jurisdictions on both new money bond sales and refundings of existing debt at lower interest rates. This means that the interest costs that need to be funded by County revenues are significantly lower than they would have been if the County was not so highly regarded in financial circles as having a thoughtful and well implemented set of fiscal policies.

This strong history of corporate stewardship was also key to the naming of Fairfax County as "one of the best managed jurisdictions in America" by *Governing Magazine* and the Government Performance Project (GPP). The GPP conducted a comprehensive study evaluating the management practices of 40 counties across the country and Fairfax County received an overall grade of "A-," one of only two jurisdictions to receive this highest grade.

The success in managing County resources has occurred despite the fact that the number of **merit regular positions per 1,000 citizens** is declining. This decline indicates a number of things - success in utilizing technology, success in identifying public-private partnerships and/or contractual provision of service.

The County consistently demonstrates success in **average tax collection rates**, which results in equitable distribution of the burden of local government costs to fund the wide variety of County programs and services beneficial to all citizens.

County direct expenditures per capita are increasing between FY 2002 and FY 2006. The primary drivers of County costs are salaries and benefits which continue to rise throughout the nation. Fringe benefit costs especially continue to increase dramatically across the nation and Fairfax is no exception. For the first time in FY 2006, cost per capita data showing how much Fairfax spends in each of the program areas, e.g., public safety, health and welfare, community development, etc. is included at the beginning of each program area section in Volume 1 of the [FY 2006 Advertised Budget Plan](#). The jurisdictions selected for comparison are the Northern Virginia localities as well as those with a population of 100,000 or more elsewhere in the state (the Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually). Fairfax County's cost per capita in each of the program areas is highly competitive with others in the state.

The **percent of household income spent on residential real estate**, has also increased during the period of FY 2003 to FY 2006 as the County has experienced double digit increases in residential real estate assessments during the last four years. The continued reliance on the real estate tax, in FY 2006 real property taxes total approximately 61 percent of total General Fund revenues, is due at least in part to the lack of tax diversification options for counties in Virginia.

In future years it is possible that additional Corporate Stewardship indicators, focused on customer satisfaction could demonstrate how the County is performing in the eyes of citizens and would supplement the more financially based indicators presented herein. Similarly, data is currently missing regarding stewardship of other County assets like building and property, which could be developed for future presentations.

Strategic Linkages

Fairfax County Public Schools (FCPS) Systemwide Targets

The mission of the FCPS system is to educate all students to meet high academic standards and to prepare all students to be responsible citizens in the 21st century. The following ten systemwide targets support this mission and drive the FCPS planning, budgets, and evaluations.

Target 1: All students will be reading at grade level by the end of second grade; goals will be established for students with limited English proficiency and for students who have disabilities that affect reading achievement.

FY 2006 projected enrollment is 165,037

89% of FCPS graduates continue to post secondary education

FCPS are in the top 4 percent of all high schools in the nation based on the 2003 Newsweek rankings.

Target 2: All schools will meet or exceed the Virginia Standards of Accreditation, as measured by the Standards of Learning (SOL) tests in mathematics, science, English, and history and social science.

Target 3: The percentage of juniors and seniors enrolled in Advanced Placement (AP) or International Baccalaureate (IB) courses will be maintained or increased, with at least two-thirds of students scoring a three or higher on an AP exam or a four or higher on an IB exam. The enrollment for Black and Hispanic students will increase by 10 percent.

Target 4: By the end of 11th grade, all students scheduled to graduate with a standard or advanced studies diploma will have passed the Algebra 1 and the two English 11 SOL tests.

Target 5: The percentage of students scoring above the national average on the verbal and on the mathematics sections of the Scholastic Aptitude Test (SAT) will exceed the previous year's percentage, and the gap between minority and majority students' scores will narrow by 10 percent.

FCPS students scored an average of 1105 on the SAT, exceeding both the State and national average

<i>FCPS</i>	<i>1105</i>
<i>VA</i>	<i>1024</i>
<i>Nation</i>	<i>1026</i>

Target 6: By better identifying all children who are entitled to receive gifted and talented services and by making those services readily available to all eligible students, the number of Black and Hispanic students in the gifted and talented program will increase annually and, over a five-year period, move toward the percentage of Black and Hispanic students in the general population.

Target 7: All schools will increase their capacity to serve a broader range of students with designated low incidence disabilities at their base schools. As a result, the percentage of students receiving special education services in their base school programs will increase.

Target 8: The minority student achievement gap for Black and Hispanic students taking the eighth grade SOL tests in reading and math will narrow by 10 percent.

Target 9: Through research-based alternatives to student suspension, staff training in methods of classroom management, and the provision of positive intervention measures that foster and promote civility within the classroom, student behavior will improve as measured by:

- A 10 percent reduction in the disparity of suspensions between minority and majority students.
- A 5 percent reduction in the rate of recidivism for suspensions due to acts of violence.

Target 10: FCPS will adopt a series of instructional accommodation plans that incorporate effective and innovative teaching methods while reducing by at least 5 percent annually the portion of students that otherwise would be receiving instruction in trailers.

FCPS ranks 5th when compared to other local districts in average cost per pupil.

\$11,022 in FY 2005

General Fund Statement

This section includes:

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- ▶ *General Fund Statement
(Page 63)*
- ▶ *General Fund Expenditures by Agency
(Page 66)*

GENERAL FUND STATEMENT

(in millions of dollars)

The FY 2006 Advertised Budget Plan includes General Fund disbursements (i.e., the sum of the direct expenditures and transfers) of \$3,004,161,761 an increase of 6.93 percent over the *FY 2005 Revised Budget Plan* level of \$2,809,518,182. This amount includes a transfer of \$1,431,337,820 to Fund 090, Public School Operating, an increase of 8.24 percent over the *FY 2005 Revised Budget Plan* level of \$1,322,374,187. In addition, General Fund direct expenditures are \$1,076,874,724 an increase of \$25,663,756 or 2.44 percent over the *FY 2005 Revised Budget Plan* level of \$1,051,210,968. Detailed fund statements are included on the pages that follow.

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	Increase/ (Decrease) Over Revised
Beginning Balance	\$118.89	\$63.11	\$152.34	\$79.40	(\$72.94)	-47.88%
Revenues	\$2,631.92	\$2,723.11	\$2,772.20	\$3,018.56	\$246.36	8.89%
Transfers In	\$1.40	\$1.67	\$1.67	\$2.10	\$0.44	26.28%
Total Available	\$2,752.21	\$2,787.89	\$2,926.21	\$3,100.06	\$173.85	5.94%
Direct Expenditures	\$933.47	\$1,003.82	\$1,051.21	\$1,076.87	\$25.66	2.44%
Transfers Out						
School Transfer	\$1,240.85	\$1,322.37	\$1,322.37	\$1,431.34	\$108.96	8.24%
School Debt Service	120.90	126.53	126.53	130.28	3.75	2.97%
Subtotal Schools	\$1,361.75	\$1,448.90	\$1,448.90	\$1,561.62	\$112.72	7.78%
Metro	\$12.27	\$18.14	\$18.14	\$22.32	\$4.17	22.99%
Community Services Board	80.60	81.80	82.07	90.85	8.78	10.70%
County Transit Systems	19.65	21.21	21.21	24.15	2.94	13.84%
Capital Paydown	41.17	11.00	24.59	51.23	26.64	108.33%
Information Technology	11.33	10.22	11.42	17.05	5.62	49.21%
County Debt Service	98.45	98.72	98.72	98.72	0.00	0.00%
Other Transfers	41.18	39.40	53.25	61.37	8.12	15.24%
Subtotal County	\$304.65	\$280.49	\$309.40	\$365.67	\$56.26	18.18%
Total Transfers Out	\$1,666.39	\$1,729.40	\$1,758.31	\$1,927.29	\$168.98	9.61%
Total Disbursements	\$2,599.86	\$2,733.22	\$2,809.52	\$3,004.16	\$194.64	6.93%
Ending Balance	\$152.34	\$54.66	\$116.69	\$95.90	(\$20.79)	-17.82%
Less:						
Managed Reserve	\$53.08	\$54.66	\$56.19	\$60.08	\$3.89	6.93%
Reserve for School Replacement Requirements (School Buses and Computers)			5.00		(5.00)	
Reserve for Environmental Projects			2.00		(2.00)	
Reserve for Board consideration and tax relief as part of the FY 2006 budget development			23.21	35.81	12.61	
Reserve for <i>FY 2005 Third Quarter Review</i> - Public Safety Transportation Operations Center (PSTOC)			30.29		(30.29)	
Total Available	\$99.26	\$0.00	\$0.00	(\$0.00)	\$0.00	

FY 2006 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Beginning Balance ¹	\$118,894,312	\$63,110,133	\$152,344,354	\$79,399,524	(\$72,944,830)	-47.88%
Revenue ²						
Real Property Taxes	\$1,500,730,717	\$1,623,843,927	\$1,625,676,472	\$1,829,158,341	\$203,481,869	12.52%
Personal Property Taxes ³	274,709,246	262,893,350	270,117,884	274,267,853	4,149,969	1.54%
General Other Local Taxes	408,231,887	402,006,774	442,425,105	457,219,946	14,794,841	3.34%
Permits, Fees & Regulatory Licenses	28,675,370	26,943,956	27,578,867	32,543,251	4,964,384	18.00%
Fines & Forfeitures	13,272,803	12,380,594	12,891,542	13,101,324	209,782	1.63%
Revenue from Use of Money & Property	17,917,632	21,105,450	29,197,173	36,317,943	7,120,770	24.39%
Charges for Services	42,529,744	42,533,320	42,348,392	48,757,342	6,408,950	15.13%
Revenue from the Commonwealth ³	282,721,787	282,677,838	272,190,108	278,659,822	6,469,714	2.38%
Revenue from the Federal Government	56,634,187	42,497,898	43,178,356	41,938,356	(1,240,000)	-2.87%
Recovered Costs/Other Revenue	6,492,301	6,226,214	6,591,348	6,591,348	0	0.00%
Total Revenue	\$2,631,915,674	\$2,723,109,321	\$2,772,195,247	\$3,018,555,526	\$246,360,279	8.89%
Transfers In						
105 Cable Communications	\$1,396,150	\$1,666,444	\$1,666,444	\$2,104,307	\$437,863	26.28%
Total Transfers In	\$1,396,150	\$1,666,444	\$1,666,444	\$2,104,307	\$437,863	26.28%
Total Available	\$2,752,206,136	\$2,787,885,898	\$2,926,206,045	\$3,100,059,357	\$173,853,312	5.94%
Direct Expenditures						
Personnel Services	\$525,894,535	\$568,321,388	\$573,985,013	\$620,039,430	\$46,054,417	8.02%
Operating Expenses	308,168,058	311,796,241	349,212,205	318,068,695	(31,143,510)	-8.92%
Recovered Costs	(36,780,624)	(39,259,618)	(39,493,000)	(40,865,494)	(1,372,494)	3.48%
Capital Equipment	3,372,204	2,336,888	5,788,035	2,882,305	(2,905,730)	-50.20%
Fringe Benefits	132,813,046	160,629,722	161,718,715	176,749,788	15,031,073	9.29%
Total Direct Expenditures	\$933,467,219	\$1,003,824,621	\$1,051,210,968	\$1,076,874,724	\$25,663,756	2.44%

FY 2006 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Transfers Out						
002 Revenue Stabilization	\$5,248,624	\$0	\$7,807,250	\$0	(\$7,807,250)	-100.00%
090 Public School Operating ⁴	1,240,850,321	1,322,374,187	1,322,374,187	1,431,337,820	108,963,633	8.24%
100 County Transit System	19,645,993	21,210,147	21,210,147	24,145,192	2,935,045	13.84%
102 Federal/State Grant Fund	0	0	0	6,321,507	6,321,507	-
103 Aging Grants & Programs	1,835,826	2,049,425	2,049,425	2,558,613	509,188	24.85%
104 Information Technology	11,329,411	10,224,823	11,424,823	17,046,574	5,621,751	49.21%
106 Community Services Board	80,599,965	81,803,507	82,067,279	90,847,221	8,779,942	10.70%
110 Refuse Disposal	1,800,000	2,500,000	2,500,000	2,500,000	0	0.00%
112 Energy Resource Recovery Facility	1,763,704	0	2,014,489	0	(2,014,489)	-100.00%
118 Consolidated Community Funding Pool	6,458,709	6,781,644	6,781,644	7,093,617	311,973	4.60%
119 Contributory Fund	7,048,423	9,862,624	9,872,624	10,478,301	605,677	6.13%
120 E-911 Fund	6,323,943	9,755,869	9,755,869	13,495,258	3,739,389	38.33%
141 Elderly Housing Programs	1,215,433	1,387,844	1,387,844	1,389,421	1,577	0.11%
144 Housing Trust Fund	1,500,000	0	4,020,000	0	(4,020,000)	-100.00%
200 County Debt Service	98,445,696	98,715,157	98,715,157	98,715,157	0	0.00%
201 School Debt Service	120,896,733	126,528,053	126,528,053	130,281,443	3,753,390	2.97%
302 Library Construction	0	0	585,000	683,882	98,882	16.90%
303 County Construction	10,414,279	8,550,187	15,949,832	11,027,330	(4,922,502)	-30.86%
304 Primary & Secondary Road Bond Construction	0	1,000,000	1,000,000	1,000,000	0	0.00%
308 Public Works Construction	175,000	250,000	1,031,000	17,900,000	16,869,000	1636.18%
309 Metro Operations and Construction	12,272,714	18,144,820	18,144,820	22,316,309	4,171,489	22.99%
312 Public Safety Construction	29,646,045	260,000	3,089,210	15,000,000	11,910,790	385.56%
317 Capital Renewal Construction	0	0	0	2,682,000	2,682,000	-
340 Housing Assistance Program	935,000	935,000	2,935,000	2,935,000	0	0.00%
500 Retiree Health Benefits	3,088,744	3,699,721	3,699,721	3,818,110	118,389	3.20%
501 County Insurance	0	0	0	10,497,991	10,497,991	-
503 Department of Vehicle Services	2,000,000	0	0	0	0	-
504 Document Services Division	2,900,000	2,900,000	2,900,000	2,900,000	0	0.00%
505 Technology Infrastructure Services	0	463,840	463,840	316,291	(147,549)	-31.81%
Total Transfers Out	\$1,666,394,563	\$1,729,396,848	\$1,758,307,214	\$1,927,287,037	\$168,979,823	9.61%
Total Disbursements	\$2,599,861,782	\$2,733,221,469	\$2,809,518,182	\$3,004,161,761	\$194,643,579	6.93%

FY 2006 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Total Ending Balance	\$152,344,354	\$54,664,429	\$116,687,863	\$95,897,596	(\$20,790,267)	-17.82%
Less:						
Managed Reserve	\$53,084,312	\$54,664,429	\$56,190,364	\$60,083,235	\$3,892,871	6.93%
Reserve for School Replacement Requirements (School Buses and Computers) ⁵			5,000,000		(5,000,000)	-100.00%
Reserve for Environmental Projects ⁵			2,000,000		(2,000,000)	-100.00%
Reserve for Board consideration and tax relief as part of the FY 2006 budget ⁶			23,209,160	35,814,361	12,605,201	54.31%
Reserve for <i>FY 2005 Third Quarter Review</i> - Public Safety Transportation Operations Center (PSTOC) ⁷			30,288,339		(30,288,339)	-100.00%
Total Available	\$99,260,042	\$0	\$0	\$0	\$0	-

¹ The FY 2005 Revised Beginning Balance reflects audit adjustments for revenue as included in the FY 2004 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2005 Revised beginning balance reflects a net increase in available balance of \$1,174,328.

² *FY 2005 Revised Budget Plan* revenues reflect an increase of \$44,239,242 based on revised revenue estimates as of November 2004. The *FY 2005 Third Quarter Review* will contain a detailed explanation of these changes.

³ Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

⁴ The proposed County General Fund transfer for school operations in FY 2006 totals \$1,431,337,820 an increase of \$108,963,633 or 8.24% over the *FY 2005 Revised Budget Plan* transfer. It should be noted that the actual transfer request approved by the School Board on February 10, 2005 is \$1,443,894,483 an increase of \$121,520,296 or 9.2% over the FY 2005 transfer level. In order to fully fund this \$12,556,663 increase over the County Executive's proposed transfer, additional resources would need to be considered by the Board of Supervisors.

⁵ The *FY 2005 Revised Budget Plan* ending balance reflects reserve funding of \$5.0 million for school replacement requirements (School buses and computers) and \$2.0 million for environmental projects. This funding was identified by the Board of Supervisors as part of the *FY 2004 Carryover Review* pending approval by the Board of Supervisors of a plan for use of the funds. Plans for the allocation of these funds have been developed and provided to the Board of Supervisors. As a result, these funds will be appropriated as part of the *FY 2005 Third Quarter Review*.

⁶ The FY 2005 reserve of \$23.2 million represents the sum of the \$8.1 million reserved by the Board of Supervisors as part of the *FY 2004 Carryover Review* as well as additional revenue of \$15.1 million associated with the September 1, 2004 implementation of the increased rates for recordation and cigarette taxes. As the Board indicated, these additional dollars are to be held in reserve for Board consideration and tax relief as part of the FY 2006 budget. The sum of the FY 2005 reserves is \$23.2 million, which when added to the FY 2006 impact of the additional revenue associated with the recordation and cigarette taxes of \$12.6 million results in the FY 2006 reserve amount of \$35.8 million.

⁷ The *FY 2005 Third Quarter Review* reserve reflects funding of \$30.29 million. The County Executive's *FY 2005 Third Quarter Review* will include a recommendation that this reserve be used to complete construction and fund operating costs related to the Public Safety Transportation Operations Center (PSTOC). Further details will be included as part of the *FY 2005 Third Quarter Review* package.

FY 2006 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Legislative - Executive Functions/Central Services							
01	Board of Supervisors	\$3,735,546	\$4,291,548	\$4,291,548	\$4,457,350	\$165,802	3.86%
02	Office of the County Executive	6,438,435	6,797,901	7,128,536	7,454,623	326,087	4.57%
04	Department of Cable Communications and Consumer Protection	1,696,467	2,049,437	1,253,259	1,353,776	100,517	8.02%
06	Department of Finance	7,154,185	7,667,813	7,679,947	8,306,428	626,481	8.16%
11	Department of Human Resources	5,857,129	6,011,310	6,544,856	6,290,617	(254,239)	-3.88%
12	Department of Purchasing and Supply Management	3,948,909	4,194,643	4,215,828	4,620,740	404,912	9.60%
13	Office of Public Affairs	1,049,752	1,089,138	1,229,441	1,120,157	(109,284)	-8.89%
15	Electoral Board and General Registrar	3,805,308	3,020,872	3,880,628	2,964,770	(915,858)	-23.60%
17	Office of the County Attorney	5,501,146	5,526,887	5,672,519	5,722,450	49,931	0.88%
20	Department of Management and Budget	2,666,100	2,941,827	3,080,429	3,093,938	13,509	0.44%
37	Office of the Financial and Program Auditor	176,592	201,893	204,293	215,851	11,558	5.66%
41	Civil Service Commission	190,656	207,202	211,724	213,509	1,785	0.84%
57	Department of Tax Administration	19,262,364	21,243,796	21,953,890	22,276,127	322,237	1.47%
70	Department of Information Technology	22,795,366	23,635,853	25,331,770	25,095,856	(235,914)	-0.93%
Total Legislative - Executive Functions/Central Services		\$84,277,955	\$88,880,120	\$92,678,668	\$93,186,192	\$507,524	0.55%
Judicial Administration							
80	Circuit Court and Records	\$8,817,706	\$9,441,655	\$9,649,699	\$9,717,048	\$67,349	0.70%
82	Office of the Commonwealth's Attorney	1,744,573	2,006,605	2,009,824	2,067,546	57,722	2.87%
85	General District Court	1,530,460	1,540,603	1,725,453	1,724,182	(1,271)	-0.07%
91	Office of the Sheriff	14,072,792	14,084,286	14,249,010	14,630,041	381,031	2.67%
Total Judicial Administration		\$26,165,531	\$27,073,149	\$27,633,986	\$28,138,817	\$504,831	1.83%
Public Safety							
04	Department of Cable Communications and Consumer Protection	\$899,982	\$966,872	\$904,315	\$913,448	\$9,133	1.01%
31	Land Development Services	9,638,681	10,003,727	10,251,294	9,685,856	(565,438)	-5.52%
81	Juvenile and Domestic Relations District Court	17,488,582	17,969,386	18,331,603	19,012,920	681,317	3.72%
90	Police Department	134,925,370	138,130,233	142,212,460	153,140,977	10,928,517	7.68%
91	Office of the Sheriff	33,048,138	34,555,767	36,130,609	38,168,169	2,037,560	5.64%
92	Fire and Rescue Department	116,006,615	124,151,574	133,196,710	150,248,257	17,051,547	12.80%
93	Office of Emergency Management	0	408,344	595,344	878,523	283,179	47.57%
Total Public Safety		\$312,007,368	\$326,185,903	\$341,622,335	\$372,048,150	\$30,425,815	8.91%
Public Works							
08	Facilities Management Department	\$34,199,314	\$35,462,317	\$36,874,787	\$37,531,465	\$656,678	1.78%
25	Business Planning and Support	2,693,666	394,211	396,641	381,183	(15,458)	-3.90%
26	Office of Capital Facilities	8,128,860	8,767,080	9,073,847	9,054,165	(19,682)	-0.22%
29	Stormwater Management	8,155,719	8,321,528	8,867,076	9,494,928	627,852	7.08%
87	Unclassified Administrative Expenses	189,249	224,347	224,347	230,730	6,383	2.85%
Total Public Works		\$53,366,808	\$53,169,483	\$55,436,698	\$56,692,471	\$1,255,773	2.27%

FY 2006 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Health and Welfare							
67	Department of Family Services	\$161,951,234	\$173,693,978	\$184,039,152	\$177,753,814	(\$6,285,338)	-3.42%
68	Department of Administration for Human Services	9,318,067	9,959,497	10,246,115	10,431,014	184,899	1.80%
69	Department of Systems Management for Human Services	5,048,977	5,441,679	5,567,374	5,536,225	(31,149)	-0.56%
71	Health Department	38,155,794	40,658,259	43,238,715	41,977,402	(1,261,313)	-2.92%
	Total Health and Welfare	\$214,474,072	\$229,753,413	\$243,091,356	\$235,698,455	(\$7,392,901)	-3.04%
Parks, Recreation and Libraries							
50	Department of Community and Recreation Services	\$11,120,852	\$12,366,215	\$12,934,681	\$14,234,339	\$1,299,658	10.05%
51	Fairfax County Park Authority	22,160,632	23,141,114	23,154,114	24,151,733	997,619	4.31%
52	Fairfax County Public Library	26,493,635	27,922,447	29,560,567	29,419,715	(140,852)	-0.48%
	Total Parks, Recreation and Libraries	\$59,775,119	\$63,429,776	\$65,649,362	\$67,805,787	\$2,156,425	3.28%
Community Development							
16	Economic Development Authority	\$6,659,253	\$6,169,214	\$6,194,214	\$6,513,385	\$319,171	5.15%
31	Land Development Services	8,971,477	11,782,251	12,336,381	14,019,412	1,683,031	13.64%
35	Department of Planning and Zoning	8,122,604	9,048,497	9,288,213	9,568,998	280,785	3.02%
36	Planning Commission	614,182	685,050	685,050	704,590	19,540	2.85%
38	Department of Housing and Community Development	5,346,547	5,145,893	5,289,662	5,745,045	455,383	8.61%
39	Office of Human Rights	1,217,717	1,290,410	1,298,787	1,252,319	(46,468)	-3.58%
40	Department of Transportation	5,863,259	5,934,502	8,630,621	7,062,524	(1,568,097)	-18.17%
	Total Community Development	\$36,795,039	\$40,055,817	\$43,722,928	\$44,866,273	\$1,143,345	2.61%
Nondepartmental ¹							
87	Unclassified Administrative Expenses	\$6,291,190	\$6,655,698	\$11,272,325	\$0	(\$11,272,325)	-100.00%
89	Employee Benefits	140,314,137	168,621,262	170,103,310	178,438,579	8,335,269	4.90%
	Total Nondepartmental	\$146,605,327	\$175,276,960	\$181,375,635	\$178,438,579	(\$2,937,056)	-1.62%
	Total General Fund Direct Expenditures	\$933,467,219	\$1,003,824,621	\$1,051,210,968	\$1,076,874,724	\$25,663,756	2.44%

¹ Based on actions taken as part of the FY 2006 Advertised Budget Plan no funding adjustments are included in Agency 87, Unclassified Administrative Expenses - Nondepartmental program area. Funding in this agency used to include Local Cash Match for federal and state grants, contractual costs associated with the annual maintenance of the Fairfax County Economic Index, and funding for self-insured and commercial insurance General Fund premium charges. Funding for these programs has been transferred to other agencies/funds to more accurately reflect requirements. For further details regarding these adjustments, please refer to the Agency 87 narrative in Volume 1 of the FY 2006 Advertised Budget Plan.



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General Fund Revenue Overview

This section includes:

- ▶ *Summary of General Fund Revenue
(Page 70)*
- ▶ *Major Revenue Sources (Page 74)*
- ▶ *Real Estate Tax (Page 75)*
- ▶ *Personal Property Tax (Page 82)*
- ▶ *Local Sales Tax (Page 86)*
- ▶ *Business, Professional and
Occupational License Tax
(Page 90)*

General Fund Revenue Overview

SUMMARY OF GENERAL FUND REVENUE

Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan ¹	FY 2006 Advertised Budget Plan	Over the FY 2005 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	\$1,500,730,717	\$1,623,843,927	\$1,625,676,472	\$1,829,158,341	\$203,481,869	12.52%
Personal Property Taxes - Current and Delinquent ²	473,868,582	468,843,788	462,509,245	472,530,713	10,021,468	2.17%
Other Local Taxes	408,231,887	402,006,774	442,425,105	457,219,946	14,794,841	3.34%
Permits, Fees and Regulatory Licenses	28,675,370	26,943,956	27,578,867	32,543,251	4,964,384	18.00%
Fines and Forfeitures	13,272,803	12,380,594	12,891,542	13,101,324	209,782	1.63%
Revenue from Use of Money/Property	17,917,632	21,105,450	29,197,173	36,317,943	7,120,770	24.39%
Charges for Services	42,529,744	42,533,320	42,348,392	48,757,342	6,408,950	15.13%
Revenue from the Commonwealth and Federal Governments ²	140,196,638	119,225,298	122,977,103	122,335,318	(641,785)	-0.52%
Recovered Costs/ Other Revenue	6,492,301	6,226,214	6,591,348	6,591,348	-	0.00%
Total Revenue	\$2,631,915,674	\$2,723,109,321	\$2,772,195,247	\$3,018,555,526	\$246,360,279	8.89%
Transfers In	1,396,150	1,666,444	1,666,444	2,104,307	437,863	26.28%
Total Receipts	\$2,633,311,824	\$2,724,775,765	\$2,773,861,691	\$3,020,659,833	\$246,798,142	8.90%

¹ FY 2005 revenue estimates were revised as part of a fall 2004 review of revenues. Explanations of these changes can be found in the following narrative. The *FY 2005 Third Quarter Review* will contain further adjustments as necessary.

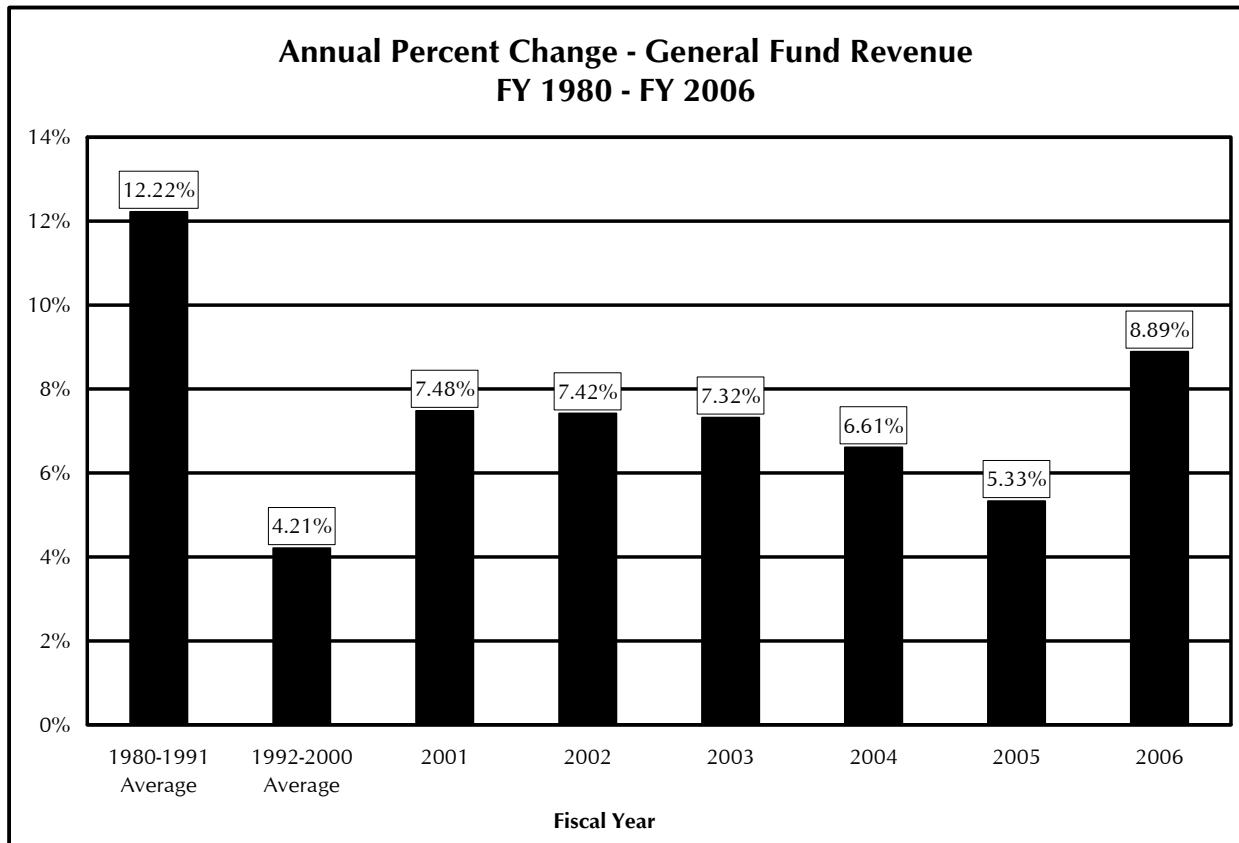
² The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

As reflected in the preceding table, FY 2006 General Fund revenues are projected to be \$3,018,555,526, an increase of \$246,360,279, or 8.9 percent, over the *FY 2005 Revised Budget Plan*. This level of revenue growth is due primarily to a 12.5 percent increase in Real Estate Tax revenue. Growth in Real Estate Tax revenue is the result of a 23.5 percent increase in the Real Estate assessment base partially offset with a \$0.10 reduction in the Real Estate Tax rate from \$1.13 per \$100 of assessed value to \$1.03 per \$100 of assessed value.

General Fund Revenue Overview

Incorporating Transfers In, FY 2006 General Fund receipts are expected to be \$3,020,659,833. The Transfer In to the General Fund reflects \$2.1 million from Cable Communications for use of County rights of way and indirect support provided by General Fund agencies.

The following chart depicts General Fund revenue growth since FY 1980. From FY 1980 to FY 1991, average annual General Fund revenue growth exceeded 12 percent per year. From FY 1992 to FY 2000, however, General Fund revenues grew at a pace of only 4.2 percent annually. Moderate growth rates ranging from 6.6 percent to 7.5 percent were experienced during the period FY 2001 and FY 2004. Revenue growth in FY 2005 and FY 2006 is projected to be 5.3 percent and 8.9 percent, respectively.



Economic Indicators

The national economy continued to expand in 2004. Real economic growth, as measured by the Gross Domestic Product (GDP), increased 4.4 percent in 2004, a pace significantly higher than the 3.0 percent annual growth rate recorded in 2003. In the final quarter of 2004; however, economic growth slowed from rates experienced earlier in the year. After advancing 4.0 percent in the third quarter of 2004, fourth quarter growth was 3.1 percent. This slowing indicates that the national economy is expanding but may be returning to a more sustainable historical rate. The U.S. Leading Index of Economic Indicators increased in November and December 2004 after falling for five consecutive months. The Conference Board noted that the Index fell below its long term trend which is consistent with continued economic expansion in the near term, but at a rate slower than its long-term trend. The overall Consumer Confidence Index is up but its two components are at odds. Consumers' assessment of current conditions rose in January 2005, but expectations of future conditions fell.

General Fund Revenue Overview

Growth in the Fairfax County economy was exceptionally strong in 2004. Gross County Product, an estimate of the goods and services produced in the County, rose 5.8 percent, the fastest pace since 2000. The driving force behind this rapid economic growth has been federal procurement spending. In 2003, federal procurement spending in Fairfax County rose 28.6 percent to \$9.6 billion. Although 2004 figures have not yet been compiled, another strong increase is expected. Fueled by new federal contracts, an estimated 24,900 net new jobs were created in Fairfax County in 2004, an increase of 4.1 percent over 2003. Unemployment remains low with just 1.7 percent of Fairfax County's labor force without jobs.

Favorable Interest rates have also advanced the economy by spurring consumer spending, home purchases, and business investment. The Fairfax County Coincident Index, which represents the current state of the County's economy, has exceeded last year's same-month values for 13 consecutive months as of October 2004.

Fairfax County's economic growth is expected to moderate in 2005. Economic forces that fueled robust growth in 2003 and 2004, such as rapid federal spending, low interest rates and federal tax cuts are expected to dissipate resulting in more measured growth during the latter part of 2005 and into 2006. The Federal Reserve began to increase short-term interest rates in June 2004 after holding the federal funds rate at 1 percent for eleven months. From June through February 2005, the Federal Reserve raised the federal funds rate by 150 basis points to 2.50 percent. The Fed indicated that gradual increases in interest rates will continue. The pace of tightening may accelerate if inflation rises abruptly. Fairfax County's Leading Index, which is designed to forecast the performance of the County's economy nine to twelve months in advance, decreased in November, the fourth time in twelve months. The Leading Index is moderating which indicates that the economy is transitioning from acceleration to a pattern of more stable growth. Stephen Fuller noted in the January 2005 issue of the *Fairfax County Economic Index* that "...As the expansion matures, the County's economy should settle into a more normal pattern of growth in 2005 that will moderate as the expansion ages this year and into 2006 and beyond."

Housing Market

The mean residential assessed value in Fairfax County is \$444,766 in FY 2006, an increase of more than 23 percent over the FY 2005 value of \$361,334. This increase mirrors that of the surrounding area. Residential assessments rose 24 percent in Arlington and 21.3 percent in Alexandria. FY 2006 represents the fifth year of double digit increases in Fairfax County residential assessments. Since FY 2001, the mean assessed value of a home in Fairfax County has risen approximately 114 percent. During this period, spending by the federal government was increased significantly as a result of post-September 11, 2001 homeland security spending. Job growth created a demand for housing that exceeded the supply of available homes. These factors along with historically low interest rates have propelled home prices upward.

A gradual rise in mortgage interest rates from the current 5.8 percent to 7 percent by year-end 2005 and slower economic growth are expect to cool the housing market a bit in 2006. Continued job growth will sustain the demand for housing and supply is expected to remain tight. The combination of these factors indicate home price appreciation in 2005, but at a decelerated pace. While in the short-term there is little risk of price declines, the rapid rise in housing values over the past several years has raised concerns of a potential housing "bubble". The rise in home prices has been much faster than the rise in incomes. By comparing home prices to incomes, the Local Market Monitor estimated that homes in the Washington Area are overpriced by 17 percent. As housing prices have consistently risen for a number of years, analysts believe speculative purchases have increased. Buyers may be willing to offer more for a home when there is the expectation of continued robust increases in the future. The current level of price appreciation is not expected to continue. While a decline is not expected in the short-run, one must remain mindful that residential assessments rose 15.5 percent, 19.0 percent and 13.06 percent in FY 1989, FY 1990, and FY 1991, respectively, only to be followed by a decline of 1.9 percent and 3.7 percent in FY 1992 and FY 1993.

Nonresidential Market

The nonresidential real estate market improved significantly 2004. Leasing of office space was near record levels during the first half of 2004 with 5.6 million square feet of office space leased, up from 4.9 million square feet during the last half of 2003. The County's overall office vacancy rate declined from the 11.2 at year-end 2003 to 9.7 percent as of mid-year 2004. Including sublet space, the mid-year 2004 year-end office vacancy rate was 13.3 percent, down from 15.6 percent in 2003. Continued improvement in office vacancy rates are expected during the coming year. Based on the current rate of absorption, there is only about a one year supply of office space.

General Fund Revenue Overview

Real Estate Tax Revenue

With the 10 cent reduction in the Real Estate Tax rate, current and delinquent FY 2006 Real Estate Tax revenues in Fairfax County comprise 60.6 percent of General Fund Revenue and are the driving force of the overall revenue change. FY 2006 Real Estate property values were established as of January 1, 2005 and reflect market activity through calendar year 2004. The Real Estate Tax base is projected to increase 23.49 percent in FY 2006, and is comprised of a 20.80 percent rise in total equalization (reassessment of existing residential and non-residential properties), and new construction of 2.69 percent.

The FY 2005 and FY 2006 General Fund revenue estimates discussed in this section are based on a review of all relevant indicators, including the Fairfax County Economic Index, consultations with the County's economic advisor, Dr. Stephen Fuller, actual FY 2004 collections, and FY 2005 year-to-date trends.

It should be noted that the *FY 2005 Revised Budget Plan* estimates reflect revenue adjustments that were made during the fall 2004 review of revenues. At this time, FY 2005 revenue estimates assume a net increase of \$44.2 million over the Revised Budget Plan, an increase of 1.6 percent. This increase is inclusive of the \$10.6 million set aside for FY 2006 as a result of the increases in Recordation and Cigarette Taxes that were effective September 1, 2004. The remainder of this increase is primarily due to categories that continue to react positively to improvements in the local and national economies. In addition to the anticipated Recordation Tax revenue associated with the tax increase from 5 cents to 8.3 cents, FY 2005 Recordation and Deed of Conveyance Tax revenues reflect an increase of \$11.1 million over the Revised Budget Plan as a result of continued strong home sales and mortgage refinancing. Estimated FY 2005 Sales Tax receipts have been increased to show 7.6 percent growth in collections, an increase of \$6.9 million, while Business, Professional, and Occupational Licenses have been increased \$8.5 million to reflect anticipated moderate growth of 6.0 percent. Lastly, Investment Interest is increased \$7.9 million primarily due to a higher than projected yield as a result of rising interest rates. These adjustments are discussed in the following narrative. Staff will continue to monitor all revenue categories and return with any necessary adjustments at Third Quarter and at Add-On.

General Fund Revenue Overview

MAJOR REVENUE SOURCES

The following major revenue categories comprise 98.4 percent of total FY 2006 General Fund revenue and are discussed in this section. Unless otherwise indicated, comparative data are presented relative to the *FY 2005 Revised Budget Plan*. The revenue estimates for all General Fund Revenue categories are shown in the Summary Schedule of General Fund Revenues in the section of this volume entitled "Financial, Statistical and Summary Tables."

Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan ¹	FY 2006 Advertised Budget Plan	Change from the FY 2005 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Tax - Current	\$1,493,005,588	\$1,616,964,689	\$1,618,797,234	\$1,822,279,103	\$203,481,869	12.57%
Personal Property Tax - Current	459,439,408	460,643,229	452,808,686	464,330,154	11,521,468	2.54%
Paid Locally	262,421,619	254,692,791	260,417,325	266,067,294	5,649,969	2.17%
Reimbursed by Commonwealth	197,017,789	205,950,438	192,391,361	198,262,860	5,871,499	3.05%
Local Sales Tax	140,070,124	143,803,000	150,687,742	158,222,129	7,534,387	5.00%
Recordation/Deed of Conveyance Taxes	30,865,542	18,274,531	35,538,098	32,014,191	(3,523,907)	-9.92%
Vehicle Decal Fee	19,503,579	19,853,245	19,853,245	20,250,310	397,065	2.00%
Consumer Utility Tax	84,219,305	85,892,727	85,422,983	85,422,983	0	0.00%
Mobile Telephone Tax	8,313,833	7,200,000	10,000,000	10,300,000	300,000	3.00%
Transient Occupancy Tax	7,221,578	13,991,060	13,991,060	14,270,183	279,123	2.00%
Business, Professional and Occupational License Tax- Current	101,997,399	99,593,631	108,122,086	113,528,190	5,406,104	5.00%
Cigarette Tax	1,899,798	1,922,003	6,246,510	11,532,018	5,285,508	84.62%
Permits, Fees and Regulatory Licenses	28,675,370	26,943,956	27,578,867	32,543,251	4,964,384	18.00%
Interest on Investments	14,758,923	18,122,686	25,975,290	33,031,622	7,056,332	27.17%
Charges for Services	42,529,744	42,533,320	42,348,392	48,757,342	6,408,950	15.13%
Revenue from the Commonwealth and Federal Governments ²	140,196,638	119,225,298	122,977,103	122,335,318	(641,785)	-0.52%
Total Major Revenue Sources	\$2,572,696,829	\$2,674,963,375	\$2,720,347,296	\$2,968,816,794	\$248,469,498	9.13%

¹ FY 2005 revenue estimates were revised as part of a fall 2004 review of revenues. Explanations of these changes can be found in the following narrative. The *FY 2005 Third Quarter Review* will contain further adjustments as necessary.

² The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

General Fund Revenue Overview

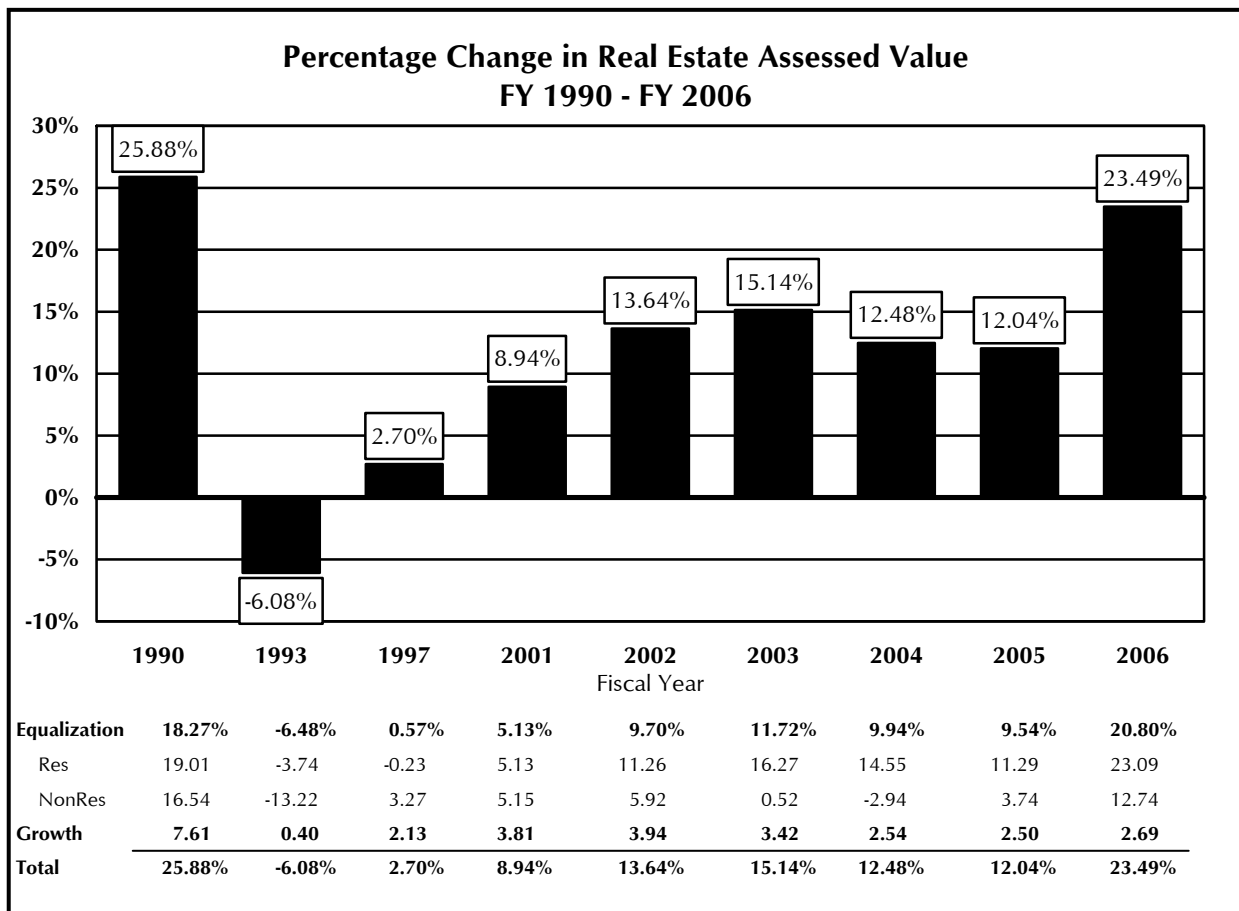
REAL ESTATE TAX-CURRENT

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$1,493,005,588	\$1,616,964,689	\$1,618,797,234	\$1,822,279,103	\$203,481,869	12.57%

The FY 2006 Advertised Budget Plan estimate for Current Real Estate Taxes is \$1,822,279,103, and represents an increase of \$203,481,869, or 12.6 percent, over the FY 2005 Revised Budget Plan. This increase is the result of a 23.49 increase in the FY 2006 valuation of real property, as compared to the FY 2005 Real Estate Land Book, partially offset with a \$0.10 reduction in the Real Estate Tax rate. The FY 2006 Advertised Budget Plan includes a Real Estate Tax rate reduction of \$0.10 to \$1.03 per \$100 of assessed value in FY 2006 from the \$1.13 per \$100 of assessed value in FY 2005. The loss in revenue associated with this reduction in the Real Estate Tax rate is \$176,920,301.

The FY 2005 Real Estate Tax estimate was increased a net \$1.2 million during the 2004 revenue review to reflect lower than anticipated exonerations, a revenue increase of \$2.2 million, which was offset with a decrease of \$0.4 million due to final assessment of Public Service Corporation property by the State, and a decrease of \$0.6 million resulting from a decline in the projected collection rate from 99.65 percent to 99.61 percent, the rate achieved in FY 2004.

The FY 2006 value of assessed real property is comprised of an increase in equalization of 20.80 percent and an increase of 2.69 percent in new growth. The FY 2006 figures reflected herein are based on the final assessments for Tax Year 2005 (FY 2006), which was established as of January 1, 2005. Throughout FY 2006, Real Estate Tax revenues will be adjusted as necessary to reflect changes in exonerations, tax abatements, and supplemental assessments, as well as, any differences in the projected collection rate of 99.61 percent. The following chart shows changes in the County's assessed value base in FY 1990, FY 1993, FY 1997, and from FY 2001 to FY 2006.



General Fund Revenue Overview

The FY 2006 **Main Assessment Book Value** is \$178,818,426,150 and represents an increase of \$34,013,679,480, or 23.49 percent, over the FY 2005 main assessment book value of \$144,804,746,670. The FY 2006 increase is the largest since FY 1990 when the assessments base rose 25.88 percent. Following the FY 1990 increase, the assessment base rose 16.8 percent in FY 1991 but then declined an average of 2.8 percent from FY 1992 to FY 1994. After the recession, the value of real property increased at modest annual rates, averaging 2.5 percent from FY 1995 through FY 1999. During this period, growth in assessments just slightly exceeded the corresponding 2.2 percent average annual rate of inflation. It was not until FY 1999 that the assessment base exceeded its FY 1991 level. In FY 2000 and FY 2001, assessments grew at moderate rates of 6.3 percent and 8.9 percent, respectively. From FY 2002 through FY 2006, the assessment base has experienced double digit advances.

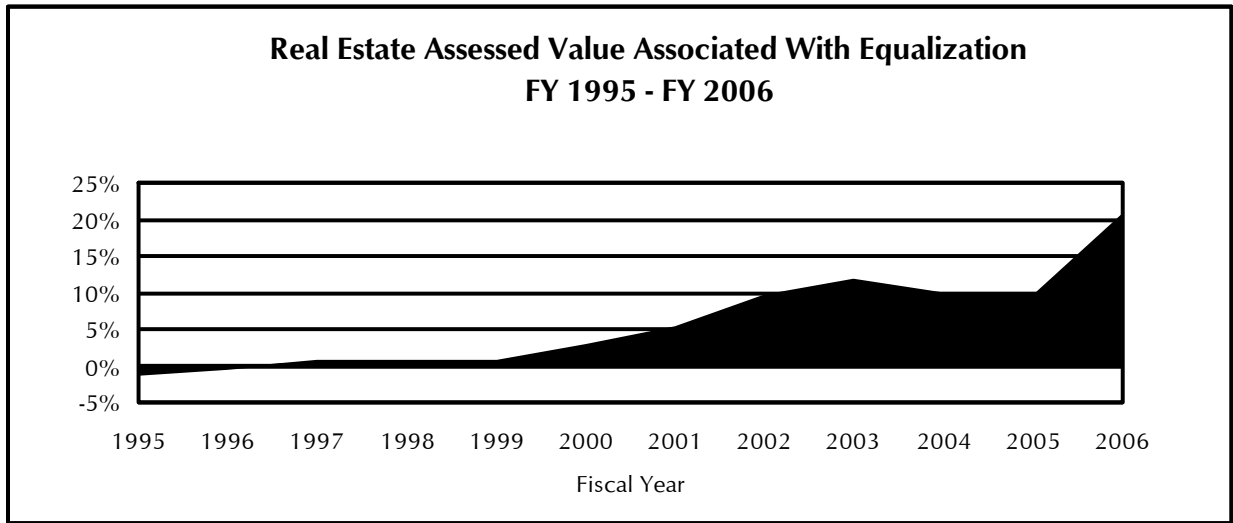
The overall increase in the assessment base includes **equalization**, the reassessment of existing properties, and **normal growth**, which is associated with construction of new properties in Fairfax County. The FY 2006 assessment base reflects an increase of 23.09 percent in the values of existing residential properties and a 12.74 percent increase in nonresidential properties. The rise in nonresidential properties is the largest percentage increase in value since FY 1990 when nonresidential property values rose 16.54 percent. Both residential and nonresidential properties experienced moderate growth due to new construction at 2.62 percent and 2.93 percent, respectively. As a result of these changes, the residential portion of the total assessment base rose from 77.9 percent in FY 2005 to 79.3 percent in FY 2006. The table below reflects changes in the Real Estate Tax assessment base from FY 2000 through FY 2006.

Main Real Estate Assessment Book Base Changes
(in millions)

Assessed Base Change Due To:	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Equalization	\$2,241.4	\$4,139.5	\$8,522.9	\$11,699.8	\$11,428.5	\$12,322.2	\$30,124.7
% Change	2.96%	5.13%	9.70%	11.72%	9.94%	9.54%	20.80%
Residential	0.77%	5.13%	11.26%	16.27%	14.55%	11.29%	23.09%
Nonresidential	9.24%	5.15%	5.92%	0.52%	-2.94%	3.74%	12.74%
Normal Growth	\$2,556.9	\$3,067.6	\$3,456.3	\$3,409.4	\$2,916.1	\$3,235.4	\$3,889.0
% Change	3.37%	3.81%	3.94%	3.42%	2.54%	2.50%	2.69%
Total							
% Change	6.33%	8.94%	13.64%	15.14%	12.48%	12.04%	23.49%

Equalization, or reassessment of existing residential and nonresidential property, represents an increase in value of \$30,124,671,005, or 20.80 percent, in FY 2006. The increase in total equalization is due to increases in both residential and nonresidential property values. FY 2006 marks the fifth year of double digit growth in residential properties, which results from continued strong demand for homes in the County primarily due to job growth and a limited supply of existing homes. This trend mirrors that which is occurring in the regional and the nation. Changes in the assessment base as a result of equalization are shown in the following graph. The increase in the tax levy associated with the overall 20.80 percent increase in equalization is \$310,284,111 based on a tax rate of \$1.03 per \$100 of assessed value.

General Fund Revenue Overview



Residential equalization declined notably from FY 1992 through FY 1994 due to the recession and then remained essentially flat from FY 1995 through FY 2000. Following a moderate increase in FY 2001 of 5.13 percent, residential equalization rose at double digit rates from FY 2002 through FY 2005. During the 10 years ending FY 2005, residential assessment increases due to equalization averaged 5.9 percent. In FY 2006, overall residential equalization increased 23.09 percent. This increase reflects the strength of the housing market in the County and throughout the Northern Virginia area. As a result of the sustained increases in both sales volume and sales price, the majority of residential properties in the County will receive valuation increases. It should be noted that the County’s median assessment to sales ratio is in the low 90 percent range, well within professional standards that assessments should be between 90 percent to 110 percent of the sales prices experienced in a neighborhood.

All types of residential property experienced significant increases in value in FY 2006. The value of single family homes has the most impact on the total residential base because they represent nearly 74 percent of the total. Changes in residential equalization by housing type since FY 2001 are shown in the following table. It should be noted that changes represented in this chart are for the category as a whole. Individual neighborhoods and properties may have increased or decreased by different percentages based on neighborhood selling prices.

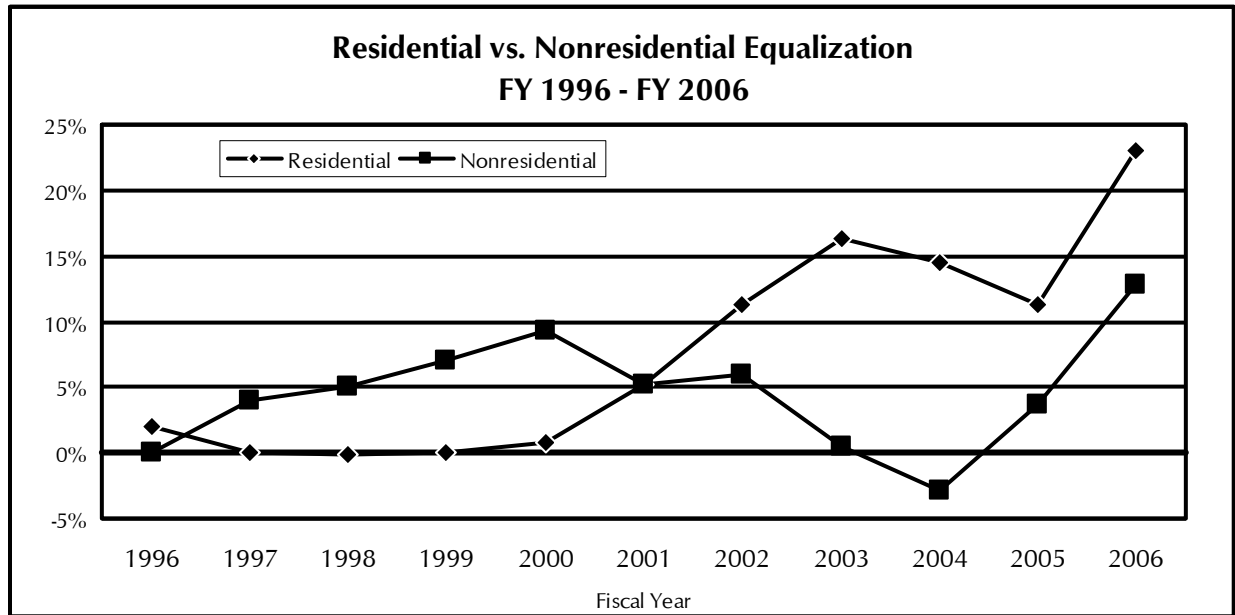
Residential Equalization Changes

Housing Type/ (Percent of Base)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Single Family (73.2%)	6.43%	12.08%	16.14%	14.15%	11.20%	22.21%
Townhouse/Duplex (18.5%)	2.22%	10.98%	18.56%	17.00%	12.99%	26.08%
Condominiums (6.5%)	1.17%	10.30%	21.19%	20.09%	16.24%	33.49%
Vacant Land (1.3%)	9.84%	7.90%	15.23%	23.23%	15.19%	26.32%
Other (0.5%) ¹	1.38%	5.73%	3.00%	2.58%	4.89%	5.30%
Total Residential Equalization (100%)	5.13%	11.26%	16.27%	14.55%	11.29%	23.09%

¹ Includes, for example, affordable dwelling units, recreational use properties, and agricultural and forestal land use properties.

Based on the increase in residential equalization, the mean assessed value of all residential property in the County is \$444,766. This is an increase of \$83,432 over the FY 2005 value of \$361,334. Compared to FY 2005, the typical residential annual tax bill will increase, on average, \$498.02 in FY 2006 to \$4,581.09 based on the reduced tax rate of \$1.03 per \$100 of assessed value.

General Fund Revenue Overview



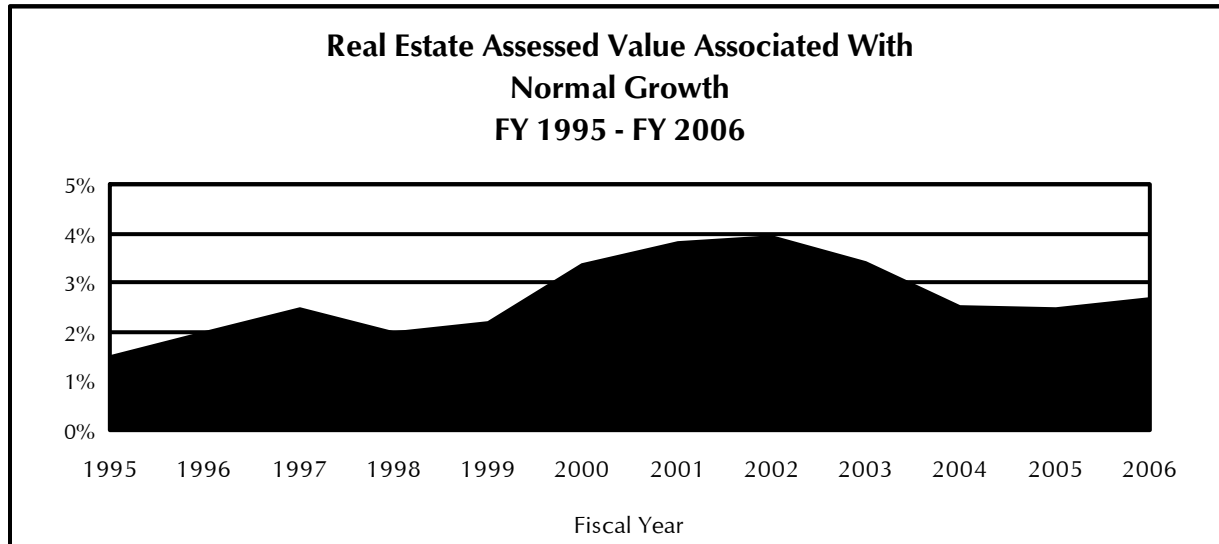
Nonresidential equalization experienced a robust increase of 12.74 percent in FY 2006 after rising just 3.74 percent in FY 2005 and declining 2.94 percent in FY 2004. Due to improving office vacancy rates and recent sales activity, the value of Office Elevator properties (mid- and high-rises), which comprise 37.2 percent of the nonresidential tax base, rose 18.81 percent in FY 2006. The Economic Development Authority recently reported that the office vacancy fell below double digits to 9.7 percent at mid-year 2004 from 11.2 percent as of year-end 2003. Including sublet space, the office vacancy rate fell from 15.6 percent as of year-end 2003 to 13.3 percent at mid-year 2004. Fueled by an increase in defense contracting, near record levels of office leasing occurred in the first half of 2004. During the first six months of 2004, 5.6 million square feet of office space was leased, up from 4.9 million square feet during the last half of 2003. The value of Low Rise Office property increased at a somewhat lower pace than Office Elevator property, advancing 17.56 percent in FY 2006. Hotel property rebounded from two years of declining assessments in FY 2003 and FY 2004 to 4.48 percent in FY 2005 and 15.34 percent in FY 2006. The value of Regional Malls increased 4.06 percent, while other retail properties advanced 10.99 percent in FY 2006. Nonresidential equalization changes by category since FY 2001 are presented in the following table.

Nonresidential Equalization Changes

Category (Percent of Base)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Apartments (18.3%)	3.54%	6.53%	9.59%	3.86%	1.86%	11.21%
Office Condominiums (2.8%)	2.08%	4.95%	7.75%	15.63%	13.59%	18.01%
Industrial (7.6%)	7.46%	7.25%	2.08%	-1.29%	5.26%	8.89%
Retail (14.2%)	2.73%	2.84%	1.91%	2.91%	7.91%	10.99%
Regional Malls (2.7%)	0.87%	2.20%	0.34%	6.95%	3.00%	4.06%
Office Elevator (37.2%)	6.74%	6.54%	-2.48%	-10.73%	3.27%	18.81%
Office - Low Rise (3.6%)	6.05%	7.30%	1.46%	-6.27%	5.42%	17.56%
Vacant Land (3.8%)	5.96%	6.36%	-0.08%	-6.55%	7.15%	10.07%
Hotels (3.8%)	7.16%	6.58%	-15.39%	-6.23%	4.48%	15.34%
Other (6.0%)	2.62%	6.35%	3.02%	6.00%	5.15%	8.52%
Nonresidential Equalization (100%)	5.15%	5.92%	0.52%	-2.94%	3.74%	12.74%

General Fund Revenue Overview

Normal Growth of \$3,889,008,475, or 2.69 percent, over the FY 2005 assessment book value results from new construction, new subdivisions, and rezonings. This level of growth is on par with the rates experienced in FY 2004 and FY 2005, but lower than the 3.64 percent average experienced during FY 2000 through FY 2003 (see following graph). During the construction boom of the 1980s, average growth of 6.9 percent was experienced. Since FY 1995, the value of property added to the tax base due to new construction has ranged from 1.93 percent to 3.94 percent. In FY 2006, the residential property base experienced a 2.62 percent increase due to new construction. This is somewhat lower than the 2.93 percent advance in nonresidential properties. The total rate of growth due to new construction is consistent with activity in the housing and commercial building industry throughout the Washington metropolitan area.



In addition to the final equalization and normal growth adjustments in the Main Assessment Book, the following projected adjustments were made to the FY 2005 Real Estate Tax revenue estimate:

Additional Assessments expected to be included in the new Real Estate base are prorated assessments under the Norfolk Plan of \$556.4 million and additional supplemental assessments of \$75.9 million. The Norfolk Plan assessments are supplemental assessments, which are made during the year for new construction that is completed subsequent to finalizing the original assessment book. Supplemental assessments may also result due to changes in ownership or tax exempt status. The total value of the supplemental assessments will be closely monitored based on new construction and building permit activity.

Exonerations, Certificates and Tax Abatements are anticipated to reduce the Real Estate assessment base by \$1,019.7 million in FY 2006, an additional \$278.1 million over FY 2005. This increase is due to rising property values and an increase in tax abatements associated with the County's revitalization effort. Each \$100.0 million change in the level of exonerations, certificates and tax abatements is equivalent to a change of \$1.0 million in tax levy.

Tax Relief for the Elderly and Disabled is projected to reduce the Real Estate assessment base in FY 2006 by \$1,880.4 million. In FY 2006, the income limits of the Tax Relief program provide 100 percent exemption for elderly and disabled taxpayers with incomes up to \$40,000; 50 percent exemption for eligible applicants with income between \$40,001 and \$46,000; and 25 percent exemption if income is between \$46,001 and \$52,000. The allowable asset limit in FY 2006 is \$240,000 for all ranges of tax relief. The Board of Supervisors expanded the Real Estate Tax Relief Program for the Elderly and Disabled in each year from FY 2001 through FY 2005. In addition, as part of the FY 2005 budget, the Board of Supervisors approved the proration of elderly and disabled tax relief benefits based on the portion of the year an applicant is 65 or becomes disabled. Previously, an applicant turning 65 or becoming disabled was not eligible for tax relief until the following year. Income and asset eligibility limits for the Tax Relief Program have not been adjusted in FY 2006. The table below shows income and asset thresholds for the Tax Relief Program for the Elderly and Disabled since FY 2000.

General Fund Revenue Overview

Real Estate Tax Relief for the Elderly and Disabled			
	Income Limit	Asset Limit	Percent Relief
FY 2000	Up to \$30,000	\$150,000	100%
	Over \$30,000 to \$35,000		50%
	Over \$35,000 to \$40,000		25%
FY 2001	Up to \$35,000	\$150,000	100%
	Over \$35,000 to \$40,000		50%
	Over \$40,000 to \$46,000		25%
FY 2002	Up to \$40,000	\$150,000	100%
	Over \$40,000 to \$46,000		50%
	Over \$46,000 to \$52,000		25%
FY 2003	Up to \$40,000	\$160,000	100%
	Over \$40,000 to \$46,000		50%
	Over \$46,000 to \$52,000		25%
FY 2004	Up to \$40,000	\$190,000	100%
	Over \$40,000 to \$46,000		50%
	Over \$46,000 to \$52,000		25%
FY 2005 & FY 2006	Up to \$40,000	\$240,000	100%
	Over \$40,000 to \$46,000		50%
	Over \$46,000 to \$52,000		25%

The **FY 2006 local assessment base** of \$176,550,594,911 is derived from the main assessment book and subsequent adjustments discussed above. From this local assessment base, a local tax levy of \$1,818,471,128 is calculated using a tax rate of \$1.03 per \$100 of assessed value. Based on an expected local collection rate of 99.61 percent, revenue from local assessments is estimated to be \$1,811,379,090. In FY 2006, every 0.1 percentage point change in the collection rate on the locally assessed Real Estate Tax levy yields a revenue change of \$1.8 million, while every penny on the tax rate yields \$17.9 million in revenue.

Added to the local assessment base is an estimated \$1,058,253,657 in assessed value for Public Service Corporations (PSC) property. Using a rate of \$1.03 per \$100 of assessed value, the tax levy on PSC property is \$10,900,013. The collection rate on PSC property is expected to be 100.0 percent.

The total assessment base, including Public Service Corporations, is \$177,608,848,568 with a total tax levy of \$1,829,371,140 at the \$1.03 per \$100 assessed value tax rate. Estimated FY 2006 revenue from the Real Estate Tax, including receipts from Public Service Corporations, totals \$1,822,279,103 at the \$1.03 per \$100 assessed value tax rate, and reflects an overall collection rate of 99.61 percent. The total collection rates experienced in this category since FY 1991 are shown in the following table:

General Fund Revenue Overview

Real Estate Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
1991	98.96%	1999	99.50%
1992	98.87%	2000	99.63%
1993	99.03%	2001	99.53%
1994	99.15%	2002	99.65%
1995	99.32%	2003	99.67%
1996	99.47%	2004	99.61%
1997	99.56%	2005 (estimated)	99.61%
1998	99.54%	2006 (estimated)¹	99.61%

¹ In FY 2006, every 0.1 percentage point change in the collection rate yields a revenue change of \$1,829,371.

The Commercial/Industrial percentage of the County's Real Estate Tax base is 17.36 percent, a drop of 0.84 percentage points from the FY 2005 level of 18.20 percent. FY 2006 marks the fifth consecutive decline in the Commercial/Industrial percentage and is due to the larger increases experienced in the residential portion of the Real Estate Tax base. The Commercial/Industrial percentage is based on Virginia land use codes and excludes multi-family rental apartments, which comprises 3.3 percent of the County's Real Estate Tax base in FY 2006. Fairfax County's historical Commercial/Industrial percentages are detailed in the following table:

Commercial/Industrial Percentages

Fiscal Year	Percentage	Fiscal Year	Percentage
1991	26.25%	1999	21.84%
1992	25.66%	2000	24.32%
1993	22.82%	2001	25.37%
1994	20.94%	2002	24.84%
1995	19.59%	2003	21.97%
1996	19.04%	2004	19.14%
1997	19.56%	2005	18.20%
1998	20.47%	2006	17.36%

General Fund Revenue Overview

PERSONAL PROPERTY TAX-CURRENT

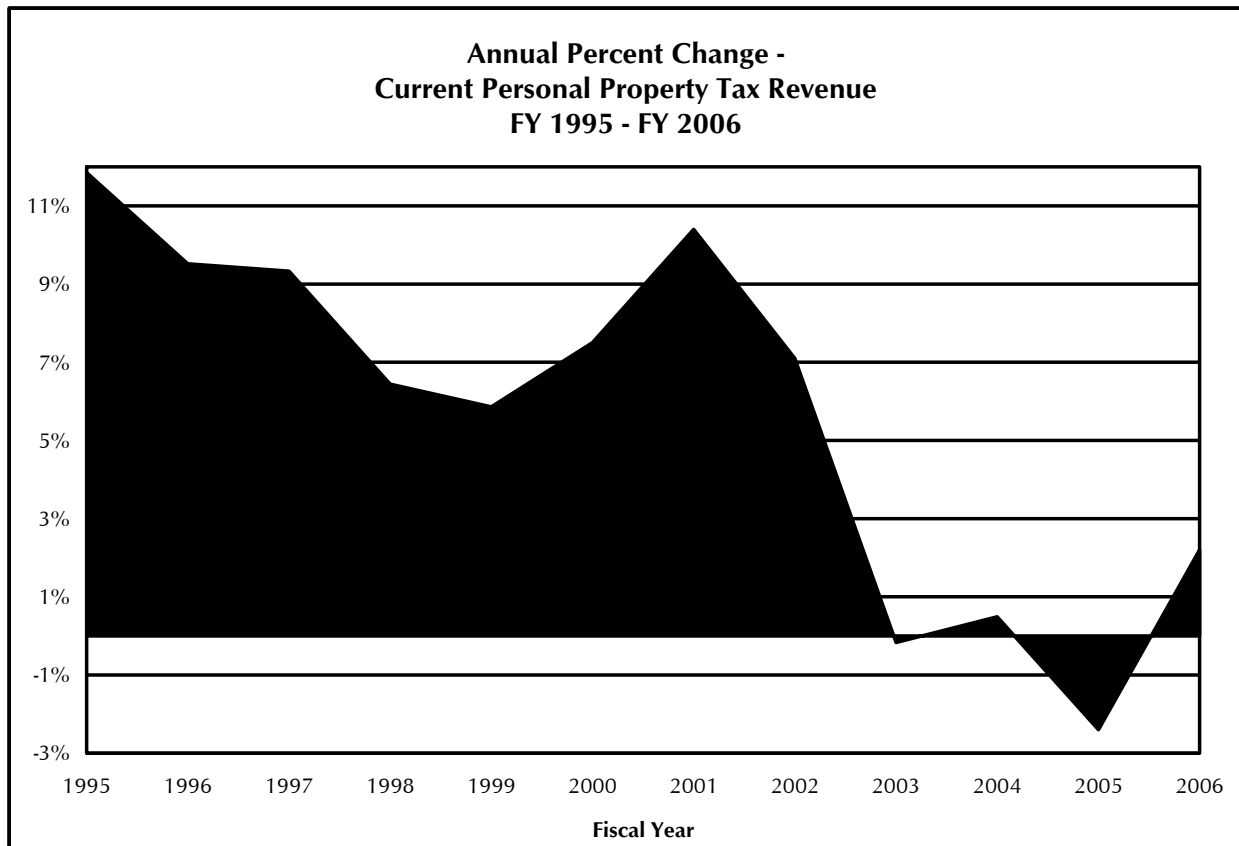
	FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
Paid Locally	\$262,421,619	\$254,692,791	\$260,417,325	\$266,067,294	\$5,649,969	2.17%
Reimbursed by State	197,017,789	205,950,438	192,391,361	198,262,860	5,871,499	3.05%
Total	\$459,439,408	\$460,643,229	\$452,808,686	\$464,330,154	\$11,521,468	2.54%

The FY 2006 Advertised Budget Plan estimate for Personal Property Tax revenue of \$464,330,154 represents an increase of \$11,521,468, or 2.5 percent, over the *FY 2005 Revised Budget Plan*. This increase is a result moderate growth in the both the vehicle and business components of Personal Property offset by a \$0.10 reduction in the Real Estate Tax rate from \$1.13 to \$1.03 per \$100 of assessed value. The Real Estate Tax rate impacts two classes of personal property: mobile homes and non-vehicle Public Service Corporation property. The FY 2006 Personal Property revenue reduction associated with the 10 cent Real Estate Tax decrease is \$2.2 million.

The vehicle portion of the Personal Property Tax is comprised of two parts, that which is paid by citizens locally and that which is reimbursed by the Commonwealth of Virginia to the County as a result of the Personal Property Tax Relief Act (PPTRA) of 1998. The PPTRA phases out the Personal Property Tax on the first \$20,000 of the value for vehicles owned by individuals. In FY 1999, the first year of implementation, taxpayers were billed for the entire amount of tax levy and received a refund of 12.5 percent of the tax on the first \$20,000 of the value of their personal vehicle from the Commonwealth of Virginia. Vehicles valued less than \$1,000 were refunded 100 percent. From FY 2000 to FY 2002, the PPTRA reduced the Personal Property Taxes paid by citizens by 27.5 percent, 47.5 percent, and 70 percent, respectively with an offsetting reimbursement paid to the County by the Commonwealth. Under the original approved plan, taxes paid by individuals were to be reduced by 100 percent in FY 2003. However, due to the State's lower than anticipated General Fund revenue growth, the reimbursement rate remained at 70 percent in FY 2003 and FY 2004. The 2004 General Assembly approved legislation that will continue a 70 percent reimbursement rate through FY 2006, but will cap Personal Property Tax reimbursement in FY 2007 at approximately the FY 2005 level. In subsequent years, the State reimbursement is not expect to cover 70 percent of the Personal Property Taxes paid by residents. The 2005 General Assembly is currently considering various plans that may revise the 2004 legislation. The final outcome will not be known until after the 2005 session is completed. In FY 2006, the PPTRA has no impact on the assessment or projection of Personal Property Tax revenues; therefore, for purposes of this narrative, aspects of the total Personal Property Tax will be discussed.

The Personal Property Tax consists of two major components: vehicles and business personal property. Both components are sensitive to changes in the national and local economies. Annual changes in total Personal Property Tax revenues are shown in the following graph.

General Fund Revenue Overview



Total Personal Property Tax revenues experienced average annual growth of 10.2 percent during the period FY 1995 through FY 1997. During FY 1998 through FY 2000, however, average annual growth moderated to 6.6 percent. Strong job growth and business expansion pushed total Personal Property Tax growth to 10.4 percent in FY 2001 and 7.1 percent in FY 2002. In FY 2003, Personal Property Taxes declined 0.2 percent and rose a slight 0.5 percent in FY 2004. This flattening of revenue was partially due to the stalled economy. Fiscal year Personal Property revenue lags the assessment of property and revenue in FY 2004 was based on vehicles assessed as of January 1, 2003 and business equipment owned as of January 1, 2003. A decrease in business levy during FY 2003 and FY 2004 was also due to adjustments in the computer depreciation schedule which resulted in revenue reductions of \$4.6 million and \$1.0 million, respectively. In FY 2005 Personal Property Tax revenue is projected to fall \$6.6 million, or 1.4 percent, from FY 2004 actual revenue. This decrease is primarily associated with a reduction in business levy. The assessment of FY 2005 business levy is based on equipment owned by businesses as of January 1, 2004. Analysis of actual business filings indicates that depreciation of currently owned equipment outstripped the purchase of new equipment during calendar year 2003. As a result of the reduction in business levy and an increase in vehicle volume, the overall FY 2005 Personal Property Tax estimate was reduced a net \$9.2 million during the fall 2004 revenue review.

Personal Property Tax revenue is expected to rebound in FY 2006, with overall growth of 2.5 percent. The vehicle component, which represents nearly 74 percent of total Personal Property levy, is the driver of this increase. The FY 2006 estimate incorporates an increase of 1.9 percent in the average vehicle levy from \$378 to \$385. This increase is based on analysis of vehicles in the County valued in the fall of 2004 with information from the National Automobile Dealers' Association (NADA). According to NADA, the value of used vehicles has not declined to the extent that they have historically. NADA has also indicated that new model vehicle sales have slowed. The demand for new vehicles has declined due to rolled back incentives by automakers. During the coming year, cash that had been made available from mortgage refinancing will diminish which will further restrain the demand for vehicles. Based on this information, the volume of vehicles in FY 2006 is projected to increase a modest 1.3 percent. Incorporating changes in average levy and volume, the overall vehicle component of the Personal Property Tax base is expected to rise 3.1 percent in FY 2006. Changes in vehicle volume and levy since FY 1998 are shown in the following table.

General Fund Revenue Overview

Personal Property Vehicles

Fiscal Year	Growth in Vehicle Volume	Average Vehicle Levy	Growth in Average Levy
FY 1998	2.6%	\$315	1.6%
FY 1999	3.2%	\$320	1.7%
FY 2000	4.2%	\$336	4.9%
FY 2001	4.5%	\$359	6.9%
FY 2002	2.3%	\$369	2.8%
FY 2003	3.0%	\$372	0.8%
FY 2004	-0.7%	\$389	4.6%
FY 2005 (est.)	2.0%	\$378	-2.6%
FY 2006 (est.)	1.3%	\$385	1.9%

Business Personal Property is primarily comprised of assessments on furniture, fixtures and computer equipment. Based on the improved economy, businesses are expected to expand and the purchases of business equipment are projected to increase. In FY 2006, the number of businesses is projected to expand 0.2 percent and average levy is expected to rise 2.4 percent reflecting growth in employment and increased business investment.

In accordance with assessment principles and the Code of Virginia, which require that property is taxed at fair market value, the Department of Tax Administration (DTA) annually reviews the depreciation rate schedule for computer hardware due to the speed with which computer values change. To reflect market trends, the computer depreciation schedule was adjusted in each year from FY 1999 to FY 2001, in FY 2003, and again in FY 2004. Based on current trends, the computer depreciation schedule was not adjusted in FY 2005 and will not be adjusted in FY 2006. Previous and current computer depreciation schedules are shown in the following table. The percentages from the depreciation schedule are applied to the original purchase price of the computer equipment to determine its fair market value. Personal Property Taxes are then levied on this value. Fairfax County's FY 2006 computer depreciation schedule reduces the value upon which the tax is levied more rapidly than any other Northern Virginia locality.

Computer Depreciation Schedules FY 1998 - FY 2006 Percent of Original Purchase Price Taxed

Year of Acquisition	FY 2001 and FY 2003					FY 2004 through FY 2006
	FY 1998	FY 1999	FY 2000	FY 2002	FY 2003	FY 2006
1	80%	65%	60%	60%	55%	50%
2	55%	45%	40%	40%	35%	35%
3	35%	30%	30%	25%	20%	20%
4	10%	10%	10%	10%	10%	10%
5 or more	10%	2%	2%	2%	2%	2%

Personal Property Tax revenue estimates are based on a tax rate of \$4.57 per \$100 of valuation for vehicles and business property, and \$1.03 per \$100 of valuation for mobile homes and non-vehicle Public Service Corporations properties. The following table details the estimated assessed value and associated levy for components of the Personal Property Tax.

General Fund Revenue Overview

FY 2006 Estimated Personal Property Assessments and Tax Levy

Category	FY 2006 Assessed Value	Tax Rate (per \$100)	FY 2006 Tax Levy	Percent of Total Levy
Vehicles				
Privately Owned	\$8,617,603,614	\$4.57	\$313,498,102	65.5%
Business Owned	524,687,403	4.57	18,308,691	3.8%
Leased	604,004,494	4.57	20,529,453	4.3%
Subtotal	\$9,746,295,511		\$352,336,246	73.7%
Business Personal Property				
Furniture and Fixtures	\$1,495,201,156	\$4.57	\$68,258,006	14.3%
Computer Equipment	582,917,350	4.57	26,639,143	5.6%
Machinery and Tools	86,306,402	4.57	3,944,203	0.8%
Research and Development	6,249,134	4.57	285,586	0.1%
Subtotal	\$2,170,674,042		\$99,126,938	20.7%
Public Service Corporations				
Equalized	\$2,199,984,660	\$1.03	\$22,659,842	4.7%
Vehicles	10,191,672	4.57	465,759	0.1%
Subtotal	\$2,210,176,332		\$23,125,601	4.8%
Other				
Mobile Homes	\$18,056,505	\$1.03	\$185,982	0.0%
Other (Trailers, Misc.)	8,765,618	4.57	310,495	0.1%
Subtotal	\$26,822,123		\$496,477	0.1%
Penalty for Late Filing			\$3,202,502	0.7%
TOTAL	\$14,153,968,008		\$478,287,764	100.0%

FY 2006 Personal Property Tax assessments including Public Service Corporations are \$14,153,968,008 with a total tax levy of \$478,287,764. Personal Property Tax revenue collections are projected to be \$464,330,154, reflecting an overall collection rate of 97.0 percent. Total collection rates experienced in this category since FY 1991 are shown in the following table:

Total Personal Property Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
1991	95.5%	1999	97.3%
1992	94.4%	2000	97.3%
1993	96.0%	2001	97.1%
1994	95.6%	2002	96.3%
1995	96.8%	2003	98.8%
1996	97.2%	2004	96.9%
1997	97.3%	2005 (estimated)	97.0%
1998	97.3%	2006 (estimated)¹	97.0%

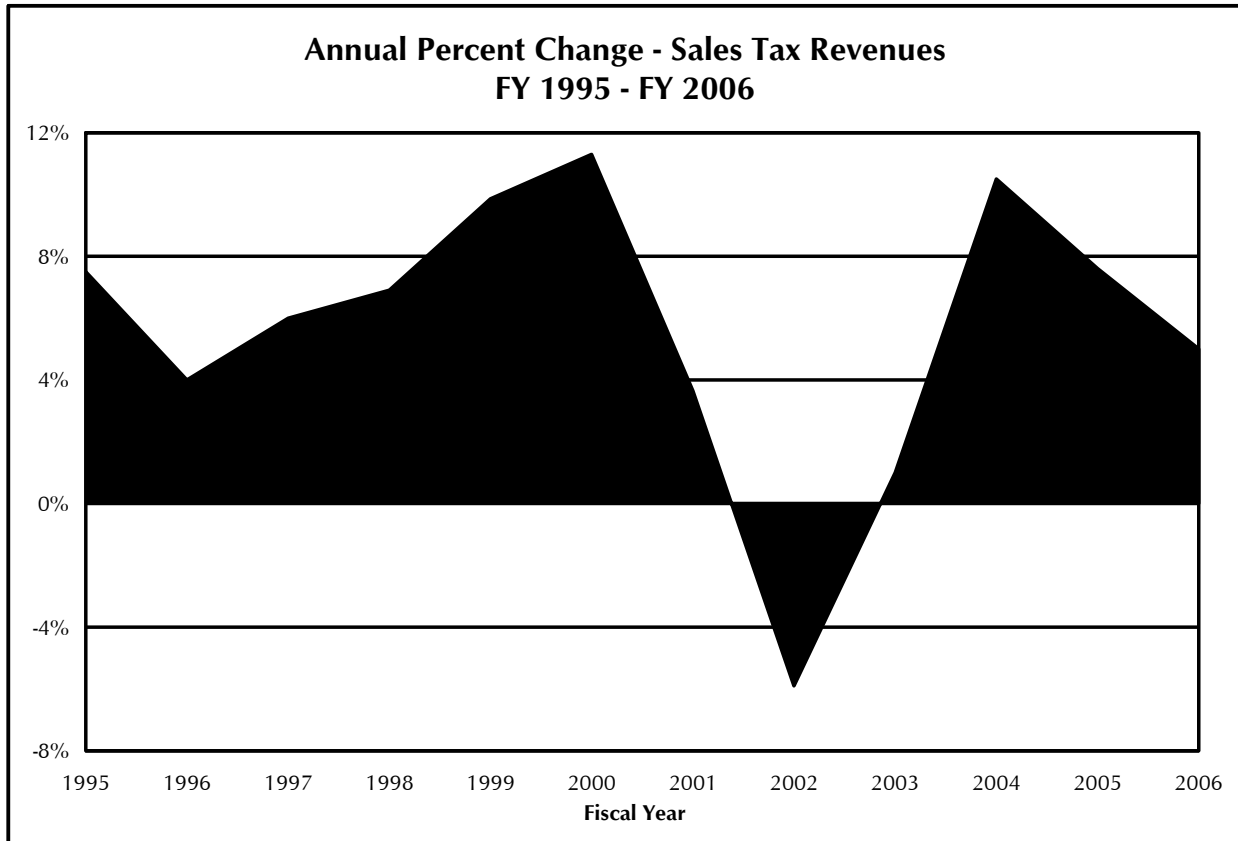
¹ Each 0.1 percentage point change in the collection rate on the local tax levy will impact revenues by approximately \$0.5 million, and each penny on the tax rate yields a revenue change of \$1.0 million.

General Fund Revenue Overview

LOCAL SALES TAX

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$140,070,124	\$143,803,000	\$150,687,742	\$158,222,129	\$7,534,387	5.00%

The FY 2006 Advertised Budget Plan estimate for Sales Tax receipts of \$158,222,129 represents an increase of \$7.5 million, or 5.0 percent over the *FY 2005 Revised Budget Plan*. This rate of projected growth reflects moderation from the 7.6 percent increase anticipated for FY 2005.



As shown in the chart above, Sales Tax receipts experienced annual increases ranging from 3.7 percent to 11.3 percent during the period FY 1995 to FY 2001. In FY 2002, Sales Tax receipts dropped 5.9 percent from the level achieved in FY 2001. This decrease was only the second time in 30 years that Sales Tax receipts had fallen from their previous year's level (in FY 1991, Sales Tax revenues dropped 4.5 percent from FY 1990.) In FY 2003, Sales Tax receipts rose just 1.0 percent above the FY 2002 level. As a result of the robust economy, Sales Tax receipts rebounded in FY 2004, rising 10.5 percent. The estimate for FY 2005 Sales Tax receipts was revised upward by \$6.9 million during the 2004 fall revenue review to reflect a rate of growth of 7.6 percent, the rate experienced during the first four months of the fiscal year. This rate of projected annual growth is supported by an econometric model that uses the Fairfax County Leading Index as a predictor. While growth in tax receipts for the first six months have moderated slightly to 7.3 percent; Sales Tax collections for retail purchases made during December are expected to be healthy. Sales Tax receipts for December will not be received by the County until late February. In FY 2006, consumer spending is anticipated to slow somewhat due rising interest rates and energy prices; therefore, growth is expected to continue but at a rate of 5.0 percent in FY 2006.

General Fund Revenue Overview

RECORDATION/DEED OF CONVEYANCE TAXES

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$30,865,542	\$18,274,531	\$35,538,098	\$32,014,191	(\$3,523,907)	-9.92%

The FY 2006 Advertised Budget Plan estimate of \$32,014,191 represents a decrease of \$3.5 million from the FY 2005 Revised Budget Plan. The FY 2006 estimate is comprised of \$24,316,223 in Recordation Tax revenues and \$7,697,968 in Deed of Conveyance Tax revenues. Recordation and Deed of Conveyance Taxes are levied in association with the sale or transfer of real property located in the County. Recordation Taxes are also levied when mortgages on property located in the County are refinanced, making Recordation Tax revenues more sensitive to interest rate fluctuations than Deed of Conveyance Tax revenues. Interest rate projections are used in an econometric model that assists in developing estimates for these categories.

Receipts from Recordation and Deed of Conveyance Taxes have grown significantly since FY 2001 due to continued strong demand relative to housing supply in the County as well as rising median sales prices. Increased mortgage refinancing due to low mortgage rates have also boosted Recordation collections. During the 2004 General Assembly, the Commonwealth of Virginia increased the State tax on recording deeds from 15 cents to 25 cents per \$100 of value of the property being recorded. The Code of Virginia allows cities and counties to levy a local Recordation Tax at one-third the State rate so the County's Recordation Tax was increased from 5 cents to 8.33 cents per \$100 of value effective September 1, 2004. Anticipated FY 2005 revenue of \$6.2 million from this rate increase was set aside by the Board of Supervisors for Real Estate Tax relief in FY 2006.

As a result of Recordation Tax rate increase and higher than expected collections, the FY 2005 estimate for Recordation and Deed of Conveyance was increased \$17.3 million during the fall 2004. Through December 2004, FY 2005 Deed of Conveyance Tax receipts are up 26.7 percent over the same period of FY 2004. Recordation Tax revenues are up 42.5 percent through the first six months of FY 2005. The increase is almost entirely due to the rate increase. Absent the increase in the Recordation Tax rate from 5 cents to 8.33 cents per \$100 of value, Recordation Tax revenue is up just 1.4 percent. The disparity between growth in Deed of Conveyance Tax revenue and the growth in Recordation Taxes adjusted for the rate increase indicates that mortgage refinancing has slowed significantly. In FY 2006, Recordation and Deed of Conveyance receipts are expected to fall from their FY 2005 level because interest rates are projected to increase and mortgage refinancing is anticipated to slow further.

VEHICLE DECAL FEE

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$19,503,579	\$19,853,245	\$19,853,245	\$20,250,310	\$397,065	2.00%

The FY 2006 Advertised Budget Plan estimate of \$20,250,310 for Vehicle Decal Fee revenue represents growth of \$397,065, or 2.0 percent, over the FY 2005 Revised Budget Plan. This growth rate is consistent with historical trends.

Since FY 2004, County taxpayers with no previous tax delinquencies have received their vehicle decal along with their Personal Property Tax bill. Previously, County taxpayers could purchase a Vehicle Decal only after the Personal Property tax bill had been paid. This change reduces County expenditures by an estimated \$0.5 million per year. Vehicle Decal Tax rates remain unchanged in FY 2005 and FY 2006 at \$25 for passenger vehicles; \$18 for motorcycles; and \$23 for certain passenger vehicles used for compensation, e.g., taxis. The renewal date for vehicle decals is October 5, the same due date for payment of Personal Property Taxes.

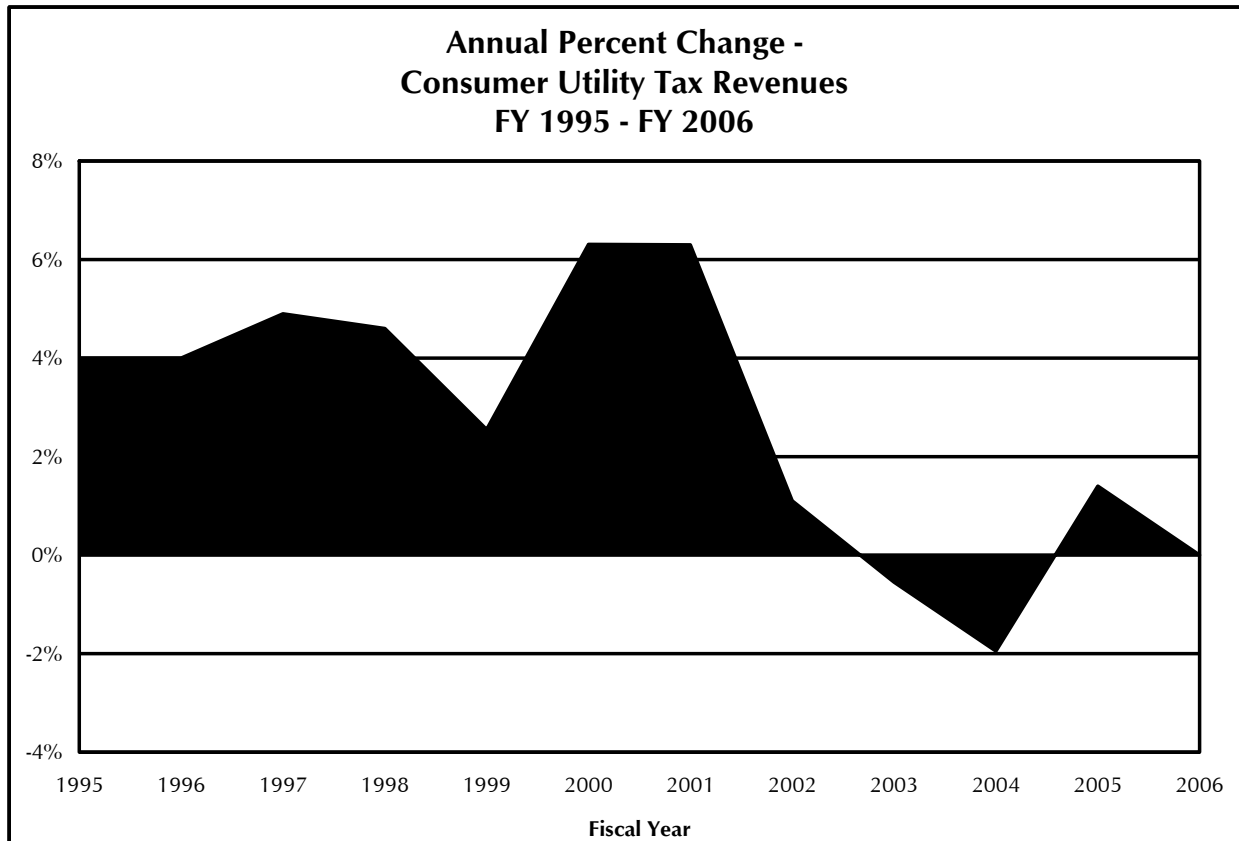
General Fund Revenue Overview

CONSUMER UTILITY TAX

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$84,219,305	\$85,892,727	\$85,422,983	\$85,422,983	\$0	0.00%

The FY 2006 Advertised Budget Plan estimate for Consumer Utility Taxes of \$85,422,983 reflects no change from the FY 2005 Revised Budget Plan. County residents and businesses are subject to Consumer Utility Taxes based on their consumption of electricity, gas, and telephone services. The FY 2006 estimate is comprised of \$35,687,230 in taxes on electric service, \$40,130,799 in taxes on telephone service, and \$9,604,954 in taxes on gas service.

From FY 1996 through FY 2001, Consumer Utility Tax revenues rose at an average annual rate of 4.9 percent. Growth slowed considerably to just 1.2 percent in FY 2002 and then fell 0.6 percent and 2.0 percent in both FY 2003 and FY 2004, respectively. The decline in total Consumer Utility Tax revenue is due to decreases in telephone utility taxes. Prior to FY 2002, taxes on telephone service grew at a faster rate than other consumer utilities; however, increased use of cell phones, cable Internet access, and phoning over the Internet (VoIP) have all diminished the telephone utility tax base. In FY 2003 and FY 2004, receipts from telephone utility taxes fell 4.7 percent and 5.0 percent, respectively. This trend in telephone usage is expected to continue and when combined with modest growth in taxes from gas and electric utilities, total Consumer Utility Taxes are expected to grow a slight 1.4 percent in FY 2005 over FY 2004 actual collections. The FY 2005 projection reflects a decrease of \$0.5 million estimated during the fall 2004 revenue review as compared to the Revised Budget Plan and is based on year-to-date collections. FY 2006 Consumer Utility Tax revenue is expected to remain at the FY 2005 level.



General Fund Revenue Overview

It should be noted that legislation is currently being considered by the Virginia General Assembly that would considerably change the manner in which taxes on telecommunication services would be levied. Local taxes on telephone land lines and mobile telecommunications plus E-911 fees would be repealed and replaced with a 5 percent State tax and a State E-911 fee of 75 cents per line. The new State taxes would be remitted to a State fund for distribution to localities. At this time, there is not enough information for the County to determine if the State Tax distribution would be revenue neutral with the County's current telecommunication taxes.

MOBILE TELECOMMUNICATIONS TAX

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$8,313,833	\$7,200,000	\$10,000,000	\$10,300,000	\$300,000	3.00%

The FY 2006 Advertised Budget Plan estimate for Mobile Telecommunication Tax receipts is \$10,300,000, an increase of \$0.3 million, or 3.0 percent. In FY 2004, the Board of Supervisors authorized a tax of ten percent on a consumer's gross charges up to a maximum of \$30 per month for mobile local telecommunications (1994 Virginia Acts, Chapter 560 of the Code of Virginia, Section 58.1-3812 as amended). The maximum monthly rate is \$3 per bill, or \$36 per year. During the 2004 fall review of revenue, the FY 2005 estimate for Mobile Telecommunication Taxes was increased from \$7.2 million to \$10.0 million based on actual FY 2004 receipts and collections during the first five months of FY 2005. Moderate growth of 3.0 percent is anticipated in FY 2006.

TRANSIENT OCCUPANCY TAX

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$7,221,578	\$13,991,060	\$13,991,060	\$14,270,183	\$279,123	2.00%

The FY 2006 Advertised Budget Plan estimate for Transient Occupancy Tax is \$14,270,183, an increase of \$279,123, or 2.0 percent, over the FY 2005 Revised Budget Plan. Prior to FY 2005, the Transient Occupancy Tax rate was 2.0 percent, the maximum allowed by State law. Legislation enacted by the 2004 Virginia General Assembly permitted the Board of Supervisors to levy an additional 2 percent Transient Occupancy Tax beginning in FY 2005. Transient Occupancy Taxes are charged as part of a hotel bill and remitted by the hotel to the County. Revenue from the additional 2 percent tax is required to be spent for tourism promotion. No more than 75 percent of the new revenue may be spent by Fairfax County for tourism promotion and the remaining 25 percent must be appropriated to a nonprofit convention and visitors' bureau located in the County.

General Fund Revenue Overview

CIGARETTE TAX

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$1,899,798	\$1,922,003	\$6,246,510	\$11,532,018	\$5,285,508	84.62%

The FY 2006 Advertised Budget Plan estimate for Cigarette Tax revenue is \$11,532,018, an increase of \$5,285,508, or 84.6 percent, over the *FY 2005 Revised Budget Plan*. The increase represents a rise in the Cigarette Tax rate from 20 cents per pack to 30 cents per pack effective July 1, 2005. Fairfax is authorized by the Code of Virginia to levy a Cigarette Tax at a rate not to exceed 5 cents per pack of 20 cigarettes or the amount levied under State law, whichever is greater. Until 2004, the State tax on cigarettes was 2.5 cents per pack so the maximum the County could levy was 5 cents per pack. During the 2004 General Assembly, the State tax on cigarettes was raised to 20 cents per pack effective September 1, 2004 and to 30 cents per pack as of July 1, 2005. This change allowed the Fairfax County Board of Supervisors to raise the County tax on cigarettes equal to the State rate. After a public hearing, the County Cigarette Tax was increased to 20 cents per pack as of September 1, 2004 and to 30 cents per pack as of July 1, 2005.

During the fall 2004 revenue review, the FY 2005 estimate for Cigarette Tax revenue was increased \$4.3 million to reflect the change in the tax rate. This revenue was set aside by the Board of Supervisors for Real Estate Tax relief in FY 2006.

BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

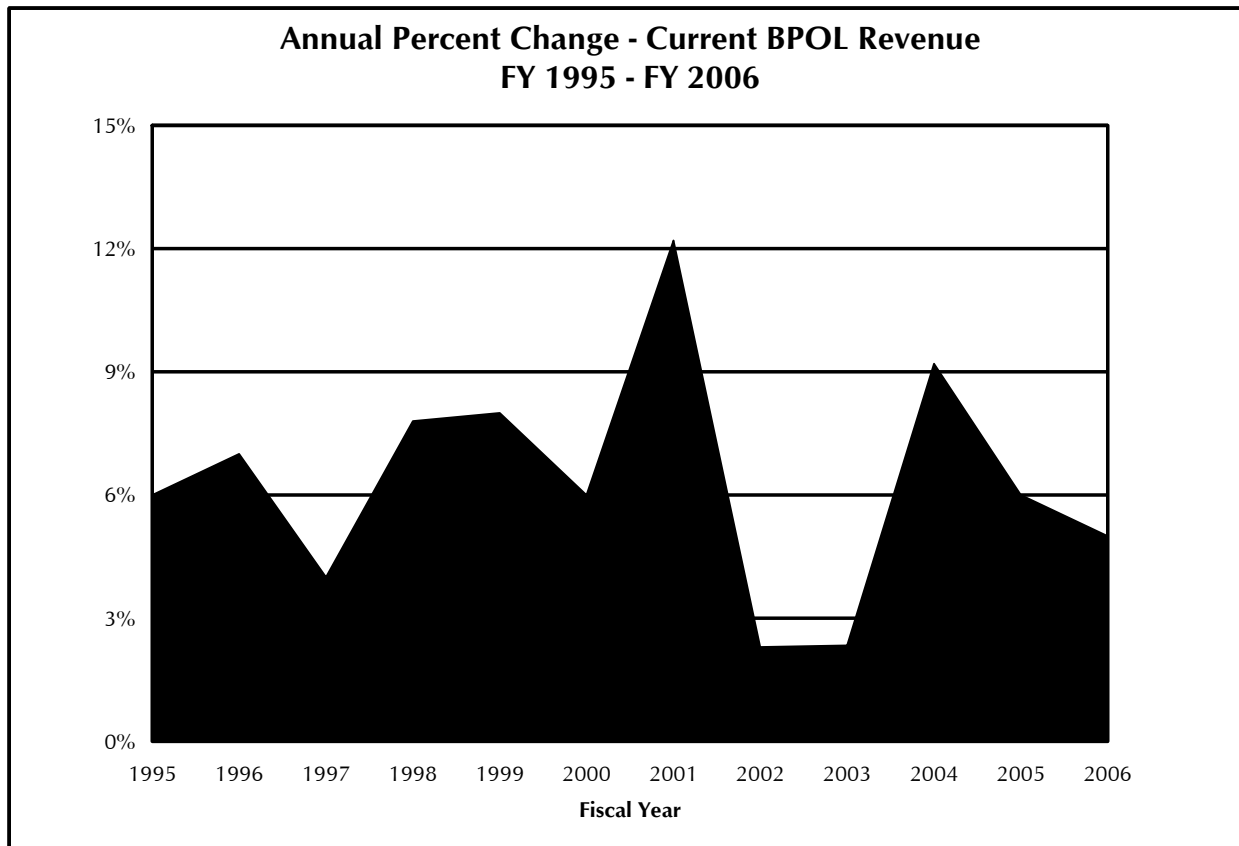
FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$101,997,399	\$99,593,631	\$108,122,086	\$113,528,190	\$5,406,104	5.00%

The FY 2006 Advertised Budget Plan estimate for Business, Professional and Occupational License Taxes (BPOL) is \$113,528,190, an increase of \$5,406,104, or 5.0 percent, over the *FY 2005 Revised Budget Plan*. This increase is consistent with continued economic expansion but at a decelerated rate from FY 2005 projected growth of 6.0 percent.

In FY 2004, BPOL receipts experienced robust growth of 9.2 over FY 2003. Reflecting increased federal procurement spending, the Consultant category, which represents nearly 23 percent of total BPOL receipts, grew at a rate of 20.5 percent. Receipts from Realtors and Money Lenders grew 17.6 percent in FY 2004, while the combined Retail/Wholesale category, which comprises approximately 24 percent of total BPOL receipts, grew at a rate of 7.2 percent.

Businesses file and pay their BPOL Taxes simultaneously on March 1 each year based on their gross receipts during the previous calendar year. As a result, there is little actual data available at this time to refine estimates for FY 2005 and develop projections for FY 2006. Federal spending in the County is expected to remain strong, and the Money Lenders and Realtors category is expected to experience moderate growth in FY 2005 and FY 2006. Based on these assumptions and an econometric model using Sales Tax receipts and mortgage interest rates as predictors, the FY 2005 estimate for BPOL was increased \$8,528,455 during the fall 2004 review of revenues. This estimate represents 6.0 percent growth over actual FY 2004 receipts. In FY 2006, the rate of economic expansion is expected to slow and BPOL revenues are expected to experience growth of 5.0 percent. Historical and projected changes in BPOL receipts are presented in the following graph.

General Fund Revenue Overview



PERMITS, FEES AND REGULATORY LICENSES

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$28,675,370	\$26,943,956	\$27,578,867	\$32,543,251	\$4,964,384	18.00%

The FY 2006 Advertised Budget Plan estimate for Permits, Fees and Regulatory Licenses is \$32,543,251, an increase of \$4,964,384, or 18.0 percent, over the *FY 2005 Revised Budget Plan* estimate. This increase is primarily the result of a Land Development Services fee increase for building permit and inspection fees, the major component of the Permit, Fees, and Regulatory Licenses category.

In FY 2006, the fee structure for Land Development Services has been realigned to increase cost recovery. Fees have not been adjusted since FY 1996 and cost recovery is currently approximately 75.3 percent. Over the next two fiscal years, the cost recovery will be increased to approximately 90 percent. In FY 2006, the proposed increase in fees is projected to increase revenue by \$4.2 million. For more information, see Volume 1 of the FY 2006 Advertised Budget Plan.

The FY 2006 Advertised Budget Plan estimate for Permits, Fees and Regulatory Licenses also includes Zoning Fees of \$1,830,450, an increase of \$652,976, or 55.5 percent, over the *FY 2005 Revised Budget Plan* estimate and is the result of a fee increase proposed to be effective July 1, 2005.

General Fund Revenue Overview

Twenty-three individual fee categories comprise Land Development Services (LDS) Fee revenue. Changes in LDS revenue are a reflection of the housing market and construction industry, as well as the size and complexity of projects submitted to LDS for review. One of the most important indicators of workload, and consequently revenue, is the number of building permits issued, and the number of new site, subdivision and public improvement plans submitted to LDS for review. Single family permits issued during the first six months of FY 2005 total 2,554, down 13.0, or 382 permits, year-to-date. Likewise, the number of nonresidential building permits issued so far this fiscal year is down 19.0 percent or 40 permits from the same period in FY 2004. The *FY 2005 Revised Budget Plan* estimate for LDS fees reflects no change from the *FY 2005 Adopted Budget Plan* estimate of \$21.0 million but represents a drop from the \$22.3 million level achieved in FY 2004.

The FY 2005 estimate for Permits, Fees, and Regulatory Licenses was increased \$0.6 million over the *FY 2005 Adopted Budget Plan* during the fall 2004 revenue review. This net increase reflects increases in Fire Marshal fees, Acceptance Test Overtime revenue and various other categories offset with a decrease in Zoning Fees all based on FY 2005 year-to-date collections.

INTEREST ON INVESTMENTS

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$14,758,923	\$18,122,686	\$25,975,290	\$33,031,622	\$7,056,332	27.17%

The *FY 2006 Advertised Budget Plan* estimate of \$33,031,622 for Interest on Investments represents an increase of \$7,056,332, or 27.2 percent, over the *FY 2005 Revised Budget Plan* estimate. Revenue from this category is a function of the amount invested, the prevailing interest rates earned on investments, and the percentage of the total pooled investment portfolio attributable to the General Fund.

Revenue from Interest on Investments is highly dependent on Federal Reserve actions. During 2001, the Federal Reserve reduced interest rates 11 times from 6.5 percent to 1.75 in order to stimulate economic growth. Rates were stable in 2002 until November when the federal funds rate was dropped to 1.25 percent. The Fed cut rates again in June 2003 to 1.0 percent. During this period, revenue from Investment Interest fell from a historic high of \$56.3 million in FY 2001 to \$17.8 million in FY 2003. In FY 2004, the annual average yield on the County's portfolio was just 1.04 percent and Interest on Investments dropped again to \$14.8 million.

The federal funds rate remained at 1.0 percent until June 2004 when the Fed began to raise rates to keep inflation in check. The Fed raised interest rates by 25 basis points five times in 2004 and again in February 2005 and the federal funds rate now stands at 2.50 percent. The FY 2005 estimate for Interest on Investments was increased \$7.9 million, from \$18.1 million to \$26.0 million, during the fall 2004 review of revenue as a result of these increases. The \$26.0 million FY 2005 estimate reflects an average yield of 2.23 percent up from the 1.40 percent included in the *FY 2005 Adopted Budget Plan*.

The *FY 2006 Advertised Budget Plan* estimate assumes that the Federal Reserve will continue to gradually increase interest rates at what the Fed calls "a measured pace." The FY 2006 estimate includes a projected yield of 2.50 percent and an average portfolio size of \$1,878,130,621, representing 5.0 percent growth over the FY 2005 projection. All available resources are pooled for investment purposes and the net interest earned is distributed among the various County funds, based on the average dollars invested from each fund as a percentage of the total pooled investment. Total Interest on Investments for all funds is projected to be \$38,769,090 and the General Fund percentage is projected to be 67.0 percent in FY 2005 and FY 2006.

General Fund Revenue Overview

CHARGES FOR SERVICES

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$42,529,744	\$42,533,320	\$42,348,392	\$48,757,342	\$6,408,950	15.13%

The FY 2006 Advertised Budget Plan estimate of \$48,757,342 for Charges for Services reflects an increase of \$6,408,950, or 15.1 percent, over the *FY 2005 Revised Budget Plan*. This increase is due primarily to full year implementation of the Emergency Medical Services (EMS) Transport fee.

The Board of Supervisors approved an EMS Transport fee that will become effective in April 2005. The three tiered fee for transport by ambulance to an area hospital is \$300 for basic ambulance transport; \$400 for Advance Life Support 1 (ALS-1) transport; and \$550 for Advance Life Support 2 (ALS-2) transport. In addition, \$7.50 is charged for every mile that a patient is transported. The EMS fee is expected to generate \$739,914 in FY 2005. During the first year of implementation, the revenue from the fee will be totally offset with expenditure requirements. In FY 2006, the EMS fee is anticipated to generate approximately \$6.6 million, an increase of \$5.9 million over FY 2005.

The FY 2006 estimate for Charges for Services also includes \$22.3 million in projected School Age Child Care (SACC) fees. In FY 2006, SACC revenues are projected to rise \$0.3 million due to a 1.5 percent base fee adjustment to address salary increases. No new SACC centers are scheduled to open in FY 2006.

The FY 2005 estimate for Charges for Services was decreased a net \$0.2 million during the 2004 revenue review primarily due to a decline in Recreation Fee revenue of \$0.2 million as a result of lower than anticipated collection from class fees.

REVENUE FROM THE COMMONWEALTH/FEDERAL GOVERNMENT¹

FY 2004 Actual	FY 2005 Adopted	FY 2005 Revised	FY 2006 Advertised	Increase/ (Decrease)	Percent Change
\$140,196,638	\$119,225,298	\$122,977,103	\$122,335,318	(\$641,785)	-0.52%

¹ Excludes Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998. See the "Personal Property Tax - Current" heading in this section.

The FY 2006 Advertised Budget Plan estimate for Revenue from the Commonwealth and Federal Governments is \$122,335,318 and represents a decrease of \$641,785, or 0.5 percent, over the *FY 2005 Revised Budget Plan* estimate. This decrease in revenue is the result of one time federal reimbursement of \$690,000 in FY 2005 for the purchase of voting machines and a reduction of \$550,000 associated with the expected elimination of a federal grant in FY 2006 that reimburses the County for expenses incurred for housing illegal aliens in the Adult Detention Center. These reductions are offset with an increase of \$0.3 million in State funding based on an anticipated 2 percent salary adjustment for State reimbursable positions and an additional \$ 0.3 million in State revenue resulting from increased expenditures for the Child Care Assistance and Referral Program.

During the fall 2004 revenue review, the FY 2005 estimate for Revenue from the Commonwealth and Federal Government was increased \$2.0 million. An increase of \$0.9 million is associated with a salary adjustment for State reimbursable positions as of December 2004. In addition, State Law Enforcement (HB 599) funding was increased \$0.7 million and Health Department funding was increased \$0.2 million based on revised State estimates. In addition, an increase of 0.2 million in FY 2005 is associated with State reimbursement for expenses relating to the February 2004 Presidential Primary.



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General Fund Disbursement Overview

This section includes:

- ▶ *Summary of General Fund Direct Expenditures (Page 96)*
- ▶ *Summary of General Fund Transfers (Page 104)*
- ▶ *Summary of Contributory Agencies (Page 108)*

General Fund Disbursement Overview

SUMMARY OF GENERAL FUND DIRECT EXPENDITURES

Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase (Decrease) Over/(From) Revised	Percent Increase/(Decrease)
Positions/ Staff Years	9,359/9,092.38	9,411/9,142.74	9,482/9,215.24	9,477/9,210.51	(5)/(4.73)	(0.05%)/ (0.05%)
Personnel Services	\$525,894,535	\$568,321,388	\$573,985,013	\$620,039,430	\$46,054,417	8.02%
Operating Expenses	308,168,058	311,796,241	349,212,205	318,068,695	(31,143,510)	(8.92%)
Recovered Costs	(36,780,624)	(39,259,618)	(39,493,000)	(40,865,494)	(1,372,494)	3.48%
Capital Equipment	3,372,204	2,336,888	5,788,035	2,882,305	(2,905,730)	(50.20%)
Fringe Benefits	132,813,046	160,629,722	161,718,715	176,749,788	15,031,073	9.29%
Total Direct Expenditures	\$933,467,219	\$1,003,824,621	\$1,051,210,968	\$1,076,874,724	\$25,663,756	2.44%

Details of program and staffing adjustments are provided in the individual agency narratives in Volume 1. Major changes are summarized by category in the narrative description that follows with linkages to County vision elements and Board of Supervisors' priorities highlighted, where possible, to show the alignment of spending and strategic objectives. Please note that expenditures may support several vision elements, but the primary links are extracted here. Additional information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

The FY 2006 Advertised Budget Plan direct expenditure level of \$1,076,874,724 represents an increase of \$25,663,756, or 2.44 percent, over the *FY 2005 Revised Budget Plan* direct expenditure level of \$1,051,210,968.

Personnel Services

In FY 2006, funding for Personnel Services totals \$620,039,430, an increase of \$46,054,417, or 8.0 percent, over the *FY 2005 Revised Budget Plan* funding level of \$573,985,013.

- ◆ **Pay for Performance** funding of \$7,962,426 for General Fund eligible staff is included. The Pay for Performance system was implemented in FY 2001 and links employee pay increases directly with performance. The total General Fund impact is \$9,829,198 including \$1,866,772 for transfers to General Fund Supported agencies.
- ◆ **Merit Increment** funding of \$2,355,635 is included for Public Safety uniformed positions not eligible for the Pay for Performance program. The total General Fund impact is \$2,523,626, including \$167,991 for transfers to General Fund Supported agencies.

General Fund Disbursement Overview

- ◆ **Overtime Pay** increases \$4,017,493 to \$36,903,261 and is primarily due to an increase of \$2,272,995 in the Police Department and \$1,716,410 in the Fire and Rescue Department. The increase in the Police Department is attributable to compensation growth, new positions and additional guaranteed court overtime pay. Currently, officers required by subpoena to attend court on their days off are entitled to claim two hours of overtime for any attendance which is less than two hours. To account for the time necessary to travel to and from court, as well as the time spent in court, allowing three hours of guaranteed overtime will more adequately compensate officers for their attendance. The increase associated with this adjustment to court overtime is \$881,750. The increase in the Fire and Rescue Department is attributable to compensation growth and the addition of 71 new positions, 36 of which are associated with the opening of the new Crosspointe Fire Station scheduled for May 2006.
- ◆ **Limited Term** position funding (temporary and part-time employees) increases \$527,824 to \$16,703,282, primarily due to \$146,888 in the Department of Community and Recreation Services which is associated with the Teen Center Redesign Initiative, \$90,530 in the Department of Family Services, \$82,820 in the Department of Information Technology, \$61,823 in the Park Authority, \$54,662 in the Fairfax County Public Libraries, \$50,448 in the Department of Planning and Zoning, \$45,833 in the Fire and Rescue Department and \$44,679 in the Health Department, partially offset by a decrease of \$128,737 in the Electoral Board and General Registrar reflecting a return to staffing patterns consistent with non-presidential election years. Most agencies have an increase in limited term position funding due to the pay for performance system that links employee pay increases directly with performance which increases an employee's salary.
- ◆ **Shift Differential** increases \$517,967 to \$4,128,695 to accommodate a rise in the shift differential rate to \$0.85 for the evening shift and \$1.10 for the midnight shift and includes an increase in holiday pay to compensate employees according to their actual holiday shift hours worked. The Police Department accounts for \$284,003 of the total increase, followed by \$88,623 in the Office of the Sheriff and \$67,262 in the Fire and Rescue Department.
- ◆ **Holiday Pay** increases \$1,317,764 to address a policy change from a standard payment for eight hours of holiday pay regardless of the shift worked to granting hour for hour holiday pay/compensatory time to all employees who are required to work a schedule of more than eight hours per day and who are required to work on the County- observed holiday. In the case of Fire and Rescue Department employees on a 24-hour shift, the number of holiday pay hours would increase to 16 which is the typical way other jurisdictions have addressed the holiday pay issue for 24-hour shifts.
- ◆ **Additional base pay** increases reflect the actual salary level of current County employees and are required to fund the full-year costs of the pay for performance increases earned in FY 2005.
- ◆ **Public Safety Market Adjustment** funding of \$7,882,968 to fund a 3.07 percent market rate adjustment, as well as merit increments, for all uniformed public safety personnel to maintain consistency with neighboring jurisdictions and to remain competitive in the local employment market. The total General Fund impact is \$8,260,582, including \$377,614 for transfers to General Fund Supported agencies.
- ◆ An **Across the Board Public Safety Adjustment** of 4.0 percent and funding of \$8,869,550 based on data from the most recent market survey which showed a number of Police and Fire and Rescue grades to be below market, thereby jeopardizing the County's competitiveness in the local labor market. However, in addition to the specific results by pay grade, staff also reviewed the impact of individual class changes which may result in compression of grades. As a result, all uniformed Police and Fire and Rescue personnel in the O and F pay scales are recommended for a 4.0 percent increase in FY 2006.

General Fund Disbursement Overview

Positions

The FY 2006 Advertised Budget Plan reflects a decrease of 5/4.73 SYE General Fund positions. Please note that 153/153.0 SYE positions are transferred from Agency 90, Police Department to a new agency, Agency 95, Department of Public Safety Communications, in Fund 120, E-911 Fund, in FY 2006. The total General Fund position count, including this transfer, is 9,477/9,210.51 or 11.10 positions per 1,000 County residents.

The following position adjustments reflect the County's commitment to *Maintaining Safe and Caring Communities*:

- ◆ 71/71.0 SYE positions in the Fire and Rescue Department at a cost of \$4,501,652 in Personnel Services. Of this total, 36/36.0 SYE positions will staff the new Crosspointe Fire Station scheduled to open in May 2006, 23/23.0 SYE positions are included for the second and final phase of a program to reach a full complement of Advanced Life Support providers started as part of the *FY 2004 Carryover Review*, and 12/12.0 SYE positions for the second and final phase to strengthen the management infrastructure in Emergency Medical Services.
- ◆ 15/15.0 SYE positions in the Police Department at a cost of \$951,204 in Personnel Services including 8/8.0 SYE positions assigned to patrol in support of the County's eight district police stations to help reduce response times and to further enhance community policing efforts, 4/4.0 SYE positions to the Gang Investigations Unit to keep pace with the increased number of gang-related crimes in the County, and 3/3.0 SYE positions to support the Police Department's administrative, fiscal, logistical and technical activities.
- ◆ 15/14.27 SYE positions in the Health Department and funding of \$312,738 in Personnel Services funding is associated with Little River Glen Adult Day Health Care Center, which is scheduled to open in early FY 2007, and a new secondary school, South County, which is slated to open in September 2005. In particular, 9/9.0 SYE positions are included to help with hiring and start up activities associated with Little River Glen Adult Day Health Care Center and 4/3.27 SYE positions, including 2/2.0 SYE Public Health Nurse positions and 2/1.27 SYE Clinic Room Aide positions, are added to provide health services to students at the new secondary school in South County. In addition 2/2.0 SYE Public Health Nurses are added to the Department's School Health Program to improve the nurse to student ratio.
- ◆ 11/11.0 SYE positions in the Public Safety Communications Center in the Police Department at a cost of \$670,929 in Personnel Services are added to address workload, recruitment and retention issues, as well as to support the establishment of a new agency, Agency 95, Department of Public Safety Communications. These 11/11.0 SYE positions are among the 153/153.0 SYE positions transferred to the new Agency 95, Department of Public Safety Communications, in Fund 120, E-911 Fund.
- ◆ 11/11.0 SYE positions in the Sheriff at a cost of \$733,869 in Personnel Services to support the opening of the second half of a new floor in the Adult Detention Center to accommodate the anticipated increase in the number of inmates stemming from more stringent state DUI laws and more general trends, as well as to address overcrowding at the jail.
- ◆ 1/1.0 SYE position and Personnel Services funding of \$56,375 to address the increased case management workload from the June 2005 special education graduates and the administration oversight of the expected additional Medicaid Waiver slots to be awarded to the CSB in Spring 2005.
- ◆ 1/1.0 SYE position and funding of \$40,745 in Personnel Services in General District Court are included to address increasing caseloads.
- ◆ 1/1.0 SYE position in the Office of Emergency Management and Personnel Services funding of \$68,857 to develop and coordinate the County's emergency security training and exercise program for more than 40 agencies and partners.

BOARD PRIORITY:
**Public Safety and
Gang Prevention**

General Fund Disbursement Overview

- ◆ 153/153.0 SYE positions and Personnel Services funding of \$199,772 in the Police Department are transferred to a new agency, Agency 95, Department of Public Safety Communications, in Fund 120, E-911 Fund. It should be noted that the majority of funding supporting these positions is reflected in Fund 120, E-911, as well as all expenditures allowable by law, and will be billed directly to that fund. This reorganization is effective July 1, 2005.

In support of *Building Livable Spaces*, the County's infrastructure must be maintained and efforts must be made to construct facilities that are of benefit to the community. To this end, the following position adjustment was made:

- ◆ 2/2.0 SYE positions and funding of \$119,596 in Personnel Services are added to the Office of Capital Facilities to assist with construction management at the West Ox Road Complex, as well as numerous other construction projects included in the Fall 2004 Bond Referendum.

The Board's emphasis on environmental protection, as well as the County vision element of *Practicing Environmental Stewardship*, are addressed by the following position adjustment:

- ◆ 3/3.0 SYE positions in Stormwater Management are added to address a backlog of stormwater management projects and funded through the investment of \$17.9 million in General Fund revenue annually instead of a more administratively-intensive utility tax in order to address public safety, preserve home values and protect our environment including the Chesapeake Bay as well as local waterways.

BOARD PRIORITY:
Environmental Protection

To support the Board's priority for transportation improvements and the County vision element of *Connecting People and Places*, the following positions adjustments are included:

- ◆ 5/5.0 SYE positions and \$317,108 in Personnel Services funding in the Department of Transportation to address expanded workload in traffic calming, pedestrian safety, Residential Traffic Administration (RTAP) Programs, traffic operations and for work associated with the bus stop safety study.

BOARD PRIORITY:
Transportation Improvements

- ◆ 1/1.0 SYE Planner position and Personnel Services funding of \$118,857 in the Department of Planning and Zoning to support the Dulles Rail project and address issues associated with the extension of Metrorail service that will provide much-needed mass transit to this rapidly growing section of the County.
- ◆ 5/5.0 SYE positions and Personnel Services funding of \$198,829 are included in the Department of Vehicle Services primarily to address the increased workload associated with the addition school buses being added to the fleet.

In support of *Creating a Culture of Engagement*, the following position adjustment was made:

- ◆ 5/5.0 SYE positions and Personnel Services funding of \$74,206 in the Department of Community and Recreation Services is included to prepare for an early FY 2007 opening of the Southgate Community Center which will function as a regional service delivery center in northern portion of the County.

General Fund Disbursement Overview

Toward achieving the vision element of *Maintaining Healthy Economies*, the FY 2006 budget includes funding for the following:

- ◆ 14/14.0 SYE positions and \$846,251 in Personnel Services funding in Land Development Services to address the growing workload due to more and more stringent environmental requirements and the increasing complexity of development associated with increased revitalization and single lot (infill) construction.
- ◆ 1/1.0 SYE position and Personnel Services funding of \$59,798 are included in the Department of Planning and Zoning to address the anticipated increase in the number of special permit applications for the Board of Zoning Appeals.

In support of *Exercising Corporate Stewardship*, funding for the following position adjustments is included:

- ◆ 3/3.0 SYE positions and \$135,444 in Personnel Services funding in the Facilities Management Department are associated with maintenance requirements at County facilities.
- ◆ 1/1.0 SYE position and \$47,239 in Personnel Services funding in Retirement are associated with the anticipated implementation of the Deferred Retirement Option Plan (DROP) for the Employees' Retirement System. This option is being offered to help County agencies retain highly experienced employees after they are eligible for retirement. This provides agencies more time to train newer employees with minimal disruption to services.

Fringe Benefits

In FY 2006, funding for Fringe Benefits totals \$176,749,788, an increase of \$15,031,073, or 9.3 percent, over the *FY 2005 Revised Budget Plan* of \$161,718,715 primarily due to the following:

- ◆ **Retirement (Fairfax County Employees', Uniformed, Police)** net increase of \$7,016,855, including \$2.3 million associated with salary adjustments necessary to support the County's compensation program; \$2.3 million to reflect the inclusion of new positions; \$1.9 million based on a 4.00 percent adjustment for employees on the public safety pay scales (F and O); \$1.7 million based on the FY 2006 Market Index of 3.07 percent included for employees on the public safety pay scales (C, F, O and P); \$0.6 million based on projected increases in the Employer Contribution rates based on actuarial valuation; \$0.3 million for proposed implementation of the Deferred Retirement Option Plan (DROP) for the Employees' system; and \$0.1 million based on an increase in the shift differential rate of \$0.85 for the evening shift and \$1.10 for the midnight shift; partially offset by a decrease of \$2.5 million primarily due to one-time savings as a result of the full-year implementation of DROP for Uniformed and Police employees and the subsequent reduction in the underlying salary base used to calculate contributions with the salaries of those who have enrolled in DROP excluded.
- ◆ **Health Insurance** funding is increased \$3,055,074, or 5.7 percent, over the *FY 2005 Revised Budget Plan*, based on a projected premium increase of 12.0 percent for the self-insured plan and an average increase of 15.0 percent for the HMOs, effective January 1, 2006 and adjustments to reflect the inclusion of new positions. It should be noted that the primary factors for the premium increase are escalating cost growth, increased utilization and the rising costs of prescription drugs.
- ◆ **Dental Insurance** totals \$2,562,500 and reflects the first full year impact of the provision of a 50 percent employer contribution for employees who elect coverage.
- ◆ **Social Security** net increase of \$2,842,453, or 7.6 percent, over the *FY 2005 Revised Budget Plan*, based on salary adjustments necessary to support the County's compensation program; Market Index adjustments for employees on the public safety pay scales (C, F, O and P); the inclusion of new positions; adjustments in overtime, shift differential and holiday pay; and the change in the federally set maximum pay base against which contributions are calculated from \$87,900 to \$90,000.

General Fund Disbursement Overview

Operating Expenses

Operating Expenses total \$318,068,695, a decrease of \$31,143,510, or 8.9 percent, from the *FY 2005 Revised Budget Plan* funding level of \$349,212,205. Operating Expenses increase \$6,272,454, or 2.1 percent, over the *FY 2005 Adopted Budget Plan* level of \$311,796,241. Major adjustments are as follows:

- ◆ A decrease of \$9,744,505 in Insurance and Surety Bonds is primarily due a change in accounting treatment of Worker's Compensation funding. In FY 2006, \$6,413,588 for Worker's Compensation is reflected as a transfer out of the General Fund to Fund 501, County Insurance, rather than as a funded appropriation in Agency 89, Employee Benefits. Similarly, a decrease of \$3,349,128 in Agency 87, Unclassified Administrative Expenses is associated with an accounting change whereby the self-insured and commercial insurance General Fund premium charges are transferred out from the General Fund to Fund 501, County Insurance. A complete explanation of funding for these insurance programs can be found in the narrative for Fund 501, County Insurance Fund, within the Internal Service Fund Group in Volume 2 of the *FY 2006 Advertised Budget Plan*.
- ◆ A net decrease of \$9,364,933 in Professional Consultant Contracts is primarily attributable to one-time funding included in the FY 2005 funding level as a result of the *FY 2004 Carryover Review*. Recurring adjustments to baseline funding include increases in Facilities Management Department for contract rate adjustments and maintenance and repairs, Stormwater Management for enhanced and expanded bus shelter maintenance, the Fire and Rescue Department for EMS billing and the Department of Finance for the countywide audit contract.
- ◆ A net decrease of \$9,318,526 in Contingencies is primarily attributable to a decrease of \$7,271,089 in required Local Cash Match for Federal and State grants due to an accounting change whereby funding for Local Cash Match will no longer be reflected as an appropriation in Agency 87, Unclassified Administrative Expenses in the General Fund, but rather as a General Fund transfer to Fund 102, Federal/State Grant Fund. In addition, a decrease of \$2,047,437 is primarily associated with unencumbered carryover to support required funding for the Local Cash Match associated with the Department of Justice COPS UHP grants in the Police Department.
- ◆ An increase of \$3,483,039 in Information Technology Charges is primarily due to a higher funding level for PC replacement and information technology infrastructure based on an increase in the annual contribution for PC replacement, a greater number of PCs in the replacement program and growing usage of County mainframe systems. The departments experiencing the most significant increases include the Department of Tax Administration, Department of Information Technology, Department of Finance and the Department of Purchasing and Supply Management.
- ◆ An increase of \$2,984,287 in DVS charges is comprised of \$1.7 million for increased fuel costs coupled with the County's on-going conversion to ultra-low sulfur diesel fuel (ULSD); \$1.5 million to support the Fire and Rescue Department's contribution to Large Apparatus Replacement Fund, which is used to purchase the large fire and rescue-specific equipment, in order to meet current and future apparatus needs based on established age and mileage criteria, partially offset by a decrease of \$0.2 million in vehicle replacement and maintenance charges due primarily to savings associated with the net reduction of 100 vehicles in the County fleet completed in FY 2005.
- ◆ A net decrease of \$2,441,665 in Other Internal Charges is due primarily to one-time carryover of encumbered funding from the *FY 2004 Carryover Review* included in the FY 2005 funding level in the Department of Family Services, the Department of Human Resources and the Fire and Rescue Department.
- ◆ A net decrease of \$1,863,216 in Operating Equipment is due primarily to one-time carryover of funding from the *FY 2004 Carryover Review* included in the FY 2005 funding level in Electoral Board and General Registrar, Department of Family Services and the Fire and Rescue Department.

General Fund Disbursement Overview

- ◆ A net decrease of \$1,613,542 in Computer Software and Operating Equipment is due primarily to one-time carryover of funding from the *FY 2004 Carryover Review* included in the FY 2005 funding level in the Department of Family Services, the Fire and Rescue Department, the Department of Information Technology and the Health Department.
- ◆ A net decrease of \$1,391,091 in Repairs and Maintenance is due primarily to one-time carryover of funding from the *FY 2004 Carryover Review* included in the FY 2005 funding level in the Department of Family Services, Health Department and Department of Community and Recreation Services. These decreases associated with the *FY 2004 Carryover Review* are partially offset by increased funding in the Police Department and in the Fire and Rescue Department.

Capital Equipment

Capital Equipment funding totals \$2,882,305, a decrease of \$2,905,730 from the *FY 2005 Revised Budget Plan* funding level of \$5,788,035. It should be noted that the FY 2005 revised funding level includes \$2,782,434 carried over from FY 2004 in order to complete the purchase of previously approved equipment items. The FY 2006 funding level represents an increase of \$545,417, or 23.3 percent, over the FY 2005 Adopted Budget Plan amount of \$2,336,888. The total amount budgeted in FY 2006 for Capital Equipment includes \$468,028 for additional equipment, \$792,942 for replacement equipment, \$1,598,274 for lease/purchase of equipment and \$23,061 in equipment for new facilities. Major lease/purchase items and other Capital Equipment purchases are summarized below.

- ◆ **Fire and Rescue Department** – Funding of \$870,100 includes \$720,000 associated with the leasing of an Electronic Patient Care Reporting (EPCR) System which will assist in the first full year roll out of the EMS Transport Billing System; \$90,000 to fund replacement items, including \$50,000 for the purchase of four Thermal Imagers; \$20,000 for the purchase of four Hurst Tool Cutters and \$20,000 for the purchase of four Hurst tool power units; \$60,100 for new equipment such as a HazMat meter, transportable, mobile 800 MHz radios, Futurecom Repeater and floor scrubber for the West Ox Apparatus shop.
- ◆ **Electoral Board and General Registrar** – Funding of \$704,906 is included for the second of three annual lease/purchase payments for electronic voting machines. The purchase and implementation of the new touch screen voting machines will enable the County to meet all of the federal Help America Vote Act of 2002 (HAVA) mandates, achieve full handicap accessibility, and realize significant costs savings relative to the old machines in terms of purchase, maintenance and transportation.
- ◆ **Police Department** – Total funding of \$493,857 is attributable to \$407,928 for the 12 new positions added in the Department for patrol and gang related issues and \$85,929 for the replacement of items that have outlived their useful life-span.
- ◆ **Park Authority** – Funding of \$300,000 is included for replacement equipment that has outlived its useful life and is no longer cost effective to repair. This level of funding will continue to address the prioritized replacement of vehicles and equipment identified in the Park Authority's comprehensive fleet inventory.
- ◆ **Stormwater Management** - Funding of \$255,300 is included for the replacement of equipment, including \$190,000 for a 950 rubber tire loader, \$27,100 for a skid steer loader, \$27,000 for a 6" pump and \$11,200 for an air compressor.
- ◆ **Department of Transportation** – Funding of \$173,368 has been included to fund the annual lease payment for the ten photo red light cameras to be used in the Photo Red Light Monitoring Program, which has operated in the County since October 2000.

General Fund Disbursement Overview

Recovered Costs

Recovered Costs total \$40,865,494 in FY 2006, an increase of \$1,372,494, or 3.5 percent, over the *FY 2005 Revised Budget Plan* level of \$39,493,000 primarily due to the following:

- ◆ An increase of \$684,182 in the Department of Information Technology associated with anticipated technology initiatives.
- ◆ An increase of \$276,585 in the Office of Capital Facilities primarily due to projected FY 2006 salary and operating expenses which are recoverable, including two new positions.

General Fund Disbursement Overview

SUMMARY OF GENERAL FUND TRANSFERS

The FY 2006 Transfers Out from the General Fund total \$1,927,287,037, an increase of \$168,979,823 or 9.6 percent over the *FY 2005 Revised Budget Plan* Transfers Out of \$1,758,307,214. These transfers support programs and activities that reflect the County's visions elements and the Board of Supervisors' priorities. Major adjustments, as well as linkages with strategic objectives, are summarized below.

	Increase/ (Decrease)
▪ Fund 090, School Operating Fund	\$108,963,633
▪ Fund 308, Public Works Construction	16,869,000
▪ Fund 312, Public Safety Construction	11,910,790
▪ Fund 501, County Insurance	10,497,991
▪ Fund 106, Fairfax-Falls Church Community Services Board	8,779,942
▪ Fund 102, Federal and State Grant Fund	6,321,507
▪ Fund 104, Information Technology	5,621,751
▪ Fund 309, Metro Operations and Construction	4,171,489
▪ Fund 201, School Debt Service	3,753,390
▪ Fund 120, E-911	3,739,389
▪ Fund 100, County Transit Systems	2,935,045
▪ Fund 317, Capital Renewal Construction	2,682,000
▪ Fund 119, Contributory Fund	605,677
▪ Fund 103, Aging Grants and Programs	509,188
▪ Fund 118, Consolidated Community Funding Pool	311,973
▪ Fund 500, Retiree Health	118,389
▪ Fund 302, Library Construction	98,882
▪ Fund 505, Technology Infrastructure Services	(147,549)
▪ Fund 112, Energy Resource Recovery Facility	(2,014,489)
▪ Fund 144, Housing Trust Fund	(4,020,000)
▪ Fund 303, County Construction	(4,922,502)
▪ Fund 002, Revenue Stabilization Fund	(7,807,250)

Fund 090, School Operating Fund

The FY 2006 Advertised Budget Plan transfer to support the Fairfax County Public Schools is \$1,431,337,820, an increase of \$108,963,633, or 8.24 percent, over the *FY 2005 Revised Budget Plan* transfer of \$1,322,374,187. Included in this amount is \$1,621,364, which represents the last year of a ten-year program to eliminate the County's unfunded salary liability for teachers.



Fund 308, Public Works Construction

The FY 2006 transfer to Fund 308, Public Works Construction, is \$17,900,000, an increase of \$16,869,000 over the *FY 2005 Revised Budget Plan* transfer of \$1,031,000. As part of the FY 2006 Advertised Budget Plan the County Executive recommends the allocation of \$17.9 million, or the approximate value of one penny from the County's Real Estate tax, to enhance the County's Stormwater Management Program. In FY 2006, staff will work to assess the County's system, identify and prioritize projects, and accelerate work on projects already identified by the agency.

Fund 312, Public Safety Construction

The FY 2006 transfer to Fund 312, Public Safety Construction, is \$15,000,000, an increase of \$11,910,790 over the *FY 2005 Revised Budget Plan* transfer of \$3,089,210. FY 2006 funding supports the remaining unfunded technology requirements for the Public Safety and Transportation Operations Facility (PSTOC).

Fund 501, County Insurance

Due to an accounting change, a transfer from the General Fund will be made to Fund 501, County Insurance for Workers' Compensation and Other Insurance beginning in FY 2006. The FY 2006 transfer is \$10,497,991.

General Fund Disbursement Overview

Funding for Worker's Compensation was previously reflected in Agency 89 Employee Benefits and in Agency 87, Unclassified Administrative Expenses, for self-insured and commercial insurance premium charges.

Fund 106, Fairfax-Falls Church Community Services Board

The FY 2006 transfer to Fund 106, Fairfax-Falls Church Community Services Board (CSB) is \$90,847,221, reflecting an increase of \$8,779,942, or 10.7 percent, over the *FY 2005 Revised Budget Plan* funding level of \$82,067,279. The increase is necessary to fund the County's compensation program, to support contract rate and grant adjustments and to permanently fund baseline items that had been funded by the one-time use of fund balance in FY 2005.

Fund 102, Federal/State Grant Fund

The FY 2006 transfer to Fund 102, Federal/State Grant Fund is \$6,321,507. Beginning in FY 2006, the Reserve for Local Cash Match will be reflected as a transfer from the General Fund rather than as a funded appropriation in Agency 87, Unclassified Administrative Expenses.

Fund 104, Information Technology

The FY 2006 transfer to Fund 104, Information Technology, is \$17,046,574, an increase of \$5,621,751, or 49.2 percent, over the *FY 2005 Revised Budget Plan* amount of \$11,424,823. The funding will address priority initiatives established by the Senior Information Technology Steering Committee to support mandated requirements, leverage prior investments, enhance County security, improve service quality and efficiency, and ensure a current and supportable technology infrastructure.

Fund 309, Metro Operations and Construction

The FY 2006 General Fund transfer to Fund 309, Metro Operations and Construction, is \$22,316,309, an increase of \$4,171,489, or 23.0 percent, over the *FY 2005 Revised Budget Plan* funding level of \$18,144,820. Funding is provided by Fairfax County to pay the County's allocated portion of the Washington Metropolitan Area Transit Authority's (WMATA) FY 2006 operating and capital budget. This estimate is based on preliminary FY 2006 information obtained from WMATA, as well as County Department of Transportation (DOT) staff estimates, and is subject to revision until the final WMATA budget is approved in June 2005. This funding level supports existing Metrorail and Metrobus service levels, as well as the opening of the Blue Line extension to Largo, Maryland. This funding also includes \$5,744,510 for MetroAccess service, \$753,911 for the continuation of the Springfield Circulator Bus Service, and \$364,576 for service enhancements initiated by WMATA in FY 2005.

Fund 201, School Debt Service

The total General Fund transfer to Fund 201, School Debt Service, is \$130,281,443, an increase of \$3,753,390, or 3.0 percent, over the *FY 2005 Revised Budget Plan* funding level of \$126,528,053. This increase is required to provide for principal and interest payments due on existing General Obligation and literary loan debts, as well as new debt issued in FY 2005 and FY 2006.

Note: The combined transfer for School Operating and School Debt Service in FY 2006 is \$1.56 billion which represents 52.0 percent of General Fund Disbursements.

Fund 120, E-911

The activities and programs in Fund 120, E-911 provide support to the operations of both the Public Safety Communications Center and various public safety information technology projects. Supporting revenue for these efforts is primarily provided by the E-911 tax on eligible phone lines. A General Fund transfer supports the difference between revenues and expenditures. The FY 2006 General Fund transfer into Fund 120, E-911, is \$13,495,258, an increase of \$3,739,389, or 38.3 percent, over the *FY 2005 Revised Budget Plan* transfer of \$9,755,869. In FY 2006, the Public Safety Communications Center will be moved from a division within the Police Department to independent agency status in Fund 120 as Agency 95, Department of Public Safety Communications. All funding for the Department, including those previously budgeted in the Police General Fund (approximately \$0.6 million now part of the General Fund transfer), and for the Information Technology

General Fund Disbursement Overview

projects will be reflected in this fund. Included in the FY 2006 funding is an adjustment of \$3.2 million for 11/11.0 SYE new positions and the conversion of emergency first-responder staff within the Department (primarily Public Safety Communicator positions performing call dispatch and call taking functions) from the Fairfax County Employees' Retirement System to the Uniformed Retirement System, reflecting consistency within County public safety agencies for front line, first-responder staff. The Uniformed Retirement System is structured to compensate employees who daily perform first-responder functions in a high stress environment. This change in retirement system is a key part of immediately addressing both the recruitment and retention issues facing the center. These changes will support the structure necessary to resolve workload, recruitment and retention issues, as well as independent agency status of Agency 95, Department of Public Safety Communications. In addition, information technology projects are budgeted at \$8.5 million and will ensure continued lease purchase payments and ongoing replacement of portable and mobile emergency responder radios, providing interoperability with surrounding jurisdictions.

Fund 100, County Transit Systems

The FY 2006 General Fund transfer to Fund 100, County Transit Systems, is \$24,145,192, an increase of \$2,935,045, or 13.8 percent, over the *FY 2005 Revised Budget Plan* funding level of \$21,210,147. County Transit Systems provides funding for operating and capital expenses for the FAIRFAX CONNECTOR bus system, comprising the Huntington and Reston-Herndon Divisions. This fund also includes the County's share of the subsidy for commuter rail services operated by the Virginia Railway Express (VRE). The increase is necessary to fully fund required contractual adjustments in the FAIRFAX CONNECTOR Bus System, VRE local jurisdiction subsidy increases, service hour increases and unanticipated ridership increases in the Huntington Division, operating costs associated with the Burke VRE EZ Bus and the Burke Library VRE shuttle and to meet rising fuel costs associated with the FAIRFAX CONNECTOR's continuing transition to ultra-low sulfur diesel fuel.

Fund 317, Capital Renewal Construction

In FY 2006 a General Fund transfer of \$2,682,000 will go to a newly created fund, Fund 317, Capital Renewal Construction. This new fund will support the long-term needs of the County's capital assets to maximize the life of County facilities, avoid their obsolescence, and provide for planned repairs, improvements and restorations to make them suitable for organizational needs. Projects funded in FY 2006 include building repairs, minor renovations and upgrades to HVAC, electrical and mechanical systems, fire alarm system replacement, roof repairs and waterproofing, carpet replacement, and parking lot resurfacing.

Fund 119, Contributory Fund

The FY 2006 transfer to Fund 119, Contributory Fund, is \$10,478,301, an increase of \$605,677, or 6.1 percent, over the *FY 2005 Revised Budget Plan* transfer of \$9,872,624. This increase is primarily attributable to an increase of \$127,102 for the Northern Virginia Soil and Water Conservation District contribution; \$111,721 for the Northern Virginia Regional Park Authority to support the County's annual per capita contribution in conjunction with decreased user revenue for that organization; \$86,247 for the Northern Virginia Healthcare Center/District Home attributable to an increase in the per diem rate for the District Home and an increase in the per diem for the nursing facility due to rising staff costs; \$64,295 for the Northern Virginia Regional Commission contribution based on an increase in the per capita dues; \$45,328 due to an increase for the Northern Virginia Regional Identification System (NOVARIS) based on the County's annual share of costs associated with operations and upgrades of the system; and \$42,391 for the Southeast Fairfax Development Corporation to fund continued revitalization efforts in the Route One Corridor.

Fund 103, Aging Grants and Programs

The FY 2006 transfer to Fund 103, Aging Grants and Programs is \$2,558,613, an increase of \$509,188, or 24.9 percent, over the *FY 2005 Revised Budget Plan* transfer of \$2,049,425. This increase includes funding to support the County's compensation program; \$350,177 to expand the Home Delivered Meals Program including 3/3.0 SYE social worker grant positions to provide comprehensive case management services and the provision of more ethnic meals; and revised grant awards in the Caregiver Support and Title III C(1) Congregate Meals programs.

General Fund Disbursement Overview

Fund 118, Consolidated Community Funding Pool

The FY 2006 transfer to Fund 118, Consolidated Community Funding Pool (CCFP), is \$7,093,617, an increase of \$311,973, or 4.6 percent, over the *FY 2005 Revised Budget Plan* transfer of \$6,781,644. The FY 2006 funding is provided as a result of performance and leverage requirements identified for community based agencies and organizations.

Fund 500, Retiree Health Benefits

The FY 2006 transfer to Fund 500, Retiree Health Benefits, is \$3,818,110, an increase of \$118,389, or 3.2 percent, over the *FY 2005 Revised Budget Plan* transfer of \$3,699,721. This increase is attributable to projected benefit payments based on the anticipated rate of participation and salary adjustments necessary to support the County's compensation program.

Fund 302, Library Construction

The FY 2006 transfer to Fund 302, Library Construction, is \$683,882, an increase of \$98,882, or 16.9 percent, over the *FY 2005 Revised Budget Plan* transfer of \$585,000 and supports the relocation costs associated with the new regional library proposed in Fairfax City.

Fund 505, Technology Infrastructure Services

The FY 2006 transfer to Fund 505, Technology Infrastructure Services is \$316,291, a decrease of \$147,549, or 31.8 percent, from the *FY 2005 Revised Budget Plan* transfer of \$463,840. This net decrease is primarily due to additional funding to support the County's compensation program; purchase software license renewals; support telecommunication increases; expand the storage available for mainframe data; augment security measures for daily application operations and incident investigation required to further protect the County from unauthorized entry into County systems, attacks, viruses, data destruction and other cyber threats; and support the County's Wide Area Network renewal plan; offset by a decrease in the PC Replacement Program based on the number of PCs scheduled for replacement in FY 2006.

Fund 112, Energy/Resource Recovery Facility

No FY 2006 transfer to Fund 112, Energy/Resource Recovery Facility, is included, reflecting a decrease of \$2,014,489 from the *FY 2005 Revised Budget Plan*. The General Fund Transfer in FY 2004 and FY 2005 were associated with reimbursement for local taxes as a result of the transfer of the Lorton property from the federal government to the County. Pursuant to the property transfer, the Energy/Resource Recovery Facility located on the property and operated by COVANTA Fairfax, Inc. has changed from tax exempt to taxable status. Based on the contract with COVANTA, the company pays the real estate and personal property taxes on this property and then charges it to the County. These adjustments will be made at the *FY 2005 Carryover Review*.

Fund 144, Housing Trust Fund

No FY 2006 transfer to Fund 144, Housing Trust Fund is included, reflecting a decrease of \$4,020,000 from the *FY 2005 Revised Budget Plan*. A transfer of \$4,020,000 was provided at the *FY 2004 Carryover Review* to partially fund the construction of a 60-unit assisted living facility at Little River Glen II.

Fund 303, County Construction

The FY 2006 General Fund transfer to Fund 303, County Construction is \$11,027,330, a decrease of \$4,922,502, or 30.9 percent, from the *FY 2005 Revised Budget Plan* amount of \$15,949,832. This decrease is primarily due to one-time funding for prioritized capital projects in FY 2005 that are not required in FY 2006.

Fund 002, Revenue Stabilization Fund

No FY 2006 transfer to Fund 002, Revenue Stabilization Fund, is included, reflecting a decrease of \$7,807,250 from the *FY 2005 Revised Budget Plan* transfer. FY 2004 funding was provided at the *FY 2004 Carryover Review* in accordance with the Board of Supervisors' policy that a minimum of 40 percent of non-recurring balances identified at quarterly reviews are to be transferred to this fund.

Fund 119

Summary of Contributory Agencies

Summary of Contributory Agencies

Fund 119, Contributory Fund, was established in FY 2001 to reflect the General Fund support for agencies or organizations that receive County contributions. Funding for these organizations was previously included in the General Fund under Agency 88, Contributory Agencies. However, because the expenditures made to these organizations are not in support of direct County operations, the use of direct expenditures from the General Fund distorts the cost of County operations. Therefore, a separate fund was established to show the General Fund support of these organizations in the form of a transfer, rather than as a direct expenditure. FY 2006 funding totals \$10,478,301 and reflects an increase of \$533,910 or 5.4 percent over the *FY 2005 Revised Budget Plan* funding level of \$9,944,391. The required Transfer In from the General Fund is \$10,478,301. Individual contributions are described in detail in the narrative of Fund 119, Contributory Fund, in Volume 2 of the FY 2006 Advertised Budget Plan.

Contributory funding is in compliance with the Board of Supervisors' policy to make General Fund appropriations of specified amounts to various nonsectarian, nonprofit, or quasi-governmental entities for the purpose of promoting the general health and welfare of the community. Since public funds are being appropriated, contributions provided to designated agencies are currently made contingent upon submission and review of quarterly, semiannual and/or annual reports. This oversight activity includes reporting requirements prescribed by the County Executive, which require designated agencies to accurately describe the level and quality of services provided to County residents. Various County agencies may be tasked with oversight of program reporting requirements. Contributory agencies that do not file reports as requested, may, at the discretion of the County Executive, have payments withheld until appropriate reports are filed and reviewed.

The following chart summarizes the FY 2006 funding for the various contributory organizations.

Fairfax County	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
Legislative-Executive Functions/Central Service Agencies:				
Dulles Area Transportation Association	\$9,000	\$9,000	\$9,000	\$9,000
Metropolitan Washington Council of Governments	758,933	783,225	783,225	810,406
National Association of Counties	0	0	17,500	18,375
Northern Virginia Regional Commission	363,759	427,988	427,988	492,283
Northern Virginia Transportation Commission	160,694	166,577	166,577	164,683
Public Technology Incorporated	27,500	27,500	27,500	27,500
Virginia Association of Counties	181,134	189,090	189,090	200,396
Virginia Innovation Group	5,250	5,250	5,250	5,250
Virginia Institute of Government	20,000	20,000	20,000	20,000
Virginia Municipal League	0	90,027	90,027	94,528
Washington Airports Task Force	40,500	40,500	40,500	40,500
Subtotal Legislative-Executive	\$1,566,770	\$1,759,157	\$1,776,657	\$1,882,921
Public Safety:				
NOVARIS	\$282,934	\$356,000	\$356,000	\$401,328
Partnership For Youth	50,000	50,000	50,000	50,000
Subtotal Public Safety	\$332,934	\$406,000	\$406,000	\$451,328

Fund 119

Summary of Contributory Agencies

Fairfax County	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
Health and Welfare:				
GMU Law and Mental Illness Clinic	\$0	\$51,678	\$51,678	\$51,678
Health Systems Agency of Northern Virginia	86,750	86,750	86,750	86,750
Northern Virginia Healthcare Center/District Home of Manassas	860,672	976,381	976,381	1,062,628
Volunteer Fairfax	282,247	282,247	282,247	282,247
Subtotal Health and Welfare	\$1,229,669	\$1,397,056	\$1,397,056	\$1,483,303
Parks, Recreation and Cultural:				
Arts Council of Fairfax County	\$207,727	\$209,585	\$209,585	\$212,880
Arts Council of Fairfax County - Arts Groups Grants	120,000	120,000	120,000	120,000
Dulles Air and Space Museum	240,000	240,000	240,000	240,000
Fairfax Symphony Orchestra	246,964	252,518	252,518	252,518
Fort Belvoir Army Museum	0	240,000	240,000	240,000
Northern Virginia Regional Park Authority	1,775,861	1,807,018	1,807,018	1,918,739
Reston Historic Trust	20,000	20,000	20,000	20,000
The Claude Moore Colonial Farm	31,500	31,500	31,500	31,500
Town of Vienna Teen Center	40,000	40,000	40,000	40,000
Virginia Opera Company	25,000	25,000	25,000	25,000
Wolf Trap Foundation for the Performing Arts	25,000	125,000	125,000	125,000
Subtotal Parks, Recreation & Cultural	\$2,732,052	\$3,110,621	\$3,110,621	\$3,225,637
Community Development:				
Architectural Review Board	\$3,500	\$3,500	\$3,500	\$3,500
Celebrate Fairfax, Incorporated	24,675	26,298	26,298	27,099
Commission for Women	6,916	6,916	6,916	6,916
Convention and Visitors Bureau	0	2,000,000	2,000,000	2,000,000
Fairfax County History Commission	26,022	26,022	26,022	26,022
Northern Virginia Community College	99,074	97,332	97,332	95,894
Northern Virginia Conservation Trust	245,207	250,602	250,602	258,120
Northern Virginia Soil and Water Conservation District	344,947	397,446	397,446	524,548
Northern Virginia 4-H Education Center	25,000	25,000	25,000	25,000
Occoquan Watershed Monitoring Program	91,240	95,650	95,650	100,108
Southeast Fairfax Development Corporation	142,250	142,250	142,250	184,641
VPI/UVA Education Center	50,000	50,000	50,000	50,000
Women's Center of Northern Virginia	29,942	29,942	29,942	29,942
Washington Area Housing Partnership	4,000	4,000	4,000	4,000
Washington Area Housing Trust Fund	0	31,442	31,442	31,665
Wildlife Rescue League	0	0	10,000	10,000
Subtotal Community Development	\$1,092,773	\$3,186,400	\$3,196,400	\$3,377,455
Nondepartmental:				
Fairfax Public Law Library	\$57,657	\$57,657	\$57,657	\$57,657
Subtotal Nondepartmental	\$57,657	\$57,657	\$57,657	\$57,657
Total County Contributions	\$7,011,855	\$9,916,891	\$9,944,391	\$10,478,301



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Other Funds Overview

This section includes:

- ▶ *Other Funds Overview (Page 112)*
- ▶ *Special Revenue Funds (Page 112)*
- ▶ *Debt Service Funds (Page 116)*
- ▶ *Enterprise Funds (Page 117)*
- ▶ *Internal Service Funds (Page 118)*
- ▶ *Trust and Agency Funds
(Page 119)*

Other Funds Overview

OTHER FUNDS OVERVIEW

Other Funds reflect programs, services and projects funded from non-General Fund revenue sources or a mix of General Fund and non-General Fund sources. These sources include federal or state grants, specific tax districts, proceeds from the sale of bonds and user fees and charges. Included are the following categories of Other Funds:

- ◆ Special Revenue Funds
- ◆ Debt Service Funds
- ◆ Enterprise Funds
- ◆ Internal Service Funds
- ◆ Trust and Agency Funds

Other Funds expenditures are supported through a total available balance of \$5,526,644,683 (excluding the General Fund) and total revenues of \$2,229,354,364. The revenues are a decrease of \$451,717,612 or 16.9 percent from the *FY 2005 Revised Budget Plan* and an increase of \$207,356,812 or 10.3 percent over the *FY 2005 Adopted Budget Plan*. It should be noted that the decrease from the *FY 2005 Revised Budget Plan* is the result of significant carryover of capital construction project funding and anticipated grant revenues rather than the result of changes in the revenue stream for Other Funds. As indicated by the increase in revenues over the *FY 2005 Adopted Budget Plan*, revenues are expected to grow 10.3 percent overall for FY 2006. Details concerning significant changes in revenue growth are discussed for each specific fund in Volume 2, Capital Construction and Other Operating Funds in the *FY 2006 Advertised Budget Plan*. Also, the FY 2006 revenues for Other Funds are summarized by revenue type and by fund type in the *Financial, Statistical and Summary Tables* section of this Overview volume.

FY 2006 expenditures for Other Funds total \$4,617,296,545 (excluding General Fund direct expenditures), and reflect a decrease of \$860,172,104 or 15.7 percent from the *FY 2005 Revised Budget Plan* funding level of \$5,477,468,649. This decrease is primarily due to the effect of significant carryover for capital construction projects and sewer construction projects, and should not be perceived as a major change to programs or operations. Excluding carryover adjustments in FY 2005, expenditures increase \$356,414,380 or 8.4 percent over the *FY 2005 Adopted Budget Plan* total of \$4,260,882,165.

The following is a brief discussion of highlights and major expenditure issues associated with the various funds. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview, and Special Revenue funding for the Fairfax County Public Schools, which is discussed in the *Fairfax County School Board's FY 2006 Advertised Budget*. A complete discussion of funding and program adjustments in Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the *FY 2006 Advertised Budget Plan*. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds from specific sources that are legally restricted to expenditures for a specific purpose. These proceeds include state and federal aid, income derived through activities performed by the Division of Solid Waste, special levies, program activity revenue, and operation of the public school system. The following are highlights for various Special Revenue Funds. Details for other funds not shown here are included in Volume 2, Capital Construction and Other Operating Funds in the *FY 2006 Advertised Budget Plan*.

Other Funds Overview

In FY 2006, Special Revenue Fund expenditures total \$2,492,297,835, a decrease of \$136,384,463 or 5.2 percent from the *FY 2005 Revised Budget Plan* funding level of \$2,628,682,298. Excluding adjustments in FY 2005, expenditures increase \$214,293,202 or 9.4 percent over the FY 2005 Adopted Budget Plan level of \$2,278,004,633. Funds with significant adjustments are as follows:

Fund 100, County Transit Systems: FY 2006 funding of \$35.5 million is included for this fund, including \$32.1 million to support the FAIRFAX CONNECTOR system, which will provide service to an estimated 9.1 million passengers in the Huntington and Reston-Herndon Divisions. The system includes 176 County-owned buses, providing service on 56 routes to six Metrorail stations throughout the region. The remaining \$3.4 million will support commuter rail services operated by the Virginia Railway Express (VRE). The FY 2006 funding level provides for additional service hours in the Huntington Division to address unanticipated ridership increases and to annualize service enhancements started in September 2004 as part of the larger public transportation initiative in South County. These enhancements are designed to provide citizens with more peak and mid-day service, and new travel options to recent developments in the area. In addition, funding is included for increased service in the Reston-Herndon Division pending receipt of additional State Dulles Corridor Rapid Transit (DCRPT) funds. The additional service hours will be focused on service between the Reston South Park and Ride and West Falls Church Metro, express service between the Herndon-Monroe Park and Ride and West Falls Church Metro, and for additional service to metro stations starting at 5:00 a.m. when Metrorail train service begins.

Fund 102, Federal/State Grant Fund: This fund includes both grant awards already received as well as those anticipated to be received in FY 2006, for a total appropriation of \$70.8 million including \$64.0 million held in reserve until the grant award is received and approved by the Board of Supervisors. The breakdown of grant funding by agency includes \$25.2 million for the Department of Family Services, \$16.4 million for the Department of Transportation, \$5.9 million for the Fire and Rescue Department, \$2.0 million for the Health Department, \$1.7 million for the Police Department, \$1.7 million for various other agencies, and \$1.1 million to address unanticipated grants. An additional \$10 million is held in reserve for anticipated awards related to emergency preparedness. The remaining \$6.8 million is for grant awards that are appropriated directly to the Police Department for the Community-Oriented Policing (COPS) Universal Hiring Program.

Fund 103, Aging Grants and Programs: In FY 2006 funding of \$5.2 million is included for this fund to support the coordination and provision of services for older persons in Fairfax County, as well as the cities of Fairfax and Falls Church. It should be noted that the FY 2006 transfer from the General Fund is \$2.6 million, an increase of \$0.5 million or approximately 25 percent over the *FY 2005 Revised Budget Plan*, and includes additional funding for an expansion of the Home Delivered Meals program.

Fund 104, Information Technology: In FY 2006, funding of \$17.2 million, which includes a General Fund transfer of \$17.0 million and interest income of \$0.2 million, is included for initiatives that meet the one or multiple priorities established by the Senior Information Technology Steering Committee. These initiatives include a mix of projects that provide benefits for both citizens and employees and that adequately balance continuing initiatives with the need for maintaining and strengthening the County's technology infrastructure. Funded projects will support initiatives in the Human Services, Planning and Development, General County Services and Public Safety program areas.

Fund 105, Cable Communications: This fund has a projected FY 2006 appropriation level of \$8.2 million, which is a decrease of \$14.9 million or 64.6 percent from the *FY 2005 Revised Budget Plan*. This change is a result primarily of a decrease of \$10.2 million due to the one-time carryover of funds from FY 2004, including \$6.0 million in Operating Expenses and \$4.2 million in Capital Equipment, primarily for I-Net related expenses. The I-Net is a fiber optic cable network designed to support video, voice and data services that County and Fairfax County Public Schools (FCPS) currently provide using commercial telecommunication carriers. In addition, there is a decrease of \$5.4 million, due to the one-time FY 2005 appropriation of I-Net Grant funding received since FY 1999 and held in fund balance, to support the implementation of the I-Net at County and FCPS sites. This funding, held in reserve until Cox Communications completed the construction of the I-Net, is anticipated to be used over the next several years to provide software and infrastructure enabling current video, voice and data services to run over the I-Net. These decreases are partially offset with an increase of \$0.7 million associated with salary adjustments necessary to support the County's compensation program and replacement equipment in the Board Auditorium and Production Studio.

Other Funds Overview

Fund 106, Fairfax-Falls Church Community Services Board (CSB): FY 2006 expenditures for this fund total \$126.5 million, and are funded by a Fairfax County transfer of \$90.8 million, as well as funds from the state, the federal government, the cities of Fairfax and Falls Church and client fees. The FY 2006 funding provides for the following:

- ◆ Maintenance of existing service levels and \$0.7 million to support anticipated inflationary increases for contract vendors who provide a wide range of services such as: residential and outpatient/case management for mental health clients; employment, training and vocational support for mental retardation clients; and detoxification and counseling services for alcohol and drug services clients.
- ◆ Funding of \$0.3 million to support property rehabilitation and renovation for the 156 CSB properties to bring sites into compliance with the Americans with Disabilities Act and new building code requirements; implement shelter-in-place modifications; relocate clients during rehabilitation projects; and assist with the replacement of equipment, furnishings, appliances and carpets/flooring.
- ◆ Funding of \$0.1 million for a one-year contract to continue County support of CrisisLink, a crisis hotline that links residents facing life crises, trauma and suicide with essential lifesaving services.
- ◆ Funding of \$0.1 million to support 1/1.0 SYE Mental Retardation Specialist II position in Mental Retardation Services for the increased case management workload from the June 2005 special education graduates and the administration oversight of the expected additional Medicaid Waiver slots to be awarded to the CSB in Spring 2005.

Solid Waste Operations:

The County's Solid Waste Operations are under direct supervision of the Director of the Department of Public Works and Environmental Services (DPWES). The administration of waste disposal is achieved through the Division of Solid Waste Collection and Recycling and the Division of Solid Waste Disposal and Resource Recovery. The composition of operations includes a County-owned and operated refuse transfer station, an Energy/Resource Recovery Facility (E/RRF), a regional municipal landfill operated by the County, two citizens' disposal facilities, eight drop-off sites for recyclable material, and equipment and facilities for refuse collection, disposal, and recycling operations. Program operations will continue to be accomplished through the two entities consisting of five funds established previously under the special revenue fund structure.

The combined expenditures of \$124,886,563, which includes \$85,130 for Solid Waste General Fund Programs, and a staffing level of 321/321.0 SYE positions are required to meet financial and operational requirements for waste collection and disposal programs in FY 2006. The FY 2006 Advertised Budget Plan funding level represents a decrease of \$29,907,590 or 19.3 percent from the *FY 2005 Revised Budget Plan* estimate of \$154,794,153. This is primarily attributable to a \$38,009,073 decrease in capital projects associated with the one-time carryover of unexpended project balances partially offset by an increase of \$8,101,483 primarily due to increased rates for the disposal of waste as well as a projected increase in the tons of waste to be processed. Highlights by fund are as follows:

- ◆ **Fund 108, Leaf Collection:** Funding in the amount of \$1.7 million is included for this fund to provide for the collection of leaves within Fairfax County's leaf collection districts. It is anticipated that in FY 2006, Fund 108 will provide collection service to approximately 20,328 household units within 32 approved leaf districts on three different occasions. Revenue is derived from a levy charged to homeowners within leaf collection districts. Based on the estimated fund balance and projected expenditure requirements, the levy will remain at \$0.015 per \$100 of assessed real estate value. See the Solid Waste Management Program narrative for more details.
- ◆ **Fund 109, Refuse Collection and Recycling Operations:** Funding in the amount of \$17.5 million is included for this fund to provide for the collection of refuse within the County's approved sanitary districts and County agencies, and for the coordination of the County's recycling and waste reduction operations, as well as the oversight of the Solid Waste General Fund Programs on behalf of the County. In FY 2006, the household refuse collection fee will increase from \$240 to \$270 per household unit. The increase is

Other Funds Overview

necessary due to decreasing fund balance and increasing disposal charges. See the Solid Waste Management Program narrative for more details.

- ◆ **Fund 110, Refuse Disposal:** Funding in the amount of \$61.7 million is included for this fund to provide for the coordination of the disposal of solid waste generated within Fairfax County by channeling the collected refuse to the Energy/Resource Recovery Facility (E/RRF). Based on estimated disposal costs, the system disposal fee will remain at \$48 per ton; however, a lower contractual disposal rate will be negotiated with private waste haulers and is anticipated to be \$44.95 per ton, an increase of \$2.50 over the FY 2005 negotiated rate of \$42.45. As a result of competitive pricing, continued migration of refuse from the County's waste stream, and the need to maintain the tonnage levels at the E/RRF, disposal rates have been set at levels that have not supported operational requirements since 1995. A General Fund transfer of \$2.5 million provides funding to help cover programs, such as the County's Household Hazardous Waste Program, that do not generate revenue. See the Solid Waste Management Program narrative for more details.
- ◆ **Fund 112, Energy Resource and Recovery Facility (E/RRF):** Funding in the amount of \$36.4 million is included for this fund to provide the management of the contract for the 1-95 Energy/Resource and Recovery Facility (E/RRF), owned and operated by Covanta Fairfax Inc. (CFI). The E/RRF burns municipal solid waste and produces energy through the recovery of refuse resources. The County charges a disposal fee to all users of the E/RRF and subsequently pays the contractual disposal fee to CFI from these revenues. Revenues for the sale of electricity are used to partially offset the cost of the disposal fee. Due to an anticipated decrease in electricity revenues, in accordance with prior contractual arrangements with Dominion Virginia Power, the disposal fee will increase from \$32 to \$33 per ton in FY 2006. See the Solid Waste Management Program narrative for more details.
- ◆ **Fund 114, I-95 Refuse Disposal:** Expenditures for this fund total \$7.5 million for FY 2006 which is a decrease of \$35.5 million or 82.6 percent from the *FY 2005 Revised Budget Plan* of \$43.0 million, primarily as a result of the carryover of capital project funding in FY 2005. This fund is responsible for the overall operation of the I-95 Landfill, which is a multi-jurisdictional refuse deposit site dedicated to the disposal of ash generated primarily by the County's Energy/Resource and Recovery Facility (E/RRF) and other participating municipalities. The disposal rate for the I-95 Landfill will remain at \$11.50 per ton.

Fund 116, Integrated Pest Management Program: FY 2006 funding of \$2.4 million is included for this fund. This funding level includes \$0.9 million for the Forest Pest Program to support the treatment of an estimated 5,000 acres to combat gypsy moths and cankerworms. It also provides for the continued monitoring and surveying of areas treated by the state for the emerald ash borer, a recently introduced pest in Fairfax County. This funding level also includes \$1.5 million to provide for the Disease-Carrying Insects Program to include treatment and public educational activities for the prevention of the West Nile Virus. The Integrated Pest Management Program is supported by a countywide tax levy which will remain at the current rate of \$0.001 per \$100 assessed value.

Fund 118, Consolidated Community Funding Pool: FY 2006 will be the second year of a two-year funding cycle that uses a consolidated process to set priorities and award funds from both the Consolidated Community Funding Pool and the Community Development Block Grant. In FY 2006, there will be approximately \$9.3 million available for the Consolidated Community Funding Pool process, of which approximately \$7.1 million will be in Fund 118, Consolidated Community Funding Pool, and approximately \$2.2 million, will be in Fund 142, Community Development Block Grant.

Fund 119, Contributory Fund: Funding for all Contributory Agencies is reviewed annually, and the organizations must provide quarterly, semiannual and/or annual financial reports as prescribed by the County Executive to document their financial status. The FY 2006 recommended funding level is \$10.5 million; details of the organizations' funded can be found in Volume 2, Capital Construction and Other Operating Funds, of the FY 2006 Advertised Budget Plan.

Other Funds Overview

Fund 120, E-911: In FY 2006, total expenditures are \$36.3 million, based on a General Fund Transfer of \$13.5 million, E-911 fee revenues of \$19.9 million, state reimbursement of \$2.8 million, and interest earnings of \$0.1 million to support Public Safety Communications Center operations and Public Safety Information Technology Projects. In a countywide effort to continue to diversify revenue, the E-911 tax applied to eligible phone lines will be adjusted in FY 2006 to match the State approved maximum charge per line of \$3.00. This is an increase of \$0.50 from the existing rate of \$2.50 per line; the rate is expected to be effective September 1, 2005. It should be noted that this revenue is in addition to the General Fund monies used to support E-911 operations in the County. In order to fully cover all necessary FY 2006 expenditures without local, General Fund dollars would require an E-911 charge per line of \$4.95.

In FY 2006, the Center will be moved from a division within the Police Department to independent agency status in Fund 120 as Agency 95, Department of Public Safety Communications. All funding for the Department, including those previously budgeted in the Police General Fund, and for the Information Technology projects will be reflected in this fund. Included in the FY 2006 funding is an adjustment of \$3.2 million for 11/11.0 SYE new positions and the conversion of emergency first-responder staff within the Department (primarily Public Safety Communicator positions performing call dispatch and call taking functions) from the Fairfax County Employees' Retirement System to the Uniformed Retirement System, reflecting consistency within County public safety agencies for front line, first-responder staff. The Uniformed Retirement System is structured to compensate employees who daily perform first-responder functions in a high stress environment. This change in retirement system is a key part of immediately addressing both the recruitment and retention issues facing the center. These changes will support the structure necessary to resolve leadership, performance, recruitment and retention issues as well as independent agency status of Agency 95, Department of Public Safety Communications. In addition, information technology projects are budgeted at \$8.5 million and will ensure continued lease purchase payments and ongoing replacement of portable and mobile emergency responder radios, providing interoperability with surrounding jurisdictions.

Complete details of all Special Revenue Funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2006 Advertised Budget Plan. Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview volume.

DEBT SERVICE FUNDS

The FY 2006 Advertised Budget Plan provides for the consolidation of the County and School Debt Service funds into a single fund to improve staff efficiency for budgeting, payment and accounting for debt service. In the past, the Department of Finance manually consolidated these funds for the Comprehensive Annual Financial Report in order to fulfill audit requirements. Rather than maintain two separate funds, one combined fund which separately reports the County and Schools debt service information is being implemented. This consolidation was reviewed and approved by the State Auditor of Public Accounts, Fairfax County Public Schools financial management staff, as well as the staff from the County's financial management departments. This merger of the debt service information more clearly presents total debt service requirements while still maintaining a complete picture of County and School funding requirements. The Consolidated Debt Service Fund accounts for the accumulation of resources for, and the payment of debt service on, general obligation bonds of the County and Schools, and for special revenue bond debt service.

FY 2006 Debt Service expenditures total \$238,095,446, a decrease of \$723,408 or 0.3 percent from the *FY 2005 Revised Budget Plan* level of \$238,818,854. Funding includes transfers of \$228,996,600 from the General Fund. In addition revenues are anticipated including \$878,000 in bond premiums and \$85,345 in revenue from Fairfax City.

This funding level provides for the retirement of County and School general obligation bonds and literary loan debt principal and interest due and payable in FY 2006 as well as lease/purchase payments for the Government Center Properties and Fairfax County Redevelopment and Housing Authority (FCRHA) lease revenue bonds issued for community centers, senior centers and an adult day care center, Certificate of Participation payments for the new South County Government Center and fiscal agent fees.

Other Funds Overview

Complete details of the Debt Service Funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2006 Advertised Budget Plan. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

ENTERPRISE FUNDS

Fairfax County's Enterprise Funds consist of seven funds within the Wastewater Management Program (WMP), which account for the construction, maintenance and operational aspects of the countywide sewer system. The cost of providing sewer service to County citizens and businesses is financed or recovered primarily from user charges.

FY 2006 Enterprise Funds expenditures for sewer operation and maintenance and sewer debt service total \$150,141,617, a decrease of \$69,175,981 or 31.5 percent from the *FY 2005 Revised Budget Plan* total of \$219,317,598 primarily due to the carryover of capital project construction balances to complete the expansion requirements of the Noman M. Cole, Jr. Pollution Control Plant (NCPCP) from 54 million gallons per day (mgd) to 67 mgd and other system improvements.

The program includes the County-owned wastewater treatment plant (54 million gallons per day mgd capacity), approximately 3,260 miles of sewer lines, 64 pumping stations, 53 flow metering stations and covers approximately 234 square miles of the County's 395 square-mile land area. In FY 2006, WMP anticipates a total of 351,905 households in Fairfax County will be connected to public sewers.

Current Availability Fee Rates:

In FY 2006, Availability Fees will increase from \$5,621 to \$5,874 for single-family homes based on current projections of capital requirements. The Availability Fee rate for all types of units are adjusted based on continued increases in expenses associated with treatment plant upgrades and interjurisdictional payments that result from population growth, more stringent treatment requirements, and inflation. The following table displays the resulting increase by category.

Category	FY 2005 Availability Fee	FY 2006 Availability Fee
Single Family	\$5,621	\$5,874
Townhouses and Apartments	\$4,497	\$4,699
Hotels/Motels	\$1,406	\$1,469
Nonresidential	\$291/fixture unit	\$304/fixture unit

Current Sewer Service Charge:

The Sewer Service Charge rate will increase from \$3.20 to \$3.28 per 1,000 gallons of water consumption in FY 2006. Based on this rate increase, the additional annual cost to the typical household is anticipated to be \$6.08. Sewer Service Charges are adjusted based on projected capital requirements associated with the renovation and rehabilitation of existing treatment facilities. It should be noted that FY 2007 - FY 2009 sewer service charges were revised from last year's forecasted financial statement and will be presented to the Board of Supervisors as part of the FY 2006 Advertised Budget Plan.

Category	FY 2005 Sewer Service Charge	FY 2006 Sewer Service Charge
Per 1,000 gallons water consumed	\$3.20	\$3.28

Other Funds Overview

The FY 2006 Sewer Service Charge and Availability Fee are based on increased costs associated with capital project construction, system operation and maintenance, debt service and upgrades to effectively reduce nitrogen discharge from wastewater treatment plants in order to meet new, more stringent nitrogen discharge limitations. The program will also utilize sewer fund balances to partially offset these higher costs. These rate increases are consistent with the recommendations of the Department of Public Works and Environmental Services and the analysis included in the Forecasted Financial Statement for July 1, 2004 through June 30, 2009.

Complete details of the Enterprise Funds, which comprise the Wastewater Management Program, are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2006 Advertised Budget Plan. Program Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

INTERNAL SERVICE FUNDS

Internal Service Funds account for services commonly used by most agencies, and for which centralized organizations have been established in order to achieve economies of scale necessary to minimize costs. These internal agencies provide services to other agencies on a cost reimbursement basis. Such services consist of vehicle operations, maintenance, and replacement; insurance coverage (health, workers compensation, automobile liability, and other insurance); data communications and processing; and document services. It should be noted that where possible without degradation of quality, joint County and School service delivery (printing and vehicle maintenance) or joint procurement (health insurance) activities are conducted in order to achieve economies of scale and to minimize costs.

FY 2006 Internal Service expenditures total \$437,956,173, an increase of \$26,147,727 or 6.4 percent over the *FY 2005 Revised Budget Plan* level of \$411,808,446. Excluding adjustments in FY 2005, expenditures increased \$47,499,179 or 12.2 percent over the FY 2005 Adopted Budget Plan total of \$390,456,994. Funds with significant adjustments are as follows:

- ◆ **Fund 501, County Insurance:** A net increase of \$1.2 million primarily in Operating Expenses is due to an increase in costs associated with workers' compensation, real property and insurance premium increases.
- ◆ **Fund 503, Department of Vehicle Services:** A net decrease of \$2.4 million due primarily to the one-time carryover of funds in FY 2005 for vehicles, fire apparatus, and FASTRAN buses, and to continue the process of retrofitting diesel engine vehicles for use with ultra-low sulfur diesel fuel. In addition, it should be noted that in FY 2005 the Fleet Utilization Management Committee (FUMC) was formed to provide the County Executive with recommendations on fleet-related issues, including feedback on whether to retain, reassign, eliminate, or assign pool vehicle status to under utilized vehicles and equipment, as well as evaluating the need for fleet additions. A net reduction to the fleet of 100 vehicles was accomplished through this review process. One-time savings of approximately \$1.2 million resulted from the contraction of these vehicles, in addition to annual savings of approximately \$250,000, beginning in FY 2006, due to reduced agency billings for maintenance and replacement requirements.
- ◆ **Fund 505, Technology Infrastructure Services:** A net decrease of \$1.9 million primarily due to one-time carryover funding of \$2.6 million offset by increases for server and equipment maintenance, increased telecommunications requirements to support new applications and redundancy in the system; software license renewals; expansion of the storage available for mainframe data; augmentation of security measures for daily application operations and incident investigation required to further protect the County from unauthorized entry into County systems, attacks, viruses, data destruction and other cyber threats; and support for the next year of the County's Wide Area Network renewal plan.

In addition, consistent with recommendations from the FY 2004 review and operational requirements, the annual amount collected per PC for FY 2006 will be \$500/year, so that the future year cash flow will be sufficient to support the hardware and software components of this essential program.

Other Funds Overview

- ◆ **Fund 506, Health Benefits Trust Fund:** An increase of \$0.7 million primarily due to a 12.5 percent cost growth assumption and anticipated employee participation in the plan. As a result of projected increases in medical and prescription claims, the County's self-insured plan will raise premiums by 12 percent effective January 1, 2006 for the final six months of FY 2006. This will allow the fund to remain solvent, maintain a revenue stream that will cover the cost of health claims, and maintain reserve funding to smooth out the employer and employee impact as it relates to unanticipated dramatic cost growth swings in future years.
- ◆ **Fund 591, School Health Benefits Trust:** An increase of \$26.5 million is due primarily to premium rate increases and higher enrollment.

Complete details of the Internal Service funds are found in Volume 2, Capital Construction and Other Operating Funds of the [FY 2006 Advertised Budget Plan](#) and in the [Fairfax County School Board's FY 2006 Advertised Budget](#). Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

TRUST AND AGENCY FUNDS

Trust and Agency funds account for assets held by the County in a trustee or agency capacity and include the four pension trust funds administered by the County and Schools. The Agency fund is Fund 700, Route 28 Taxing District, which is custodial in nature and is maintained to account for funds received and disbursed by the County for improvements to Route 28.

FY 2006 Trust and Agency funds combined expenditures total \$383,225,098, an increase of \$42,703,169 or 12.5 percent over the *FY 2005 Revised Budget Plan* funding level of \$340,521,929. Excluding adjustments in FY 2005, combined Trust Fund and Agency Funds expenditures increase \$35,746,940 or 10.3 percent over the [FY 2005 Adopted Budget Plan](#) level of \$347,478,158. This increase is primarily due to increases in the four retirement funds as a result of growth in the number of retirees receiving payments as well as higher retiree payments due to cost-of-living increases.

Complete details of the Trust and Agency funds are found in Volume 2, Capital Construction and Other Operating Funds of the [FY 2006 Advertised Budget Plan](#). In addition, details of the Educational Employees Retirement Fund may be found in the [Fairfax County School Board's FY 2006 Advertised Budget](#). Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.



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Capital Projects Overview

This section includes:

- ▶ *Summary of Capital Construction Program (Page 122)*
- ▶ *Expenditure and Financing Summary Charts (Page 138)*
- ▶ *Capital Project Details (Page 140)*

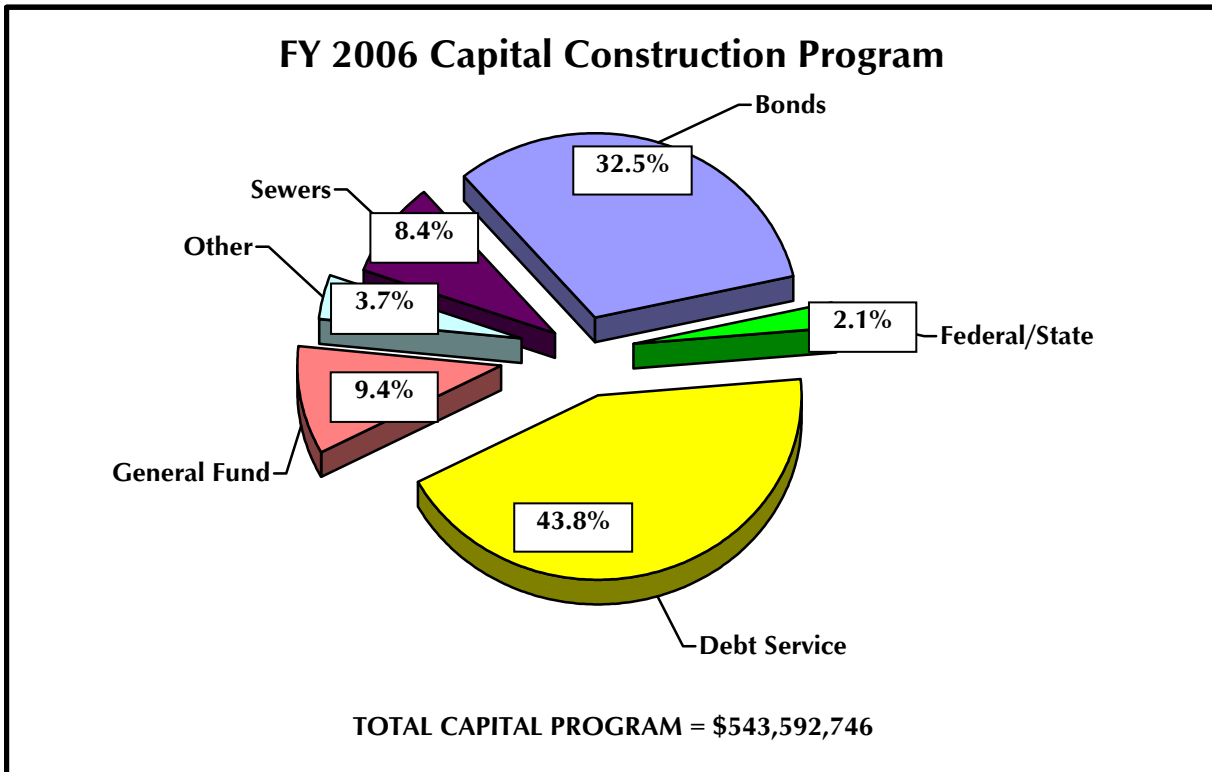
Capital Projects Overview

Summary of Capital Construction Program

The Capital Construction Program of Fairfax County is organized to meet the existing and anticipated future needs of the citizens of the County and to enable the County government to provide necessary services. The Capital Construction Program (other than sanitary sewer construction and resource recovery projects) is primarily financed through transfers from the General Fund and the sale of General Obligation bonds. Supplementing the General Fund and General Obligation bond monies are additional funding sources including Federal and State grants, contributions, and tax revenues from special revenue districts.

The Fairfax County Capital Construction Program includes: School construction of both new and renovated school facilities, park facilities, primary and secondary roadways, libraries, trails/sidewalks, fire stations, government centers with police substations, storm drainage infrastructure, streetlight installations, and the renovation/maintenance of County facilities. In addition, the Capital Construction Program includes the construction of housing units to provide affordable housing opportunities to citizens, neighborhood improvements to older County neighborhoods, and commercial revitalization initiatives for specific commercial centers identified throughout the County.

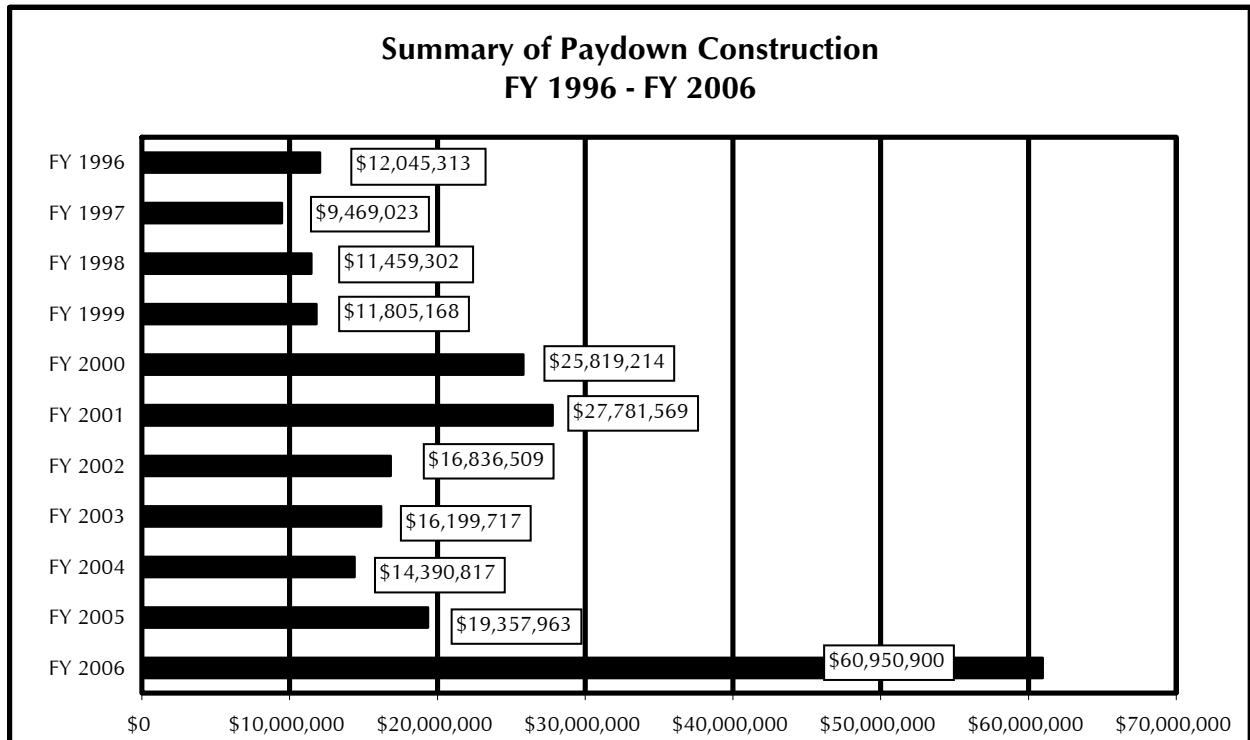
Funding in the amount of \$543,592,746 is included in FY 2006 for the County's Capital Construction Program. Of this amount, \$238,095,446 is included for debt service and \$305,497,300 is included for capital expenditures. The source of funding for capital expenditures includes: \$51,228,212 in General Fund monies, \$176,878,700 in General Obligation Bonds, \$45,807,900 in sewer system revenues, \$9,722,688 in HB 599 state revenues, \$1,709,752 in other State and Federal funding, and \$20,150,048 in financing from various other sources. Other sources of financing include transfers from other funds, user fees, developer contributions and payments, and miscellaneous revenues.



Capital Projects Overview

Capital Paydown Program

In FY 2006, an amount of \$60,950,900 has been included for the Capital Paydown Program. This funding level is supported by the General Fund in the amount of \$51,228,212 and State Aid in the amount of \$9,722,688. In recent years the paydown construction program had been constrained based on budget limitations. In contrast, the FY 2006 paydown represents a substantial increase largely due to several major projects that will be funded with General Fund dollars. Between FY 1986 and FY 1990, the County paydown construction program averaged approximately \$46.0 million, or 4.6 percent, of the General Fund disbursements. The FY 2006 Advertised Budget Plan paydown program of \$60.95 million represents two percent of General Fund disbursements. The FY 2006 funding level reflects an increase of \$41.6 million over the FY 2005 Adopted Budget Plan. This increase can be primarily attributed to \$15 million for the Public Safety and Transportation Operations Center (PSTOC) and \$17.9 million, approximately the value of one penny of the real estate tax, which will be used for capital improvements to the County's stormwater system.



This graph depicts the level of paydown funding between FY 1996 and FY 2006. Beginning in FY 1996, annual paydown funding increased slightly, but only the most pressing requirements were addressed. Since FY 2000, the paydown program has been enhanced by the application of State revenue funds; however, funding was limited to the most critical priority projects. FY 2006 paydown funding enables the County to fund remaining requirements at the Public Safety and Transportation Operations Center (PSTOC), fully fund site stabilization requirements at Laurel Hill and provide significant resources to address the County's aging stormwater management system, as well as develop watershed management plans throughout the County.

Capital Projects Overview

County Capital Renewal

FY 2006 funding in the amount of \$2,682,000 has been included for County capital renewal projects supported by the General Fund. This level of funding is an increase over the funding level provided for capital renewal in FY 2005 and represents the County's commitment to maintaining County-owned facilities. Capital renewal includes the annual work necessary to ensure that capital investment does not deteriorate and remains in a usable state. As with any maintenance program, sufficient attention is required to avoid increased project costs in the future. As long-term maintenance and renovation costs are difficult to project, they are not included in the initial costs of capital projects; however, they are essential to the service life and level of service provided by a facility. Continued funding of maintenance requirements is included in the County's Paydown Program to protect and extend the life of County facilities. County requirements are generated through scheduled preventative maintenance or from user requests for facility alterations.

In order to better define the County's capital renewal needs, a comprehensive facilities condition assessment was conducted on 92 selected Fairfax County facilities (approximately 4.2 million square feet of space). The assessment included a complete visual inspection of roofs and all mechanical and electrical components for each facility. Maintenance and repair deficiencies were identified and funding requirements identified. The results indicate a multi-million investment is needed over time. Specifically, the facility condition assessment indicated an estimated total of \$80 million will be needed over the next ten years to repair facilities and meet expected repair and equipment replacement needs.

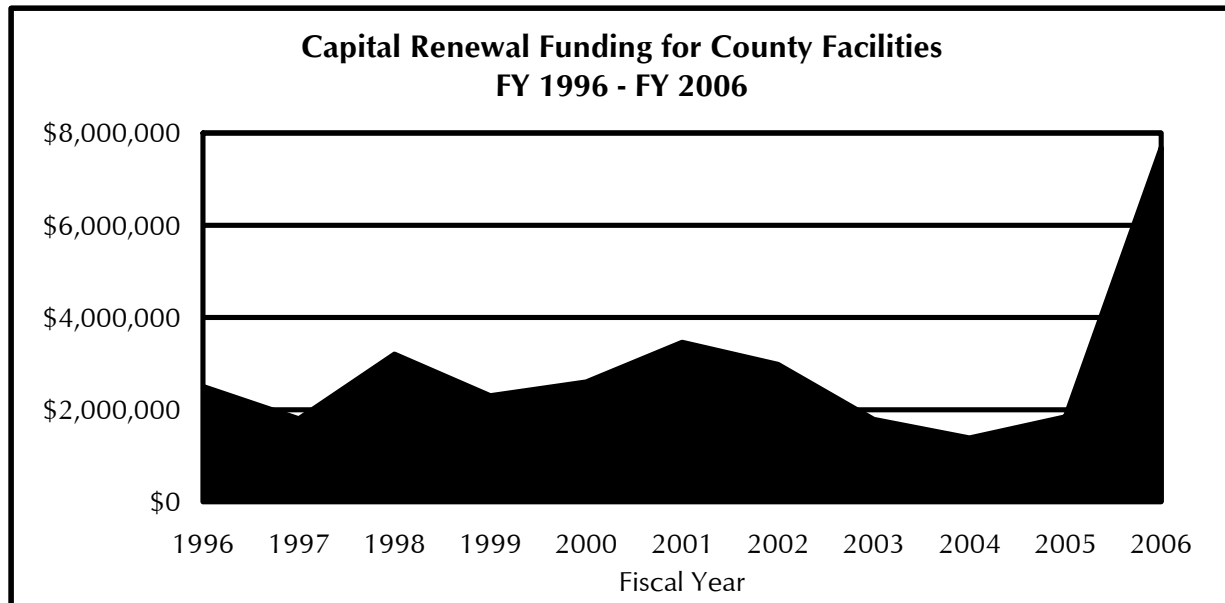
The industry standard for capital renewal investment is currently 2 percent of replacement value. Based on current average replacement values of \$150 per square foot, 2 percent would equate to capital renewal requirements of \$3.00 per square foot. Historically, budgeted capital renewal funds have fallen short of this level. This may be due to the fact that much of the square footage added in the early 1990's was in the form of new facilities and thus has not yet required major capital renewal and subsystem replacement. This infrastructure is now aging and appropriate action should be taken to avoid system failures leading to potential disruptions in County services. The FY 2005 funding level provided for \$0.16 in capital renewal spending per square foot. Demonstrating the County's commitment to maintaining County facilities, the FY 2006 funding level increases capital renewal spending to \$1.05 per square-foot.

Specific funding levels in FY 2006 include:

- ◆ Funded general maintenance projects include countywide emergency carpet replacement (\$150,000), HVAC/electrical replacement (\$870,000), roof repair and waterproofing (\$220,000), parking lot resurfacing (\$400,000), and fire alarm replacement (\$142,000). In addition, the County maintenance budget includes funding for miscellaneous building repairs or ongoing requirements throughout the fiscal year (\$500,000). These miscellaneous requirements include but are not limited to vandalism repairs, plumbing repairs, painting, and other emergency repairs.
- ◆ The annual generator replacement program has been funded in FY 2006 in the amount of \$400,000. This program provides a funding mechanism to replace generators in the fiscal years in which the generator reaches its useful life of 25 years. FY 2006 funding provides for the replacement of the generators at both the Pine Ridge Emergency Operations Center and the Adult Detention Center #3.
- ◆ Additional funding for capital renewal in the amount of \$5 million is supported by General Obligation Bond funding specifically for library, juvenile and human services facilities capital renewal, approved as part of the Fall 2004 bond referenda.

Capital Projects Overview

The following chart depicts capital renewal funding between FY 1996 and FY 2006, including roof repairs, HVAC replacement, carpet replacement, parking lot resurfacing, fire alarm system replacements, generator replacement, and miscellaneous building repairs.



Park Maintenance Projects

FY 2006 funding in the amount of \$1,911,156 has been included for Park maintenance of both facilities and grounds. The Park facilities maintained with General Fund monies include but are not limited to field houses, boat houses, pump houses, maintenance facilities, sheds, shelters, and office buildings. Park priorities are based on the assessment of current repair needs, including safety and health issues, facility protection, facility renewal, and improved services. In addition, Park maintenance requirements are generated through scheduled preventative maintenance or from user requests for facility alterations. Specific funding levels included in FY 2006 include:

- ◆ An amount of \$425,000 for general park maintenance at non-revenue supported Park facilities. These maintenance requirements include major non-recurring repairs/replacements and improvements to roofs, electrical and lighting systems, security and fire alarms, sprinklers, and HVAC equipment. This amount is dedicated for specific major facility maintenance repairs.
- ◆ An amount of \$962,156 to support annual requirements for Park grounds maintenance at non-revenue supported parks. Grounds maintenance includes the upkeep of sidewalks, mowing of grassy areas at park sites, maintenance of parking lots, bridges, recreation and irrigation equipment, picnic equipment, tennis courts, and trails at County parks.
- ◆ An amount of \$470,000 for minor routine preventive maintenance of non-revenue supported Park Authority structures. These repairs include the replacement of broken windows and doors, equipment repairs, and the scheduled inspection of HVAC, security, and fire alarm systems.
- ◆ An amount of \$54,000 to continue the implementation of ADA compliance at Park facilities has been included in FY 2006. Park facilities continue to be modified on a priority basis.

Capital Projects Overview

Athletic Field Maintenance Projects

FY 2006 funding in the amount of \$3,482,813 has been included for athletic field maintenance. In recent years, athletic field maintenance has been identified as a critical need. An effort has been made to provide continuous maintenance to retain quality athletic fields at acceptable standards and improve safety for users. Maintenance of athletic fields includes field lighting, fencing, irrigation, dugout covers, infield dirt, aerification, and seeding. Specific funding levels in FY 2006 include:

- ◆ An amount of \$2,222,813 to provide for continued personnel and operating costs associated with an athletic field maintenance program, including electricity for lighted facilities and maintenance of lighting systems, water and irrigation system maintenance, and minor ball field repairs.
- ◆ An amount of \$100,000 has been included to continue the installation of Fairfax County Public Schools boys' baseball field lighting systems used by many County organizations. FY 2006 funding provides for baseball field light installation at Woodson and Annandale High Schools. This effort is being coordinated by the Department of Community and Recreation Services.
- ◆ An amount of \$100,000 has been included to continue installing lights on Fairfax County Public Schools and identified County park athletic fields used for girls' softball. Staff from the Department of Community and Recreation Services continue to work with representatives from Fairfax Athletic Inequities Reform (FAIR) and coordinate with the Fairfax County Public Schools and the Fairfax County Park Authority to identify, prioritize, and develop proposed plans for addressing girls' softball field lighting requirements. FY 2006 funding provides for softball field lighting installation at Madison High School and Langston Hughes Middle School. This effort is being coordinated by the Department of Community and Recreation Services.
- ◆ An amount of \$100,000 for the routine maintenance and minor improvements to girls' softball fields that were identified for improvements in the Girls' Fast Pitch Softball Action Plan, a five-year plan to improve the quality and availability of softball fields throughout the County as requested by the Fairfax Athletic Inequities Reform group. This level of funding is based on available balances within the project and is sufficient to address FY 2006 requirements.
- ◆ An amount of \$800,000 for the continuation of mowing at 473 athletic fields (approximately 160 school sites), annual aeration, and over-seeding to enhance turf quality and increase player safety.
- ◆ An amount of \$160,000 for the spring clean-up of middle and elementary schools including skinning fields, filling holes, replacing dirt, repairing/replacing fences, and providing limited field supplies (bases, lime, portable lights, etc). Additionally, funds are transferred to FCPS for two maintenance staff to perform maintenance on girls' softball fields.

Trails and Sidewalks

Funding in the amount of \$300,000 is included in FY 2006 for the Virginia Department of Transportation (VDOT) participation project for sidewalk repair and replacement. VDOT conducts repair and replacement of County maintained sidewalks and is reimbursed by the County, subject to an agreement approved by the Board of Supervisors. County costs are minimized based on the ability to implement multiple VDOT sidewalk construction contracts.

Capital Projects Overview

Storm Drainage

Funding in the amount of \$20,640,000 is included for the storm drainage maintenance and emergency repairs throughout the County. Specific funding levels in FY 2006 include:

- ◆ An amount of \$2,420,000 for the Virginia Pollutant Discharge Elimination System (VPDES) Municipal Separate Storm Sewer System (MS4) discharge permit. This permit is required as part of the Clean Water Act amendments of 1987. The MS4 discharge permit is considered a renewal of the National Pollutant Discharge Elimination System (NPDES) permit, and will be valid for five years. In accordance with the permit renewal effective January 24, 2002, activities will include water quality testing, watershed master planning, improvement programs, and development of the GIS-based storm sewer system inventory. This initiative addresses State and Federal mandates.
- ◆ An amount of \$95,000 to address emergency drainage problems throughout the County. Engineering studies and construction will alleviate flooding problems of a recurring or emergency nature, which, due to their urgent nature, cannot be identified in advance.
- ◆ An amount of \$125,000 to continue support of the Kingstowne Environmental Monitoring program, which was established by the Board of Supervisors in June 1985 and is intended to continue until completion of the Kingstowne Development. During FY 2002 the program was expanded to include the water quality monitoring requirements required by the U.S. Army Corps of Engineers for the development of the South Van Dorn Street extension.
- ◆ An amount of \$100,000 to inspect, monitor, and repair dams and emergency spillways. This level of funding provides for required inspections at five County-owned dams, internal monitoring of drainage problems with dam embankments, and initiation of subsurface investigations.
- ◆ An amount of \$17,900,000 for priority stormwater projects. This funding has been included for prioritized stormwater capital improvements in the County's stormwater system. Proper management of stormwater is essential to protect public safety, preserve home values and support environmental mandates, such as those aimed at protecting the Chesapeake Bay and the water quality of other local waterways. The construction of flood walls and berms, stabilization of streams, rehabilitation of dams and state-of-the-art regional detention ponds are some of the ways in which the County manages stormwater. In FY 2006, staff will work to assess the County's system, identify and prioritize projects, and accelerate work on projects already identified by the agency. As specific project details are developed, funding will be reallocated.

New and Renovated County Facilities

Funding in the amount of \$25,021,129 is included in FY 2006 for new or renovated facilities throughout the County. Almost every new capital improvement entails ongoing expenses for routine operation, repairs, and maintenance. As they age, County facilities and equipment that were once considered state-of-the-art will require rehabilitation, renovation, or upgrading for new uses, safety, and structural improvements. Older facilities usually involve higher maintenance and repair costs as well. Specific funding levels in FY 2006 include:

- ◆ An amount of \$683,882 for the Fairfax Center Regional Library for costs associated with relocation.
- ◆ An amount of \$15,000,000 for the Public Safety and Transportation and Operations Center (PSTOC) to support the remaining unfunded technology requirements at the new facility.
- ◆ An amount of \$1,000,000 to provide for the acquisition of land or open space preservation throughout the County.

Capital Projects Overview

- ◆ An amount of \$300,000 to continue the implementation of ADA compliance at County facilities has also been included in FY 2006. This funding will address prioritized ADA modifications throughout the County, including continued efforts associated with trail improvements and curb ramp modifications.
- ◆ An amount of \$360,500 to support recurring maintenance of capital improvements associated with the Commercial Revitalization Program, including landscaping, mowing, trash pickup, maintenance of bicycle racks, area signs, and street furniture. Maintenance is provided in four major revitalization areas of the County, including Annandale, Route 1, Springfield and Baileys Crossroads.
- ◆ An amount of \$5,626,747 is included to continue to address property management and development, as well as continued asbestos mitigation efforts, at the Laurel Hill property. This amount fully funds all anticipated requirements for both asbestos removal and site stabilization efforts. Laurel Hill was transferred to the County by the federal government in early 2002. The property includes approximately 2,340 acres of land and 1.48 million square feet of building space. FY 2006 funding will continue to address needs at this site, including a security/maintenance contract, structural maintenance and utilities at existing buildings, custodial, planning, engineering positions, asbestos abatement, and demolition of unserviceable buildings.
- ◆ An amount of \$2,000,000 is included for the renovation and expansion of the Mott Community Center. The acceleration of the Mott Community Center Expansion is based on several significant events and changes, including increased programming needs, changing demographics of the community served by the center, designation of the center for a new computer clubhouse, and the anticipated development of the Popes Head Park site. The renovations will include the expansion of the gymnasium to a full court, as well as construction of additional classroom space and room to accommodate the regional teen center and a new computer clubhouse.
- ◆ Funding of \$50,000 to support design and conceptual development of a performing arts stage to be located on the ellipse at the Government Center.

Roads/Developer Defaults/Survey and Mapping

FY 2006 funding of \$1,245,000 is included to support the following County road programs, developer defaults and mapping:

- ◆ An amount of \$75,000 for the maintenance and establishment of geodetic survey control points for the GIS system. Monumentation is placed on the ground for the use of both the private and public sector for surveying and mapping control. More than 1,400 survey monuments have been established in the County, however it is estimated that more than one third of these no longer exist as a result of construction activities, erosion, and vandalism.
- ◆ An amount of \$100,000 for construction of outstanding developer default projects identified throughout the fiscal year. This program is necessitated by economic conditions surrounding the construction industry which result in some developers not completing required public facilities, including acceptance of roads by the State, walkways, and storm drainage improvements. General Fund support of the program is necessary due to the time required between the construction of the improvements and the recovery of the bonds through legal action or when the developer default revenue is not sufficient to fund the entire cost of the project. In addition to state revenue, funding of \$300,000 is included in developer revenues, for total FY 2006 funding of \$400,000.
- ◆ FY 2006 funding has been included to support the Road Viewer (\$25,000) and Road Maintenance (\$25,000) projects. The Road Viewer Program provides for the upgrading of County roads for acceptance into the State Secondary System. Once the roads are accepted into the State system, ongoing maintenance costs are provided by the State, and County funds are no longer required. For those roads which are not currently included in the State Secondary System, annual funding is provided for maintenance to ensure the safe operation of vehicles on these travel ways.

Capital Projects Overview

- ◆ An amount of \$20,000 for Minor Streetlight Upgrades to support minor upgrades and repairs to existing streetlights that do not meet current Virginia Department of Transportation illumination standards for roadways.
- ◆ An amount of \$1,000,000 to continue the implementation of priority projects associated with the TAC Spot Improvement Program. The TAC Spot Improvement Program supports small spot improvement projects as approved by the Transportation Advisory Commission and the Board of Supervisors. These projects consist of intersection improvements such as turn lanes, sidewalk and trail connections, and bus stop improvements. Generally, these improvements are low-cost, quick-hit projects to improve mobility, enhance safety, and provide relief to transportation bottlenecks throughout the County.

Payments and Obligations

FY 2006 funding in the amount of \$2,733,802 has been included for costs related to annual contributions and contractual obligations.

- ◆ Funding of \$500,000 is included for the County's annual contribution to offset school operating and overhead costs associated with new SACC Centers.
- ◆ Funding of \$1,012,100 is included for Fairfax County's contribution to the Northern Virginia Community College (NVCC). Funding provides for the continued construction and maintenance of various capital projects on college campuses within the NVCC system. The funding formula for determining the annual contribution level has been revised to \$1.00 per capita based on the capital requirements of NVCC over the next six years.
- ◆ Funding of \$1,021,702 is included to provide for the fourth year of a five-year lease-purchase agreement associated with systems furniture for the South County Center. The lease will provide office furniture for work stations, conference rooms, waiting areas, and offices. On February 11, 2000, the Board of Supervisors entered into a Master Sales and Development Agreement with Madison Development Partners to construct an office building for lease to Fairfax County. This 159,000-square-foot facility includes a senior center, an expanded teen center, an employment center, office space for County staff, community meeting rooms, and an e-government center.
- ◆ Funding of \$200,000 is included for payments to developers for interest earned on conservation bond deposits. The County requires developers to make deposits to ensure the conservation of existing natural resources. Upon satisfactory completion of the project, the developer is refunded the deposit with interest.

Revitalization Initiatives

- ◆ Funding of \$935,000 is included for revitalization efforts in identified areas throughout the County. This initiative includes funding for specific commercial revitalization efforts, including: Baileys Crossroads/Seven Corners, Annandale, Richmond Highway, Lake Anne, Merrifield, Springfield, and McLean, as well as Commercial Revitalization program costs.
- ◆ An amount of \$2,000,000 for Affordable/Workforce Housing initiatives and recommendations developed by the Affordable Housing Preservation Action Committee and presented for approval to the FCRHA and the Board of Supervisors.

Capital Projects Overview

FY 2006 PAYDOWN PROJECTS

Project	FY 2006 Advertised
Capital Renewal Construction	
(003099) Miscellaneous Building Repair	\$500,000
(003100) Fire Alarm System Replacements	142,000
(009132) Roof Repairs and Waterproofing	220,000
(009133) Carpet Replacement	150,000
(009136) Parking Lot Resurfacing	400,000
(009151) HVAC/Electrical Systems	870,000
(009431) Emergency Generator Replacement	400,000
Subtotal	\$2,682,000
Park Authority Maintenance Projects	
(009416) ADA Compliance - Park Authority	\$54,000
(009417) Park Authority - General Maintenance	425,000
(009442) Park Authority - Grounds Maintenance	962,156
(009443) Park Authority - Facility Maintenance	470,000
Subtotal	\$1,911,156
Athletic Field Maintenance Projects	
(004999) Boys' Athletic Field Lighting	\$100,000
(005000) Girls' Softball Field Lighting	100,000
(005001) Fast Pitch Softball Field Maintenance	100,000
(005006) Parks Maintenance at FCPS Athletic Fields	800,000
(005009) Athletic Field Maintenance	2,222,813
(005010) Annual FCPS Field Clean-Up and Maintenance	160,000
Subtotal	\$3,482,813
Trails and Sidewalks	
(X00407) VDOT Sidewalk Repair/Replacement	\$300,000
Subtotal	\$300,000
Storm Drainage	
(A00002) Emergency Watershed Improvements	\$95,000
(L00034) Kingstowne Environmental Monitoring	125,000
(N00096) Dam Repairs	100,000
(Z00022) Municipal Separate Storm Sewer System	2,420,000
(Z00028) Stormwater Contingency Projects	17,900,000
Subtotal	\$20,640,000
New and Renovated Facilities	
(004841) Fairfax City Regional Library	\$683,882
(009211) Public Safety and Transportation Operations Center (PSTOC)	15,000,000
(009400) Land Acquisition Reserve	1,000,000
(009406) ADA Compliance - Countywide	300,000
(009422) Maintenance - Commercial Revitalization Program	360,500
(009444) Laurel Hill Development	5,626,747
(009467) Mott Community Center	2,000,000
(009483) Government Center Amphitheater	50,000
Subtotal	\$25,021,129

Capital Projects Overview

Project	FY 2006 Advertised
Developer Defaults/Roads	
(U00005) Survey Control Network Monumentation	\$75,000
(U00006) Developer Default	100,000
(V00000) Road Viewer Program	25,000
(V00001) Road Maintenance Program	25,000
(Z00016) Minor Streetlight Upgrades	20,000
(064212) TAC Spot Improvements	1,000,000
Subtotal	\$1,245,000
Obligations and Payments	
(007012) School-Aged Child Care (SACC)	\$500,000
(008043) Northern Virginia Community College	1,012,100
(009425) South County Center	1,021,702
(009998) Payments of Interest on Conservation Bonds	200,000
Subtotal	\$2,733,802
Revitalization Initiatives	
(014010) Commercial Revitalization	\$190,000
(014104) Revitalization Program Costs	745,000
(014196) Affordable/Workforce Housing	2,000,000
Subtotal	\$2,935,000
 TOTAL PAYDOWN PROGRAM	 \$60,950,900

Capital Projects Overview

Capital General Obligation Bond Program

The Board of Supervisors annually reviews cash requirements for capital projects financed by General Obligation bonds to determine the ongoing schedule for construction of currently funded projects as well as those capital projects in the early planning stages. The bond capital program is reviewed annually by the Board of Supervisors in association with the Capital Improvement Program (CIP), and revisions are made to cashflow estimates and appropriation levels as needed. The CIP is designed to balance the need for public facilities as expressed by the countywide land use plan with the fiscal capability of the County to meet those needs. The CIP serves as a general planning guide for the construction of general purpose, school, and public utility facilities in the County. The County's ability to support the CIP is entirely dependent upon and linked to the operating budget. The size of the bond program in particular is linked to the approved General Fund disbursement level.

The Virginia Constitution requires that long-term debt pledged by the full faith and credit of the County can only be approved by voter referendum. There is no statutory limit on the amount of debt the voters can approve. It is the County's own policy to manage debt within the guidelines identified in the *Ten Principles of Sound Financial Management*. The *Ten Principles* specifically indicate that debt service expenditures as a percentage of General Fund disbursements should remain under 10 percent and that the percentage of debt to estimated market value of assessed property should remain under 3 percent. The County continues to maintain these debt ratios with debt service requirements as a percentage of General Fund disbursements at 8.30 percent, and net debt as a percentage of market value at 1.27 percent as of June 30, 2004.

Continual monitoring and adjustments to the County's Capital Improvement Program have been necessary, as economic conditions have changed. The FY 2006 - 2010 Capital Improvement Program (With Future Years to 2015) will be released concurrently with the FY 2006 budget. It should be noted that the operating budget is directly affected by the approval of the capital budget and its capital project components. The operating budget must absorb the debt service costs of all bond issues related to the capital budget, as well as the operating and maintenance costs for each facility and improvement.

In FY 2006, an amount of \$176,878,700 is included in General Obligation bond funding. Of this amount, \$109,691,200 is budgeted in Fund 390, Public School Construction, and \$27,950,000 has been included in Fund 309, Metro Operations and Construction, to support the 103-mile Metrorail System, as well as maintain and/or acquire facilities, equipment, railcars and buses. In addition, FY 2006 bond funding in the amount of \$39,237,500 has been included for the County contribution to the Northern Virginia Regional Park Authority (\$2,500,000), the renovation and expansion of the Mount Vernon Mental Health Center (\$9,500,000), land acquisition for the Herndon Fire Station (\$950,000) and design and construction costs associated with the following facilities: Girls' Probation House (\$5,601,000), Gregory Drive Treatment Facility (\$2,270,000), Less Secure Shelter II (\$800,000), Wolftrap Fire Station (\$2,257,500). An amount of \$10,359,000 in General Obligation bond funding will also support the final design, permitting, utility work and construction costs associated with the Burke Centre Library (\$3,000,000), and the Oakton Community Library (\$7,359,000). This amount also includes \$5,000,000 to supplement the County's capital renewal program for libraries (\$2,500,000), and juvenile and human services facilities (\$2,500,000), as approved as part of the Fall 2004 Bond Referenda. Funding for these bond projects is consistent with the FY 2006 - 2010 Capital Improvement Program (With Future Years to 2015).

Capital Projects Overview

Wastewater Management System

The Fairfax County Wastewater Management Program is operated, maintained, and managed within the Department of Public Works and Environmental Services, and includes approximately 3,260 miles of sewer lines, 61 pumping stations, and 53 flow metering stations, covering approximately 234 square miles of the County's 395-square-mile land and water area. Treatment of wastewater generated is provided primarily through five regional wastewater collection and treatment plants.

One of the five regional plants is the County's owned and operated Noman M. Cole, Jr. Pollution Control Plant (NCPCP), which is currently permitted to treat 54 million gallons per day (MGD) of flow and is undergoing construction for expansion and process upgrades for an additional 13 MGD of flow capacity. By agreement, other regional facilities include Alexandria Sanitation Authority Plant, the Upper Occoquan Sewage Authority Plant, the District of Columbia Blue Plains Plant, and the Arlington County Plant. Fairfax County utilizes all of these facilities to accommodate a total treatment capacity of 161 MGD.

An amount of \$45,807,900 is funded in FY 2006 to provide for the County's share of design and construction costs associated with Wastewater Management. Funds will support upgrade costs to the District of Columbia Water and Sewer Authority (DCWASA), the Arlington Treatment Plant, and the Alexandria Treatment Plant to comply with Virginia Water Control Board regulations, construction of a new pump station, and the rehabilitation of the Clifton Pump and Haul Station and several existing pump stations; the replacement of Dogue Creek Force Main and the rehabilitation of Noman M. Cole, Jr. Pollution Control plant; as well as the repair, replacement and renovation of various aging sewer lines.

Other Financing

Capital projects supported by other financing include \$1,709,752 in Federal Aid and \$20,150,048 in other sources. Federal Aid represents funding to support the HOME Investment Partnership Grant Program. Capital projects financed by other funding mechanisms include: developer contributions for road improvements throughout the County, as well as housing trust fund revenues, FCPS Parent Teachers Association contributions, and other sources of funds.

Capital Construction and Operating Expenditure Interaction

To maintain a balanced budget, annual revenues are projected and operating and capital construction expenditures are identified to determine the County's overall requirements and funding availability. Funding levels for capital construction projects are based on the merits of a particular project together with the available funding from all financing sources, with primary reliance on General Obligation bonds. The Board of Supervisors annually reviews cash requirements for capital project financing. The County's capital program has a direct impact on the operating budget, particularly in association with the establishment and opening of new facilities. The Board of Supervisors continues to be cognizant of the effect of the completion of capital projects on the County's operating budget. The FY 2006 operating cost estimates associated with the completion of capital projects have been included in the County's operating budget.

In the FY 2006/FY 2007 time frame, the expansion and renovation of several facilities will be completed which will directly impact the County's operating budget. The following list represents major new facilities which will open during FY 2006 and beyond. Operating expenditures are estimated based on projected opening dates. Additional information regarding the expenditures necessary to support these expanded facilities can be found in specific agency budget narratives.

Capital Projects Overview

New or Renovated County Facilities

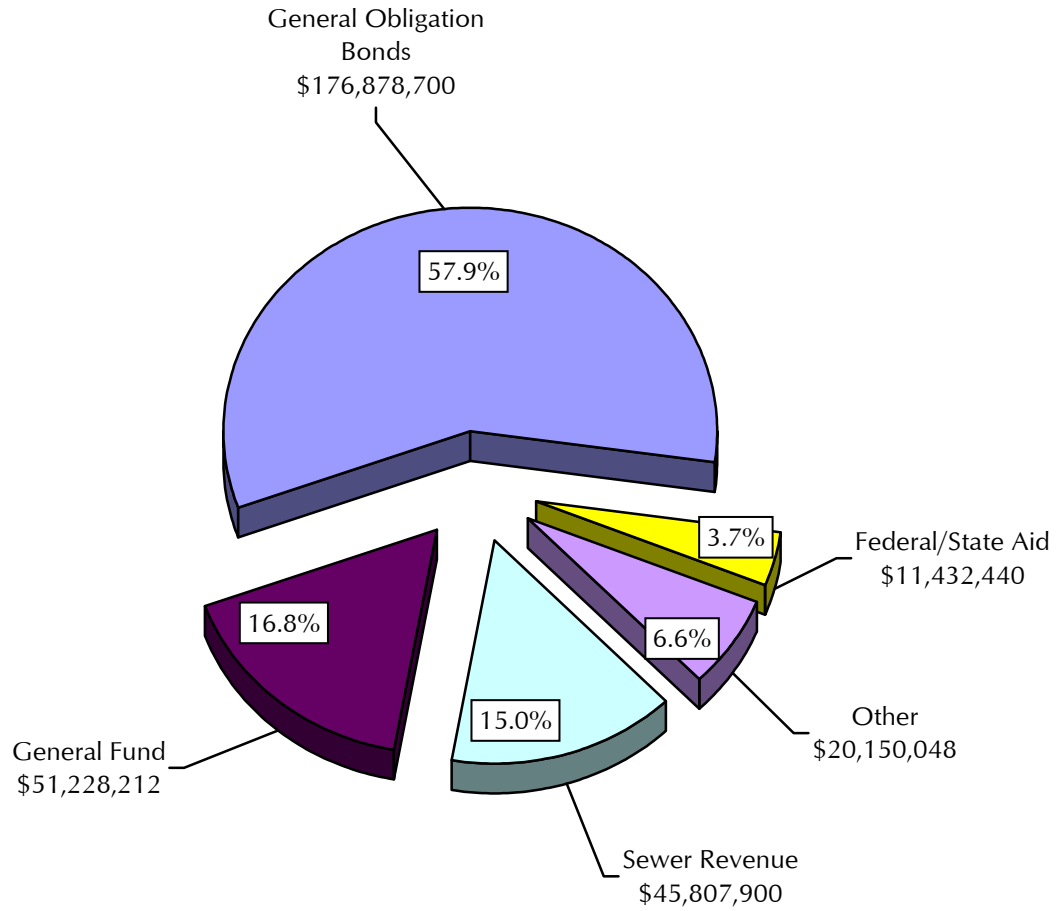
Facility	Fiscal Year Completion	Additional Positions	Estimated Net Operating Costs
FY 2006 New/Expanded Facilities			
Opening of the second half of new floor in the Adult Detention Center	FY 2006	11/11.0 SYE	\$1,080,550
Crosspointe Fire Station	FY 2006	36/36.0 SYE	\$3,460,872
South County Secondary School	FY 2006	4/3.27 SYE	208,432
Oakton Community Library Advance Book Buy	FY 2006	NA	\$3,485,958
Little River Glen Adult Day Health Care Center	FY 2006/ FY2007	9/9.0 SYE	212,257
Southgate Community Center	FY 2006/ FY2007	5/5.0 SYE	274,841
Reston Town Center Bus Transit Station (Maintenance)	FY 2006/ FY2007	0/0.0 SYE	100,000
Total FY 2006 Costs		65/64.27 SYE	\$8,822,910
FY 2007 and Beyond			
Katherine K. Hanley Family Shelter	FY 2007	TBD	\$1,600,000
West Ox Bus Operations Center (Vienna Feeder Bus)	FY 2007	TBD	TBD
Wolf Trap Fire Station	FY 2007	TBD	TBD
Forensics Facility	FY 2007	TBD	TBD
Public Safety and Transportation Operations Center (PSTOC)	FY 2008	TBD	TBD
Oakton Community Library	FY 2008	TBD	TBD
Burke Community Library	FY 2009	TBD	TBD
Library Renovations	FY 2009	TBD	TBD
Judicial Center Expansion	FY 2009	TBD	TBD
Total FY 2007 and Beyond Costs		65/64.27 SYE	\$1,600,000

Personnel Services, Operating costs, and Capital Equipment costs incurred by a County agency while performing work on a capital project are charged as Recovered Costs to the project where applicable. The majority of capital projects in the County are administered by various agencies within the Department of Public Works and Environmental Services. These agencies include the Project Engineering Division, Office of Capital Facilities, Planning and Design Division, Stormwater Management Division, the Land Acquisition Division, the Office of Waste Management, and the Facilities Management Division. Other County operating agencies which administer capital projects include the Fairfax County Park Authority and the Department of Housing and Community Development.

Summary of FY 2006 Capital Construction Program

Major segments of the County's FY 2006 Capital Construction Program are presented in the charts that follow. Several pie charts have been included to visually demonstrate the FY 2006 funding sources for capital expenditures. Capital construction expenditures by fund are shown in the Summary Schedule of FY 2006 Funded Capital Projects. In addition, details of all projects funded in FY 2006 have been included in this section. For an individual detailed description of each capital construction fund, see the Capital Project Funds section of the Capital Construction and Other Operating Funds Volume. Detailed information concerning capital projects in Fund 390, Public School Construction, can be found in the [FY 2006 Superintendent's Proposed Budget](#).

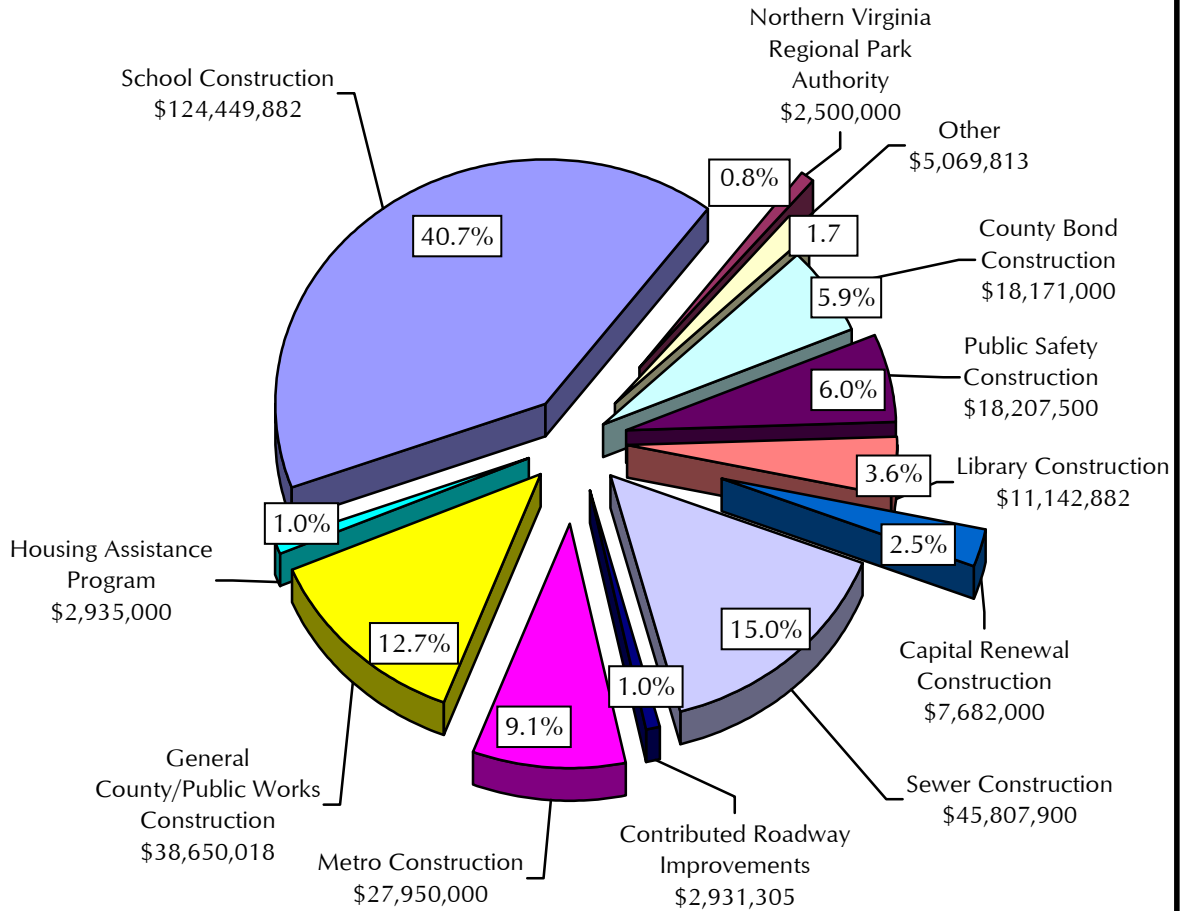
CAPITAL CONSTRUCTION PROJECTS FY 2006 SOURCE OF FUNDS



TOTAL = \$305,497,300

NOTE: This chart does not include debt service funding.

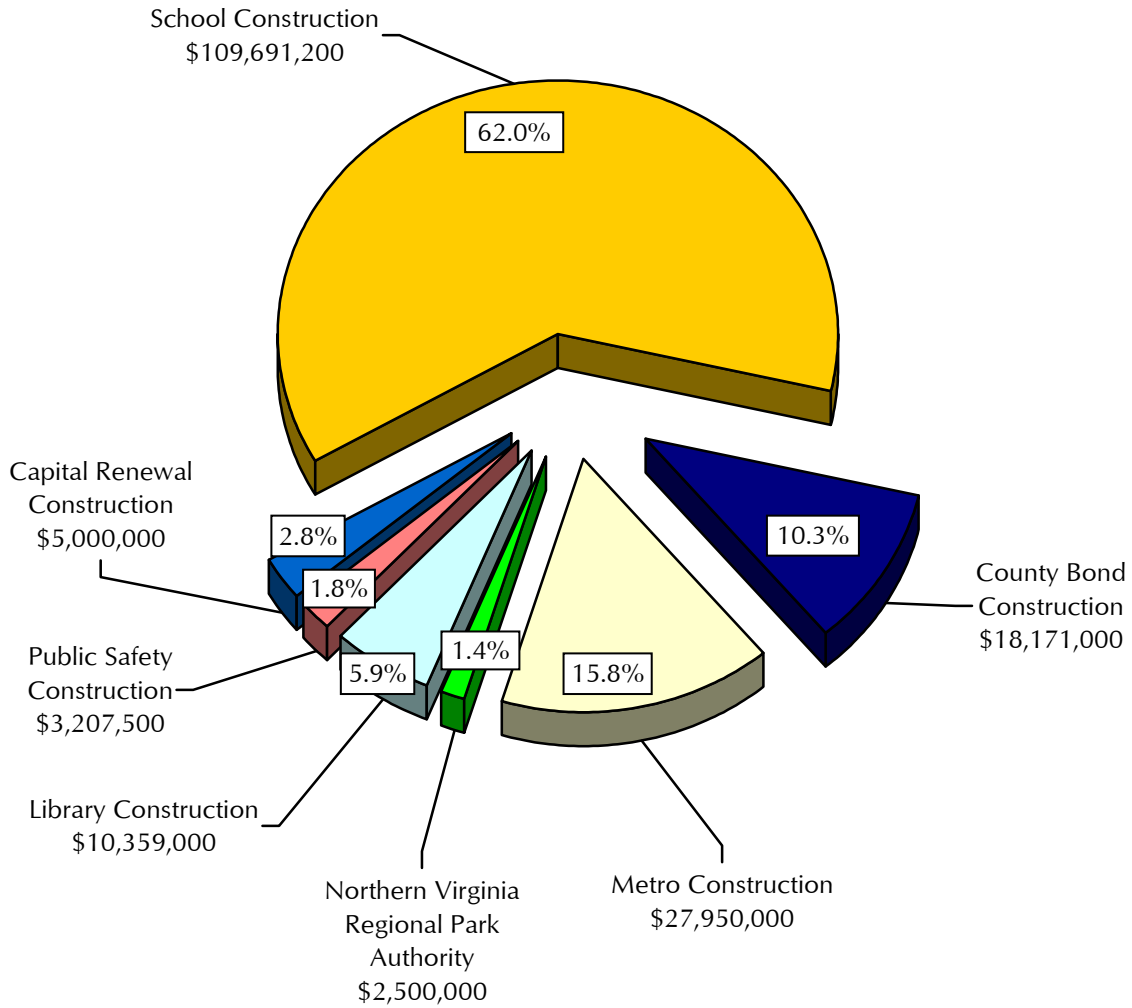
CAPITAL CONSTRUCTION PROJECTS FY 2006 EXPENDITURES



TOTAL = \$305,497,300

NOTE: This chart does not include debt service funding.

GENERAL OBLIGATION BOND FINANCED CAPITAL PROJECTS FY 2006 EXPENDITURES



TOTAL = \$176,878,700

**SUMMARY SCHEDULE OF FY 2006
FUNDED CAPITAL PROJECTS**

Fund/Title	EXPENDITURES				FY 2006 FINANCING			
	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	General Obligation Bonds ¹	General Fund	Federal/ State Aid	Other ²
SPECIAL REVENUE FUNDS³								
109 Refuse Collection	\$71,630	\$0	\$50,397	\$0	\$0	\$0	\$0	\$0
110 Refuse Disposal	179,132	0	1,629,323	0	0	0	0	0
113 McLean Community Center	50,073	376,000	673,566	375,000	0	0	0	375,000
114 I-95 Refuse Disposal	2,472,159	0	36,329,353	0	0	0	0	0
144 Housing Trust Fund	661,901	1,507,838	24,360,231	1,685,061	0	0	0	1,685,061
145 HOME Investment Partnership Grant	316,489	327,289	416,791	1,709,752	0	0	1,709,752	0
Subtotal	\$3,751,384	\$2,211,127	\$63,459,661	\$3,769,813	\$0	\$0	\$1,709,752	\$2,060,061
DEBT SERVICE FUNDS								
200 County Debt Service	\$193,197,292	\$101,915,055	\$102,575,918	\$105,931,179	\$0	\$96,610,126	\$0	\$9,321,053
201 School Debt Service	117,792,432	133,178,583	136,242,936	\$132,164,267	0	126,528,053	0	5,636,214
Subtotal	\$310,989,724	\$235,093,638	\$238,818,854	\$238,095,446	\$0	\$223,138,179	\$0	\$14,957,267
CAPITAL PROJECTS FUNDS								
300 Countywide Roadway Improvement Fund	\$860,229	\$0	\$2,899,035	\$0	\$0	\$0	\$0	\$0
301 Contributed Roadway Improvements	2,020,420	2,266,106	35,505,934	2,931,305	0	0	0	2,931,305
302 Library Construction	481,935	0	790,711	11,142,882	10,359,000	683,882	0	100,000
303 County Construction	14,380,307	13,647,963	60,318,911	17,465,018	0	11,027,330	6,437,688	0
304 Primary and Secondary Road Bond Construction	1,483,434	1,000,000	32,480,163	1,000,000	0	1,000,000	0	0
306 Northern Virginia Regional Park Authority	2,250,000	2,500,000	2,500,000	2,500,000	2,500,000	0	0	0
307 Sidewalk Construction	1,379,442	300,000	7,533,616	300,000	0	0	300,000	0
308 Public Works Construction	3,341,506	3,515,000	12,254,776	21,185,000	0	17,900,000	2,985,000	300,000
309 Metro Operations and Construction ⁴	4,982,730	14,800,000	14,800,000	27,950,000	27,950,000	0	0	0
310 Storm Drainage Bond Construction	668,320	0	3,220,810	0	0	0	0	0

**SUMMARY SCHEDULE OF FY 2006
FUNDED CAPITAL PROJECTS**

Fund/Title	EXPENDITURES				FY 2006 FINANCING			
	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	General Obligation Bonds ¹	General Fund	Federal/ State Aid	Other ²
311 County Bond Construction	4,212,566	12,032,141	27,500,294	18,171,000	18,171,000	0	0	0
312 Public Safety Construction	4,443,744	24,460,000	187,916,443	18,207,500	3,207,500	15,000,000	0	0
313 Trail Construction	52,628	0	527,616	0	0	0	0	0
314 Neighborhood Improvement Program	1,058,248	0	282,193	0	0	0	0	0
315 Commercial Revitalization Program	4,692,572	0	7,335,917	0	0	0	0	0
316 Pro Rata Share Drainage Construction	2,399,109	0	25,591,463	0	0	0	0	0
317 Capital Renewal Construction	0	0	0	7,682,000	5,000,000	2,682,000	0	0
340 Housing Assistance Program	1,665,302	935,000	15,883,484	2,935,000	0	2,935,000	0	0
341 Housing General Obligation Bond Construction	364,442	0	42,552	0	0	0	0	0
370 Park Authority Bond Construction	23,541,205	0	34,165,204	0	0	0	0	0
390 Public School Construction ⁵	137,835,731	160,015,262	510,684,776	124,449,882	109,691,200	0	0	14,758,682
Subtotal	\$212,113,870	\$235,471,472	\$982,233,898	\$255,919,587	\$176,878,700	\$51,228,212	\$9,722,688	\$18,089,987
ENTERPRISE FUNDS								
402 Sewer Bond Extension and Improvements	\$62,777,013	\$35,495,200	\$87,184,113	\$45,807,900	\$0	\$0	\$0	\$45,807,900
408 Sewer Bond Construction	6,577,780	0	27,100,874	0	0	0	0	0
Subtotal	\$69,354,793	\$35,495,200	\$114,284,987	\$45,807,900	\$0	\$0	\$0	\$45,807,900
TOTAL	\$596,209,771	\$508,271,437	\$1,398,797,400	\$543,592,746	\$176,878,700	\$274,366,391	\$11,432,440	\$80,915,215

¹ The sale of bonds is presented here for planning purposes. Actual bond sales are based on cash needs in accordance with Board policy.

² Other financing includes developer contributions and payments, sewer system revenues, transfers from other funds, pro rata deposits, miscellaneous revenues, and fund balances.

³ Reflects the capital construction portion of total expenditures.

⁴ Reflects capital construction portion of Metro expenditures net of State Aid.

⁵ FY 2005 includes \$363.65 million in authorized but unissued bonds. This amount is included to support future contractual commitments.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 303, County Construction				
004999	Boys' 90' Athletic Field Lighting (Countywide)	Continuing	\$100,000	FY 2006 funding in the amount of \$100,000 is included to continue installation and upgrades associated with boys' baseball field lighting at FCPS middle and high schools. FY 2006 funding will provide lighting installation at Woodson High School and Annandale High School.
005000	Girls' Softball Field Lighting (Countywide)	Continuing	\$100,000	FY 2006 funding in the amount of \$100,000 is included to continue installation and upgrades associated with girls' softball field lighting at FCPS middle and high schools, as well as identified parks throughout the County. FY 2006 funding will address softball field lighting installation at Madison High School and Langston Hughes Middle School.
005001	Girls' Fast-Pitch Field Maintenance (Countywide)	Continuing	\$100,000	FY 2006 funding in the amount of \$100,000 is included to address prioritized maintenance requirements associated with improvements made to Girls' Fast-Pitch softball fields.
005006	Park Maintenance of FCPS Fields (Countywide)	Continuing	\$800,000	FY 2006 funding in the amount of \$800,000 is included to maintain consistent standards at all school site athletic fields, improve playing conditions, reach safety standards, and increase user satisfaction. Maintenance includes mowing each site 28 times per year and aerating and overseeing each site annually.
005009	Athletic Field Maintenance (Countywide)	Continuing	\$2,222,813	FY 2006 funding is included to continue athletic field maintenance efforts on fields managed by Fairfax County Park Authority. This project, created as part of the FY 2004 budget process, consolidates funding for athletic field maintenance. FY 2006 funding provides for continued personnel and operating costs associated with the program, including electricity for lighted facilities and maintenance of lighting systems, water and irrigation system maintenance, and minor ball field repairs.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
005010	Annual FCPS Field Clean-Up and Maintenance (Countywide)	Continuing	\$160,000	FY 2006 funding in the amount of \$160,000 is included to continue support of spring clean-up at middle and elementary schools including skinning fields, filling holes, replacing dirt, repairing/replacing fences, and providing limited field supplies (bases, lime, portable lights, etc).
007012	SACC Contribution (Countywide)	Continuing	\$500,000	FY 2006 funding in the amount of \$500,000 is included for the annual County contribution to help offset school operating and overhead costs associated with SACC Centers. The construction and renovation costs for SACC centers are funded by the FCPS through General Obligation bonds for which the debt service costs are provided by the County General Fund.
008043	Northern Virginia Community College (Countywide)	Continuing	\$1,012,100	FY 2006 funding in the amount of \$1,012,100 is included for Fairfax County's annual contribution to the Northern Virginia Community College (NVCC). Funding provides for the continued construction and maintenance of various capital projects on college campuses within the NVCC system. The funding formula for determining the annual contribution level has been revised based on the capital requirements for NVCC over the next six years. The FY 2006 funding level reflects \$1.00 per capita based on a population figure provided by the Weldon Cooper Center.
009400	Land Acquisition Reserve (Countywide)	Continuing	\$1,000,000	FY 2006 funding in the amount of \$1,000,000 is included for the County's land acquisition reserve. The reserve provides a source of funding for the acquisition of land or open space preservation for future County facilities and capital projects. This project was created to improve the County's competitiveness in today's market.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
009406	ADA Compliance (Countywide)	Continuing	\$100,000	FY 2006 funding in the amount of \$100,000 is included to continue County compliance with the Americans with Disabilities Act of 1990. This funding will support significant modifications to a trail located along Rolling Road. This funding will correct accessibility deficiencies, remove safety hazards and make a heavily used segment of the trail ADA compliant. In addition to General Fund support, an amount of \$200,000 is financed by state revenues for a total of \$300,000.
009417	Parks - General Maintenance (Countywide)	Continuing	\$338,059	FY 2006 funding in the amount of \$338,059 is included for major maintenance and repairs at non-revenue generating Park Authority facilities including electrical and lighting systems, security and fire alarm systems, sprinklers, and HVAC improvements. In addition, this project funds roof repairs and the structural preservation of park historic sites. Facilities maintained include field houses, boathouses, pump houses, maintenance facility sheds, shelters, and office buildings. Priorities are based on an assessment of current repair needs associated with safety and health issues, facility protection, facility renewal, and improved services. In addition to General Fund support, an amount of \$86,941 is financed by state revenues for a total of \$425,000.
009422	Maintenance - CRP (Countywide)	Continuing	\$360,500	FY 2006 funding in the amount of \$360,500 is included to continue maintenance of capital improvements associated with the Commercial Revitalization Program as approved by the Board of Supervisors on December 2, 1996. Maintenance projects include landscaping, mowing, trash pickup, maintenance of bicycle racks, area signs, street furniture, and drinking fountains. Funding in FY 2006 will provide for continued maintenance of major streetscape projects in Annandale, Route 1, Springfield and Baileys Crossroads.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
009425	South County Center (Lee)	\$7,748,712	\$1,021,702	FY 2006 funding in the amount of \$1,021,702 is included for the fourth year of a five-year lease/purchase agreement associated with systems furniture at the South County Government Center. All other operating costs associated with the South County Government Center, including taxes, are included in FMD's operating budget.
009442	Parks - Grounds Maintenance (Countywide)	Continuing	\$962,156	FY 2006 funding in the amount of \$962,156 is included for grounds maintenance at non-revenue producing countywide parks. Grounds maintenance includes the upkeep of sidewalks and parking lots, bridges, recreation and irrigation equipment, picnic equipment, tennis courts, and trails. In addition, grounds maintenance includes contracted mowing of grassy areas at park sites.
009467	Mott Community Center	\$2,000,000	\$2,000,000	FY 2006 funding in the amount of \$2,000,000 is included for the renovation and expansion of the Mott Community Center. The acceleration of the Mott Community Center Expansion is based on several significant events and changes, including increased programming needs, changing demographics of the community served by the center, designation of the center for a new computer clubhouse, and the anticipated development of the Popes Head Park site. The renovations will include the expansion of the gymnasium to a full court, as well as construction of additional classroom space and room to accommodate the regional teen center and a new computer clubhouse.
009483	Government Center Amphitheater	\$50,000	\$50,000	FY 2006 funding in the amount of \$50,000 is included to support design and conceptual development of a performing arts stage to be located on the ellipse at the Government Center.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
009998	Payments of Interest on Conservation Bonds (Countywide)	Continuing	\$200,000	FY 2006 funding in the amount of \$200,000 is included for payment to developers for interest earned on conservation bonds. The County requires developers to make deposits to ensure the conservation of natural resources. Upon satisfactory completion of the project, the developer is refunded the deposit with interest.
Total		\$9,798,712	\$11,027,330	
Fund 302, Library Construction				
004841	Fairfax City Regional Library	Continuing	\$683,882	FY 2006 funding in the amount of \$683,882 is included to provide for the development agreement and design costs to construct a new regional library in the City of Fairfax. The City/County Service contract and the Project Development Agreement are anticipated to be completed in FY 2005. In addition to General Fund support, an amount of \$100,000 is financed by revenue anticipated to be received from the City of Fairfax as part of the Project Development Agreement, for a total of \$783,882.
Total		Continuing	\$683,882	
Fund 304, Primary and Secondary Road Bond Construction				
064212	TAC Spot Improvements (Countywide)	Continuing	\$1,000,000	FY 2006 funding in the amount of \$1,000,000 is included to continue the TAC Spot Improvement Program. This initiative supports small projects as approved by the Transportation Advisory Commission and the Board of Supervisors. These projects consist of intersection improvements such as turn lanes, sidewalk and trail connections and bus stop improvements. Generally, these improvements are low-cost, quick-hit projects to improve mobility, enhance safety, and provide relief to transportation bottlenecks throughout the County.
Total		Continuing	\$1,000,000	

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 308, Public Works Construction				
Z00028	Priority Stormwater Projects (Countywide)	Continuing	\$17,900,000	FY 2006 funding in the amount of \$17,900,000 been included for prioritized stormwater capital improvements in the County's stormwater system. In FY 2006 staff will work to assess the County's system, identify and prioritize projects, and accelerate work on projects already identified by the agency. As details are developed, funding will be reallocated to specific projects.
Total		Continuing	\$17,900,000	
Fund 312, Public Safety Construction				
009211	Public Safety and Transportation Operations Center (PSTOC)	\$102,522,130	\$15,000,000	FY 2006 funding includes \$15 million for the Public Safety and Transportation Operations Facility (PSTOC) which will be based at the Camp 30/West Ox site. The new center will house the Public Safety Communication Center (PSCC) and the Emergency Operations Center (EOC), jointly operated by the Police Department and the Fire and Rescue Department. The 2002 Public Safety Bond Referendum included \$29 million to partially support construction associated with the PSTOC, with additional costs to be funded through the General Fund, alternative financing sources and equipment lease funding. The FY 2006 funding level provides a transfer from the General Fund in the amount of \$15 million to support the remaining unfunded technology requirements for the new facility.
Total		\$102,522,130	\$15,000,000	
Fund 317, Capital Renewal Construction				
003099	Miscellaneous Building and Repair (Countywide)	Continuing	\$500,000	FY 2006 funding in the amount of \$500,000 is included for emergency repairs, minor renovations, and remodeling/upgrading of various buildings and facilities throughout the County. Projects include emergency repairs to buildings and building equipment, plumbing repairs, minor renovations to electrical and mechanical systems, structural repairs, vandalism correction, and other non-recurring construction and repair projects.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
003100	Fire Alarm Systems (Countywide)	Continuing	\$142,000	FY 2006 funding in the amount of \$142,000 is included to support the replacement of the fire alarm systems at the Woodlawn Fire Station, McLean Fire Station and Tysons Fire Station, which are experiencing frequent failure when tested.
009132	Roof Repairs and Waterproofing (Countywide)	Continuing	\$220,000	FY 2006 funding in the amount of \$220,000 is included for maintenance and repairs of facility roofs and waterproofing systems in Fairfax County buildings. The maintenance and repairs are required to stop rapid deterioration and damage due to water penetration. FY 2006 funding is provided to replace the roof at the West Ox Garage.
009133	Carpet Replacement (Countywide)	Continuing	\$150,000	FY 2006 funding in the amount of \$150,000 is provided for carpet replacement at County facilities in which carpet has deteriorated and is in unserviceable condition. The project also includes new carpet installation where existing composition tile flooring requires replacement, and it is cost beneficial to install carpet as a replacement floor finish. FY 2006 is provided for countywide emergency repairs.
009136	Parking Lot Resurfacing (Countywide)	Continuing	\$400,000	FY 2006 funding in the amount of \$400,000 is included for parking lot resurfacing at prioritized County facilities. This amount provides \$100,000 for emergency and annual pothole repairs and \$300,000 for the resurfacing of the Police Driver Training Track.
009151	HVAC/ Electrical Systems (Countywide)	Continuing	\$870,000	FY 2006 funding in the amount of \$870,000 is included for HVAC replacement at prioritized County facilities, based on the severity of problems and lack of alternative funding sources. The FY 2006 funding level will provide \$620,000 for HVAC replacement for the Massey Annex and \$250,000 for the Judicial Center Rooftop Unit.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
009431	Generator Replacement Program (Countywide)	Continuing	\$400,000	FY 2006 funding in the amount of \$400,000 is included for the emergency generator replacement program. This program was established to address the replacement of generators that have outlived their useful life. FY 2006 funding is included to replace the generators at both the Pine Ridge Emergency Operations Center and the Adult Detention Center #3.
Total		Continuing	\$2,682,000	
Fund 340, Housing Assistance Program				
014010	Commercial Revitalization (Countywide)	Continuing	\$190,000	FY 2006 funding in the amount of \$190,000 is included to continue activities initiated in FY 2001, including contracted and/or part-time staffing that provides support as the Department of Housing and Community Development transitions from a primary emphasis on development projects to revitalization activities, marketing materials for countywide revitalization activities, consultant services, and training.
014104	Revitalization Program Costs (Countywide)	Continuing	\$745,000	FY 2006 funding in the amount of \$745,000 is included for staff and administrative costs associated with the continuation of previously approved revitalization projects, and 3/3.0 SYE Merit Regular positions responsible for marketing and business activities associated with revitalization activities.
014196	Affordable/ Workforce Housing	Continuing	\$2,000,000	FY 2006 funding in the amount of \$2,000,000 is included to provide initial funding for affordable/workforce housing initiatives. On January 24, 2005 the Preservation Action Committee presented a recommendation for the Board of Supervisors (BOS). Following staff review, FCRHA and BOS action will be taken to determine the next steps for initiatives within the affordable/workforce housing arena. Initiatives would include working with non-profit organizations to purchase, rehabilitate and preserve existing at-risk affordable housing.
Total		Continuing	\$2,935,000	

TOTAL PAYDOWN (GENERAL FUND)

\$51,228,212

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 303, County Construction				
009406	ADA Compliance (Countywide)	Continuing	\$200,000	FY 2006 funding in the amount of \$200,000 is included to continue County compliance with the Americans with Disabilities Act of 1990. Funding in the amount of \$100,000 will be used for curb ramp modifications throughout the County and an additional \$100,000 will address priority-one trail accessibility and safety upgrades countywide. In addition to state revenue support, an amount of \$100,000 is financed by the General Fund for a total of \$300,000.
009416	ADA Compliance - FCPA (Countywide)	Continuing	\$54,000	FY 2006 funding in the amount of \$54,000 is included to continue Park Authority compliance with the Americans with Disabilities Act of 1990. Funding will support continued modifications at Lake Fairfax, including access routes, parking, picnic areas, playgrounds, restrooms, and amphitheater.
009417	Parks - General Maintenance (Countywide)	Continuing	\$86,941	FY 2006 funding in the amount of \$86,941 is included for major maintenance and repairs at non-revenue generating Park Authority facilities including electrical and lighting systems, security and fire alarm systems, sprinklers, and HVAC improvements. In addition, this project funds roof repairs and the structural preservation of park historic sites. Facilities maintained include field houses, boathouses, pump houses, maintenance facility sheds, shelters, and office buildings. Priorities are based on an assessment of current repair needs associated with safety and health issues, facility protection, facility renewal, and improved services. In addition to state revenue support, an amount of \$338,059 is financed by transfer from General Fund for a total of \$425,000.
009443	Parks - Facilities Maintenance (Countywide)	Continuing	\$470,000	FY 2006 funding in the amount of \$470,000 is included for routine repairs of non-revenue structures (218 buildings totaling over 400,000 square feet) and over 175 pieces of equipment (mowers, tractors, etc.).

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
009444	Laurel Hill (Lorton) Development (Mount Vernon)	Continuing	\$5,626,747	FY 2006 funding in the amount of \$5,626,747 is included to continue to address prioritized needs at the Laurel Hill site, including master planning, security and maintenance contract costs, structural maintenance and utilities at existing buildings, asbestos abatement, demolition of unserviceable buildings, and custodial, planning, and engineering personnel.
Total		Continuing	\$6,437,688	
Fund 307, Sidewalk Construction				
X00407	Sidewalk Replacement/VDOT Participation (Countywide)	Continuing	\$300,000	FY 2006 funding in the amount of \$300,000 is included to continue the Virginia Department of Transportation (VDOT) Sidewalk Participation Program, which allows VDOT to repair and replace County-maintained sidewalks in concert with existing VDOT construction. The County then reimburses VDOT once repairs are complete. County costs are minimized based on VDOT's ability to implement multiple sidewalk construction contracts simultaneously.
Total		Continuing	\$300,000	
Fund 308, Public Works Construction				
A00002	Emergency Watershed Improvements (Countywide)	Continuing	\$95,000	FY 2006 funding in the amount of \$95,000 is included to alleviate small-scale emergency drainage problems throughout the fiscal year. Because the nature and extent of these projects are unforeseen, individual requirements cannot be identified in advance. Corrections generally cost between \$5,000 and \$20,000 apiece. Previous emergencies have included house flooding and the erosion of County-maintained roads.
L00034	Kingstowne Environmental Monitoring (Lee)	Continuing	\$125,000	FY 2006 funding in the amount of \$125,000 is included to continue monitoring efforts in support of the Kingstowne Environmental Monitoring Program, established by the Board of Supervisors in June 1985 to continue until completion of the Kingstowne Development. The program was expanded in 2002 to include water quality and monitoring standards required by the U.S. Army Corps of Engineers for the

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
				development of the South Van Dorn Extension. These requirements include water quality monitoring for four years, along with inspections and maintenance for up to ten years.
N00096	Dam Repairs (Countywide)	Continuing	\$100,000	FY 2006 funding in the amount of \$100,000 is included for conducting inspections, monitoring, and repairing dams and emergency spillways. The Maintenance and Stormwater Management Division continues to identify failed dam embankments. This project also funds the repair of failed detention pond enhancements.
U00005	Survey Network Control Monumentation (Countywide)	Continuing	\$75,000	FY 2006 funding in the amount of \$75,000 is included to support maintenance and establishment of geodetic survey control points for the GIS system, to be used by public and private sector. Monumentation is placed on the ground for the use of the private and public sector for surveying and mapping control.
U00006	Developer Defaults (Countywide)	Continuing	\$100,000	FY 2006 funding in the amount of \$100,000 is included for developer default projects requiring General Fund support. The Developer Default Program requires developers to provide a security deposit, either a bond or letter of credit, to the County to ensure that public improvements associated with their developments are properly constructed. If the developer fails to provide improvements as required, the security deposit is defaulted and the County assumes responsibility for making the improvement(s). In addition to state revenue, funding of \$300,000 is included in developer revenues, for total FY 2006 funding of \$400,000.
V00000	Road Viewer Program (Countywide)	Continuing	\$25,000	FY 2006 funding in the amount of \$25,000 is included to continue upgrading roads for acceptance into the State Secondary Road System. Upgrades include survey, engineering, and construction projects within the Board of Road Viewers Program. Once improvements are completed, the need for ongoing County maintenance work is eliminated.

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
V00001	Road Maintenance Program (Countywide)	Continuing	\$25,000	FY 2006 funding in the amount of \$25,000 is included to continue maintenance on Fairfax County roads which are not currently in the Virginia Department of Transportation (VDOT) Secondary System. This program works to ensure the safe operation of motor vehicles by upgrading and maintaining existing County travelways. The County provides maintenance on identified roads until they are accepted into the VDOT Secondary Road System. In some cases, however, the roadway will never qualify for VDOT inclusion due to physical constraints such as close proximity to a house. Therefore, a certain funding requirement will always be necessary in this project.
Z00016	Minor Streetlight Upgrades	Continuing	\$20,000	FY 2006 funding is included in the amount of \$20,000 for minor upgrades and repairs to existing streetlights that do not meet current Virginia Department of Transportation illumination standards for roadways.
Z00022	Municipal Separate Storm Sewer System (Countywide)	Continuing	\$2,420,000	FY 2006 funding in the amount of \$2,420,000 is included to continue activities associated with the Virginia Pollutant Discharge Elimination System Municipal Separate Storm Sewer System (MS4) permit, which is required as part of the Clean Water Act amendments of 1987. The permit mandates implementation of a water quality management program. The MS4 discharge permit is considered a five-year renewal of the National Pollutant Discharge Elimination System permit approved in January 2002. Activities include water quality testing, watershed master planning, improvement programs, and development of the GIS-based storm sewer system inventory.
Total		Continuing	\$2,985,000	

TOTAL PAYDOWN (HB 599 FINANCING)

\$9,722,688

TOTAL PAYDOWN PROGRAM

\$60,950,900

Details: General Obligation Bonds

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 302, Library Construction				
004838	Burke Centre Library	\$12,235,192	\$3,000,000	FY 2006 funding in the amount of \$3 million is included to support the final design, permitting, utility work and construction costs associated with the Burke Centre Library. Funding for design costs was approved during the FY 2002 Carryover Review. FY 2006 funding of \$3,000,000 was approved as part of the Fall 2004 bond referendum.
004839	Oakton Community Library	\$7,565,000	\$7,359,000	FY 2006 funding in the amount of \$7,359,000 is included to support the final design, permitting, utility work and construction of the Oakton Community Library. Funding for design costs was approved during the FY 2002 Carryover Review. FY 2006 funding of \$7,359,000 was approved as part of the Fall 2004 bond referendum.
Total		\$19,800,192	\$10,359,000	
Fund 306, Northern Virginia Regional Park Authority				
NA	County Contribution	\$0	\$2,500,000	FY 2006 funding in the amount of \$2,500,000 is included for Fairfax County's capital contribution to the Northern Virginia Regional Park Authority (NVRPA). Funding provides for costs associated with construction, park development, and capital requirements according to plans adopted by the NVRPA Board and its Capital Improvement Program. FY 2006 represents the second year of County contributions associated with the 2004 referendum.
Total		\$0	\$2,500,000	
Fund 309, Metro Operations and Construction				
NA	NA	Continuing	\$27,950,000	FY 2006 funding in the amount of \$27,950,000 is included in General Obligation bonds to support the 103-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars and buses.
Total		Continuing	\$27,950,000	

Details: General Obligation Bonds

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 311, County Bond Construction				
04A001	Girl's Probation House	\$6,051,000	\$5,601,000	FY 2006 funding in the amount of \$5,601,000 is included to support the design and construction of a new 12,500 square-foot Girls Probation Home. The project is funded from the Fall 2004 Human Services Bond Referendum.
04A002	Gregory Drive Treatment Facility	\$3,800,000	\$2,270,000	FY 2006 funding in the amount of \$2,270,000 is included to support the design and construction of a new one-story 10,000 square-foot Gregory Drive residential mental health and substance abuse treatment facility. The new facility will be constructed on the existing site and will fully comply with building codes and ADA requirements. The existing facility built in 1968 (renovated in 1986) will be demolished. The project is funded from the Fall 2004 Human Services Bond Referendum.
04A004	Mount Vernon Mental Health Center	\$10,130,000	\$9,500,000	FY 2006 funding in the amount of \$9,500,000 provides is included to support building renovations and the expansion of the Mount Vernon Mental Health Center necessary to address health and safety issues and to meet service and staffing requirements. The project is funded from the Fall 2004 Human Services Bond Referendum.
04A005	Less Secure Shelter II	\$800,000	\$800,000	FY 2006 funding in the amount of \$800,000 is included for the the design and construction of a new two story, approximately 12,500 square-foot Less Secure Shelter II. The new structure will be constructed on the existing site and will be linked to the existing structure. The scope of this project must be re-evaluated to bring the total project estimate within the available bond funding. The project is funded from the Fall 2004 Human Services Bond Referendum.
Total		\$20,781,000	\$18,171,000	

Details: General Obligation Bonds

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 312, Public Safety Bond Construction				
009094	Wolf Trap Fire Station (Dranesville)	\$9,335,000	\$2,257,500	FY 2006 funding in the amount of \$2,257,500 is included for the design and construction phase of the Wolf Trap Fire Station, a new 14,000-square-foot 4-bay fire station that will address response time delays on the highly traveled area of Route 7, as well as along the Dulles Access Road corridor. In July 2004 the scope of the project changed resulting in an increase in the Total Project Estimate from \$8,222,000 to \$9,335,000. This project is funded through the Fall 1989 Public Safety Facilities Bond Referendum. and is consistent with the approved FY 2004 - FY 2008 Capital Improvement Program (with Future Years to 2013).
009215	Herndon Fire Station	\$950,000	\$950,000	FY 2006 funding in the amount of \$950,000 is included to support the purchase of the property adjacent to the current Herndon Fire Station necessary for the future expansion and renovation of the facility to meet the current needs. This project is funded through the Fall 2002 Public Safety Facilities Bond Referendum.
Total		\$10,285,000	\$3,207,500	
Fund 317, Capital Renewal Construction				
009480	Library Capital Renewal	\$2,500,000	\$2,500,000	FY 2006 funding in the amount of \$2,500,000 is included to support capital renewal, the planned program of repairs, improvements to make facilities suitable for organizational needs, for all library facilities. Capital renewal replaces building subsystems that have reached the end of their useful lives. The project is funded from the Fall 2004 Library Bond Referendum.
009481	Juvenile/ Human Services Capital Renewal	\$2,500,000	\$2,500,000	FY 2006 funding in the amount of \$2,500,000 is included to support capital renewal, the planned program of repairs, improvements to make facilities suitable for organizational needs, for all juvenile/human services facilities. Capital renewal replaces building subsystems that have reached the end of their useful lives. The project is funded from the Fall 2004 Human Services Bond Referendum.
Total		\$5,000,000	\$5,000,000	

Details: General Obligation Bonds

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 390, Public School Construction				
NA	NA	Continuing	\$109,691,200	FY 2006 funding in the amount of \$109,691,200 is included for school design and construction. For details, see the <u>FY 2006 Superintendent's Proposed Budget</u> .
Total		Continuing	\$109,691,200	

TOTAL GENERAL OBLIGATION BONDS

\$176,878,700

Details: Wastewater Management System

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 402, Sewer Construction Improvements				
G00901	DC Treatment Blue Plains (Countywide)	\$90,105,605	\$12,517,000	FY 2006 funding in the amount of \$12,517,000 is included for Fairfax County's share of projected costs associated with the upgrade to the DC Blue Plains Wastewater Treatment Plant.
G00903	Arlington Wastewater Treatment (Countywide)	\$20,487,392	\$4,100,000	FY 2006 funding in the amount of \$4,100,000 is included for Fairfax County's share of nitrogen removal costs at the Arlington Wastewater Treatment Plant.
I00351	Pump Station Renovations (Countywide)	Continuing	\$3,700,000	FY 2006 funding in the amount of \$3,700,000 is included for the construction of the new Powell Lane Pump Station to provide for the rehabilitation of the Clifton Pump and Haul Station and 14 pumping stations throughout the County based on the deteriorating condition of the holding tanks and other mechanical facilities.
I00904	ASA Wastewater Treatment Plant (Countywide)	\$235,563,300	\$5,244,900	FY 2006 funding in the amount of \$5,244,900 is included for Fairfax County's share of construction costs associated with improvements to the Alexandria Wastewater Treatment Plant.
L00117	Dogue Creek Rehabilitation/ Replacement	Continuing	\$2,500,000	FY 2006 funding in the amount of \$2,500,000 for the replacement of the Dogue Creek Force Main. The existing force main was rehabilitated in FY 1998; however, due to the critical nature of this force main, it has been recommended a new parallel force main be constructed and use the existing force main as a backup to the new force main.
N00321	Lower Potomac Exp. 54 MGD	\$106,269,000	\$1,000,000	FY 2006 funding in the amount of \$1,000,000 is included for the upgrade to the Noman M. Cole, Jr. Pollution Control Plan. This funds the initial study for upgrading the plant to meet the "limit of technology" nitrogen removal.
X00905	Replacement and Transmission (Countywide)	Continuing	\$6,250,000	FY 2006 funding in the amount of \$6,250,000 is included for the recurring repair, replacement, and renovation of 20 miles of sewer lines using predominantly "no dig" technologies and the sewer line realignment of 13 line segments to prevent sewer backups/overflows.

Details: Wastewater Management System

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
X00906	Sewer Line Enlargement	Continuing	\$700,000	FY 2006 funding in the amount of \$700,000 is included for the replacement of undersized sewer lines with larger diameter sewer lines in those areas of the County experiencing growth or redevelopment. The current funding is for the replacement of the Pohick Trunk line due to the age and deteriorating condition of the trunk line.
X00910	Replacement and Renewal	Continuing	\$9,796,000	FY 2006 funding in the amount of \$9,796,000 is included for the replacement of facilities at the Noman M. Cole, Jr. Pollution Control Plant to maintain efficient operations and meet permit requirements. Specifically this supports the carbon replacement for the plant's filter systems, methanol facility for nitrogen removal, surge suppression of voltage spikes, incinerator rehabilitation, tertiary clarifiers and grit building rehabilitation, backup generator replacement, the final phase of the sludge dewatering facility replacement and the stormwater management plan to control the plant's stormwater runoff.
Total		\$452,425,297	\$45,807,900	

TOTAL WASTEWATER MANAGEMENT SYSTEM

\$45,807,900

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 113, McLean Community Center				
003601	MCC Improvements (Dranesville)	\$375,000	\$375,000	FY 2006 funding in the amount of \$375,000 is included to support a feasibility study to expand the facility and for the McLean Project for the Arts (MPA) renovation project.
Total		\$375,000	\$375,000	
Fund 144, Housing Trust Fund				
013906	Undesignated (Countywide)	Continuing	\$385,061	FY 2006 funding in the amount of \$385,061 is included as a planning factor for the Undesignated Project, based on anticipated proffers and interest income in FY 2006. Funding will be retained in the Undesignated Project until designated to specific projects by the FCRHA and the Board of Supervisors.
014098	Housing Trust Fund Magnet Housing (Countywide)	Continuing	\$50,000	FY 2006 funding in the amount of \$50,000 is included as a planning factor for the development of a program to provide a living/working/learning environment to move low- and moderate-income persons from lower paying jobs to a career path.
014116	Partnership Programs	Continuing	\$300,000	FY 2006 funding in the amount of \$300,000 is included as a planning factor for gap financing to partnership participants.
0014191	Rehabilitation of FCRHA Properties	Continuing	\$650,000	FY 2006 funding in the amount of \$650,000 is included as a planning factor to rehabilitate FCRHA non-public housing residential properties in order to maintain property safety and neighborhood quality of life standards.
014192	Rehabilitation of FCRHA Properties	Continuing	\$300,000	FY 2006 funding in the amount of \$300,000 is included a planning factor for the Board of Supervisors' Preservation Initiative to preserve affordable housing throughout the County.
Total		Continuing	\$1,685,061	
Fund 145, HOME Investment Partnership Grant				
013974	HOME Development Costs (Countywide)	Continuing	\$1,709,752	FY 2006 funding in the amount of \$1,709,752 in Federal Grant funding will be allocated to specific projects as recommended by the Board of Supervisors. Allocation to specific projects is anticipated in the Spring of 2005.
Total		Continuing	\$1,709,752	

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2006 Funded	Description
Fund 301, Contributed Roadway Improvement Fund				
007700	Fairfax Center Reserve (Providence)	Continuing	\$601,042	FY 2006 funding is based on anticipated contributions and pooled interest income for roadway construction in Fairfax Center area.
008800	Centreville Reserve (Sully)	Continuing	\$76,626	FY 2006 funding is based on anticipated contributions and pooled interest income for roadway construction in Centreville area.
009900	Miscellaneous Reserve (Countywide)	Continuing	\$1,594,170	FY 2006 funding is based on anticipated contributions and pooled interest income for miscellaneous roadway improvements.
009911	Tysons Corner Reserve (Providence)	Continuing	\$659,467	FY 2006 funding is based on anticipated contributions and pooled interest income for roadway construction in Tysons Corner area.
Total		Continuing	\$2,931,305	
Fund 308, Public Works Construction				
U00006	Developer Defaults (Countywide)	Continuing	\$300,000	FY 2006 funding in the amount of \$300,000 is included to complete developer default projects. The Developer Default Program requires developers to provide a security deposit, either a bond or letter of credit, to the County to ensure that public improvements associated with their developments are properly constructed. If the developer fails to provide improvements as required, the security deposit is defaulted and the County assumes responsibility for making the improvement(s). In addition to developer bonds, HB 599 revenues of \$100,000 are also included, for a total of \$400,000.
Total		Continuing	\$300,000	
Fund 390, Public School Construction				
NA	NA	Continuing	\$14,758,682	FY 2006 funding in the amount of \$14,758,682 is included for various school construction projects financed from Parent Teachers Association/Parent Teachers Organization receipts, the carryover of bond funds, and transfers from Fund 090, Public School Operating Fund. For details, see the <u>FY 2006 Superintendent's Proposed Budget</u> .
Total		Continuing	\$14,758,682	

TOTAL OTHER FINANCING

\$21,759,800



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Trends and Demographics

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Trends and Demographics

HOUSEHOLD TAX ANALYSES

The following analyses illustrate the impact of selected County taxes on the "typical" household from FY 2000 to FY 2006. This period provides five years of actual data, estimates for FY 2005 based on year-to-date experience, and projections for FY 2006. Historical dollar amounts are converted to FY 2006 dollar equivalents for comparison purposes using the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore area. The Washington metropolitan area has experienced average annual inflation of 2.8 percent from FY 2000 to FY 2004. Preliminary projections for inflation in FY 2005 and FY 2006 are based on a forecast of 3.0 percent using the January 2005 issue of the Blue Chip Economic Indicators, and adjusting for the relatively higher rate of inflation that has occurred in the Washington area, compared nationally.

HOUSEHOLD TAXATION TRENDS: SELECTED CATEGORIES FY 2000 - FY 2006

The charts on the following pages show the trends in selected taxes (Real Estate Taxes, Personal Property Taxes, Sales Taxes and Consumer Utility Taxes) paid by the "typical" household in Fairfax County. It is important to note that the following data are not intended to depict a comprehensive picture of a household's total tax burden in Fairfax County.

The "typical" household in Fairfax County is projected to pay \$5,314.91 in selected County taxes in FY 2006, \$368.14 more than FY 2005 after adjusting for inflation. From FY 2000 to FY 2006, the inflation adjusted increase in selected County taxes for the "typical" household is \$1,411.57, or an average annual increase of 5.3 percent. Note that taxes paid in FY 2000 through FY 2006 reflect the Personal Property Tax Relief Act of 1998 (PPTRA), which reduced an individual's Personal Property Tax liability by 27.5 percent in FY 2000, 47.5 percent in FY 2001, and 70.0 percent in FY 2002 through FY 2006. The PPTRA applies to vehicles valued up to \$20,000 owned by individuals.

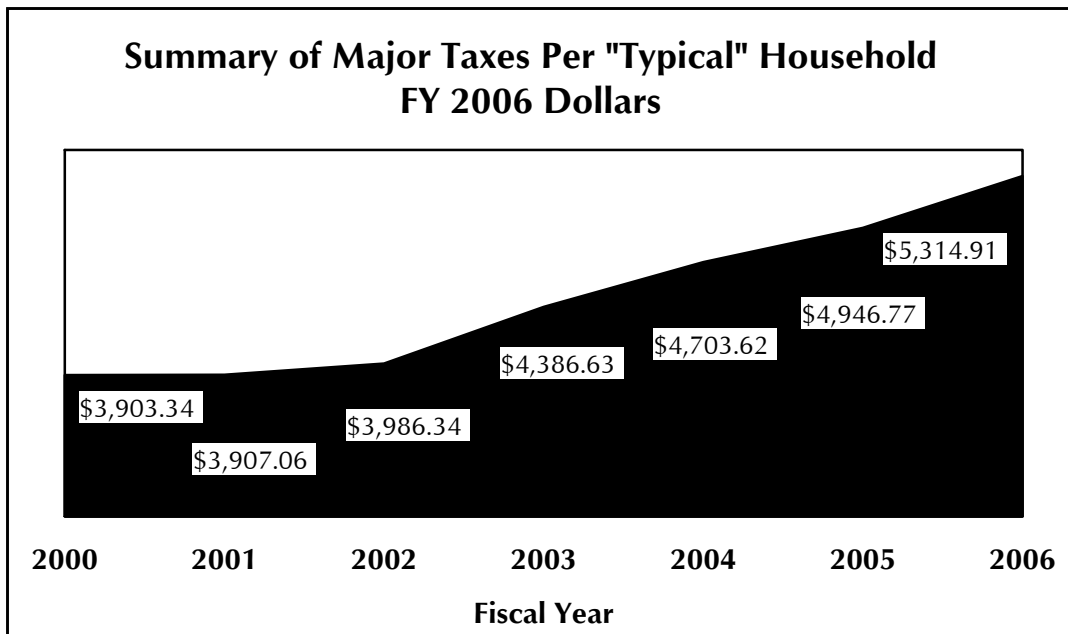
Summary of Major Taxes Per "Typical" Household

	Number of Households	Real Estate Tax in FY 2006 Dollars	Personal Property Tax in FY 2006 Dollars ¹	Sales Tax in FY 2006 Dollars	Consumer Utility Tax in FY 2006 Dollars	Total Taxes in FY 2006 Dollars ¹
FY 2000	353,136	\$2,831.88	\$542.75	\$429.02	\$99.69	\$3,903.34
FY 2001	358,149	\$2,946.26	\$429.92	\$428.98	\$101.90	\$3,907.06
FY 2002	363,677	\$3,246.94	\$253.61	\$388.29	\$97.50	\$3,986.34
FY 2003	366,585	\$3,658.60	\$255.28	\$377.60	\$95.15	\$4,386.63
FY 2004	370,322	\$3,953.30	\$258.42	\$401.27	\$90.63	\$4,703.62
FY 2005²	377,600	\$4,205.57	\$241.81	\$411.04	\$88.35	\$4,946.77
FY 2006²	384,149	\$4,581.09	\$237.62	\$411.88	\$84.32	\$5,314.91

¹ Personal Property Taxes paid incorporate reductions in Personal Property Tax bills sent to citizens under the State's Personal Property Tax Relief program. FY 2000 and FY 2001 include reductions of 27.5 percent and 47.5 percent, respectively; and, FY 2002 through FY 2006 include a 70.0 percent reduction. The difference in revenue will be paid to the County by the Commonwealth.

² Estimated.

Trends and Demographics



Real Estate Tax Per "Typical" Household

	Mean Assessed Value of Residential Property	Tax Rate per \$100	Tax per Household	Tax per Household in FY 2006 Dollars
FY 1991	\$196,514	\$1.11	\$2,181.31	\$3,180.93
FY 2000	\$195,713	\$1.23	\$2,407.27	\$2,831.88
FY 2001	\$208,126	\$1.23	\$2,559.95	\$2,946.26
FY 2002	\$234,749	\$1.23	\$2,887.41	\$3,246.94
FY 2003	\$276,945	\$1.21	\$3,351.03	\$3,658.60
FY 2004	\$321,238	\$1.16	\$3,726.36	\$3,953.30
FY 2005¹	\$361,334	\$1.13	\$4,083.07	\$4,205.57
FY 2006¹	\$444,766	\$1.03	\$4,581.09	\$4,581.09

¹ Estimated.

As shown in the preceding table, Real Estate Taxes per "typical" household are expected to increase \$498.02 between FY 2005 and FY 2006 to \$4,581.09, not adjusting for inflation. This increase is result of higher residential property assessments offset with a 10 cent reduction in the Real Estate Tax rate.

Since FY 2000, Real Estate Taxes have increased \$2,173.82 or an average annual increase of 11.3 percent per year, not adjusting for inflation. Adjusted for inflation, Real Estate Taxes per "typical" household are \$1,749.21 higher than FY 2000, an average annual increase of 8.3 percent. Since FY 1991, Real Estate Taxes have increased an average of 2.5 percent per year after adjusting for inflation. The Real Estate Tax rate is proposed to decrease from \$1.13 per \$100 of assessed value to \$1.03 per \$100 of assessed value in FY 2006. This tax decrease represents a savings of \$444.77 per "typical" household as compared to the rate of \$1.13 per \$100 of assessed value.

Trends and Demographics

Personal Property Tax Per "Typical" Household

	Personal Property Taxes Attributed to Individuals	Number of Households	Tax per Household	Tax per Household in FY 2006 Dollars	After PPTRA	
					Adjusted Tax per Household ¹	Adjusted Tax per Household in FY 2006 Dollars ¹
FY 2000	\$224,727,900	353,136	\$636.38	\$748.63	\$461.37	\$542.75
FY 2001	\$254,831,615	358,149	\$711.52	\$818.90	\$373.55	\$429.92
FY 2002	\$273,395,166	363,677	\$751.75	\$845.36	\$225.53	\$253.61
FY 2003	\$285,711,943	366,585	\$779.39	\$850.92	\$233.82	\$255.28
FY 2004	\$300,683,961	370,322	\$811.95	\$861.40	\$243.59	\$258.42
FY 2005²	\$295,489,522	377,600	\$782.55	\$806.02	\$234.76	\$241.81
FY 2006²	\$304,273,561	384,149	\$792.07	\$792.07	\$237.62	\$237.62

¹ Personal Property Taxes paid incorporate reductions in Personal Property Tax bills sent to citizens under the State's Personal Property Tax Relief program. FY 2000 and FY 2001 include reductions of 27.5 percent and 47.5 percent, respectively; and, FY 2002 through FY 2006 include a 70.0 percent reduction. The difference in revenue will be paid to the County by the Commonwealth.

² Estimated.

Personal Property Taxes paid by the "typical" household are shown in the preceding chart. Taxes paid in FY 2000 through FY 2006 reflect the Commonwealth of Virginia's Personal Property Tax Relief Act (PPTRA), which reduced an individual's Personal Property Tax payment by 27.5 percent in FY 2000, 47.5 percent in FY 2001, and 70.0 percent in FY 2002 through FY 2006. This analysis assumes that the "typical" household's vehicle(s) are valued at \$20,000 or less in order to qualify for a reduction under the PPTRA. In FY 2006, the "typical" household is estimated to pay \$237.62 in Personal Property Taxes, or \$223.75 less than was paid in FY 2000, not adjusting for inflation. When adjustments are made for inflation, the "typical" household is projected to pay \$305.13 less in FY 2006 than FY 2000. There have been no changes to the Personal Property Tax rate of \$4.57 per \$100 of assessed value for individuals during the FY 2000 to FY 2006 period, except for mobile homes and boats which are taxed at the prevailing Real Estate Tax rate each fiscal year.

Trends and Demographics

Sales Tax Per "Typical" Household

	Total Sales Tax	Number of Households	Tax per Household	Tax per Household in FY 2006 Dollars
FY 2000	\$128,787,605	353,136	\$364.70	\$429.02
FY 2001	\$133,492,619	358,149	\$372.73	\$428.98
FY 2002	\$125,577,043	363,677	\$345.30	\$388.29
FY 2003	\$126,785,250	366,585	\$345.85	\$377.60
FY 2004	\$140,070,124	370,322	\$378.24	\$401.27
FY 2005¹	\$150,687,742	377,600	\$399.07	\$411.04
FY 2006¹	\$158,222,129	384,149	\$411.88	\$411.88

¹ Estimated.

As shown in the table above, FY 2006 Sales Tax paid per household is estimated to be \$411.88 or \$47.18 more than FY 2000, not adjusting for inflation. This represents an average annual increase of just 2.0 percent since FY 2000. Taking inflation into account, Sales Tax paid per household has dropped \$17.14 over the same period.

Because this analysis assumes all Sales Taxes are paid by individuals living in Fairfax County, the impact on the typical household is somewhat overstated. A portion of the County's Sales Tax revenues are paid by businesses and non-residents who either work in the County or are visiting. As the County becomes more of a major employment center in the region, the contribution of non-residents to the County's Sales Tax revenues will grow in significance.

Consumer Utility Taxes Per "Typical" Household

	Total Consumer Utility Taxes Paid by Residential Consumers	Number of Households	Tax per Household	Tax per Household in FY 2006 Dollars
FY 2000	\$29,926,432	353,136	\$84.74	\$99.69
FY 2001	\$31,711,021	358,149	\$88.54	\$101.90
FY 2002	\$31,530,699	363,677	\$86.70	\$97.50
FY 2003	\$31,949,053	366,585	\$87.15	\$95.15
FY 2004	\$31,637,279	370,322	\$85.43	\$90.63
FY 2005¹	\$32,389,825	377,600	\$85.78	\$88.35
FY 2006¹	\$32,389,825	384,149	\$84.32	\$84.32

¹ Estimated.

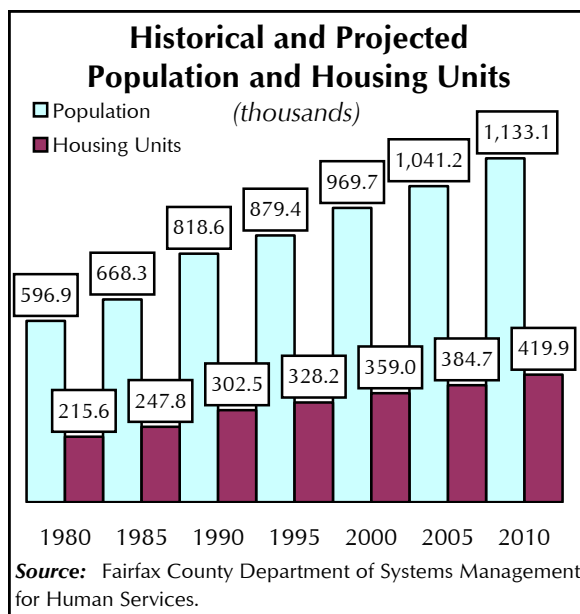
Based on data from the utility companies, it is estimated that residential consumers pay approximately 43.0 percent of the Electric Taxes, 73.0 percent of the Gas Taxes, and 25.0 percent of the Telephone Taxes received by the County. In FY 2006, the "typical" household will pay an estimated \$84.32 in Consumer Utility Taxes, \$0.42 less than in FY 2000 without adjusting for inflation. From FY 2000 to FY 2006, the "typical" household has experienced an average annual decrease of 2.8 percent, or \$15.37 over the period, adjusted for inflation.

Trends and Demographics

DEMOGRAPHIC TRENDS

Demographic trends strongly influence Fairfax County's budget. Changing demographics or population characteristics affect both the costs of government services provided as well as tax revenues. The descriptions and charts contained in this section provide some examples of how various demographic trends affect the Fairfax County budget. Although these trends are discussed separately, the interactions between these demographic trends ultimately influence the direction of expenditures and revenues. While certain demographic trends may suggest reduced expenditures in a program area, other demographic trends may increase program expenditures at the same time. The following information is based on the most recent data available at the time of publication. Calendar year 2003 has been updated to include the 2003 American Community Survey where data are available.

Population and Housing



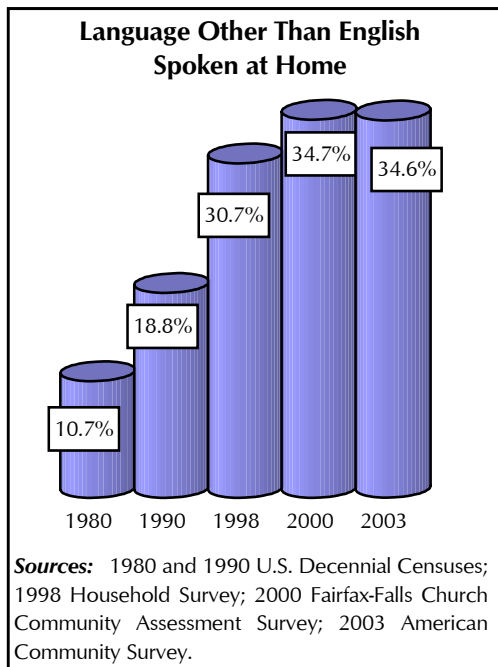
Some of the strongest demographic influences on Fairfax County expenditures and revenues are those associated with the growth in total population and housing units. Fairfax County experienced dramatic population growth during the 1980s, adding an average of more than 22,000 residents per year. This growth moderated during the 1990s to average growth just over 15,000 residents per year. Although population growth in the 1990s was slower than that of the 1980s, the increase in Fairfax County's population between 1990 and 2000 is comparable to adding more than the entire population of the City of Alexandria to the County.

In 2004, Fairfax County had an estimated population of 1,022,298 residents. The population is expected to grow to 1,041,200 in 2005 and 1,133,000 in 2010. From 1980 to 1990, the number of housing units in Fairfax County increased more rapidly (40 percent) than population (37 percent). This was due to the construction boom of the 1980s. Between 1990 and

2000, housing units grew at 18.7 percent, just slightly above population growth of 18.5 percent. From 2000 to 2005; however, population growth at 7.4 percent is expected to exceed housing unit growth of 7.2 percent. This trend reversal has contributed to the tight supply of available housing and is a factor in rising real estate assessments. Many County programs, such as fire prevention, transit, water and sewer, are impacted by the number of housing units. Other program areas such as libraries, recreation, and schools, are impacted more by the growth in population.

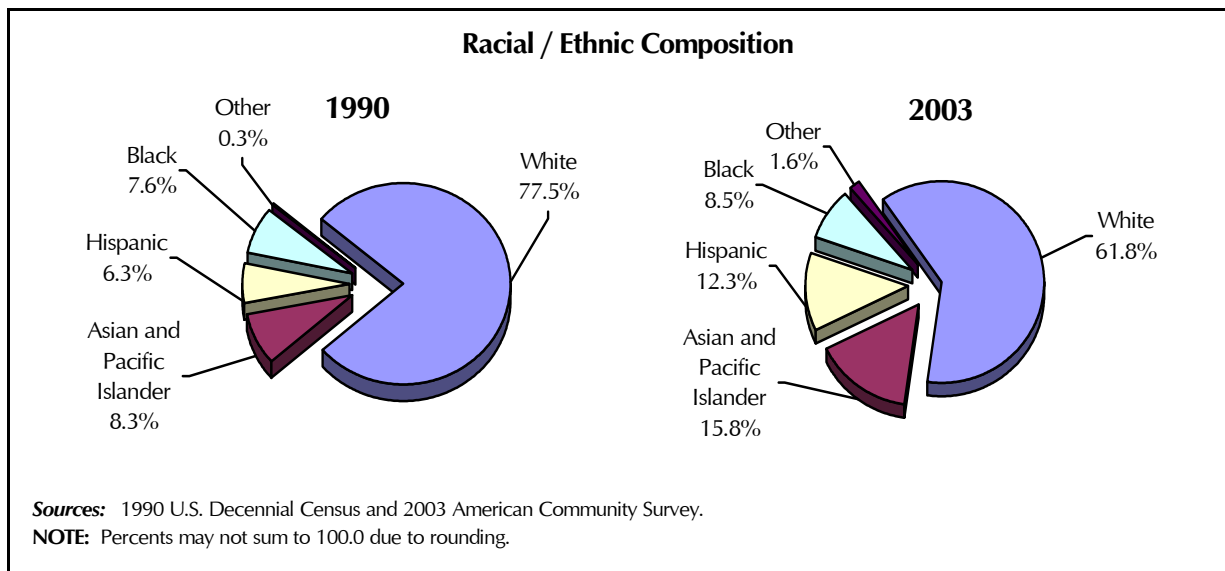
Trends and Demographics

Cultural Diversity



Fairfax County is a very diverse jurisdiction. As of 2003, the number of persons, age 5 years and older, speaking a language other than English at home has increased dramatically since 1980 to over 320,000 residents. In 1980, only 10.7 percent of residents age 5 years or older spoke a language other than English at home. By 1990, this percentage had risen to 18.8 percent. In 2003, over a third of the County's residents, age 5 years or older spoke a language other than English at home. The most frequently spoken languages other than English include Spanish, Korean, Vietnamese and Chinese.

These language trends affect many County programs. The Fairfax County Public Schools have experienced rapid growth in English for Speakers of Other Languages (ESOL) programs. Between FY 1994 and FY 2004 total public school membership increased 19 percent while ESOL enrollment increased 175 percent. Many general government programs also are affected by the County's cultural and language diversity. As with the public schools, the courts, police, fire, and emergency medical services, programs dealing with taxes and licenses, and human service programs must devise ways to effectively communicate with these citizens for whom English is a second language.



In 1990, racial and ethnic minorities comprised less than a quarter of Fairfax County's population. In 2003, these groups comprised over one-third of the County's residents. Hispanics have been the most rapidly growing group, followed by Asians and Pacific Islanders. These two minority groups are expected to be the County's fastest growing racial or ethnic groups during the next five years. Among Asian and Hispanic residents, almost 90 percent speak a language other than English at home. The percentage of persons speaking a language other than English at home will continue to increase over the next five years.

Trends and Demographics

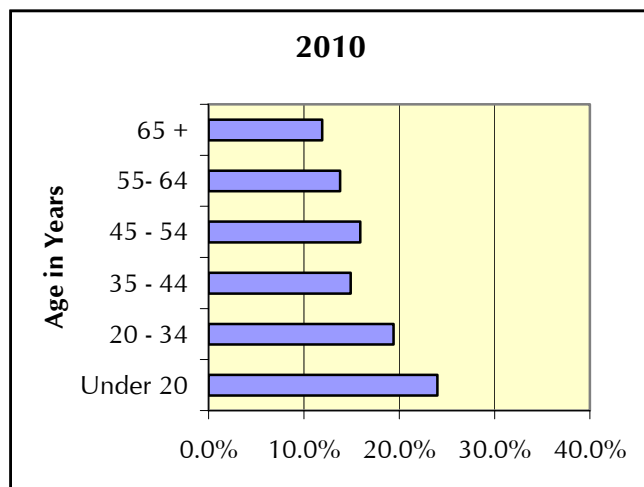
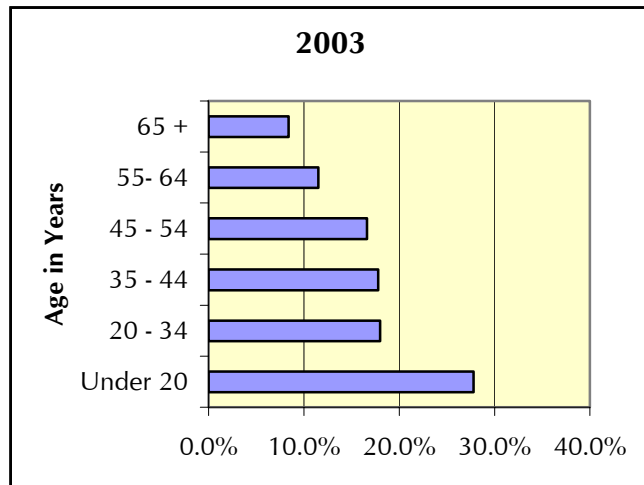
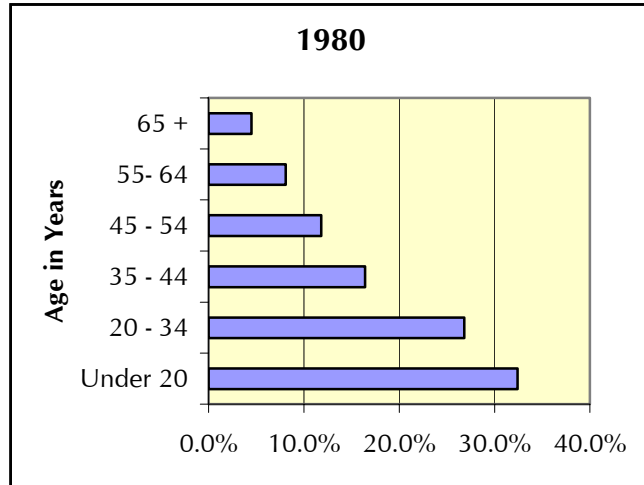
Population Age Distribution

Fairfax County's population has grown steadily older since 1980. This trend is projected to continue through 2010. Although children age 19 years and younger grew in number between 1980 and 2003, they became a smaller proportion of total population. This trend is expected to continue through 2010. The "baby boomlet" (children of baby boomers), will expand the percentage of the population between the ages of 20 and 34 years by 2010, but adults age 35 to 44 years will shrink in number and percentage by 2010.

Adults, age 45 to 54 years expanded rapidly in number between 1980 and 2003 as the first "baby boomers" reached their fifties. However, between 2003 and 2010, persons age 45 to 54 will not grow as rapidly in number as the last of the "baby boom" generation enters this age group and the oldest "baby boomers" move to the next age group. The most rapidly growing group between 1980 and 2003 was seniors age 65 years and older. Seniors are expected to continue to be one of the most rapidly expanding groups through 2010.

The age distribution of Fairfax County's population strongly influences the demand and, therefore, the costs of providing many local government services. For example, the number, location, and size of school and day care facilities are directly affected by the number and proportion of children. Transportation expenditures for both street maintenance and public transportation are influenced by the number and proportion of driving age adults and their work locations. The number and percentage of persons age 65 years and older will affect expenditures for programs for seniors such as health care. Public safety programs also are affected by age demographics. Crime rates, for example, are highest among persons age 15 to 34. In addition, the youngest and the oldest drivers have the greatest probability of being involved in traffic accidents.

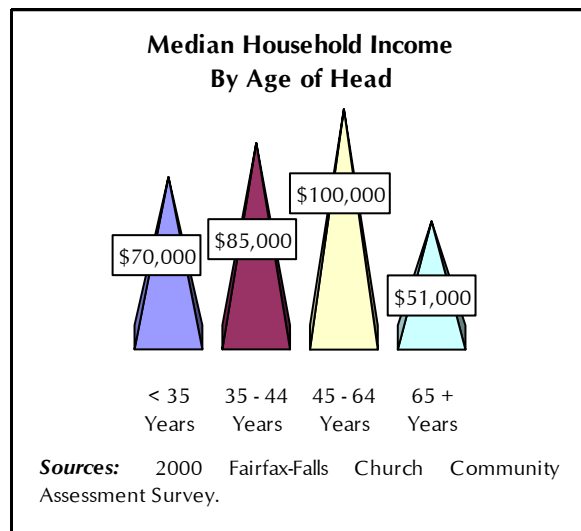
Population Age Distribution



Sources: 1980 U.S. Decennial Census; 2003 American Community Survey; 2010 Fairfax County Department of Systems Management for Human Services.

Trends and Demographics

Household Income

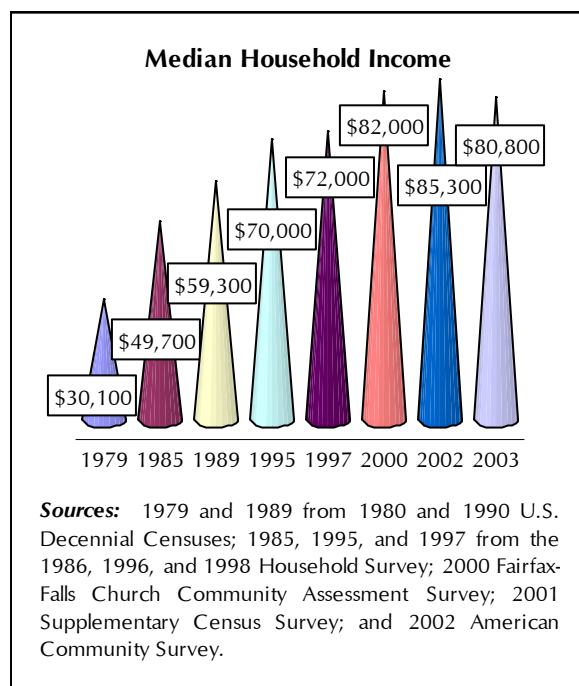


Fairfax County tax revenues also are affected by population age distributions. Income peaks among householders age 45 to 64 years, who are in their prime earning years. As the number of households headed by this age group expands during the next 15 to 20 years, some tax revenues will be stimulated. These householders, who are part of the “baby boom” generation, will fuel demand for trade-up housing. With their higher incomes, they also have greater discretionary income for spending on goods and services, thereby increasing revenue from sales taxes.

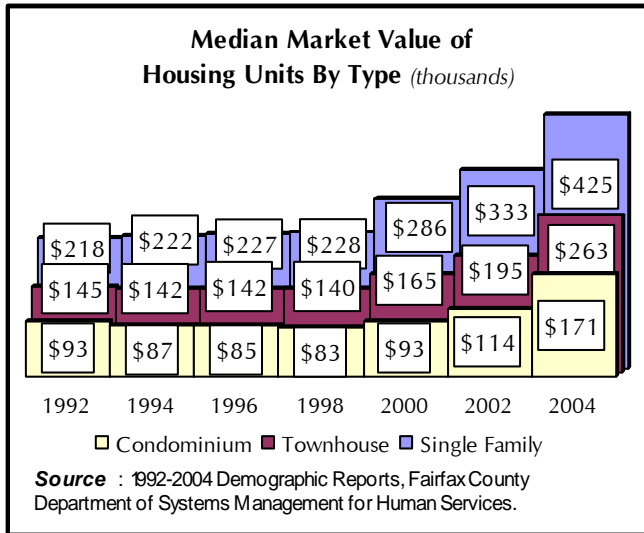
The median household income of households headed by a person age 65 or older falls to \$51,000. A population containing a larger number of seniors, age 65 and older, will put downward pressure on tax revenues. These senior households have less discretionary income to spend, on average, own fewer motor vehicles; and are more likely to qualify for tax relief or discounted fees.

From 1979 through 1989, the growth in Fairfax County’s median household income exceeded inflation, increasing 13.9 percent, adjusted for inflation. As a result, households in Fairfax County had more discretionary income to spend or save. Between 1989 and 1997, however, the growth in Fairfax County’s median income just kept pace with inflation, as measured by the Washington Area Consumer Price Index. Inflation adjusted median household income increased only 2.2 percent between 1989 and 1997. This trend continued between 1997 and 2003 as inflation adjusted median household income increased 1.9 percent.

Income growth does not affect Fairfax County tax revenues directly because localities in Virginia do not tax income; however, revenues are indirectly affected because impacts the County’s economic health. Tax categories affected by income include Sales Tax receipts, Residential Real Estate Taxes and Personal Property Taxes.



Trends and Demographics



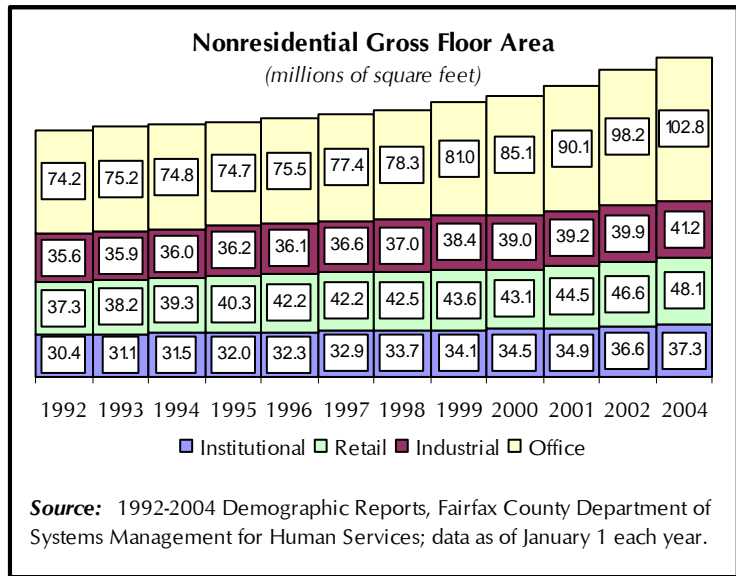
Median Market Value of Housing

The median market values of single family, townhouse, and apartment condominium housing increased dramatically through the 1980s but waned throughout the 1990s. Prices started to rebound in 1999. By 2004, the median market value of single family homes, which comprise nearly 50 percent of the County's total housing units, rose dramatically to \$424,945, an increase of \$92,000 in two years. The median market value of townhouses also increased considerably to \$263,340 and apartment style condominium values increased to \$171,363. The 2004 average rental complex rent was \$1,157.

In FY 2006, Real Estate Tax revenue makes up more than 60 percent of all General Fund Revenues and residential properties comprise the majority of the value of the Real Estate Tax base. Thus, the residential housing market has a very strong impact on Fairfax County's revenues. In 1979, the median market value of housing was 2.5 times greater than median household income. During the 1980s the median market value of housing grew much more rapidly than median household income. By 1990, the median market value of housing was more than three times the median household income. This trend has continued into 2004, as the median market value of all housing units is \$349,000 or 4.3 times the median household income of \$80,800.

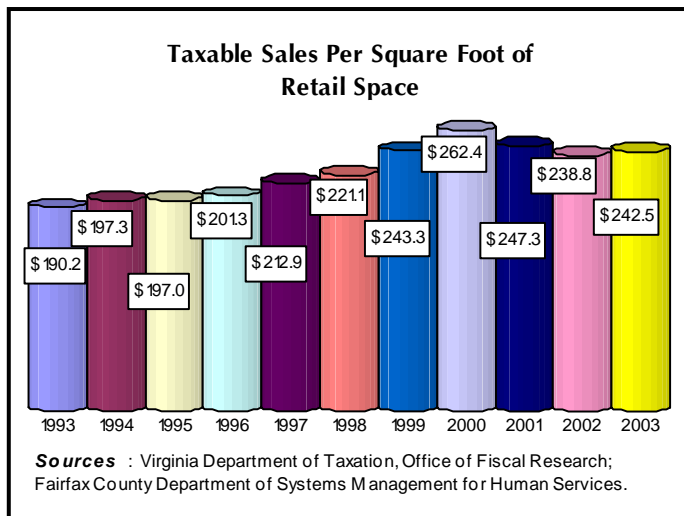
Nonresidential Space

The amount and value of nonresidential space in Fairfax County has a major impact on revenues and expenditures. Business activity affects Real Estate Tax revenues, business Personal Property Tax revenues, Business, Professional and Occupational License Tax revenues, Sales Tax revenues and Consumer Utility Tax revenues. Business expansion also affects expenditures for water and sewer services, transportation improvements and services, police and fire services, and refuse disposal. Since 1992, the total nonresidential gross floor area in Fairfax County has increased by 51.9 million square feet. Retail and office space have comprised most of this growth. Retail space increased by 10.8 million square feet and office space increased by 28.6 million square feet. Growth in the amount of nonresidential space in the County generally indicates an increase in the County's business base and thus, an increase in Real Estate Tax revenues. The impact on County revenues will also be influenced by factors such as vacancy rates and the income generating ability of the nonresidential space.



Trends and Demographics

Taxable Sales Per Square Foot of Retail Space

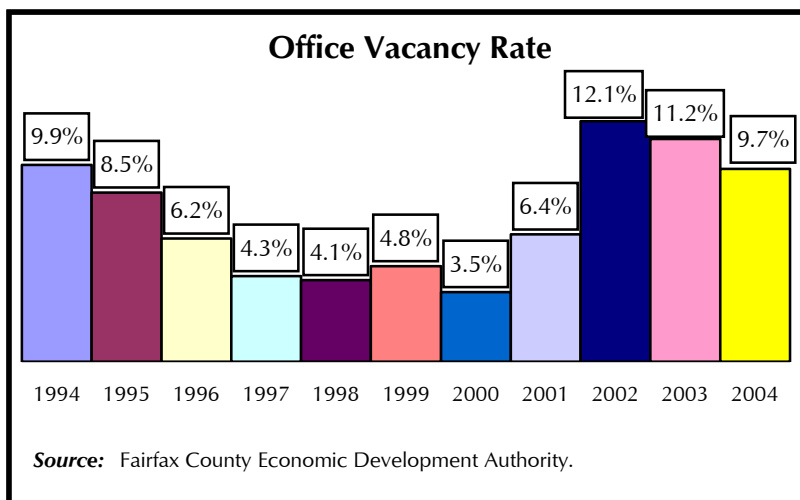


Taxable sales per square foot of retail space are an indicator of the health of the retail sales market in Fairfax County and a gauge of the income generating potential of retail space. After decreasing during the 1991-1992 recession, 1994 retail square footage returned to a level experienced in the late 1980s. In calendar year 1995, total taxable sales increased 2.2 percent but taxable sales per square foot of retail space exhibited a slight drop to \$197.0 per square foot. Thus, the amount of available retail space in Fairfax County grew faster than taxable sales.

Between 1995 and 2000, taxable sales per square foot of retail space increased to \$262.4, or 33.2 percent. When adjusted for inflation, taxable sales per square foot of retail space increased faster than inflation from 1997 to 2000. Real growth in taxable sales per square foot of retail space generally indicates a profitable retail sales market and encourages retail expansion. A healthy retail sales market generates increasing tax revenues for the County. After declining for two consecutive years in 2001 and 2002, taxable sales per square foot of retail space increased in 2003 to \$242.5. However, the 2003 level remains below the levels reached between 1999 and 2001.

Office Vacancy Rates

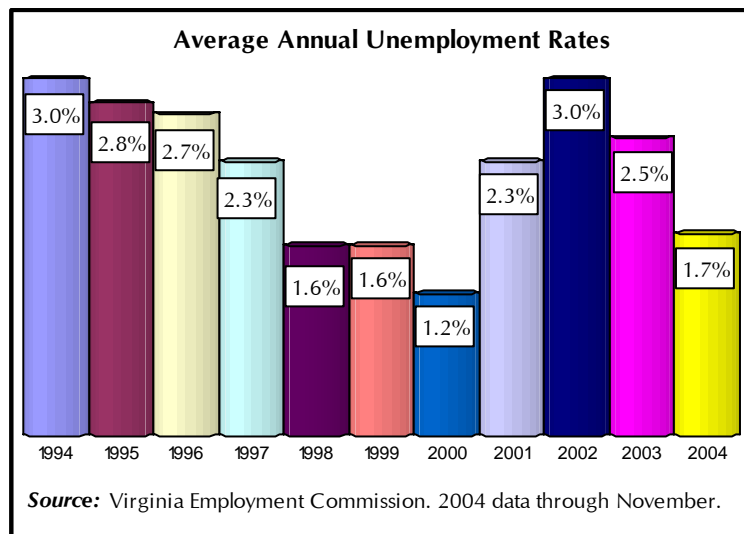
Due to overbuilding, Fairfax County had a glut of office space in the late 1980s and early 1990s. According to the Fairfax County Economic Development Authority, office vacancy rates peaked at 18.3 percent in 1990 and steadily declined through 2000 when the rate fell to 3.5 percent—the lowest office vacancy rate in more than 15 years. The low office vacancy rate was attributable to high demand technology related firms during the “tech boom” of the late 1990s. The vacancy rate dropped despite an increase in office inventory of more than 5.2 million square feet over the year.



By 2002, however, the office vacancy rate experienced more than a three-fold increase as a result of the economic slow-down, particularly in the technology sector. The vacancy rate improved in 2003, and again in 2004, declining to 9.7 percent – the first time in three years the office vacancy rate has dropped below double digits. The improved office vacancy rate is attributable to growth in the defense contracting and government services industries. Various sub-markets in the County may have higher or lower vacancy rates. Including sublet space, the office vacancy rate as of mid-year 2004 is 13.3 percent, down from 15.6 percent at year-end 2003. These trends impact tax revenues from office properties, which comprised 44.8 percent of the gross floor area of all nonresidential property.

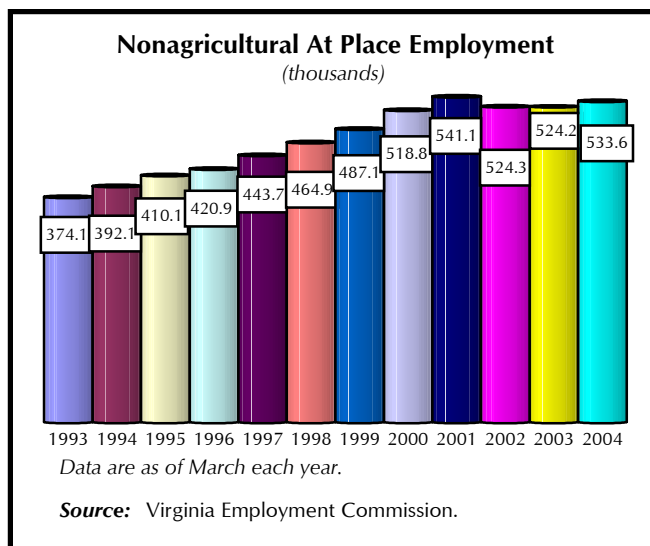
Trends and Demographics

Employment



Unemployment rates indicate the health of the Fairfax County economy by showing how many Fairfax County residents who desire to work cannot find employment. Residents of Fairfax County have experienced relatively low unemployment rates even during business cycle recessions. The annual unemployment rate in 2000 was 1.2 percent—the lowest rate in over a decade. Unemployment increased in 2002 to the highest level since 1994 due to the effects of September 11 and a decline in the technology sector. As the availability of jobs grew and employment increased due to a rebound in economic activity, primarily spurred by an increase in federal spending for contract services, the unemployment rate fell to 1.7 percent in November 2004.

At place employment provides an indication of the number of jobs generated by businesses in Fairfax County. As discussed above, business and employment growth generate additional tax revenues and additional expenditures for Fairfax County. According to data from the Virginia Employment Commission, the number of jobs in Fairfax County expanded by approximately 167,000 positions from 1993 to 2001 and unemployment rates fell dramatically. From 2001 to 2003, however, Fairfax County employment dropped 16,900. The declining trend in employment began to rebound in 2004, with the number of jobs increasing to approximately 533,600 as of March 2004. By the end of 2004, an estimated 24,900 jobs were created in Fairfax County.



Financial Forecast

This section includes:

- ▶ *Financial Forecast for FY 2007 and
FY 2008 (Page 174)*
- ▶ *Revenue Assumptions
(Page 176)*
- ▶ *Disbursement Assumptions
(Page 179)*

Financial Forecast

Financial Forecast

The Financial Forecast for FY 2007 and FY 2008 has been developed in accordance with Budget Guidelines adopted by the Board of Supervisors on April 19, 2004 and revised on May 24, 2004. These guidelines serve as an important tool in the process of budget development. As resolved by the Board, the guidelines:

1. Limit the increase in expenditures to the projected rate of increase in revenues.
2. Instruct staff to provide information on FY 2006 revenue and economic outlook to the Board in late 2004 so that guidance can be provided to the Schools regarding the School operating transfer.
3. Direct the County Executive to prepare a budget which will allow the Board to reduce the real estate tax rate further, if real estate tax assessments and other revenues increase significantly for FY 2006. In enabling this reduction, the Board will consider all sources of increasing revenue, including state dollars, and will review for reduction the entire County budget.
4. Require the County and Schools to consider the continued availability of funds when allocating resources such that non-recurring funds be directed toward non-recurring uses and that only recurring resources be targeted toward recurring expenses.

The following forecast for FY 2007 and FY 2008 maintains the FY 2006 Advertised Budget Plan Real Estate Tax rate of \$1.03 and, limits increases in County expenditures and the transfer to the Schools to the revenue growth rate anticipated in each year. This forecast projects County total revenue growth of 7.43 percent in FY 2007 and 6.82 percent in FY 2008. These rates of growth are due to projected moderating increases in real estate property values and decelerating growth in other revenue categories. Categories such as Sales Tax receipts and Business Professional and Occupational Licenses experienced robust growth in 2004, at rates of 10.5 percent and 9.3 percent, respectively. Budget estimates for these categories show some moderation in FY 2005 and FY 2006 which is expected to continue into the forecast period. Excluding Real Estate Tax revenue, all other categories are anticipated to increase just 3.1 percent and 3.0 percent in FY 2007 and FY 2008, respectively.

This current forecast shows surpluses of \$11.8 million in FY 2007 and \$16.4 million in FY 2008 which are primarily due to one-time funding of \$15.0 million in FY 2006 for the Public Safety Transportation and Operations Center that is not included in the forecast years. The projected surpluses in FY 2007 and FY 2008 may be available for the Board of Supervisors' consideration of funding for additional service requirements or providing additional real estate tax relief.

Financial Forecast

FY 2007 and FY 2008 FINANCIAL FORECAST (millions)

	FY 2004 ACTUAL	FY 2005 REVISED	FY 2006 ADVERTISED	FY 2007 FORECAST	FY 2008 FORECAST
Available Beginning Balance	\$118.89	\$99.26	\$23.21	\$0.00	\$0.00
Reserves Balance	0.00	53.08	56.19	60.08	64.57
REVENUE:					
Real Estate Taxes	\$1,500.73	\$1,625.68	\$1,829.16	\$2,016.85	\$2,201.77
Personal Property Taxes ¹	459.44	462.51	472.53	484.14	496.04
Other Local Taxes	14.43	442.43	457.22	470.89	485.15
Permits, Fees, and Licenses	473.87	27.58	32.54	34.09	34.24
Fines and Forfeitures	1,974.60	12.89	13.10	13.36	13.63
Revenue from Use of Money/Property	0.00	29.20	36.32	43.02	52.04
Charges for Services	0.00	6.88	48.76	51.42	52.12
Revenue from the Commonwealth ¹	140.07	34.75	80.40	80.40	80.40
Revenue from the Federal Govt.	2.87	1.88	41.94	41.94	41.94
Recovered Costs/Other Revenue	0.00	0.00	6.59	6.59	6.59
TOTAL REVENUE	\$2,631.92	\$2,772.20	\$3,018.56	\$3,242.70	\$3,463.92
TRANSFERS IN	1.40	1.67	2.10	2.16	2.21
TOTAL RECEIPTS	\$2,633.31	\$2,773.86	\$3,020.66	\$3,244.86	\$3,466.14
TOTAL AVAILABLE	\$2,752.21	\$2,926.21	\$3,100.06	\$3,304.94	\$3,530.71
DIRECT EXPENDITURES:					
Personnel Services	\$525.89	\$573.99	\$620.04	\$666.08	\$711.52
Operating Expenses	308.17	349.21	318.07	341.69	365.00
Worked Performed for Others	(36.78)	(39.49)	(40.87)	(43.90)	(46.89)
Capital Equipment	3.37	5.79	2.88	3.10	3.31
Fringe Benefits	132.81	161.72	176.75	189.87	202.83
TOTAL DIRECT EXPENDITURES	\$933.47	\$1,051.21	\$1,076.87	\$1,156.84	\$1,235.76
TRANSFERS OUT:					
Schools	\$1,240.85	\$1,322.37	\$1,431.34	\$1,537.62	\$1,642.52
G O Debt (County)	98.45	98.72	98.72	112.56	117.94
G O Debt (Schools)	120.90	126.53	130.28	148.60	155.70
CSB	80.60	82.07	90.85	97.59	104.25
Metro	12.27	18.14	22.32	25.66	29.51
Paydown Construction	41.17	24.59	51.23	37.80	39.60
County Transit	19.65	21.21	24.15	25.94	27.71
Other Transfers	35.93	45.45	61.37	65.93	70.42
Information Technology	11.33	11.42	17.05	20.00	22.00
Revenue Stabilization	5.25	7.81	0.00	0.00	0.00
TOTAL TRANSFERS OUT	\$1,666.39	\$1,758.31	\$1,927.29	\$2,071.71	\$2,209.65
TOTAL DISBURSEMENTS	\$2,599.86	\$2,809.52	\$3,004.16	\$3,228.55	\$3,445.42
ENDING BALANCE	\$152.34	\$116.69	\$95.90	\$76.39	\$85.29
Managed Reserve	53.08	56.19	60.08	64.57	68.91
TOTAL AVAILABLE	\$99.26	\$30.29	\$0.00	\$11.82	\$16.38

¹The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

Financial Forecast

Revenue Assumptions

Revenue estimates for FY 2007 and FY 2008 are based on a review of current and projected local and national economic conditions. Most economists expect that national economic growth will slow somewhat from the robust pace of 2004. Real economic growth, as measured by the Gross Domestic Product (GDP), increased 4.4 percent in 2004. In the final quarter of 2004; however, economic growth slowed from rates experienced earlier in the year to a rate of 3.1 percent. This slowing indicates that the national economy is expanding but may be returning to a more sustainable historical rate. The U.S. Leading Index of Economic Indicators increased in November and December 2004 after falling for five consecutive months. The Conference Board noted that the Index fell below its long-term trend which is consistent with continued economic expansion in the near term, but at a rate slower than its long-term trend.

Growth in the Fairfax County economy was exceptionally strong in 2004. Gross County Product, an estimate of the goods and services produced in the County, rose 5.8 percent, the fastest pace since 2000. An estimated 24,900 net new jobs were created in Fairfax County in 2004, an increase of 4.1 percent over 2003. This increase is primarily due to increased federal procurement spending. Favorable interest rates have also advanced the economy by spurring consumer spending, home purchases and business investment.

Fairfax County's economic growth is expected to moderate throughout the forecast period. Economic forces that fueled robust growth in 2004, such as rapid federal spending, low interest rates and federal tax cuts are expected to dissipate, resulting in more measured growth. The Leading Index is moderating which indicates that the economy is transitioning from acceleration to a pattern of more stable growth. Stephen Fuller noted in the January 2005 issue of the *Fairfax County Economic Index* that "...As the expansion matures, the County's economy should settle into a more normal pattern of growth in 2005 that will moderate as the expansion ages this year and into 2006 and beyond." Based on Dr. Fuller's projections, economic growth in Fairfax County is expect to slow from the 5.8 percent increase experienced in 2004 to 5.2 percent and 4.3 percent in FY 2005 and FY 2006, respectively. During the forecast period, economic growth is expected to moderate further to 4.0 percent in FY 2007 and 3.7 percent in FY 2008.

FY 2006 represents the fifth year of double-digit increases in Fairfax County residential assessments. Since FY 2001, the mean assessed value of a home in Fairfax County has risen approximately 114 percent. During this period, spending by the federal government was increased significantly as a result of post-September 11, 2001 homeland security spending. Job growth created a demand for housing that exceeded the supply of available homes. These factors, along with historically low interest rates have propelled home prices upward.

While there is no expectation of price declines, the rapid rise in housing values over the past several years has raised concerns of a potential housing "bubble." The rise in home prices has been much faster than the rise in incomes. By comparing home prices to incomes, the Local Market Monitor estimated that homes in the Washington Area are overvalued by 17 percent. As housing prices have consistently risen for a number of years, analysts believe speculative purchases have increased. Buyers may be willing to offer more for a home when there is the expectation of continued appreciation. This view is echoed by information presented at a National Association of Home Builders' (NAHB) conference in October 2004. The NAHB indicated that the Washington area is one of 14 metropolitan areas they consider to be overpriced. The current level of price appreciation is not expected to continue into FY 2007 and FY 2008. A gradual rise in mortgage interest rates and slower economic growth are expected to cool the housing market during the forecast period. Sixteen economists and executives that follow the Washington Metropolitan Area were surveyed in January 2005 by *The Washington Post*; their median projection for 2005 single-family home appreciation in the region was 8.9 percent (2005 home values will be reflected in FY 2007 assessments).

The Financial Forecast assumes an overall increase in Real Estate values of 10.30 percent in FY 2007 and 9.20 percent in FY 2008 compared to the 23.49 percent increase experienced in FY 2006. Total equalization, or the reassessment of existing property, is anticipated to increase 8.20 percent in FY 2007 and 7.40 percent in FY 2008. Residential equalization is projected to increase at moderate rates of 9.00 percent in FY 2007 and 8.00 percent in FY 2008.

Financial Forecast

In FY 2006, existing nonresidential property values experienced a robust increase of 12.74 percent after rising just 3.74 percent in FY 2005 and declining 2.94 percent in FY 2004. As a result of improving office vacancy rates and recent sales activity, the value of Office Elevator properties (mid- and high-rises), which comprise 37.2 percent of the nonresidential tax base, rose 18.81 percent in FY 2006. The Economic Development Authority (EDA) recently reported that the office vacancy fell below double digits to 9.7 percent at mid-year 2004 from 11.2 percent as of year-end 2003. Including sublet space, the office vacancy rate fell from 15.6 percent as of year-end 2003 to 13.3 percent as of mid-year 2004. Office vacancy rates are expected to continue to improve during the forecast period as a result of business expansion and job growth.

The value of Hotel property advanced a hearty 15.34 percent in FY 2006 after increasing 4.48 percent in FY 2005. Lower rates of growth are projected in Hotel property over the next two years as occupancy rates drop slightly in response to the additional availability of rooms as two new hotels were delivered in late 2004 and two are expected to be completed in 2005, increasing room inventory 4.0 percent. The Retail and Regional Malls categories rose 10.99 and 4.06 percent, respectively in FY 2006. Growth in these categories is expected to be lower during FY 2007 and FY 2008 in response to slower growth in the economy. Overall, the value of existing nonresidential properties is anticipated to experience moderate increases of 5.00 percent in both FY 2007 and FY 2008.

In addition to equalization, the remaining increase in Real Estate value is due to new construction or normal growth. New construction is expected to increase at a lower rate during FY 2007 and FY 2008 a result of a lack of buildable land in the County. Office construction will continue to primarily be build-to-suit. The two hotels to be completed in 2005 impact the FY 2007 growth estimate. Residential construction is anticipated to be moderate during the forecast period. Overall, increases due to new construction are projected to be 2.10 percent in FY 2007 and 1.80 percent in FY 2008 compared to an increase of 2.69 percent in FY 2006.

In FY 2006, Current Personal Property Tax revenue is anticipated to experience growth of 2.5 percent due to projected modest increases in both the vehicle and business components. Personal Property Tax revenue, which represents 15.7 percent of total FY 2006 General Fund revenue, is expected to experience this same rate of growth in FY 2007 and FY 2008.

Based on the Personal Property Tax Relief Act (PPTRA) of 1998, the Virginia General Assembly approved a plan to eliminate the Personal Property Tax on vehicles owned by individuals. Under the originally approved plan, taxes paid by individuals were to be reduced on the first \$20,000 of value over a five-year period ending in FY 2003. However, due to the State's lower than anticipated General Fund revenue growth and the unanticipated growth in required PPTRA funding, the reimbursement rate has remained at 70 percent since FY 2002. The Commonwealth's budget, approved by the 2004 General Assembly, caps statewide personal property tax relief at \$950 million per year beginning in FY 2007. In FY 2007, localities will be required to set a lower tax rate for the first \$20,000 in value for personal use vehicles. As the personal property tax increases, the cap of the state reimbursement means that the State will be reimbursing at a rate lower than 70 percent. Through FY 2007, revenue from the personal property tax paid locally plus state reimbursement should be revenue neutral. Thereafter, growth in the value of personal use vehicles would not be fully offset by the state reimbursement. A reduction in revenue would occur unless the locality's tax rate on personal property was gradually increased. The 2005 General Assembly is currently considering various plans that may revise the 2004 legislation. The final outcome will not be known until after the 2005 session is completed. At this time, the FY 2008 estimate for Personal Property Tax assumes no revenue impact from the cap on State reimbursements.

Business activity and consumer spending are expected to be moderate during the forecast period. Business, Professional and Occupational Licenses (BPOL) revenue is projected to rise 4.0 percent in each fiscal year while Sales Tax receipts are expected to increase 5.0 percent in FY 2007 and FY 2008.

Financial Forecast

Interest earned on investments is expected to rise in FY 2007 and FY 2008 based on a forecast of gradual increases in interest rates and growth in the investment portfolio. Since June 2004 when the federal funds rate was 1.0 percent, the Federal Reserve has raised interest rates six times, to 2.50 percent. The Federal Reserve indicated that gradual increases in interest rates will continue at what they call a measured pace. These adjustments will directly impact the yield earned on the County's investment portfolio. The average annual yield on investments was just 1.04 percent in FY 2004; however, based on current interest rates, the yield on the County investments is expected to rise to 2.23 percent in FY 2005 and to 2.50 percent in FY 2006. During the forecast period, the yield on investments is expected to continue to increase with projections of 3.0 percent in FY 2007 and 3.5 percent in FY 2008.

Excluding revenues from the Commonwealth of Virginia associated with the reimbursement of Personal Property Taxes, Revenue from the Commonwealth and Federal Government is expected to decline 0.5 percent in FY 2006 primarily due to one-time revenues in FY 2005 associated with reimbursement for the purchase of new voting machines and the elimination of a federal grant that reimburses the County for expenses incurred for housing illegal aliens in the Adult Detention Center. Revenue from the Commonwealth and Federal Governments is expected to remain at the FY 2006 level in FY 2007 and FY 2008. Since the majority of the revenue from the state and federal governments are reimbursements associated expenditure requirements, any increase in revenue is expected to be more than offset with expenditure increases.

The Permits, Fees and Regulatory Licenses category is anticipated to increase \$5.0 million in FY 2006, primarily due to proposed fee increases in Zoning Fees and Land Development Services (LDS) Fees including issuing building permits and inspections. During FY 2007, the second phase of LDS fee adjustments will be implemented, resulting in an increase of \$1.4 million. In FY 2008, LDS fees are projected to remain at their FY 2007 level. It should be noted that the expectation that LDS's Building and Permit fee revenue will not increase assumes a continuation of the same level of building activity projected to be achieved in FY 2007 and should not be viewed as a reduction. Other Permit and Fees and Regulatory Licenses categories are expected to experience modest growth during the forecast period.

Financial Forecast

In total, General Fund revenues are projected to increase 7.43 percent in FY 2007 and 6.82 percent in FY 2008. Revenue growth rates for individual categories are shown in the following table:

REVENUE GROWTH RATES

Category	FY 2005	FY 2006	FY 2007	FY 2008
Real Estate Tax - Assessment Base	12.04%	23.49%	10.30%	9.20%
Equalization	9.54%	20.80%	8.20%	7.40%
Residential	11.29%	23.09%	9.00%	8.00%
Nonresidential	3.74%	12.74%	5.00%	5.00%
Normal Growth	2.50%	2.69%	2.10%	1.80%
Personal Property Tax - Current ¹	-1.44%	2.54%	2.50%	2.50%
Local Sales Tax	7.58%	5.00%	5.00%	5.00%
Business, Professional and Occupational, License (BPOL) Taxes	6.00%	5.00%	4.00%	4.00%
Recordation/Deed of Conveyance	15.14%	-9.92%	0.00%	0.00%
Interest Rate Earned on Investments	2.23%	2.50%	3.00%	3.50%
Vehicle Decals	1.80%	2.00%	2.00%	2.00%
Building Plan and Permit Fees	-6.19%	20.00%	5.56%	0.00%
Charges for Services	-0.43%	15.13%	5.47%	1.36%
State/Federal Revenue ¹	-12.28%	-0.52%	0.00%	0.00%
TOTAL REVENUE	5.33%²	8.89%	7.43%	6.82%

¹ The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

² Absent the Real Estate Tax cut of 3 cents from \$1.16 per \$100 of assessed value to \$1.13 per \$100 of assessed value, total revenue growth would have been 6.99 percent in FY 2005.

Disbursement Assumptions

Direct Expenditures

As previously mentioned, increases in County expenditures are not to exceed the projected growth in County revenues. As such, direct expenditures are shown to increase 7.43 percent in FY 2007 and 6.82 percent in FY 2008. The basic costs of operating County government will have to be accommodated within the projected overall increase for FY 2006 and FY 2007, such as funding pay for performance for employees, market rate adjustments for contractors and inflationary growth, rising health care costs and required contributions for retirement. In addition, we will have to provide for new facilities and service expansions. The Board of Supervisors, at its strategic planning retreat in February 2004 identified priorities for the next four years, including: Public safety and gang prevention; Affordable housing; Environmental protection; Strong investment in education; Transportation improvements; and Revenue diversification to reduce the burden on homeowners. Having these clearly defined priorities will enable the County to focus budget strategies on those initiatives that will result in the greatest return on investment, while balancing the cost to taxpayers.

It should be noted that this forecast does not include the recommendations from the Affordable Housing Preservation Action Committee that called for the dedication of one penny of the real estate tax rate to help keep 1,000 units of housing at affordable rental rates. Inclusion of this additional funding would require reductions in other disbursement categories or adjustments in the tax rate.

Financial Forecast

Transfers Out

School Transfer

The Financial Forecast includes an increase in the School transfer consistent with the rate of revenue growth, 7.43 percent in FY 2007 and 6.82 percent in FY 2008 for the purposes of this forecast.

Transportation

The transfer requirements of \$25.7 million and \$29.5 million in FY 2007 and FY 2008, respectively, for Metro Operations and Construction reflect annual increases of 15.0 percent based on projected inflationary increases and regional infrastructure requirements for Metrorail and Metrobus service. More moderate increases based on revenue growth are included for County Transit based on projected cost increases in the CONNECTOR bus system and Commuter Rail contributions and the purchase of 15 replacement buses each year.

Debt Service

The Debt Service requirements reflect increases required to support the level of bond sales proposed in the FY 2005 – 2010 Capital Improvement Program (With Future Fiscal Years to 2015).

Paydown

Paydown capital construction includes transfers from the General Fund to support construction and renovation of capital facilities. In FY 2007 and FY 2008, the projected annual transfer for Paydown construction is \$37.8 million and \$39.6 million, respectively. This level provides the ongoing value of a penny in dedicated funding for stormwater management, including the environmental and public safety requirements associated with our County stormwater system. It also includes funding for essential maintenance and repair in order to protect and extend the operation of County facilities to avoid their obsolescence and provide for planned repairs, improvements and restorations to meet organizational and community needs.

Transfer to Fairfax-Falls Church Community Services Board

The General Fund transfer supporting the Fairfax-Falls Church Community Services Board is consistent with the rate of revenue growth.

Information Technology

Based on a recommendation from the County's Information Technology Advisory Group (ITAG), a \$20.0 million information technology (IT) transfer has been included in FY 2007 and \$22.0 million in FY 2008. ITAG, a private sector advisory group established by the County Executive to investigate the condition of the County's IT resources, has identified a total IT requirement of \$95 million and annual spending of \$15 million to \$20 million.

Other Transfers

Other Transfers have been increased by the rate of revenue growth in FY 2007 and FY 2008, or 7.43 percent and 6.82 percent, respectively.

Long-Term Financial Policies and Tools

This section includes:

- ▶ *Ten Principles of Sound Financial Management (Page 182)*
- ▶ *Long-Term Financial Policies (Page 185)*
- ▶ *Ten Fundamental Principles of Information Technology (Page 192)*
- ▶ *Financial Management Tools and Planning Documents (Page 193)*

Long-Term Financial Policies and Tools

This section identifies some of the major policies, long-term financial management tools and planning documents which serve as guidelines for decisions, support the strategic direction of the County and contribute directly to the outstanding fiscal reputation of the County. Adherence to these policies historically has enabled the County to borrow funds at the lowest possible interest rates available in the municipal debt market.

Fairfax County is proud to have been named “one of the best-managed jurisdictions in America” by *Governing* magazine and the Government Performance Project (GPP). The GPP conducted a comprehensive study evaluating the management practices of 40 counties across the country and Fairfax County received an overall grade of “A-,” one of only two jurisdictions to receive this highest grade. Also, for the significant effort on performance measurement, the County was recognized by the Performance Institute with its Performance Management Award, the International City Management Association’s (ICMA) Certificate of Distinction, and Special Recognition for Performance Measures as part of the Government Finance Officer’s Association’s (GFOA) Distinguished Budget Presentation Award in 2004.

The keystone to the County's ability to maintain its fiscal integrity is the continuing commitment of the County's Board of Supervisors. This commitment is evidenced by the Board of Supervisors’ adoption in 1975 of *Ten Principles of Sound Financial Management*, which remain the policy context in which financial decisions are considered and made. These principles relate primarily to the integration of capital planning, debt planning, cash management, and productivity as a means of ensuring prudent and responsible allocation of the County's resources.

In addition to the *Ten Principles of Sound Financial Management*, this section includes an overview of the County's long-term financial policies with a brief description of policies relating to the budget guidelines, reserves, internal financial controls, debt management, risk management, information technology, and investments. Long-term financial management tools and planning documents used by the County are also briefly described.

Ten Principles of Sound Financial Management

The *Ten Principles of Sound Financial Management* adopted by the Board of Supervisors on October 22, 1975, endorsed a set of policies designed to contribute to the County’s fiscal management and maintain the County's "triple A" bond rating. The County has maintained its superior rating in large part due to its firm adherence to these policies. The County's exceptional "triple A" bond rating gives its bonds an unusually high level of marketability and results in the County being able to borrow for needed capital improvements at low interest rates, thus realizing significant savings now and in the future for the citizens of Fairfax County.

From time to time the Board of Supervisors has amended the *Ten Principles of Sound Financial Management* in order to address changing economic conditions and management practices. The most recent amendment to the *Ten Principles* was in April 2002 reflecting changes in the economy and the market place in the 14 years since the last amendments in 1988. In addition to the more traditional methods of long-term financing through general obligation bonds, the County has been able to accomplish major capital improvements through the use of alternative financing while maintaining the County's fiscal integrity as required by the *Ten Principles*. Accomplishments such as Metro station parking garages, construction of Route 28, the opening of commuter rail and construction of government facilities have all been attained in addition to a robust bond construction program. Most recently, in 2003 the County was able to accelerate the construction of a new high school by three years through the creative use of revenue bonds in connection with the joint development of a senior care facility and a golf course in conjunction with the high school. In the last 10 years the County has approved approximately \$2.0 billion of new debt at referendum, primarily for Schools. Since 1975, the savings associated with the County having a “triple-A” bond rating is estimated at \$234.5 million. Including savings from the various refunding sales, the total benefit to the County exceeds \$323 million. Also, implementation of a Master Lease program and judicious use of short-term lease purchases for computer equipment, copier equipment, school buses and energy efficient equipment have permitted the County and the Schools to maximize available technology while maintaining budgetary efficiency.

Long-Term Financial Policies and Tools

The 2002 amendments to the *Ten Principles* reflect the dynamic economic conditions faced today. The availability of resources, the application of new tools, and the expectations of the marketplace require prudent and responsible management as reflected by the financial policies. Staying current allows the County to continue to maintain its superior position and fiscal integrity.

Ten Principles of Sound Financial Management April 2002

1. **Planning Policy.** The planning system in the County will continue as a dynamic process, which is synchronized with the capital improvement program, capital budget and operating budget. The County's land use plans shall not be allowed to become static. There will continue to be periodic reviews of the plans at least every five years. Small area plans shall not be modified without consideration of contiguous plans. The Capital Improvement Program will be structured to implement plans for new and expanded capital facilities as contained in the County's Comprehensive Plan and other facility plans. The Capital Improvement Program will also include support for periodic reinvestment in aging capital and technology infrastructure sufficient to ensure no loss of service and continued safety of operation.
2. **Annual Budget Plans.** Annual budgets shall continue to show fiscal restraint. Annual budgets will be balanced between projected total funds available and total disbursements including established reserves.
 - a. A managed reserve shall be maintained in the General Fund at a level sufficient to provide for temporary financing of critical unforeseen disbursements of a catastrophic emergency nature. The reserve will be maintained at a level of not less than two percent of total Combined General Fund disbursements in any given fiscal year.
 - b. A Revenue Stabilization Fund (RSF) shall be maintained in addition to the managed reserve at a level sufficient to permit orderly adjustment to changes resulting from curtailment of revenue. The ultimate target level for the RSF will be three percent of total General Fund Disbursements in any given fiscal year. After an initial deposit, this level may be achieved by incremental additions over many years. Use of the RSF should only occur in times of severe economic stress. Accordingly, a withdrawal from the RSF will not be made unless the projected revenues reflect a decrease of more than 1.5 percent from the current year estimate and any such withdrawal may not exceed one half of the RSF fund balance in that year. Until the target level is reached, the Board of Supervisors will allocate to the RSF a minimum of 40 percent of non-recurring balances identified at quarterly reviews.
 - c. Budgetary adjustments which propose to use available general funds identified at quarterly reviews should be minimized to address only critical issues. The use of non-recurring funds should only be directed to capital expenditures to the extent possible.
 - d. The budget shall include funds for cyclic and scheduled replacement or rehabilitation of equipment and other property in order to minimize disruption of budgetary planning from irregularly scheduled monetary demands.
3. **Cash Balances.** It is imperative that positive cash balances exist in the General Fund at the end of each fiscal year. If an operating deficit appears to be forthcoming in the current fiscal year wherein total disbursements will exceed the total funds available, the Board will take appropriate action to balance revenues and expenditures as necessary so as to end each fiscal year with a positive cash balance.
4. **Debt Ratios.** The County's debt ratios shall be maintained at the following levels:
 - a. Net debt as a percentage of estimated market value shall be less than 3 percent.
 - b. Debt service expenditures as a percentage of General Fund disbursements shall not exceed 10 percent. The County will continue to emphasize pay-as-you-go capital financing. Financing capital projects from current revenues is indicative of the County's intent to use purposeful restraint in incurring long-term debt.
 - c. For planning purposes annual bond sales shall be structured such that the County's debt burden shall not exceed the 3 and 10 percent limits. To that end sales of general obligation bonds and general obligation supported debt will be managed so as not to exceed a target of \$200 million per year, or \$1 billion over 5 years, with a technical limit of \$225 million in any given year. Excluded from this cap are refunding bonds, revenue bonds or other non-General Fund supported debt.

Long-Term Financial Policies and Tools

Ten Principles of Sound Financial Management April 2002

- d. For purposes of this principle, debt of the General Fund incurred subject to annual appropriation shall be treated on a par with general obligation debt and included in the calculation of debt ratio limits. Excluded from the cap are leases secured by equipment, operating leases, and capital leases with no net impact to the General Fund.
- e. For purposes of this principle, payments for equipment or other business property, except real estate, purchased through long-term lease-purchase payment plans secured by the equipment will be considered to be operating expenses of the County. Annual General Fund payments for such leases shall not exceed 3 percent of annual General Fund disbursements, net of the School transfer. Annual equipment lease-purchase payments by the Schools and other governmental entities of the County should not exceed 3 percent of their respective disbursements.
5. **Cash Management.** The County's cash management policies shall reflect a primary focus of ensuring the safety of public assets while maintaining needed liquidity and achieving a favorable return on investment. These policies have been certified by external professional review as fully conforming to the recognized best practices in the industry. As an essential element of a sound and professional financial management process, the policies and practices of this system shall receive the continued support of all County agencies and component units.
6. **Internal Controls.** A comprehensive system of financial internal controls shall be maintained in order to protect the County's assets and sustain the integrity of the County's financial systems. Managers at all levels shall be responsible for implementing sound controls and for regularly monitoring and measuring their effectiveness.
7. **Performance Measurement.** To ensure Fairfax County remains a high performing organization all efforts shall be made to improve the productivity of the County's programs and its employees through performance measurement. The County is committed to continuous improvement of productivity and service through analysis and measurement of actual performance objectives and customer feedback.
8. **Reducing Duplication.** A continuing effort shall be made to reduce duplicative functions within the County government and its autonomous and semi-autonomous agencies, particularly those that receive appropriations from the General Fund. To that end, business process redesign and reorganization will be encouraged whenever increased efficiency or effectiveness can be demonstrated.
9. **Underlying Debt and Moral Obligations.** The proliferation of debt related to but not directly supported by the County's General Fund shall be closely monitored and controlled to the extent possible, including revenue bonds of agencies supported by the General Fund, the use of the County's moral obligation and underlying debt.
 - a. A moral obligation exists when the Board of Supervisors has made a commitment to support the debt of another jurisdiction to prevent a potential default, and the County is not otherwise responsible or obligated to pay the annual debt service. The County's moral obligation will be authorized only under the most controlled circumstances and secured by extremely tight covenants to protect the credit of the County. The County's moral obligation shall only be used to enhance the credit worthiness of an agency of the County or regional partnership for an essential project, and only after the most stringent safeguards have been employed to reduce the risk and protect the financial integrity of the County.
 - b. Underlying debt includes tax supported debt issued by towns or districts in the County, which debt is not an obligation of the County, but nevertheless adds to the debt burden of the taxpayers within those jurisdictions in the County. The issuance of underlying debt, insofar as it is under the control of the Board of Supervisors, will be carefully analyzed for fiscal soundness, the additional burden placed on taxpayers and the potential risk to the General Fund for any explicit or implicit moral obligation.
10. **Diversified Economy.** Fairfax County must continue to diversify its economic base by encouraging commercial and, in particular, industrial employment and associated revenues. Such business and industry must be in accord with the plans and ordinances of the County.

Long-Term Financial Policies and Tools

Through the application of the *Ten Principles*, careful fiscal planning and sound financial management, Fairfax County has achieved a "triple A" bond rating from the three leading rating agencies. The County has held a Aaa rating from Moody's Investors Service since 1975, a AAA rating from Standard and Poor's Corporation since 1978, and a AAA rating from Fitch Investors Services since 1997. Fairfax County is one of only 23 counties in the country with "triple A" bond ratings from all three rating agencies.

Only a handful of jurisdictions, including Fairfax County, have received a "triple A" bond rating from Moody's Investors Service, Standard and Poor's Corporation, and Fitch Investors Services:

- only 23 of the nation's 3,107 counties
- only 7 of the nation's 50 states
- only 20 of the nation's 22,529 cities

Long-Term Financial Policies

The following is a description of the primary financial policies that are used to manage the County's resources and contribute to its outstanding fiscal condition. Each year during budget adoption, the Board of Supervisors reaffirms and approves budget guidelines for the next budget year. These guidelines then serve as a future budget development tool.

Long-Term Financial Policies and Tools

Budget Guidelines

The Board of Supervisors finalized the Budget Guidelines for Fiscal Year 2006 on May 24, 2004. These guidelines:

1. Direct the County Executive to develop a budget for FY 2006 limiting increases in expenditures to projected increases in revenue.
2. Require that information on FY 2006 revenue and the economic outlook be forwarded with a financial forecast to the Board for discussion in late 2004 in order to provide guidance to the Schools regarding their operating transfer.
3. If the real estate tax assessments and other revenues increase significantly for FY 2006, the Board will direct the County Executive to prepare a budget which will allow the Board to reduce the real estate tax rate further. In enabling this reduction, the Board will consider all sources of increasing revenue, including state dollars, and will review for reduction the entire County budget.
4. Continue the policy of avoiding structural imbalances between County resources and requirements by directing:
 - Non-recurring funds will be directed toward non-recurring uses;
 - Only recurring resources may be targeted toward recurring expenses; and
 - The School Board should follow the County's policy concerning the utilization of recurring and non-recurring funds.
5. Require that available balances materializing at the Carryover and Third Quarter Reviews that are not required to support County expenditures of a critical nature or to address the Board's policy on the Revenue Stabilization Fund should be held in reserve to offset future requirements or to address the one-time requirements noted below:
 - Redirection to unfunded capital paydown programs since adequate funds are not available in the annual budget;
 - Creation of a replacement reserve for School buses and computers.
6. Direct the following review of County programs with recommendations provided to the Board of Supervisors for consideration as part of the FY 2006 Advertised Budget Plan:
 - County staff work with the School system to identify savings and management efficiencies as the result of further consolidation, particularly in the human services area, with a portion of the savings to be reinvested in the School system.
 - County Executive review and refine the Pay for Performance system in consultation with the Employees' Advisory Council, review public safety salaries for competitiveness, evaluate the Deferred Retirement Option Program and provide a recommendation regarding expansion to the rest of the County workforce, and evaluate strategies to mitigate the rising cost of health insurance for retirees.
 - Develop a scholarship approach for the Special Education Graduate Program.
 - Evaluate the Athletic Services Application fee and its subsequent impact on athletic organizations and field maintenance.
 - Review currently occurring and forecasted changes to the County's demographics and the impact on County services delivery and costs, and provide this information to the Board in the fall of 2004.
 - Review organization and compensation issues associated with County constitutional officers and other State positions.

Long-Term Financial Policies and Tools

Managed Reserve

It is the policy of the Board of Supervisors to maintain a managed reserve in the General Fund at a level sufficient for temporary financing of unforeseen emergency needs and to permit orderly adjustment to changes resulting from termination of revenue sources through actions of other governmental bodies. The reserve will be maintained at a level not less than 2.0 percent of total General Fund disbursements in any given year. This reserve has been maintained since FY 1983.

Revenue Stabilization Fund

On September 13, 1999, the Board of Supervisors established a Revenue Stabilization Fund to provide a mechanism for maintaining a balanced budget without resorting to tax increases and expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy. The Revenue Stabilization Fund has a target balance of 3.0 percent of General Fund disbursements. The Fund is separate and distinct from the County's 2.0 percent Managed Reserve; however, the aggregate balance of both reserves shall not exceed 5.0 percent of General Fund disbursements. It is anticipated that the target balance of 3.0 percent of General Fund disbursements will be accomplished by transferring funds from the General Fund over a multi-year period. The Board of Supervisors determined that a minimum of 40 percent of non-recurring balances identified at quarterly reviews would be transferred to the Revenue Stabilization Fund. Additionally, the Fund will retain the interest earnings on this balance, and the retention of interest will continue until the Reserve is fully funded.

The Revenue Stabilization Fund will not be used as a method of addressing the demand for new or expanded services; it is solely to be used as a financial tool in the event of an economic downturn. Therefore, three specific criteria that must be met in order to make a withdrawal from the Fund include:

- Projected revenues must reflect a decrease greater than 1.5 percent from the current year estimate;
- Withdrawals must not exceed one-half of the fund balance in any fiscal year; and
- Withdrawals must be used in combination with spending cuts or other measures.

Other Reserves

In addition, to the Managed Reserve and the Revenue Stabilization Fund, the County has several reserves maintained within various funds. These reserves are necessary to provide a source of funding for planned replacement of major equipment or infrastructure over several years, or to maintain the necessary debt service reserves required to support the County's obligations on bond funded programs. For example, the County maintains a vehicle replacement reserve within the Department of Vehicle Services to plan for vehicle replacement once age, mileage and condition criteria have been met. General Fund monies are set aside each year over the life of the existing vehicle in order to pay for its replacement. Helicopter, ambulance and large apparatus replacement funds are also maintained for the Police and Fire and Rescue Departments. Fixed payments to these reserves are made annually to ensure funding is available at such time that the equipment must be replaced. The County also manages a Personal Computer (PC) Replacement Fund. This reserve ensures that funding is available for future replacements to remain consistent with the advancements of technology. Another example of a County maintained reserve is the Sewer Bond Debt Reserve which was established to provide one year of principle and interest for the 1996 bond series as required by the Sewer System's General Bond Resolution.

Long-Term Financial Policies and Tools

Third Quarter/Carryover Reviews

The Department of Management and Budget conducts a Third Quarter Review on the current year Revised Budget Plan which includes a detailed analysis of expenditure requirements. All operating agencies and funds are reviewed during the Third Quarter Review and adjustments are made to the budget as approved by the Board of Supervisors. Section 15.1162.1 of the Code of Virginia requires that a public hearing be held prior to Board action when the potential increases in the appropriation are greater than \$500,000 or 1.0 percent of revenues. The Board's adopted budget guidelines indicate that any balances identified throughout the fiscal year, which are not required to support expenditures of a legal or emergency nature, must be held in reserve.

Carryover Review represents the analysis of balances remaining from the prior year and provision for the appropriation of funds to cover the prior year's legal obligations (encumbered items) in the new fiscal year without loss of continuity in processing payments. Carryover extends the prior year funding for the purchase of specific items previously approved in the budget process, but for which procurement could not be obtained for various reasons. All operating agencies and funds are reviewed during the Carryover Review and adjustments are made to the budget as approved by the Board of Supervisors. Again, the Code of Virginia requires that a public hearing be held prior to Board action when the potential increases in the appropriation are greater than \$500,000 or 1.0 percent of revenues.

Cash Management/Investments

Maintaining the safety of the principal of the County's public investment is the highest priority in the County's cash management policy. The secondary and tertiary priorities are the maintenance of liquidity of the investment and optimization of the rate of return within the parameters of the Code of Virginia, respectively. Funds held for future capital projects are invested in accordance with these objectives, and in such a manner so as to ensure compliance with U.S. Treasury arbitrage regulations. A senior interagency Investment Committee develops investment policies and oversees the effectiveness of portfolio management in meeting policy goals.

The County maintains cash and temporary investments in several investment portfolios. A general investment portfolio holds investments purchased by the County for the pooled cash and general obligation bond funds. Investments for this portfolio are held by a third-party custodian. Other portfolios are managed to meet the specific needs of County entities, such as, the Resource Recovery Bonds, the Fairfax County Economic Development Authority Parking Revenue Bonds (the Vienna and Huntington Metrorail Projects), Sewer Revenue Bonds, Housing Bonds, and the Equipment Acquisitions Fund. Investments for all portfolios are held by a third-party custodian.

Except where prohibited by statutory or contractual constraints, the General Fund is credited with interest earned in the general investment pool. Non-General Fund activities that earn interest through centralized investment management contribute to the cost of portfolio management by way of a market-based administrative charge that accrues to the General Fund.

Long-Term Financial Policies and Tools

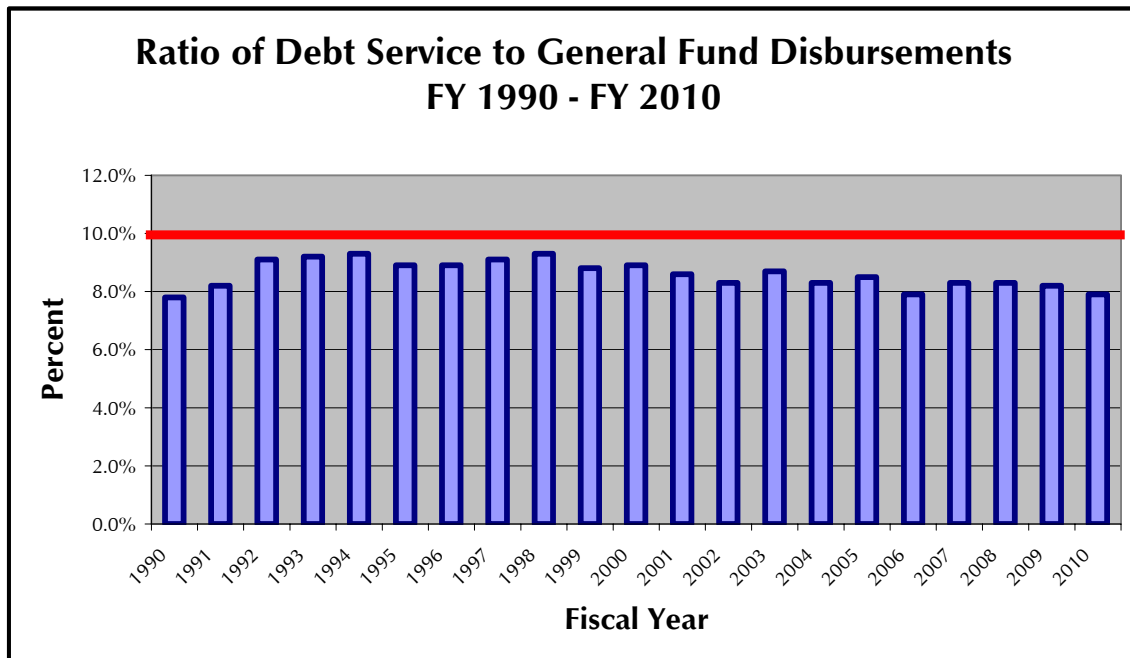
Debt Management/Capital Improvement Planning

The Commonwealth of Virginia Constitution requires that long-term debt pledged by the full faith and credit of the County can only be approved by voter referendum. There is no statutory limit on the amount of debt the voters can approve. It is the County's own policy to manage debt within the guidelines identified in the *Ten Principles of Sound Financial Management*. Specifically, debt service expenditures as a percentage of General Fund disbursements should remain under 10.0 percent and the percentage of debt to estimated market value of assessed property should remain under 3.0 percent. The County continues to maintain these debt ratios, as illustrated below:

Debt Service Requirements as a Percentage of Combined General Fund Disbursements

<u>Fiscal Year Ending</u>	<u>Debt Service Requirements</u> ¹	<u>General Fund Disbursements</u>	<u>Percentage</u>
2002	\$190,097,946	\$2,292,016,724	8.3%
2003	212,106,642	2,447,402,328	8.7%
2004	216,821,631	2,599,861,782	8.3%
2005 (est.)	238,818,854	2,809,518,182	8.5%
2006 (est.)	238,095,446	3,004,161,761	7.9%

¹ Beginning in FY 2003, the ratio includes debt service on Lease Revenue bonds for the Pennino and Herrity Buildings and Certificates of Participation for the South County Government Center, in addition to General Obligation Bonds, and Literary Loans. Debt service requirements are net of funds available in escrow for payment of capitalized interest during construction for the Laurel Hill project through FY 2006.



Long-Term Financial Policies and Tools

Net Debt as a Percentage of Market Value of Taxable Property

<u>Fiscal Year Ending</u>	<u>Net Bonded Indebtedness¹</u>	<u>Estimated Market Value</u>	<u>Percentage</u>
2002	\$1,655,613,600	\$113,801,300,000	1.45%
2003	1,779,461,575	128,927,200,000	1.38%
2004	1,814,517,662	143,220,300,000	1.27%
2005 (est.)	2,066,126,762	157,507,000,000	1.31%
2006 (est.)	1,931,103,940	191,763,000,000	1.01%

¹ Beginning in FY 2003, the ratio includes outstanding Lease Revenue bonds for government center facilities in addition to General Obligation Bonds, Literary Loans and Special Revenue Bonds for Community Centers. FY 2004 includes the sale of \$183.75 million of new general obligation bonds and adjustments for the sale of refunding bonds on March 31, 2004. Projections for FY 2005 include the sale of \$185.40 million of new tax supported debt on September 23, 2004. Projections for FY 2006 include a proposed sale of \$210.65 million for fall 2005.

Per capita debt is also an important measure used in analyses of municipal credit. Fairfax County has historically had moderate to low per capita debt and per capita debt as a percentage of per capita income due to its steady population growth, and growth in the assessed valuation of property and personal income of residents, combined with a record of rapid repayment of capital debt. Per capita debt as a percentage of per capita income as of June 30, 2003 was 3.17 percent and has remained less than 4.0 percent since 1981.

The *Ten Principles of Sound Financial Management* establish as a financial guideline a self-imposed limit on the level of the average annual bond sale. Actual bond issues are carefully sized with a realistic assessment of the need for funds, while remaining within the limits established by the Board of Supervisors. In addition, the actual bond sales are timed for the most opportune entry into the financial markets.

The policy guidelines enumerated in the *Ten Principles of Sound Financial Management* also express the intent of the Board of Supervisors to encourage greater industrial development in the County and to minimize the issuance of underlying indebtedness by towns and districts located within the County.

It is County policy to balance the need for public facilities, as expressed by the countywide land use plan, with the fiscal capacity of the County to provide for those needs. The five-year Capital Improvement Program (CIP), submitted annually to the Board of Supervisors, is the vehicle through which the stated need for public facilities is analyzed against the County's ability to pay and stay within its self-imposed debt guidelines as articulated in the *Ten Principles of Sound Financial Management*. The CIP is supported largely through long-term borrowing that is budgeted annually in debt service or from General Fund revenues on a pay-as-you-go basis.

Pay-as-you-go Financing

Although a number of options are available for financing the proposed capital improvement program, including bond proceeds and grants, it is the policy of the County to balance the use of the funding sources against the ability to utilize current revenue or pay-as-you-go financing. While major capital facility projects are funded through the sale of general obligation bonds, the Board of Supervisors, through its *Ten Principles of Sound Financial Management*, continues to emphasize the importance of maintaining a balance between pay-as-you-go financing and bond financing for capital projects. Financing capital projects from current revenues indicates the County's intent to show purposeful restraint in incurring long-term debt. No explicit level or percentage has been adopted for capital projects from current revenues as a portion of either overall capital costs or of the total operating budget. The decision for using current revenues to fund a capital project is based on the merits of the particular project in relation to an agreed upon set of criteria. It is the Board of Supervisors' policy that non-recurring revenues should not be used for recurring expenditures.

Long-Term Financial Policies and Tools

Risk Management

Continuing growth in County assets and operations perpetuates the potential for catastrophic losses resulting from inherent risks that remain unidentified and unabated. In recognition of this, the County has adopted a policy of professional and prudent management of risk exposures.

To limit the County's risk exposures, a Risk Management Steering Committee was established in 1986 to develop appropriate policies and procedures. The County Risk Manager is responsible for managing a countywide program. The program objectives are as follows:

- To protect and preserve the County's assets and workforce against losses that could deplete County resources or impair the County's ability to provide services to its citizens.
- To institute all practical measures to eliminate or control injury to persons, loss to property or other loss-producing conditions.
- To achieve such objectives in the most effective and economical manner.

While the County's preference is to fully self-insure, various types of insurance such as workers' compensation, automobile, and general liability insurance remain viable alternatives when they are available at an affordable price.

Pension Plans

The County funds the retirement costs for four separate retirement systems including: Educational Employees Supplemental Retirement System, Police Officers Retirement System, Fairfax County Employees' Retirement System and Uniformed Retirement System. These retirement systems are administered by the County and are made available to Fairfax County government and school employees in order to provide financial security when they reach an older age or cannot work due to disability. In addition, professional employees of the Fairfax County School Board participate in a plan sponsored and administered by the Virginia Retirement System. The Board of Supervisors reviews the Police Officers Retirement System, Fairfax County Employees' Retirement System and the Uniformed Retirement System plans annually and takes action to fund the County's obligation based on a corridor approach to employer contributions. The corridor approach requires that the systems funding ratios fall within a minimum funding ratio of 90 percent and a maximum funding ratio of 120 percent. In the corridor method of funding a fixed contribution rate is assigned to each System and the County contributes at the fixed rate unless the System's funding ratio falls outside of a pre-selected corridor. Once outside the corridor, the County rate is either increased or decreased to accelerate or decelerate the funding until the ratio falls back within the corridor. The only other changes to employer contributions will be if benefit enhancements are approved. The corridor approach adds stability to the employer contribution rates and at the same time provides adequate funding for the Retirement Systems.

The School Board reviews the Educational Employees Supplemental Retirement plan annually and takes action to fund the County's obligation based on actuarial valuations that are usually performed annually. Benefits are defined in each system according to the requirements of an ordinance of the Fairfax County Code. Each retirement system is governed by a Board of Trustees whose function is the general administration and operation of the system. Each Board has full power to invest and reinvest the accumulated monies created by the systems in accordance with the laws of the Commonwealth as they apply to fiduciaries investing such funds. Investment managers are hired by each Board and operate under the direction of the Boards' investment objectives and guidelines. Each Board meets once a month to review the financial management of the funds and to rule on retirement applications.

Long-Term Financial Policies and Tools

Grants

County policy requires that the initial application and acceptance of all grants over \$100,000 be approved by the Board of Supervisors. Each grant application is reviewed for the appropriateness and desirability of the program or service. Upon completion of the grant, programs are reviewed on a case-by-case basis to determine whether the program should be continued utilizing County funds. The County has no obligation to continue either grant-funded positions or grant-funded programs, if continued grant funding is not available.

Effective September 1, 2004, the Board of Supervisors established new County policy for grant applications and awards that meet certain requirements. If a grant is \$100,000 or less, with a required Local Cash Match of \$25,000 or less, with no significant policy implications, and if the grantor does not require Board of Supervisors' approval, the agency can work directly with the Department of Management and Budget to receive the award and reallocate funding from the anticipated/unanticipated reserve directly to the agency. If an award exceeds these limitations but was listed in the Anticipated Grant Awards table in the Adopted Budget for the current fiscal year, Board of Supervisors' approval is not required unless the actual funding received differs significantly from the projected funding listed in the budget. For any grant that does not meet all of the specified criteria, the agency must obtain Board of Supervisors' approval in order to apply for or accept the grant award.

Contributory Policies

To improve the general health and welfare of the community, as well as leverage scarce resources, it is the policy of the Board of Supervisors to make General Fund appropriations of specified amounts to various nonsectarian, nonprofit or quasi-government entities. Because public funds are being appropriated, funds provided to designated contributory agencies are currently made available contingent upon submission and review of financial reports. This oversight activity includes program reporting requirements that require designated contributories to describe accurately, in a manner prescribed by the County Executive, the level and quality of services provided to County residents.

Information Technology

The following ten strategic directions are fundamental principles upon which Fairfax County will base its Information Technology (IT) decisions in the upcoming years. These are intended to serve as guidelines to assist County managers in applying information technology to achieve business goals.

Ten Fundamental Principles of Information Technology

In addition to the Department of Information Technology's Mission and Goals, Fairfax County Information Technology (IT) projects and processes are guided by ten fundamental principles approved by the Board of Supervisors in 1996, and updated in 2003.

1. Our ultimate goal is to provide citizens, the business community, and County employees with timely, convenient access to appropriate information and services through the use of technology.
2. Business needs drive information technology solutions. Strategic partnerships will be established between the stakeholders and County so that the benefits of IT are leveraged to maximize the productivity of County employees and improve customer services.
3. Evaluate business processes for redesign opportunities before automating them. Use new technologies to make new business methods a reality. Exploit functional commonality across organizational boundaries.

Long-Term Financial Policies and Tools

4. Manage Information Technology as an investment.
 - Annually allocate funds sufficient to cover depreciation to replace systems and equipment before life-cycle end. Address project and infrastructure requirements through a multi-year planning and funding strategy.
 - Manage use of funds at the macro level in a manner that provides for optimal spending across the investment portfolio aligned to actualized project progress.
 - Look for cost-effective approaches to improving "legacy systems". Designate systems as "classic" and plan their modernization. This approach will help extend investments and system utility.
 - Invest in education and training to ensure the technical staffs in central IT and user agencies understand and can apply current and future technologies.
5. Implement contemporary, but proven, technologies. Fairfax County will stay abreast of emerging trends through an ongoing program of technology evaluation. New technologies often will be introduced through pilot projects where both the automation and its business benefits and costs can be evaluated prior to any full-scale adoption.
6. Hardware and software shall adhere to open (vendor-independent) standards and minimize proprietary solutions. This approach will promote flexibility, inter-operability, cost effectiveness, and mitigate the risk of dependence on individual vendors.
7. Provide a solid technology infrastructure as the fundamental building block of the County's IT architecture to support reliability, performance and security of the County's information assets. Manage and maintain the enterprise network as an essential communications channel connecting people to information and process via contemporary server platforms and workstations. It will provide access for both internal and external connectivity; will be flexible, expandable, and maintainable; be fully integrated using open standards and capable of providing for the unimpeded movement of data, graphics, image, video, and voice.
8. Approach IT undertakings as a partnership of central management and agencies providing for a combination of centralized and distributed implementation. Combine the responsibility and knowledge of central management, agency staff, as well as outside contract support, within a consistent framework of County IT architecture and standards. Establish strategic cooperative arrangements with public and private enterprises to extend limited resources.
9. Consider the purchase and integration of top quality, commercial-off-the-shelf (COTS) software requiring minimal customization as the first choice to speed the delivery of new business applications. This may require redesigning some existing work processes to be compatible with beneficial common practice capabilities inherent in many off-the-shelf software packages, and, achieves business goals. In consideration of this, it is recognized that certain County agencies operate under business practices that have in established in response to specific local interpretations and constraints and that in these instances, the institutionalization of these business practices may make the acquisition of COTS software not feasible. Develop applications using modern, efficient methods and laborsaving tools in a collaborative application development environment following the architectural framework and standards. An information architecture supported by a repository for common information objects (e.g., databases, files, records, methods, application inventories); repeatable processes and infrastructures will be created, shared and reused.
10. Capture data once in order to avoid cost, duplication of effort and potential for error and share the data whenever possible. Establish and use common data and common databases to the fullest extent. A data administration function will be responsible for establishing and enforcing data policy, data sharing and access, data standardization, data quality, identification and consistent use of key corporate identifiers.

Financial Management Tools And Planning Documents

This section is intended to provide a brief description of some of the financial management tools and long-range planning documents used by the County.

Long-Term Financial Policies and Tools

Budget

The primary financial management tool used by the County is the annual budget process. This involves a comprehensive examination of all expenditure and revenue programs of the County, complete with public hearings and approval by the Board of Supervisors.

Capital Improvement Program (CIP)

The Board of Supervisors annually considers and adopts a five-year Capital Improvement Program (CIP) which supports and implements the Comprehensive Plan. The CIP includes five years of project planning and forecasts project requirements for an additional five-year period. The CIP helps to balance the need for public facilities identified by the Comprehensive Plan with the County's fiscal resources and serves as a planning guide for the construction of general County facilities, schools, and public utilities. The CIP process provides a framework for development of reliable capital expenditure and revenue estimates, as well as the timely scheduling of bond referenda.

The CIP is an integral element of the County's budgeting process. The Capital Budget is the foundation for the first year of the advertised five-year CIP. The remaining four years in the CIP serve as a general planning guide. Future planning requirements five years beyond the CIP period are also included. The CIP is supported largely through long-term borrowing, which is budgeted annually in debt service or from General Fund revenues on a pay-as-you-go basis.

Beginning in FY 2003 the Board of Supervisors approved a series of significant improvements to the capital planning process. For the first time the Board adopted the Principles of Sound Capital Improvement Planning and Criteria for Recommending Capital Projects. The principles establish the County's Comprehensive Plan as the basis for capital planning requirements and emphasize the principle of life-cycle planning for capital facilities. In FY 2004 the application of these principles and criteria to recommended projects was accomplished for the first time. In addition, significant improvements to the format of the CIP were completed and the CIP was released at the same time and as an integral part of the Advertised Budget Plan. For the first time, the CIP was included on the Budget CD-ROM and on the County's website.

Revenue Forecast

Revenue estimates are monitored on a monthly basis to identify any potential trends that would significantly impact the revenue sources. A Revenue Task Force meets regularly to review current construction trends, the number of authorized building permits, housing sales, mortgage rates, and other economic data which impact Real Estate Tax revenue collections. In addition, the Revenue Task Force uses statistical models to estimate such revenue categories as: the Personal Property Tax; Local Sales Tax; Business, Professional, and Occupational License Tax; Consumer Utility Tax; Automobile Decal Tax; and Recordation Tax.

Financial Forecast

A forecast of Combined General Fund receipts and disbursements is developed as part of each year's budget process and is updated periodically. Individual and aggregate revenue categories, as well as expenditures, are projected by revenue and/or expenditure type. Historical growth rates, inflation assumptions, and County expenditure priorities are all used in developing the forecast. This tool is used as a planning document for developing the budget guidelines and for evaluating the future impact of current year decisions.

Fiscal Impact Review

It is County policy that all items having potential fiscal impact be presented to the Board of Supervisors for review. Effective management dictates that the Board of Supervisors and County citizens be presented with the direct and indirect costs of all items as part of the decision making process. In addition to its preliminary review of items presented to the Board of Supervisors, County staff also review State and Federal legislative items, which might result in a fiscal or policy impact on the County.

Long-Term Financial Policies and Tools

Management Initiatives

In the spring of 2002, Fairfax County implemented a countywide strategic planning effort. Strategic planning furthers the County's commitment to high performance and strategic thinking by helping agencies to focus resources on services that are the most needed in the County.

The strategic planning efforts in Fairfax County have been bolstered by four on-going efforts—performance measurement, pay for performance, workforce planning and technology enhancements—which help the County maintain a top quality workforce and fund County programs and technology improvements, despite budget reductions:

Performance Measurement: Since 1997, Fairfax County has used performance measurement to gain insight into, and make judgments about, the effectiveness and efficiency of its programs, processes and employees. While performance measures do not in and of themselves produce higher levels of effectiveness, efficiency and quality, they do provide data that can help to reallocate resources or realign strategic objectives to improve services, processes and priorities. Each Fairfax County agency decides which indicators will be used to measure progress toward strategic goals and objectives, gathers and analyzes performance measurement data, and uses the results to drive improvements in the agency.

Pay for Performance: In FY 2001, Fairfax County implemented a new performance management system for non-public safety employees. Based on ongoing dialogue between employees and supervisors regarding performance and expectations, the system focuses on using countywide behaviors and performance elements for each job class to link employees' performance with variable pay increases. FY 2002 was the last year for automatic step increases and cost-of-living adjustment for over 8,000 non-public safety employees. Annual compensation adjustments are now based solely on performance.

As an integral part of the transition to pay for performance, and in order to ensure that pay scales remain competitive with the market, non-public safety pay scales are increased in accordance with the annual market index, which is calculated based on data from the Consumer Price Index; the Employment Cost Index, which includes private sector, state and local government salaries; and the Federal Wage adjustment. This is designed to keep County pay scales from falling below the marketplace, requiring a large-scale catch-up every few years. It is important to note that employees do not receive this adjustment as they did in the past through a cost-of-living increase. Pay increases can only be earned through performance. By adjusting the pay scales, however, employees' long-term earning potential remains competitive with the market.

Workforce Planning: The County's workforce planning effort began in FY 2002 to anticipate and integrate the human resources response to agency strategic objectives. Changes in agency priorities such as the opening of a new facility, increased demand for services by the public, the receipt of grant funding, or budget reductions can greatly affect personnel needs. Given these varying situations, workforce planning helps agency leadership to retain employees and improve employee skill sets needed to accomplish the strategic objectives of the agency. Effective workforce planning is a necessary component of an organization's strategic plan, to provide a flexible and proficient workforce able to adapt to the changing needs of the organization.

Information Technology Initiatives: The County is committed to providing the necessary investment in information technology, realizing the critical role it plays in improving business processes and customer service. Fund 104, Information Technology Fund, was established to accelerate the redesign of business processes to achieve large-scale improvements in service quality and to provide adequate enterprise-wide technological infrastructure. Consequently, the County is consolidating its investments to accommodate and leverage technological advancements and growth well into the 21st century. Management continues to explore and monitor all areas of County government as potential candidates for further information technology enhancements and/or modifications.

More detailed information about the strategic efforts of the County may be found in the Strategic Linkages section of this volume.



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Financial, Statistical and Summary Tables

This section includes:

- ▶ *Explanation of Schedules
(Page 198)*
- ▶ *General Fund Statement
(Page 200)*
- ▶ *Summary of Appropriated Funds
(Page 205)*
- ▶ *Tax Rates and Assessed
Valuation (Page 216)*
- ▶ *Summary of Revenues
(Page 221)*
- ▶ *Summary of Expenditures
(Page 237)*
- ▶ *Summary of Positions
(Page 252)*

EXPLANATION OF SCHEDULES

General Fund Statement

General Fund Statement: Presents information for Fund 001, General Fund. The General Fund Statement includes the beginning and ending balances, total available resources and total disbursements, including revenues, transfers in from other funds, expenditures and transfers out to other funds and reserves. (page 200)

General Fund Direct Expenditures: Provides expenditure information, organized by Program Area and agency, with totals included for each Program Area and for the entire General Fund. (page 203)

Summary of Appropriated Funds

Summary of Appropriated Fund by Fund Type: Includes Budget Year Summary of Beginning Balance, Revenues by Category, Summary of Transfers In, Expenditures by Program Area, and Summary of Transfers Out for all Appropriated Funds. (page 205)

Revenue and Receipts by Fund - Summary of Appropriated Funds: Includes revenues for all appropriated funds, organized by the three major fund groups - Governmental, Proprietary and Fiduciary funds. (page 206)

Expenditures by Fund - Summary of Appropriated Funds: Includes expenditures for all appropriated funds, organized by the three major fund groups - Governmental, Proprietary and Fiduciary funds. (page 210)

Changes in Fund Balance - Summary of Appropriated Funds: Includes changes in fund balance for all appropriated funds by the three major fund groups - Governmental, Proprietary and Fiduciary funds. (page 213)

Tax Rates and Assessed Valuation

Summary of County Tax Rates: Presents historical and current fiscal year tax rates for Real Estate, Personal Property, Sewage, Refuse Collection and Disposal, Consumer Utilities, E-911 Fees, and special taxing districts. (page 216)

Assessed Valuation, Tax Rates, Levies and Collections: Details the assessed valuation and levy of taxable Real Estate and Personal Property, reports actual and estimated collections and reflects the percentage of the total levy collected. (page 219)

Summary of Revenues

General Fund Revenues: Details General Fund revenues by each source, subtotaled by category, for the prior, current and upcoming fiscal year. (page 221)

Revenue from the Commonwealth & Revenue from the Federal Government: Summarizes revenues from the Commonwealth of Virginia and from the Federal government by fund for the prior, current and upcoming fiscal year. (page 235 & 236)

Summary of Expenditure Categories

Personnel Services Summary: Summarizes Personnel Services funding by major expense categories (regular salaries, COLA/MRA, extra compensation, fringe benefits, etc.) for the General Fund, General Fund Supported funds, and Other Funds. (page 237)

Personnel Services by Agency: Displays Personnel Services funding, organized by fund, program area, and agency or fund. (page 239)

Summary of Employee Benefit Costs by

Category: Provides a breakdown of expenditures for all employee benefits by individual category, including health insurance, life insurance, FICA, unemployment, workers compensation, employee assistance programs and training. (page 242)

Distribution of Fringe Benefits by General Fund Agency:

Combines personnel services, operating expenses, and capital equipment with fringe benefits expenditures for each General Fund agency to reflect a total cost per agency. (page 243)

Summary of General Fund Operating Expenditures by Object Code:

Provides a breakdown of General Fund Operating Expenses by major expenditure categories (object codes) for the prior, current and upcoming fiscal year. (page 245)

Capital Equipment Funding Summary:

Presents funding for equipment valued in excess of \$5,000 for the General Fund and Appropriated and Non-Appropriated Funds. Includes items such as vehicles, furniture and computer equipment. Breakdown provided by categories of purchases (new, replacement, lease or new facility). (page 246)

County Funded Programs for School-Related Services:

Summarizes all Fairfax County contributions to school-related programs. Congregating the General Fund transfer to the Schools, school debt service, and the numerous school-related programs funded in County agency budgets, reflects a more complete picture of how much the County spends on its schools on an annual basis. Provides additional expenditure data on County-funded programs for youth services (non-school related youth programs) and County-administered programs for school-related services, including programs for which the County has administrative oversight, but not sole funding responsibility. (page 248)

Summary of Positions

Regular Positions All Funds: Displays the number of General Fund positions by Program Area, the number of positions in the General Fund Supported funds, and in Other funds. (page 252)

Summary of Position Changes: Provides the total position count for all agencies and funds with funding appropriated by the Board of Supervisors. The change in the position count for each year is broken out into categories, including positions which have been “Abolished”, were necessary to support “New Facilities”, or required for “Other Changes”, including workload increases. Also included is the number of positions that were added by the Board of Supervisors at other times during the fiscal year, i.e. “Other Reviews.” (page 253)

Position Changes Detail: Narrative detailing position changes for the upcoming fiscal year. (page 288)

Position Summaries: Details the position count and staff year equivalents (SYE) for the prior, current and upcoming fiscal year, including regular County positions, State positions, and County grant positions. (page 295)

FY 2006 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2004 Carryover	Other Actions July - January	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Beginning Balance ¹	\$118,894,312	\$63,110,133	\$88,059,893	\$1,174,328	\$152,344,354	\$79,399,524	(\$72,944,830)	-47.88%
Revenue ²								
Real Property Taxes	\$1,500,730,717	\$1,623,843,927	\$664,500	1,168,045	\$1,625,676,472	\$1,829,158,341	\$203,481,869	12.52%
Personal Property Taxes ³	274,709,246	262,893,350	1,349,989	5,874,545	270,117,884	274,267,853	4,149,969	1.54%
General Other Local Taxes	408,231,887	402,006,774	1,116,733	39,301,598	442,425,105	457,219,946	14,794,841	3.34%
Permits, Fees & Regulatory Licenses	28,675,370	26,943,956	0	634,911	27,578,867	32,543,251	4,964,384	18.00%
Fines & Forfeitures	13,272,803	12,380,594	0	510,948	12,891,542	13,101,324	209,782	1.63%
Revenue from Use of Money & Property	17,917,632	21,105,450	0	8,091,723	29,197,173	36,317,943	7,120,770	24.39%
Charges for Services	42,529,744	42,533,320	0	(184,928)	42,348,392	48,757,342	6,408,950	15.13%
Revenue from the Commonwealth ³	282,721,787	282,677,838	1,003,697	(11,491,427)	272,190,108	278,659,822	6,469,714	2.38%
Revenue from the Federal Government	56,634,187	42,497,898	711,765	(31,307)	43,178,356	41,938,356	(1,240,000)	-2.87%
Recovered Costs/Other Revenue	6,492,301	6,226,214	0	365,134	6,591,348	6,591,348	0	0.00%
Total Revenue	\$2,631,915,674	\$2,723,109,321	\$4,846,684	\$44,239,242	\$2,772,195,247	\$3,018,555,526	\$246,360,279	8.89%
Transfers In								
105 Cable Communications	\$1,396,150	\$1,666,444	\$0	\$0	\$1,666,444	\$2,104,307	\$437,863	26.28%
Total Transfers In	\$1,396,150	\$1,666,444	\$0	\$0	\$1,666,444	\$2,104,307	\$437,863	26.28%
Total Available	\$2,752,206,136	\$2,787,885,898	\$92,906,577	\$45,413,570	\$2,926,206,045	\$3,100,059,357	\$173,853,312	5.94%
Direct Expenditures								
Personnel Services	\$525,894,535	\$568,321,388	\$5,750,756	(\$87,131)	\$573,985,013	\$620,039,430	\$46,054,417	8.02%
Operating Expenses	308,168,058	311,796,241	37,752,546	(336,582)	349,212,205	318,068,695	(31,143,510)	-8.92%
Recovered Costs	(36,780,624)	(39,259,618)	(233,382)	0	(39,493,000)	(40,865,494)	(1,372,494)	3.48%
Capital Equipment	3,372,204	2,336,888	3,027,434	423,713	5,788,035	2,882,305	(2,905,730)	-50.20%
Fringe Benefits	132,813,046	160,629,722	1,088,993	0	161,718,715	176,749,788	15,031,073	9.29%
Total Direct Expenditures	\$933,467,219	\$1,003,824,621	\$47,386,347	\$0	\$1,051,210,968	\$1,076,874,724	\$25,663,756	2.44%

FY 2006 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2004 Carryover	Other Actions July - January	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Transfers Out								
002 Revenue Stabilization Fund	\$5,248,624	\$0	\$7,807,250	\$0	\$7,807,250	\$0	(\$7,807,250)	-100.00%
090 Public School Operating ⁴	1,240,850,321	1,322,374,187	0	0	1,322,374,187	1,431,337,820	108,963,633	8.24%
100 County Transit System	19,645,993	21,210,147	0	0	21,210,147	24,145,192	2,935,045	13.84%
102 Federal/State Grant Fund	0	0	0	0	0	6,321,507	6,321,507	-
103 Aging Grants and Programs	1,835,826	2,049,425	0	0	2,049,425	2,558,613	509,188	24.85%
104 Information Technology	11,329,411	10,224,823	1,200,000	0	11,424,823	17,046,574	5,621,751	49.21%
106 Community Services Board	80,599,965	81,803,507	263,772	0	82,067,279	90,847,221	8,779,942	10.70%
110 Refuse Disposal	1,800,000	2,500,000	0	0	2,500,000	2,500,000	0	0.00%
112 Energy Resource Recovery Facility	1,763,704	0	2,014,489	0	2,014,489	0	(2,014,489)	-100.00%
118 Consolidated Community Funding Pool	6,458,709	6,781,644	0	0	6,781,644	7,093,617	311,973	4.60%
119 Contributory Fund	7,048,423	9,862,624	10,000	0	9,872,624	10,478,301	605,677	6.13%
120 E-911 Fund	6,323,943	9,755,869	0	0	9,755,869	13,495,258	3,739,389	38.33%
141 Elderly Housing Programs	1,215,433	1,387,844	0	0	1,387,844	1,389,421	1,577	0.11%
144 Housing Trust Fund	1,500,000	0	4,020,000	0	4,020,000	0	(4,020,000)	-100.00%
200 County Debt Service	98,445,696	98,715,157	0	0	98,715,157	98,715,157	0	0.00%
201 School Debt Service	120,896,733	126,528,053	0	0	126,528,053	130,281,443	3,753,390	2.97%
302 Library Construction	0	0	585,000	0	585,000	683,882	98,882	16.90%
303 County Construction	10,414,279	8,550,187	7,399,645	0	15,949,832	11,027,330	(4,922,502)	-30.86%
304 Primary & Secondary Rd Bond Constr	0	1,000,000	0	0	1,000,000	1,000,000	0	0.00%
308 Public Works Construction	175,000	250,000	781,000	0	1,031,000	17,900,000	16,869,000	1636.18%
309 Metro Operations & Construction	12,272,714	18,144,820	0	0	18,144,820	22,316,309	4,171,489	22.99%
312 Public Safety Construction	29,646,045	260,000	2,829,210	0	3,089,210	15,000,000	11,910,790	385.56%
317 Capital Renewal Construction	0	0	0	0	0	2,682,000	2,682,000	-
340 Housing Assistance Program	935,000	935,000	2,000,000	0	2,935,000	2,935,000	0	0.00%
500 Retiree Health Benefits	3,088,744	3,699,721	0	0	3,699,721	3,818,110	118,389	3.20%
501 County Insurance Fund	0	0	0	0	0	10,497,991	10,497,991	-
503 Department of Vehicle Services	2,000,000	0	0	0	0	0	0	-
504 Document Services Division	2,900,000	2,900,000	0	0	2,900,000	2,900,000	0	0.00%
505 Technology Infrastructure Services	0	463,840	0	0	463,840	316,291	(147,549)	-31.81%
Total Transfers Out	\$1,666,394,563	\$1,729,396,848	\$28,910,366	\$0	\$1,758,307,214	\$1,927,287,037	\$168,979,823	9.61%
Total Disbursements	\$2,599,861,782	\$2,733,221,469	\$76,296,713	\$0	\$2,809,518,182	\$3,004,161,761	\$194,643,579	6.93%

FY 2006 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2004 Carryover	Other Actions July - January	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Total Ending Balance	\$152,344,354	\$54,664,429	\$16,609,864	\$45,413,570	\$116,687,863	\$95,897,596	(\$20,790,267)	-17.82%
Less:								
Managed Reserve	\$53,084,312	\$54,664,429	\$1,525,934	0	\$56,190,364	\$60,083,235	\$3,892,871	6.93%
Reserve for School Replacement Requirements (School Buses and Computers) ⁵			5,000,000	0	5,000,000		(5,000,000)	
Reserve for Environmental Projects ⁵			2,000,000	0	2,000,000		(2,000,000)	
Reserve for Board consideration and tax relief as part of the FY 2006 budget ⁶			8,083,929	15,125,231	23,209,160	35,814,361	12,605,201	
Reserve for FY 2005 Third Quarter Review - Public Safety Transportation Operations Center (PSTOC) ⁷			0	30,288,339	30,288,339		(30,288,339)	
Total Available	\$99,260,042	\$0	\$0	\$0	\$0	\$0	\$0	

¹ The FY 2005 Revised Beginning Balance reflects audit adjustments for revenue as included in the FY 2004 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2005 Revised beginning balance reflects a net increase in available balance of \$1,174,328.

² FY 2005 Revised Budget Plan revenues reflect an increase of \$44,239,242 based on revised revenue estimates as of November 2004. The FY 2005 Third Quarter Review will contain a detailed explanation of these changes.

³ Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

⁴ The proposed County General Fund transfer for school operations in FY 2006 totals \$1,431,337,820 an increase of \$108,963,633 or 8.24% over the FY 2005 Revised Budget Plan transfer. It should be noted that the actual transfer request approved by the School Board on February 10, 2005 is \$1,443,894,483 an increase of \$121,520,296 or 9.2% over the FY 2005 transfer level. In order to fully fund this \$12,556,663 increase over the County Executive's proposed transfer, additional resources would need to be considered by the Board of Supervisors.

⁵ The FY 2005 Revised Budget Plan ending balance reflects reserve funding of \$5.0 million for school replacement requirements (School buses and computers) and \$2.0 million for environmental projects. This funding was identified by the Board of Supervisors as part of the FY 2004 Carryover Review pending approval by the Board of Supervisors of a plan for use of the funds. Plans for the allocation of these funds have been developed and provided to the Board of Supervisors. As a result, these funds will be appropriated as part of the FY 2005 Third Quarter Review.

⁶ The FY 2005 reserve of \$23.2 million represents the sum of the \$8.1 million reserved by the Board of Supervisors as part of the FY 2004 Carryover Review as well as additional revenue of \$15.1 million associated with the September 1, 2004 implementation of the increased rates for recordation and cigarette taxes. As the Board indicated, these additional dollars are to be held in reserve for Board consideration and tax relief as part of the FY 2006 budget. The sum of the FY 2005 reserves is \$23.2 million, which when added to the FY 2006 impact of the additional revenue associated with the recordation and cigarette taxes of \$12.6 million results in the FY 2006 reserve amount of \$35.8 million.

⁷ The FY 2005 Third Quarter Review reserve reflects funding of \$30.29 million. The County Executive's FY 2005 Third Quarter Review will include a recommendation that this reserve be used to complete construction and fund operating costs related to the Public Safety Transportation Operations Center (PSTOC). Further details will be included as part of the FY 2005 Third Quarter Review package.

FY 2006 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2004 Carryover	Other Actions July - January	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Legis - Exec Functions/Central Services									
01	Board of Supervisors	\$3,735,546	\$4,291,548	\$0	\$0	\$4,291,548	\$4,457,350	\$165,802	3.86%
02	Office of the County Executive	6,438,435	6,797,901	330,635	0	7,128,536	7,454,623	326,087	4.57%
04	Department of Cable Communications and Consumer Protection	1,696,467	2,049,437	(796,178)	0	1,253,259	1,353,776	100,517	8.02%
06	Department of Finance	7,154,185	7,667,813	12,134	0	7,679,947	8,306,428	626,481	8.16%
11	Department of Human Resources	5,857,129	6,011,310	533,546	0	6,544,856	6,290,617	(254,239)	-3.88%
12	Department of Purchasing and Supply Management	3,948,909	4,194,643	21,185	0	4,215,828	4,620,740	404,912	9.60%
13	Office of Public Affairs	1,049,752	1,089,138	140,303	0	1,229,441	1,120,157	(109,284)	-8.89%
15	Electoral Board and General Registrar	3,805,308	3,020,872	859,756	0	3,880,628	2,964,770	(915,858)	-23.60%
17	Office of the County Attorney	5,501,146	5,526,887	145,632	0	5,672,519	5,722,450	49,931	0.88%
20	Department of Management and Budget	2,666,100	2,941,827	138,602	0	3,080,429	3,093,938	13,509	0.44%
37	Office of the Financial and Program Auditor	176,592	201,893	2,400	0	204,293	215,851	11,558	5.66%
41	Civil Service Commission	190,656	207,202	4,522	0	211,724	213,509	1,785	0.84%
57	Department of Tax Administration	19,262,364	21,243,796	710,094	0	21,953,890	22,276,127	322,237	1.47%
70	Department of Information Technology	22,795,366	23,635,853	1,695,917	0	25,331,770	25,095,856	(235,914)	-0.93%
Total Legis - Exec Functions/Central Services		\$84,277,955	\$88,880,120	\$3,798,548	\$0	\$92,678,668	\$93,186,192	\$507,524	0.55%
Judicial Administration									
80	Circuit Court and Records	\$8,817,706	\$9,441,655	\$208,044	\$0	\$9,649,699	\$9,717,048	\$67,349	0.70%
82	Office of the Commonwealth's Attorney	1,744,573	2,006,605	3,219	0	2,009,824	2,067,546	57,722	2.87%
85	General District Court	1,530,460	1,540,603	184,850	0	1,725,453	1,724,182	(1,271)	-0.07%
91	Office of the Sheriff	14,072,792	14,084,286	164,724	0	14,249,010	14,630,041	381,031	2.67%
Total Judicial Administration		\$26,165,531	\$27,073,149	\$560,837	\$0	\$27,633,986	\$28,138,817	\$504,831	1.83%
Public Safety									
04	Department of Cable Communications and Consumer Protection	\$899,982	\$966,872	(\$62,557)	\$0	\$904,315	\$913,448	\$9,133	1.01%
31	Land Development Services	9,638,681	10,003,727	247,567	0	10,251,294	9,685,856	(565,438)	-5.52%
81	Juvenile and Domestic Relations District Court	17,488,582	17,969,386	362,217	0	18,331,603	19,012,920	681,317	3.72%
90	Police Department	134,925,370	138,130,233	4,082,227	0	142,212,460	153,140,977	10,928,517	7.68%
91	Office of the Sheriff	33,048,138	34,555,767	1,574,842	0	36,130,609	38,168,169	2,037,560	5.64%
92	Fire and Rescue Department	116,006,615	124,151,574	9,045,136	0	133,196,710	150,248,257	17,051,547	12.80%
93	Office of Emergency Management	0	408,344	187,000	0	595,344	878,523	283,179	-
Total Public Safety		\$312,007,368	\$326,185,903	\$15,436,432	\$0	\$341,622,335	\$372,048,150	\$30,425,815	8.91%
Public Works									
08	Facilities Management Department	\$34,199,314	\$35,462,317	\$1,412,470	\$0	\$36,874,787	\$37,531,465	\$656,678	1.78%
25	Business Planning and Support	2,693,666	394,211	2,430	0	396,641	381,183	(15,458)	-3.90%
26	Office of Capital Facilities	8,128,860	8,767,080	306,767	0	9,073,847	9,054,165	(19,682)	-0.22%
29	Stormwater Management	8,155,719	8,321,528	545,548	0	8,867,076	9,494,928	627,852	7.08%
87	Unclassified Administrative Expenses	189,249	224,347	0	0	224,347	230,730	6,383	2.85%
Total Public Works		\$53,366,808	\$53,169,483	\$2,267,215	\$0	\$55,436,698	\$56,692,471	\$1,255,773	2.27%

FY 2006 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2004 Carryover	Other Actions July - January	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Health and Welfare									
67	Department of Family Services	\$161,951,234	\$173,693,978	\$10,345,174	\$0	\$184,039,152	\$177,753,814	(\$6,285,338)	-3.42%
68	Department of Administration for Human Services	9,318,067	9,959,497	286,618	0	10,246,115	10,431,014	184,899	1.80%
69	Department of Systems Management for Human Services	5,048,977	5,441,679	125,695	0	5,567,374	5,536,225	(31,149)	-0.56%
71	Health Department	38,155,794	40,658,259	2,580,456	0	43,238,715	41,977,402	(1,261,313)	-2.92%
Total Health and Welfare		\$214,474,072	\$229,753,413	\$13,337,943	\$0	\$243,091,356	\$235,698,455	(\$7,392,901)	-3.04%
Parks, Recreation and Libraries									
50	Department of Community and Recreation Services	\$11,120,852	\$12,366,215	\$568,466	\$0	\$12,934,681	\$14,234,339	\$1,299,658	10.05%
51	Fairfax County Park Authority	22,160,632	23,141,114	13,000	0	23,154,114	24,151,733	997,619	4.31%
52	Fairfax County Public Library	26,493,635	27,922,447	1,638,120	0	29,560,567	29,419,715	(140,852)	-0.48%
Total Parks, Recreation and Libraries		\$59,775,119	\$63,429,776	\$2,219,586	\$0	\$65,649,362	\$67,805,787	\$2,156,425	3.28%
Community Development									
16	Economic Development Authority	\$6,659,253	\$6,169,214	\$25,000	\$0	\$6,194,214	\$6,513,385	\$319,171	5.15%
31	Land Development Services	8,971,477	11,782,251	554,130	0	12,336,381	14,019,412	1,683,031	13.64%
35	Department of Planning and Zoning	8,122,604	9,048,497	239,716	0	9,288,213	9,568,998	280,785	3.02%
36	Planning Commission	614,182	685,050	0	0	685,050	704,590	19,540	2.85%
38	Department of Housing and Community Development	5,346,547	5,145,893	143,769	0	5,289,662	5,745,045	455,383	8.61%
39	Office of Human Rights	1,217,717	1,290,410	8,377	0	1,298,787	1,252,319	(46,468)	-3.58%
40	Department of Transportation	5,863,259	5,934,502	2,696,119	0	8,630,621	7,062,524	(1,568,097)	-18.17%
Total Community Development		\$36,795,039	\$40,055,817	\$3,667,111	\$0	\$43,722,928	\$44,866,273	\$1,143,345	2.61%
Nondepartmental ¹									
87	Unclassified Administrative Expenses	\$6,291,190	\$6,655,698	\$4,616,627	\$0	\$11,272,325	\$0	(\$11,272,325)	-100.00%
89	Employee Benefits	140,314,137	168,621,262	1,482,048	0	170,103,310	178,438,579	8,335,269	4.90%
Total Nondepartmental		\$146,605,327	\$175,276,960	\$6,098,675	\$0	\$181,375,635	\$178,438,579	(\$2,937,056)	-1.62%
Total General Fund Direct Expenditures		\$933,467,219	\$1,003,824,621	\$47,386,347	\$0	\$1,051,210,968	\$1,076,874,724	\$25,663,756	2.44%

¹ Based on actions taken as part of the FY 2006 Advertised Budget Plan no funding adjustments are included in Agency 87, Unclassified Administrative Expenses - Nondepartmental program area. Funding in this agency used to include Local Cash Match for federal and state grants, contractual costs associated with the annual maintenance of the Fairfax County Economic Index, and funding for self-insured and commercial insurance General Fund premium charges. Funding for these programs has been transferred to other agencies/funds to more accurately reflect requirements. For further details regarding these adjustments, please refer to the Agency 87 narrative in Volume 1 of the FY 2006 Advertised Budget Plan.

FY 2006 ADVERTISED SUMMARY OF APPROPRIATED FUNDS BY FUND TYPE

	General Fund Group ¹	Special Revenue Funds ²	Debt Service Funds ³	Capital Projects Funds	Enterprise Funds ⁴	Internal Service Funds ^{5,6}	Trust Funds	Agency Funds	Total by Category
Beginning Fund Balance	\$159,652,190	\$76,943,587	\$0	\$69,520	\$73,827,875	\$71,231,244	\$5,254,054,867	\$7,553,263	\$5,643,332,546
Revenues									
<i>Real Property Taxes</i>	\$1,829,158,341	\$10,252,881	\$0	\$0	\$0	\$0	\$0	\$16,866,693	\$1,856,277,915
<i>Personal Property Taxes ⁷</i>	472,530,713	0	0	0	0	0	0	0	472,530,713
<i>General Other Local Taxes</i>	457,219,946	19,855,915	0	0	0	0	0	0	477,075,861
<i>Permits, Fees & Regulatory</i>	32,543,251	12,188,834	0	0	0	0	0	0	44,732,085
<i>Fines & Forfeitures</i>	13,101,324	969	0	0	0	0	0	0	13,102,293
<i>Revenue from the Use of Money & Property</i>	37,393,493	6,673,672	0	621,305	1,142,234	2,041,099	392,831,818	403,273	441,106,894
<i>Charges for Services</i>	48,757,342	170,820,784	0	0	132,257,000	11,000	0	0	351,846,126
<i>Revenue from the Commonwealth ⁶</i>	80,396,962	423,967,865	0	10,654,348	0	0	0	0	515,019,175
<i>Revenue from the Federal Government</i>	41,938,356	152,438,447	0	0	0	0	0	0	194,376,803
<i>Sale of Bonds</i>	0	0	0	176,878,700	0	0	0	0	176,878,700
<i>Other Revenue</i>	6,591,348	64,371,035	963,345	3,286,000	150,000	395,199,257	225,181,831	9,220,509	704,963,325
Total Revenue	\$3,019,631,076	\$860,570,402	\$963,345	\$191,440,353	\$133,549,234	\$397,251,356	\$618,013,649	\$26,490,475	\$5,247,909,890
Transfers In	\$2,104,307	\$1,632,575,375	\$228,996,600	\$87,045,543	\$148,602,772	\$17,938,061	\$0	\$0	\$2,117,262,658
Total Available	\$3,181,387,573	\$2,570,089,364	\$229,959,945	\$278,555,416	\$355,979,881	\$486,420,661	\$5,872,068,516	\$34,043,738	\$13,008,505,094
Expenditures by Category									
<i>Legislative-Executive/Central Services</i>	\$93,186,192	\$19,437,495	\$0	\$0	\$0	\$0	\$0	\$0	\$112,623,687
<i>Education</i>	0	2,021,112,793	0	124,449,882	0	260,054,759	151,825,260	0	2,557,442,694
<i>Judicial Administration</i>	28,138,817	574,513	0	0	0	0	0	0	28,713,330
<i>Public Safety</i>	372,048,150	61,478,689	0	0	0	0	0	0	433,526,839
<i>Public Works</i>	56,692,471	127,235,219	0	0	150,141,617	0	0	0	334,069,307
<i>Health & Welfare</i>	235,698,455	167,521,621	0	0	0	0	0	0	403,220,076
<i>Parks, Recreation & Libraries</i>	67,805,787	13,548,155	0	0	0	0	0	0	81,353,942
<i>Community Development</i>	44,866,273	80,256,693	0	51,627,238	0	0	0	9,260,099	186,010,303
<i>Capital Improvements</i>	0	0	0	100,584,705	0	0	0	0	100,584,705
<i>Debt Service</i>	0	0	238,095,446	0	0	0	0	0	238,095,446
<i>Non-Departmental</i>	178,438,579	1,132,657	0	0	0	177,901,414	222,139,739	0	579,612,389
Total Expenditures	\$1,076,874,724	\$2,492,297,835	\$238,095,446	\$276,661,825	\$150,141,617	\$437,956,173	\$373,964,999	\$9,260,099	\$5,055,252,718
Transfers Out	\$1,927,287,037	\$39,578,778	\$0	\$1,794,071	\$148,602,772	\$0	\$0	\$0	\$2,117,262,658
Total Disbursements	\$3,004,161,761	\$2,531,876,613	\$238,095,446	\$278,455,896	\$298,744,389	\$437,956,173	\$373,964,999	\$9,260,099	\$7,172,515,376
Ending Fund Balance	\$177,225,812	\$38,212,751	(\$8,135,501)	\$99,520	\$57,235,492	\$48,464,488	\$5,498,103,517	\$24,783,639	\$5,835,989,718

¹ Not reflected is the following adjustment to balance which was carried forward from FY 2005 to FY 2006:

Fund 001, General Fund, impact of FY 2005 Third Quarter Review adjustments of (\$37,288,339)

² Not reflected are the following adjustments to balance which were carried forward from FY 2005 to FY 2006:

Fund 090, Public School Operating, assumes carryover of available FY 2005 balance of \$20,000,000 to balance the FY 2006 budget

Fund 191, Public School Food and Nutrition Services, assumes carryover of available FY 2005 balance of \$9,674,476 to balance the FY 2006 budget

Fund 192, Public School Grants and Self-Supporting Programs, assumes carryover of available FY 2005 balance of \$3,261,646 to balance the FY 2006 budget

Fund 193, School Adult & Community Education, assumes carryover of available FY 2005 balance of \$376,580 to balance the FY 2006 budget

³ Not reflected is the following adjustment to balance which was carried forward from FY 2005 to FY 2006:

Fund 200/201, Consolidated Debt Service, assumption of carryover of \$13,135,501 in available FY 2005 balance.

⁴ Not reflected is the following adjustment to balance which was carried forward from FY 2005 to FY 2006:

Fund 403, Sewer Pond Parity Debt Service, non-appropriated amortization expense of (\$33,175)

⁵ Not reflected is the following adjustment to balance which was carried forward from FY 2005 to FY 2006:

Fund 591, assumes carryover of premium stabilization reserve of \$23,462,659

⁶ For presentation purposes, all County Internal Service Funds expenditures are included in the Nondepartmental Category.

⁷ For presentation purposes, Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes Category

FY 2006 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2004 Actual ¹	FY 2005 Adopted Budget Plan ²	FY 2005 Revised Budget Plan ³	FY 2006 Advertised Budget Plan ⁴	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS						
G00 General Fund Group						
001 General Fund	\$2,631,915,674	\$2,723,109,321	\$2,772,195,247	\$3,018,555,526	\$246,360,279	8.89%
002 Revenue Stabilization Fund	248,944	405,511	405,511	1,075,550	670,039	165.23%
Total General Fund Group	\$2,632,164,618	\$2,723,514,832	\$2,772,600,758	\$3,019,631,076	\$247,030,318	8.91%
G10 Special Revenue Funds						
090 Public School Operating	\$391,869,697	\$408,711,513	\$447,218,610	\$463,155,904	\$15,937,294	3.56%
100 County Transit Systems	10,616,645	8,070,534	9,248,588	9,014,534	(234,054)	-2.53%
102 Federal/State Grant Fund	63,351,798	55,718,166	98,040,574	64,476,403	(33,564,171)	-34.23%
103 Aging Grants and Programs	2,622,266	2,552,792	3,161,775	2,640,963	(520,812)	-16.47%
104 Information Technology	1,072,291	180,000	180,000	205,000	25,000	13.89%
105 Cable Communications	11,618,466	11,383,994	11,383,994	12,142,434	758,440	6.66%
106 Community Services Board	35,737,869	33,316,601	36,781,441	35,666,424	(1,115,017)	-3.03%
108 Leaf Collection	967,050	1,463,031	1,463,031	1,653,202	190,171	13.00%
109 Refuse Collection & Recycling Ops	12,593,734	13,695,502	13,695,502	15,573,230	1,877,728	13.71%
110 Refuse Disposal	48,633,905	50,001,028	49,637,836	58,110,627	8,472,791	17.07%
111 Reston Community Center	5,513,597	5,705,302	5,705,302	6,180,266	474,964	8.32%
112 Energy Resource Recovery Facility	33,448,736	35,520,853	35,520,853	36,544,595	1,023,742	2.88%
113 McLean Community Center	3,779,878	3,938,544	3,938,544	4,464,851	526,307	13.36%
114 I-95 Refuse Disposal	5,593,729	5,318,449	5,318,449	6,270,864	952,415	17.91%
115 Burgundy Village Community Center	37,396	39,572	39,572	42,787	3,215	8.12%
116 Integrated Pest Management Program	1,421,593	1,358,681	1,358,681	1,472,706	114,025	8.39%
120 E-911 Fund	19,798,046	20,019,384	20,019,384	22,755,466	2,736,082	13.67%
141 Elderly Housing Programs	1,837,021	1,827,955	1,827,955	1,860,304	32,349	1.77%
142 Community Development Block Grant	5,934,291	7,457,000	18,157,960	7,310,000	(10,847,960)	-59.74%
143 Homeowner and Business Loan Prgms	2,866,146	1,518,594	2,387,222	1,743,567	(643,655)	-26.96%
144 Housing Trust Fund	5,105,135	1,507,838	1,507,838	1,685,061	177,223	11.75%
145 HOME Investment Partnership Grant	1,931,394	2,704,791	9,195,865	2,616,315	(6,579,550)	-71.55%
191 School Food & Nutrition Services	54,999,037	51,567,847	56,306,162	59,819,561	3,513,399	6.24%
192 School Grants & Self Supporting	34,015,996	39,240,903	48,863,109	35,656,365	(13,206,744)	-27.03%
193 School Adult & Community Education	8,772,588	8,752,661	9,004,525	9,508,973	504,448	5.60%
Total Special Revenue Funds	\$764,138,304	\$771,571,535	\$889,962,772	\$860,570,402	(\$29,392,370)	-3.30%

FY 2006 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2004 Actual ¹	FY 2005 Adopted Budget Plan ²	FY 2005 Revised Budget Plan ³	FY 2006 Advertised Budget Plan ⁴	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G20 Debt Service Funds						
200/ 201 Consolidated Debt Service	\$2,899	\$720,000	\$720,000	\$963,345	\$243,345	33.80%
Total Debt Service Funds	\$2,899	\$720,000	\$720,000	\$963,345	\$243,345	33.80%
G30 Capital Project Funds						
300 Countywide Roadway Improvement Fund	\$188	\$0	\$0	\$0	\$0	-
301 Contributed Roadway Improvement	2,271,474	2,376,106	3,533,250	3,041,305	(491,945)	-13.92%
302 Library Construction	12,000	0	0	10,459,000	10,459,000	-
303 County Construction	7,575,145	5,097,776	20,278,825	6,437,688	(13,841,137)	-68.25%
304 Primary & Secondary Rd Bond Construction	1,649,440	0	20,397,347	0	(20,397,347)	-100.00%
306 No VA Regional Park Authority	2,250,000	2,500,000	2,500,000	2,500,000	0	0.00%
307 Sidewalk Construction	1,544,883	300,000	3,466,588	300,000	(3,166,588)	-91.35%
308 Public Works Construction	2,547,986	3,265,000	5,004,649	3,285,000	(1,719,649)	-34.36%
309 Metro Operations & Construction	10,600,000	13,588,893	1,471,303	27,950,000	26,478,697	1799.68%
310 Storm Drainage Bond Construction	4,090,785	0	0	0	0	-
311 County Bond Construction	10,963,177	12,032,141	19,696,313	18,171,000	(1,525,313)	-7.74%
312 Public Safety Construction	1,792,454	24,200,000	96,856,675	3,207,500	(93,649,175)	-96.69%
313 Trail Construction	0	0	171,081	0	(171,081)	-100.00%
314 Neighborhood Improvement Program	1,498,755	35,000	35,000	30,000	(5,000)	-14.29%
315 Commercial Revitalization Program	4,153,790	0	7,723,670	0	(7,723,670)	-100.00%
316 Pro Rata Share Drainage Construction	2,399,109	0	25,588,084	0	(25,588,084)	-100.00%
317 Capital Renewal Construction	0	0	0	5,000,000	5,000,000	-
340 Housing Assistance Program	8,737	0	12,421,480	0	(12,421,480)	-100.00%
341 Housing G O Bond Construction	350,000	0	0	0	0	-
370 Park Authority Bond Construction	31,130,000	0	13,920,000	0	(13,920,000)	-100.00%
390 School Construction	135,132,229	147,157,262	495,319,591	111,058,860	(384,260,731)	-77.58%
Total Capital Project Funds	\$219,970,152	\$210,552,178	\$728,383,856	\$191,440,353	(\$536,943,503)	-73.72%
TOTAL GOVERNMENTAL FUNDS	\$3,616,275,973	\$3,706,358,545	\$4,391,667,386	\$4,072,605,176	(\$319,062,210)	-7.27%
PROPRIETARY FUNDS						
G40 Enterprise Funds						
400 Sewer Revenue	\$119,044,507	\$128,054,512	\$128,054,512	\$133,513,717	\$5,459,205	4.26%
408 Sewer Bond Construction	1,636,957	36,636	300,000	35,517	(264,483)	-88.16%
Total Enterprise Funds	\$120,681,464	\$128,091,148	\$128,354,512	\$133,549,234	\$5,194,722	4.05%

FY 2006 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2004 Actual ¹	FY 2005 Adopted Budget Plan ²	FY 2005 Revised Budget Plan ³	FY 2006 Advertised Budget Plan ⁴	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G50 Internal Service Funds						
501 County Insurance Fund	\$10,875,301	\$11,270,133	\$11,270,133	\$1,324,694	(\$9,945,439)	-88.25%
503 Department of Vehicle Services	50,741,604	48,952,007	49,972,007	58,306,231	8,334,224	16.68%
504 Document Services Division	4,396,943	4,591,980	4,591,980	4,591,980	0	0.00%
505 Technology Infrastructure Services	19,168,387	21,015,284	21,015,284	24,239,595	3,224,311	15.34%
506 Health Benefits Trust	59,994,092	63,638,603	66,695,717	72,602,425	5,906,708	8.86%
590 School Insurance Fund	8,238,992	10,393,240	10,443,240	12,293,316	1,850,076	17.72%
591 School Health Benefits Trust	161,011,717	183,238,201	183,238,201	209,893,115	26,654,914	14.55%
592 School Central Procurement	10,766,960	14,000,000	14,000,000	14,000,000	0	0.00%
Total Internal Service Funds	\$325,193,996	\$357,099,448	\$361,226,562	\$397,251,356	\$36,024,794	9.97%
TOTAL PROPRIETARY FUNDS	\$445,875,460	\$485,190,596	\$489,581,074	\$530,800,590	\$41,219,516	8.42%
FIDUCIARY FUNDS						
G60 Trust Funds						
600 Uniformed Retirement	\$131,224,329	\$85,309,033	\$85,309,033	\$101,212,869	\$15,903,836	18.64%
601 Fairfax County Employees' Retirement	393,413,393	210,832,882	210,832,882	239,430,582	28,597,700	13.56%
602 Police Retirement	119,598,980	70,658,603	70,658,603	79,729,278	9,070,675	12.84%
691 Educational Employees' Retirement	300,218,995	179,657,214	190,604,572	197,640,920	7,036,348	3.69%
Total Trust Funds	\$944,455,697	\$546,457,732	\$557,405,090	\$618,013,649	\$60,608,559	10.87%
G70 Agency Funds						
700 Route 28 Taxing District	\$5,780,793	\$7,100,000	\$7,100,000	\$9,220,509	\$2,120,509	29.87%
711 Dulles Rail - Phase I	0	0	7,513,673	17,269,966	\$9,756,293	129.85%
	\$5,780,793	\$7,100,000	\$14,613,673	\$26,490,475	\$11,876,802	81.27%
TOTAL FIDUCIARY FUNDS	\$950,236,490	\$553,557,732	\$572,018,763	\$644,504,124	\$72,485,361	12.67%
TOTAL APPROPRIATED FUNDS	\$5,012,387,923	\$4,745,106,873	\$5,453,267,223	\$5,247,909,890	(\$205,357,333)	-3.77%
Appropriated From (Added to) Surplus	(\$686,106,289)	(\$145,778,072)	\$450,775,975	(\$225,246,520)	(\$676,022,495)	-149.97%
TOTAL AVAILABLE	\$4,326,281,634	\$4,599,328,801	\$5,904,043,198	\$5,022,663,370	(\$881,379,828)	-14.93%
Less: Internal Service Funds	(\$317,988,301)	(\$390,456,994)	(\$411,808,446)	(\$437,956,173)	(\$26,147,727)	6.35%
NET AVAILABLE	\$4,008,293,333	\$4,208,871,807	\$5,492,234,752	\$4,584,707,197	(\$907,527,555)	-16.52%

FY 2006 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2004 Actual ¹	FY 2005 Adopted Budget Plan ²	FY 2005 Revised Budget Plan ³	FY 2006 Advertised Budget Plan ⁴	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
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EXPLANATORY NOTE:

The "Total Available" indicates the revenue in each fiscal year that is to be used to support expenditures. This amount is the total revenue adjusted by the amount of funding that is either appropriated from fund balance or added to fund balance. In some instances, adjustments to fund balance that are not currently reflected in the "Changes in Fund Balance" table also affect the "Total Available." Explanations for these adjustments are provided below. The "Total Available," plus (minus) the effect of these changes matches the expenditure totals by fiscal year on the "Expenditure by Fund/Summary of Appropriated Funds."

¹ Not reflected are the following adjustments to balance which were carried forward from FY 2003 to FY 2004:

- Fund 191, School Food and Nutrition Services, change in inventory of \$307,144
- Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$79,097)
- Fund 501, County Insurance, net change in accrued liability of \$1,089,427
- Fund 502, County Central Stores, elimination of the fund during FY 2004, assumes reimbursement to General Fund of (\$98,869), this adjustment will be reflected as part of the *FY 2005 Third Quarter Review* audit package
- Fund 590, Public School Insurance, net change in accrued liability of (\$883,166)

² Not reflected are the following adjustments to balance which were carried forward from FY 2004 to FY 2005:

- Fund 090, Public School Operating, assumes carryover of available FY 2005 balance of \$34,804,721 to balance the FY 2006 budget
- Fund 192, Public School Grants and Self-Supporting Programs, assumes carryover of available FY 2005 balance of \$3,100,000 to balance the FY 2006 budget
- Fund 193, School Adult & Community Education, assumes carryover of available FY 2005 balance of \$850,000 to balance the FY 2006 budget
- Fund 309, Metro Operations & Construction, assumes offsetting adjustment at the *FY 2004 Carryover Review* for the \$4,950,000 reduction in Virginia VTA 2000 bonds based on FY 2006 availability
- Fund 403, Sewer Pond Parity Debt Service, non-appropriated amortization expense of (\$33,175)
- Fund 590, Public School Insurance, assumes carryover of available FY 2005 balance of \$700,000 to balance the FY 2006 budget
- Fund 590, Public School Insurance, net change in accrued liability of \$403,031
- Fund 591, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of \$18,240,129

³ Not reflected are the following adjustments to balance which were carried forward from FY 2004 to FY 2005:

- Fund 403, Sewer Bond Debt Service, non-appropriated amortization expense of (\$33,175)
- Fund 590, Public School Insurance, net change in accrued liability of \$3,000

⁴ Not reflected are the following adjustments to balance which were carried forward from FY 2005 to FY 2006:

- Fund 001, General Fund, impact of *FY 2005 Third Quarter Review* adjustments of (\$37,288,339)
- Fund 090, Public School Operating, assumes carryover of available FY 2005 balance of \$20,000,000 to balance the FY 2006 budget
- Fund 191, Public School Food and Nutrition Services, assumes carryover of available FY 2005 balance of \$9,674,476 to balance the FY 2006 budget
- Fund 192, Public School Grants and Self-Supporting Programs, assumes carryover of available FY 2005 balance of \$3,261,646 to balance the FY 2006 budget
- Fund 193, School Adult & Community Education, assumes carryover of available FY 2005 balance of \$376,580 to balance the FY 2006 budget
- Fund 200/201, Consolidated Debt Service, assumes carryover of \$13,135,501 in available FY 2005 balance
- Fund 403, Sewer Pond Parity Debt Service, non-appropriated amortization expense of (\$33,175)
- Fund 591, assumes carryover of premium stabilization reserve of \$23,462,659

FY 2006 ADVERTISED EXPENDITURES BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2004 Estimate	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS							
G00 General Fund Group							
001 General Fund	\$987,821,025	\$933,467,219	\$1,003,824,621	\$1,051,210,968	\$1,076,874,724	\$25,663,756	2.44%
G10 Special Revenue Funds							
090 Public School Operating ¹	\$1,710,046,130	\$1,598,320,237	\$1,736,252,502	\$1,852,219,575	\$1,879,137,412	\$26,917,837	1.45%
100 County Transit Systems	36,443,807	27,004,703	31,395,928	41,883,034	35,492,886	(6,390,148)	-15.26%
102 Federal/State Grant Fund	114,766,895	50,607,686	55,718,166	112,720,834	70,797,910	(41,922,924)	-37.19%
103 Aging Grants and Programs	5,807,529	4,486,572	4,602,217	5,999,949	5,199,576	(800,373)	-13.34%
104 Information Technology	31,891,006	8,901,910	10,404,823	34,593,414	17,251,574	(17,341,840)	-50.13%
105 Cable Communications	20,393,355	9,186,084	12,960,806	23,177,730	8,207,102	(14,970,628)	-64.59%
106 Community Services Board	121,218,865	118,349,014	118,007,557	123,011,330	126,513,645	3,502,315	2.85%
108 Leaf Collection	1,263,584	1,139,016	1,510,902	1,510,902	1,670,108	159,206	10.54%
109 Refuse Collection & Recycling Ops	18,054,486	16,584,511	16,668,901	17,113,673	17,489,150	375,477	2.19%
110 Refuse Disposal	53,701,756	50,606,567	53,796,721	55,465,044	61,725,708	6,260,664	11.29%
111 Reston Community Center	6,272,336	5,177,155	6,898,967	7,195,224	6,210,922	(984,302)	-13.68%
112 Energy Resource Recovery Facility	37,252,595	34,158,649	32,776,334	37,644,408	36,414,668	(1,229,740)	-3.27%
113 McLean Community Center	3,435,061	2,774,985	3,440,178	3,960,385	3,748,474	(211,911)	-5.35%
114 I-95 Refuse Disposal	45,184,030	8,117,529	6,294,081	42,981,379	7,501,799	(35,479,580)	-82.55%
115 Burgundy Village Community Center	63,416	58,488	36,870	36,870	43,092	6,222	16.88%
116 Integrated Pest Management Program	1,981,677	1,297,227	2,502,232	2,525,544	2,433,786	(91,758)	-3.63%
118 Consolidated Community Funding Pool	6,665,268	6,530,248	6,781,644	6,916,664	7,093,617	176,953	2.56%
119 Contributory Fund	7,048,423	7,011,855	9,916,891	9,944,391	10,478,301	533,910	5.37%
120 E-911 Fund	31,950,511	27,444,814	29,775,253	34,785,939	36,250,724	1,464,785	4.21%
141 Elderly Housing Programs	3,351,231	2,918,270	3,370,430	3,619,925	3,307,057	(312,868)	-8.64%
142 Community Development Block Grant	16,641,159	5,893,369	7,457,000	19,063,677	7,310,000	(11,753,677)	-61.65%
143 Homeowner and Business Loan Prgms	4,719,587	1,189,741	1,518,594	6,763,081	1,743,567	(5,019,514)	-74.22%
144 Housing Trust Fund	17,190,570	661,901	1,507,838	24,360,231	1,685,061	(22,675,170)	-93.08%
145 HOME Investment Partnership Grant	8,012,615	1,872,967	2,704,791	9,195,865	2,616,315	(6,579,550)	-71.55%
191 School Food & Nutrition Services	53,755,590	54,489,502	51,563,629	66,920,326	69,494,037	2,573,711	3.85%
192 School Grants & Self Supporting	74,610,792	53,252,321	59,438,586	73,208,100	61,395,660	(11,812,440)	-16.14%
193 School Adult & Community Education	12,004,888	10,364,197	10,702,792	11,864,804	11,085,684	(779,120)	-6.57%
Total Special Revenue Funds	\$2,443,727,162	\$2,108,399,518	\$2,278,004,633	\$2,628,682,298	\$2,492,297,835	(\$136,384,463)	-5.19%
G20 Debt Service Funds							
200 County Debt Service	\$99,442,215	\$98,989,251	\$101,915,055	\$102,575,918	\$105,931,179	\$3,355,261	3.27%
201 School Debt Service	121,096,733	117,832,380	133,178,583	136,242,936	132,164,267	(4,078,669)	-2.99%
Total Debt Service Funds	\$220,538,948	\$216,821,631	\$235,093,638	\$238,818,854	\$238,095,446	(\$723,408)	-0.30%

FY 2006 ADVERTISED EXPENDITURES BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2004 Estimate	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G30 Capital Project Funds							
300 Countywide Roadway Improvement	\$1,959,076	\$860,229	\$0	\$2,899,035	\$0	(\$2,899,035)	-100.00%
301 Contributed Roadway Improvement	35,507,563	2,020,420	2,266,106	35,505,934	2,931,305	(32,574,629)	-91.74%
302 Library Construction	687,646	481,935	0	790,711	11,142,882	10,352,171	1309.22%
303 County Construction	53,588,370	14,380,307	13,647,963	60,318,911	17,465,018	(42,853,893)	-71.05%
304 Primary & Secondary Rd Bond Construction	34,431,388	1,483,434	1,000,000	32,480,163	1,000,000	(31,480,163)	-96.92%
306 No VA Regional Park Authority	2,250,000	2,250,000	2,500,000	2,500,000	2,500,000	0	0.00%
307 Sidewalk Construction	7,768,450	1,379,442	300,000	7,533,616	300,000	(7,233,616)	-96.02%
308 Public Works Construction	10,869,876	3,341,506	3,515,000	12,254,776	21,185,000	8,930,224	72.87%
309 Metro Operations & Construction	18,040,727	16,459,834	36,369,800	31,483,104	48,692,238	17,209,134	54.66%
310 Storm Drainage Bond Construction	3,758,345	668,320	0	3,220,810	0	(3,220,810)	-100.00%
311 County Bond Construction	20,141,214	4,212,566	12,032,141	27,500,294	18,171,000	(9,329,294)	-33.92%
312 Public Safety Construction	161,990,579	4,443,744	24,460,000	187,916,443	18,207,500	(169,708,943)	-90.31%
313 Trail Construction	580,244	52,628	0	527,616	0	(527,616)	-100.00%
314 Neighborhood Improvement Program	1,334,510	1,058,248	0	282,193	0	(282,193)	-100.00%
315 Commercial Revitalization Program	11,696,235	4,692,572	0	7,335,917	0	(7,335,917)	-100.00%
316 Pro Rata Share Drainage Construction	27,130,572	2,399,109	0	25,591,463	0	(25,591,463)	-100.00%
317 Capital Renewal Construction	0	0	0	0	7,682,000	7,682,000	.
340 Housing Assistance Program	14,605,049	1,665,302	935,000	15,883,484	2,935,000	(12,948,484)	-81.52%
341 Housing G O Bond Construction	381,664	364,442	0	42,552	0	(42,552)	-100.00%
370 Park Authority Bond Construction	53,720,743	23,541,205	0	34,165,204	0	(34,165,204)	-100.00%
390 School Construction	442,075,303	137,835,731	160,015,262	510,684,776	124,449,882	(386,234,894)	-75.63%
Total Capital Project Funds	\$902,517,554	\$223,590,974	\$257,041,272	\$998,917,002	\$276,661,825	(\$722,255,177)	-72.30%
TOTAL GOVERNMENTAL FUNDS	\$4,554,604,689	\$3,482,279,342	\$3,773,964,164	\$4,917,629,122	\$4,083,929,830	(\$833,699,292)	-16.95%
PROPRIETARY FUNDS							
G40 Enterprise Funds							
401 Sewer Operations and Maintenance	\$71,846,876	\$67,833,725	\$74,812,086	\$75,900,054	\$75,363,821	(\$536,233)	-0.71%
402 Sewer Construction Improvements	114,465,926	62,777,013	35,495,200	87,184,113	45,807,900	(41,376,213)	-47.46%
403 Sewer Bond Parity Debt Service	68,702,004	68,160,509	7,255,399	7,255,399	7,261,540	6,141	0.08%
407 Sewer Bond Subordinate Debt	21,875,577	21,676,120	21,877,158	21,877,158	21,708,356	(168,802)	-0.77%
408 Sewer Bond Construction	33,678,654	6,577,780	0	27,100,874	0	(27,100,874)	-100.00%
Total Enterprise Funds	\$310,569,037	\$227,025,147	\$139,439,843	\$219,317,598	\$150,141,617	(\$69,175,981)	-31.54%

FY 2006 ADVERTISED EXPENDITURES BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2004 Estimate	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G50 Internal Service Funds							
500 Retiree Health Benefits	\$3,092,308	\$2,974,682	\$3,802,099	\$3,802,099	\$3,935,735	\$133,636	3.51%
501 County Insurance Fund	12,571,303	12,630,286	11,492,119	11,492,119	12,727,596	1,235,477	10.75%
503 Department of Vehicle Services	53,840,769	48,347,553	51,917,833	58,384,015	55,972,864	(2,411,151)	-4.13%
504 Document Services Division	7,947,809	7,373,816	7,331,819	7,331,819	7,309,205	(22,614)	-0.31%
505 Technology Infrastructure Services	23,495,031	20,124,247	25,069,075	27,645,358	25,768,007	(1,877,351)	-6.79%
506 Health Benefits Trust Fund	57,050,992	53,435,128	63,906,234	71,444,478	72,188,007	743,529	1.04%
590 School Insurance Fund	9,594,552	9,585,669	11,093,240	10,455,122	12,293,316	1,838,194	17.58%
591 School Health Benefits Trust	175,848,849	152,392,713	201,844,575	207,253,436	233,761,443	26,508,007	12.79%
592 School Central Procurement	14,000,000	11,124,207	14,000,000	14,000,000	14,000,000	0	0.00%
Total Internal Service Funds	\$357,441,613	\$317,988,301	\$390,456,994	\$411,808,446	\$437,956,173	\$26,147,727	6.35%
TOTAL PROPRIETARY FUNDS	\$668,010,650	\$545,013,448	\$529,896,837	\$631,126,044	\$588,097,790	(\$43,028,254)	-6.82%
FIDUCIARY FUNDS							
G60 Trust Funds							
600 Uniformed Retirement	\$32,301,833	\$33,296,812	\$40,055,843	\$40,056,563	\$47,169,783	\$7,113,220	17.76%
601 Fairfax County Employees' Retirement	93,340,338	106,011,809	116,848,345	116,851,704	134,550,048	17,698,344	15.15%
602 Police Retirement	31,223,195	32,342,138	37,027,267	37,027,987	40,419,908	3,391,921	9.16%
691 Educational Employees' Retirement	129,965,764	121,891,107	146,405,488	139,485,675	151,825,260	12,339,585	8.85%
Total Trust Funds	\$286,831,130	\$293,541,866	\$340,336,943	\$333,421,929	\$373,964,999	\$40,543,070	12.16%
G70 Agency Funds							
700 Route 28 Taxing District	\$6,863,962	\$5,782,418	\$7,141,215	\$7,100,000	\$9,260,099	\$2,160,099	30.42%
TOTAL FIDUCIARY FUNDS	\$293,695,092	\$299,324,284	\$347,478,158	\$340,521,929	\$383,225,098	\$42,703,169	12.54%
TOTAL APPROPRIATED FUNDS	\$5,516,310,431	\$4,326,617,074	\$4,651,339,159	\$5,889,277,095	\$5,055,252,718	(\$834,024,377)	-14.16%
Less: Internal Service Funds ²	(\$357,441,613)	(\$317,988,301)	(\$390,456,994)	(\$411,808,446)	(\$437,956,173)	(\$26,147,727)	6.35%
NET EXPENDITURES	\$5,158,868,818	\$4,008,628,773	\$4,260,882,165	\$5,477,468,649	\$4,617,296,545	(\$860,172,104)	-15.70%

¹ FY 2006 Advertised Budget Plan expenditures for Fund 090, Public School Operating, are reduced by \$19,306,663 to offset the discrepancy between the proposed Transfer Out from the General Fund and the Superintendent's Proposed Transfer In to Fund 090.

² Total Appropriated Funds Expenditures are reduced by Internal Service Fund Expenditures, as the amounts are already included.

FY 2006 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	Balance 6/30/03	Balance 6/30/04	Balance 6/30/05	Balance 6/30/06	Appropriated From/ (Added to) Surplus
GOVERNMENTAL FUNDS					
G00 General Fund Group					
001 General Fund	\$118,894,312	\$152,344,354	\$116,687,863	\$95,897,596	\$20,790,267
002 Revenue Stabilization Fund	29,253,998	34,751,566	42,964,327	44,039,877	(1,075,550)
Total General Fund Group	\$148,148,310	\$187,095,920	\$159,652,190	\$139,937,473	\$19,714,717
G10 Special Revenue Funds					
090 Public School Operating	\$110,747,182	\$113,382,753	\$0	\$0	\$0
100 County Transit Systems	6,125,429	10,947,976	1,158,697	509,608	649,089
102 Federal/State Grant Fund	2,175,324	14,919,436	239,176	239,176	0
103 Aging Grants and Programs	817,229	788,749	0	0	0
104 Information Technology	19,488,799	22,988,591	0	0	0
105 Cable Communications	21,322,361	20,755,264	5,510,944	5,223,810	287,134
106 Community Services Board	6,294,548	4,283,368	120,758	120,758	0
108 Leaf Collection	1,660,413	1,488,447	1,440,576	1,423,670	16,906
109 Refuse Collection & Recycling Ops	10,819,125	6,828,348	3,410,177	1,494,257	1,915,920
110 Refuse Disposal	9,007,618	8,834,956	5,507,748	4,392,667	1,115,081
111 Reston Community Center	2,753,950	3,090,392	1,600,470	1,569,814	30,656
112 Energy Resource Recovery Facility	15,383,969	16,437,760	16,328,694	16,458,621	(129,927)
113 McLean Community Center	2,621,421	3,521,126	3,074,516	3,790,893	(716,377)
114 I-95 Refuse Disposal	77,197,573	74,673,773	37,010,843	35,779,908	1,230,935
115 Burgundy Village Community Center	147,365	126,273	128,975	128,670	305
116 Integrated Pest Management Program	2,003,577	2,127,943	961,080	0	961,080
118 Consolidated Community Funding Pool	206,559	135,020	0	0	0
119 Contributory Fund	104,267	140,835	69,068	69,068	0
120 E-911 Fund	6,333,511	5,010,686	0	0	0
141 Elderly Housing Programs	422,851	557,035	152,909	95,577	57,332
142 Community Development Block Grant	864,795	905,717	0	0	0
143 Homeowner and Business Loan Prgms	2,699,454	4,375,859	0	0	0
144 Housing Trust Fund	13,118,219	19,061,453	229,060	229,060	0
145 HOME Investment Partnership Grant	(58,531)	(104)	(104)	(104)	0
191 School Food & Nutrition Services	9,797,485	10,614,164	0	0	0
192 School Grants & Self Supporting	5,326,446	6,764,980	0	0	0
193 School Adult & Community Education	2,051,626	1,660,148	0	0	0
Total Special Revenue Funds	\$329,432,565	\$354,420,948	\$76,943,587	\$71,525,453	\$5,418,134

FY 2006 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	Balance 6/30/03	Balance 6/30/04	Balance 6/30/05	Balance 6/30/06	Appropriated From/ (Added to) Surplus
G20 Debt Service Funds					
200/ 201 Consolidated Debt Service	\$9,701,990	\$12,330,875	\$0	\$5,000,000	(\$5,000,000)
Total Debt Service Funds	\$9,701,990	\$12,330,875	\$0	\$5,000,000	(\$5,000,000)
G30 Capital Project Funds					
300 Countywide Roadway Improvement	\$1,477,326	\$1,099,035	\$0	\$0	\$0
301 Contributed Roadway Improvement	32,191,630	32,332,684	0	0	0
302 Library Construction	675,646	205,711	0	0	0
303 County Construction	35,172,065	38,826,182	0	0	0
304 Primary & Secondary Rd Bond Construction	13,108,560	12,632,816	0	0	0
306 No VA Regional Park Authority	0	0	0	0	0
307 Sidewalk Construction	3,786,587	4,067,028	0	0	0
308 Public Works Construction	6,837,647	6,219,127	0	0	0
309 Metro Operations & Construction	8,433,732	13,392,001	0	0	0
310 Storm Drainage Bond Construction	(201,655)	3,220,810	0	0	0
311 County Bond Construction	1,514,631	8,265,242	0	0	0
312 Public Safety Construction	60,514,542	87,509,297	0	0	0
313 Trail Construction	409,163	356,535	0	0	0
314 Neighborhood Improvement Program	(26,765)	413,742	66,549	96,549	(30,000)
315 Commercial Revitalization Program	151,029	(387,753)	0	0	0
316 Pro Rata Share Drainage Construction	3,379	3,379	0	0	0
317 Capital Renewal Construction	0	0	0	0	0
340 Housing Assistance Program	1,251,540	529,975	2,971	2,971	0
341 Housing G O Bond Construction	56,994	42,552	0	0	0
370 Park Authority Bond Construction	12,656,409	20,245,204	0	0	0
390 School Construction	(6,477,429)	1,971,457	0	0	0
Total Capital Project Funds	\$171,535,031	\$230,945,024	\$69,520	\$99,520	(\$30,000)
TOTAL GOVERNMENTAL FUNDS	\$658,817,896	\$784,792,767	\$236,665,297	\$216,562,446	\$20,102,851
PROPRIETARY FUNDS					
G40 Enterprise Funds					
400 Sewer Revenue	\$133,848,787	\$70,329,786	\$61,924,487	\$46,835,432	\$15,089,055
401 Sewer Operations and Maintenance	2,674,650	4,481,187	1,177,213	379,320	797,893
402 Sewer Construction Improvements	80,996,564	51,688,913	0	0	0
403 Sewer Bond Parity Debt Service	1,053,274	1,515,672	923,010	348,340	574,670
406 Sewer Bond Debt Reserve	14,571,766	7,514,438	7,514,438	7,514,438	0
407 Sewer Bond Subordinate Debt	770,908	403,996	199,457	0	199,457
408 Sewer Bond Construction	37,330,967	28,890,144	2,089,270	2,124,787	(35,517)
Total Enterprise Funds	\$271,246,916	\$164,824,136	\$73,827,875	\$57,202,317	\$16,625,558

FY 2006 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	Balance 6/30/03	Balance 6/30/04	Balance 6/30/05	Balance 6/30/06	Appropriated From/ (Added to) Surplus
G50 Internal Service Funds					
500 Retiree Health Benefits	\$140,941	\$255,003	\$152,625	\$35,000	\$117,625
501 County Insurance Fund	26,280,309	25,614,751	25,392,765	24,487,854	904,911
502 County Central Stores ¹	98,869	0	0	0	0
503 Department of Vehicle Services	21,854,551	26,248,602	17,836,594	20,169,961	(2,333,367)
504 Document Services Division	87,534	10,661	170,822	353,597	(182,775)
505 Technology Infrastructure Services	9,944,196	8,988,336	2,822,102	1,609,981	1,212,121
506 Health Benefits Trust Fund	7,850,525	14,409,489	9,660,728	10,075,146	(414,418)
590 School Insurance Fund	16,956,380	14,726,537	14,717,655	14,717,655	0
591 School Health Benefits Trust	14,689,825	23,648,990	0	0	0
592 School Central Procurement	835,200	477,953	477,953	477,953	0
Total Internal Service Funds	\$98,738,330	\$114,380,322	\$71,231,244	\$71,927,147	(\$695,903)
TOTAL PROPRIETARY FUNDS	\$369,985,246	\$279,204,458	\$145,059,119	\$129,129,464	\$15,929,655
FIDUCIARY FUNDS					
G60 Trust Funds					
600 Uniformed Retirement	\$657,361,178	\$755,288,695	\$800,541,165	\$854,584,251	(\$54,043,086)
601 Fairfax County Employees' Retirement	1,780,113,740	2,067,515,324	2,161,496,502	2,266,377,036	(104,880,534)
602 Police Retirement	591,890,730	679,147,572	712,778,188	752,087,558	(39,309,370)
691 Educational Employees' Retirement	1,349,792,227	1,528,120,115	1,579,239,012	1,625,054,672	(45,815,660)
Total Trust Funds	\$4,379,157,875	\$5,030,071,706	\$5,254,054,867	\$5,498,103,517	(\$244,048,650)
G70 Agency Funds					
700 Route 28 Taxing District	\$41,215	\$39,590	\$39,590	\$0	\$39,590
711 Dulles Rail - Phase I	0	0	7,513,673	24,783,639	(17,269,966)
Total Agency Funds	\$41,215	\$39,590	\$7,553,263	\$24,783,639	(\$17,230,376)
TOTAL FIDUCIARY FUNDS	\$4,379,199,090	\$5,030,111,296	\$5,261,608,130	\$5,522,887,156	(\$261,279,026)
TOTAL APPROPRIATED FUNDS	\$5,408,002,232	\$6,094,108,521	\$5,643,332,546	\$5,868,579,066	(\$225,246,520)

¹ The June 30, 2003 balance for Fund 502, County Central Stores, has been restated to \$98,869 as a result of write-off of inventory in anticipation of the elimination of the fund as part of the FY 2005 Third Quarter Review.

**GENERAL FUND PROPERTY TAX RATES
FY 1996 - FY 2006
(per \$100 assessed valuation)**

Tax Category	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006 Advertised
Real Estate	\$1.16	\$1.23	\$1.23	\$1.23	\$1.23	\$1.23	\$1.23	\$1.21	\$1.16	\$1.13	\$1.03
Public Service	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.21	1.16	1.13	1.03
Personal Property¹	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57
Special Subclass ^{2,3}	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Machinery and Tools	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Research and Development	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Mobile Homes ⁴	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.21	1.16	1.13	1.03
Public Service	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.21	1.16	1.13	1.03

¹ Includes vehicles owned by individuals, businesses and Public Service Corporations, business furniture and fixtures, and computers.

² On April 30, 1990, the Board of Supervisors established a subclass of vehicles for personal property taxation purposes. This subclass includes vehicles specifically equipped for the handicapped, privately-owned vans used for van pools, and vehicles belonging to volunteer fire and rescue squad members. The same rate also applies to antique automobiles.

³ Beginning in FY 1996, the special subclass includes vehicles owned by auxiliary police officers, aircraft and flight simulators, and property owned by homeowners' associations. As of FY 2000, the special subclass includes boats.

⁴ In accordance with the Code of Virginia, mobile homes are considered a separate class of Personal Property and are assessed and taxed in the same manner as local real property.

SUMMARY OF SELECTED NON-PROPERTY COUNTY TAX RATES FY 1996 - FY 2006

Tax Category	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006 Advertised
Sewage Rates											
Sewer Charge (per 1,000 gal.)	\$2.60	\$2.60	\$2.60	\$2.70	\$2.70	\$2.81	\$2.88	\$2.95	\$3.03	\$3.20	\$3.28
Availability Fee - Single Family Home	\$4,101	\$4,353	\$4,621	\$4,621	\$4,621	\$4,898	\$5,069	\$5,247	\$5,431	\$5,621	\$5,874
Refuse Rates											
Collection (per unit)	\$250	\$250	\$240	\$240	\$210	\$210	\$210	\$210	\$210	\$240	\$270
Disposal (per ton)	\$48.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$48.00	\$48.00
Leaf Collection ¹	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.015	\$0.015
Lee - Burgundy Village											
Community Center ^{1,2}	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
Dranesville - McLean											
Community Center ^{1,2}	\$0.027	\$0.027	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028
Hunter Mill - Reston											
Community Center ^{1,2}	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.052	\$0.052	\$0.052	\$0.052
Route 28 Corridor ^{1,2}	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Forest Integrated Pest											
Management Program ^{1,2,3}	\$0.0014	\$0.0010	\$0.0000	\$0.0000	\$0.0000	\$0.0010	\$0.0010	\$0.0010	\$0.0010	\$0.0010	\$0.0010
Consumer Utility Tax - Telephone											
Residential											
Rate	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%
Ceiling	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Commercial											
Rate	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%
Ceiling	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600
E-911 Tax											
Monthly per Phone Line	\$1.30	\$1.69	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$2.50	\$2.50	\$3.00
Local Mobile Telecommunications Tax⁴											
Rate	-	-	-	-	-	-	-	-	10.0%	10.0%	10.0%
Ceiling	-	-	-	-	-	-	-	-	\$30	\$30	\$30

¹ Per \$100 of assessed value.

² These are in special taxing districts which have been set up to support these functions.

³ This tax was suspended in FY 1998 through FY 2000 due to reduced treatment requirements. The tax was reinstated in FY 2001 to address anticipated increases in the treatment requirements for pests.

⁴ A Local Mobile Telecommunications tax was approved by the Board of Supervisors as part of the FY 2004 Adopted Budget Plan.

CONSUMER UTILITY TAXES ON ELECTRICITY AND NATURAL GAS

ELECTRICITY

NATURAL GAS

ELECTRICITY			NATURAL GAS		
Customer Class as Defined by Electric Power Company	Monthly Tax Prior to January 1, 2001	Monthly Tax Since January 1, 2001 ¹	Customer Class as Defined by Natural Gas Company	Monthly Tax Prior to January 1, 2001	Monthly Tax Since January 1, 2001 ¹
Residential	8% of first \$50	\$0.00605 per kWh	Residential	8% of first \$50	\$0.05259 per CCF
Minimum	8% of \$7 bill or \$0.56	\$0.56 per bill	Minimum	8% of \$7 bill or \$0.56	\$0.56 per bill
Maximum	\$4.00 per bill	\$4.00 per bill	Maximum	\$4.00 per bill	\$4.00 per bill
Master Metered Apartments	8% of bill	\$0.00323 per kWh	Master Metered Apartments	8% of bill	\$0.01192 per CCF
Minimum	8% of \$7 / dwelling unit or \$0.56 / dwelling unit	\$0.56 per dwelling unit	Minimum	8% of \$7 / dwelling unit or \$0.56 / dwelling unit	\$0.56 per dwelling unit
Maximum	8% of \$50 / dwelling unit or \$4.00 / dwelling unit	\$4.00 per dwelling unit	Maximum	8% of \$50 / dwelling unit or \$4.00 / dwelling unit	\$4.00 per dwelling unit
Commercial	10% of first \$10,000	\$0.00594 per kWh	Nonresidential	10% of first \$3,000	\$0.04794 per CCF
Minimum	10% of \$11.47 bill or \$1.15 per bill	\$1.15 per bill	Minimum	10% of \$8.45 bill or \$0.845	\$0.845 per bill
Maximum	\$1,000 per bill	\$1,000 per bill	Maximum	\$300 per bill	\$300 per bill
Industrial	10% of first \$10,000	\$0.00707 per kWh	Nonresidential Interruptible	4.5% of first \$6,667	\$0.00563 per CCF
Minimum	10% of \$11.47 bill or \$1.15 per bill	\$1.15 per bill	Minimum	4.5% of \$100 bill per meter	\$4.50 per meter
Maximum	\$1,000 per bill	\$1,000 per bill	Maximum	\$300 per meter	\$300 per meter

¹Beginning January 1, 2001, Fairfax County changed its Consumer Utility Tax on consumers of electricity and natural gas as required by the Commonwealth of Virginia's utility deregulation legislation. Prior to this date, the Consumer Utility Tax was calculated based on the amount of a consumer's bill. The current calculation method is based on usage.

ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS GENERAL FUND, FISCAL YEARS 2004-2006

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
ASSESSED VALUATION OF TAXABLE PROPERTY				
Real Estate				
Local Assessment	\$129,247,150,810	\$144,804,746,670	\$144,804,746,670	\$178,818,426,150
Public Service Corporations	991,037,429	940,603,299	999,408,584	1,058,253,657
Supplementals and Norfolk Plan	628,074,397	535,750,000	535,750,000	632,238,575
Less: Tax Relief for Elderly/Disabled	(1,091,077,762)	(1,746,055,734)	(1,746,055,734)	(1,880,383,360)
Less: Exonerations/Certificates/Tax Abatements	(560,068,225)	(941,538,739)	(780,482,633)	(1,019,686,454)
Total Real Estate Taxable Valuation	\$129,215,116,649	\$143,593,505,496	\$143,813,366,887	\$177,608,848,568
Personal Property				
Vehicles	\$9,564,224,332	\$9,506,653,455	\$9,464,780,147	\$9,746,295,511
Business Property (excluding vehicles)	2,148,266,703	2,166,945,211	2,108,015,959	2,170,674,042
Mobile Homes	18,383,435	18,279,344	18,053,554	18,056,505
Other Personal Property ¹	8,726,700	8,565,139	8,479,890	8,765,618
Public Service Corporations	2,265,616,427	2,212,876,327	2,164,271,094	2,210,176,332
Total Personal Property Valuation	\$14,005,217,597	\$13,913,319,476	\$13,763,600,644	\$14,153,968,008
Total Taxable Property Valuation	\$143,220,334,246	\$157,506,824,972	\$157,576,967,531	\$191,762,816,576
TAX RATE (per \$100 assessed value)				
Real Estate				
Regular-Local Assessment	\$1.16	\$1.13	\$1.13	\$1.03
Public Service Corporations-Equalized	1.16	1.13	1.13	1.03
Personal Property				
Vehicle/Business/Other	\$4.57	\$4.57	\$4.57	\$4.57
Public Service Corporations-Equalized	1.16	1.13	1.13	1.03
Mobile Homes	1.16	1.13	1.13	1.03

¹ Other Personal Property includes boats, trailers, and miscellaneous.

ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS GENERAL FUND, FISCAL YEARS 2004-2006

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
LEVIES AND COLLECTIONS				
Property Tax Levy				
Real Estate Tax Levy	\$1,498,895,353	\$1,622,606,612	\$1,625,091,046	\$1,829,371,140
Personal Property Tax Levy	474,279,631	472,719,534	466,813,078	478,287,764
Total Property Tax Levy	\$1,973,174,984	\$2,095,326,146	\$2,091,904,124	\$2,307,658,904
Property Tax Collections				
Collection of Current Taxes	\$1,952,444,996	\$2,077,607,918	\$2,071,605,920	\$2,286,609,257
Percentage of Total Levy Collected	98.9%	99.2%	99.0%	99.1%
Net Collections of Delinquent Taxes	22,154,303	15,079,797	16,579,797	15,079,797
Total Property Tax Collections	\$1,974,599,299	\$2,092,687,715	\$2,088,185,717	\$2,301,689,054
Yield of \$0.01 per \$100 of Real Estate Tax Collections	\$13,081,428	\$14,531,177	\$14,536,348	\$17,907,180
Yield of \$0.01 per \$100 of Personal Property Tax Collections	\$951,980	\$953,140	\$938,758	\$966,724

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<u>TOTAL REAL PROPERTY TAXES</u>						
Real Estate Tax - Current	\$1,481,446,648	\$1,606,335,872	\$1,607,503,917	\$1,811,379,090	\$203,875,173	12.7%
R. E. Tax - Public Service Corps	11,558,939	10,628,817	11,293,317	10,900,013	(393,304)	-3.5%
Subtotal R. E. Tax - Current	\$1,493,005,588	\$1,616,964,689	\$1,618,797,234	\$1,822,279,103	\$203,481,869	12.6%
R. E. Tax Penalties - Current	\$3,841,007	\$1,287,904	\$1,287,904	\$1,287,904	\$0	0.0%
R.E. Tax Interest - Current	105,354	367,941	367,941	367,941	0	0.0%
R.E. Tax Delinquent - 1st Year	1,737,174	1,668,200	1,668,200	1,668,200	0	0.0%
R. E. Tax Penalties - 1st Year Delinq.	290,395	230,175	230,175	230,175	0	0.0%
R.E. Tax Interest - 1st Year Delinq.	39,895	252,216	252,216	252,216	0	0.0%
R.E. Tax Delinquent - 2nd Year	662,494	662,496	662,496	662,496	0	0.0%
R.E. Tax Penalties - 2nd Year Delinq.	73,019	91,252	91,252	91,252	0	0.0%
R. E. Tax Interest - 2nd Year Delinq.	17,096	199,853	199,853	199,853	0	0.0%
R.E. Tax - Prior Years	758,518	2,107,884	2,107,884	2,107,884	0	0.0%
R.E. PSC - Penalty Current	21,421	0	0	0	0	0.0%
R.E. PSC - Interest Current	547	9,235	9,235	9,235	0	0.0%
R.E. PSC - Prior Years	178,209	2,082	2,082	2,082	0	0.0%
Subtotal R. E. Tax - Delinquents	\$7,725,129	\$6,879,238	\$6,879,238	\$6,879,238	\$0	0.0%
TOTAL REAL PROPERTY TAXES	\$1,500,730,717	\$1,623,843,927	\$1,625,676,472	\$1,829,158,341	\$203,481,869	12.5%
<u>PERSONAL PROPERTY TAXES</u>						
Personal Property Tax - Current	\$237,639,047	\$229,243,815	\$236,357,253	\$243,244,438	\$6,887,185	2.9%
P. P. Tax - Public Service Corps	24,782,572	25,448,976	24,060,072	22,822,856	(1,237,216)	-5.1%
Subtotal P. P. Tax - Current	\$262,421,619	\$254,692,791	\$260,417,325	\$266,067,294	\$5,649,969	2.2%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
P. P. Tax Penalties - Current	\$4,159,181	\$2,011,741	\$2,011,741	\$2,011,741	\$0	0.0%
P. P. Tax Interest - Current	126,308	95,591	95,591	95,591	0	0.0%
P. P. Tax Delinquent - 1st Year	5,300,856	2,894,020	4,394,020	2,894,020	(1,500,000)	-34.1%
P. P. Tax Penalties - 1st Year Delinquent	517,678	344,753	344,753	344,753	0	0.0%
P. P. Tax Interest - 1st Year Delinquent	136,561	70,902	70,902	70,902	0	0.0%
P. P. Tax Delinquent - 2nd Year	1,100,527	1,400,866	1,400,866	1,400,866	0	0.0%
P. P. Tax Penalties - 2nd Year Delinquent	105,835	84,070	84,070	84,070	0	0.0%
P. P. Tax Interest - 2nd Year Delinquent	71,709	40,219	40,219	40,219	0	0.0%
P. P. Tax Delinquent - 3rd Year	325,654	628,499	628,499	628,499	0	0.0%
P. P. Tax Penalties - 3rd Year Delinquent	75,195	96,879	96,879	96,879	0	0.0%
P. P. Tax Interest - 3rd Year Delinquent	150,793	86,339	86,339	86,339	0	0.0%
P. P. Tax Prior Years	217,331	446,680	446,680	446,680	0	0.0%
Subtotal P. P. Tax - Delinquent	\$12,287,626	\$8,200,559	\$9,700,559	\$8,200,559	(\$1,500,000)	-15.5%
TOTAL PERSONAL PROPERTY TAXES	\$274,709,246	\$262,893,350	\$270,117,884	\$274,267,853	\$4,149,969	1.5%
<u>GENERAL OTHER LOCAL TAXES</u>						
Short-Term Daily Rental	\$534,088	\$568,887	\$534,088	\$534,088	\$0	0.0%
Vehicle Decals	19,503,579	19,853,245	19,853,245	20,250,310	397,065	2.0%
Bank Franchise Tax	4,955,211	4,011,108	4,011,108	4,011,108	0	0.0%
Cigarette Tax	1,899,798	1,922,003	6,246,510	11,532,018	5,285,508	84.6%
Gross Receipts Tax on Rental Cars	2,122,919	2,105,224	3,221,957	2,266,396	(955,561)	-29.7%
Transient Occupancy Tax	7,221,578	13,991,060	13,991,060	14,270,183	279,123	2.0%
Land Transfer Fees	42,880	38,010	42,880	39,935	(2,945)	-6.9%
Mobile Telecommunications Tax	8,313,833	7,200,000	10,000,000	10,300,000	300,000	3.0%
Subtotal	\$44,593,885	\$49,689,537	\$57,900,848	\$63,204,038	\$5,303,190	9.2%
Sales Tax - Local	\$139,973,810	\$143,720,350	\$150,591,428	\$158,120,999	\$7,529,571	5.0%
Sales Tax - Mobile Home	96,314	82,650	96,314	101,130	4,816	5.0%
Subtotal Sales Tax	\$140,070,124	\$143,803,000	\$150,687,742	\$158,222,129	\$7,534,387	5.0%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Deed of Conveyance Tax	\$7,697,968	\$5,812,743	\$8,520,073	\$7,697,968	(\$822,105)	-9.6%
Recordation Tax	23,167,574	12,461,788	27,018,025	24,316,223	(2,701,802)	-10.0%
Subtotal Deed of Conveyance/Recordation	\$30,865,542	\$18,274,531	\$35,538,098	\$32,014,191	(\$3,523,907)	-9.9%
TOTAL Other Local Taxes	\$215,529,551	\$211,767,068	\$244,126,688	\$253,440,358	\$9,313,670	3.8%
Electric Utility Tax - Dominion Virginia Power	\$32,572,893	\$32,206,397	\$34,025,236	\$34,025,236	\$0	0.0%
Electric Utility Tax - No. Va. Elec.	1,590,425	1,581,877	1,661,994	1,661,994	0	0.0%
Subtotal Electric Utility Tax	\$34,163,319	\$33,788,274	\$35,687,230	\$35,687,230	\$0	0.0%
Telephone Utility Tax - Verizon	\$34,482,773	\$39,104,087	\$33,793,118	\$33,793,118	\$0	0.0%
Telephone Utility Tax - MCI World Com	0	433,511	0	0	0	0.0%
Telephone Utility Tax - Misc.	6,337,681	3,412,725	6,337,681	6,337,681	0	0.0%
Subtotal Telephone Utility Tax	\$40,820,454	\$42,950,323	\$40,130,799	\$40,130,799	\$0	0.0%
Gas Utility Tax - Washington Gas	\$8,792,144	\$8,710,427	\$9,143,830	\$9,143,830	\$0	0.0%
Gas Utility Tax - Columbia Gas of VA	443,388	443,703	461,124	461,124	0	0.0%
Subtotal Gas Utility Tax	\$9,235,532	\$9,154,130	\$9,604,954	\$9,604,954	\$0	0.0%
TOTAL Consumer Utility Tax	\$84,219,305	\$85,892,727	\$85,422,983	\$85,422,983	\$0	0.0%
Electric Consumption Tax	\$2,907,588	\$2,884,624	\$2,884,624	\$2,942,317	\$57,693	2.0%
Natural Gas Consumption Tax	803,423	868,724	868,724	886,098	17,374	2.0%
Total Consumption Tax	\$3,711,010	\$3,753,348	\$3,753,348	\$3,828,415	\$75,067	2.0%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
BPOL Tax - Amusements	\$194,977	\$223,757	\$206,675	\$217,009	\$10,334	5.0%
BPOL Tax - Builders and Developers	783,803	739,030	830,831	872,373	41,542	5.0%
BPOL Tax - Business Service Occupation	16,557,498	15,888,512	17,552,747	18,430,384	877,637	5.0%
BPOL Tax - Personal Service Occupation	4,114,207	4,355,576	4,363,060	4,581,213	218,153	5.0%
BPOL Tax - Contractors	5,378,951	5,965,440	5,701,688	5,986,772	285,084	5.0%
BPOL Tax - Hotels and Motels	986,466	1,194,884	1,045,654	1,097,937	52,283	5.0%
BPOL Tax - Prof. & Spec Occupations	11,319,840	11,510,551	12,000,030	12,600,032	600,002	5.0%
BPOL Tax - Rent of House, Apt & Condo	7,775,592	7,259,637	8,242,127	8,654,233	412,106	5.0%
BPOL Tax - Repair Service	1,694,896	1,673,238	1,796,590	1,886,420	89,830	5.0%
BPOL Tax - Retail Merchants	22,875,272	23,400,797	24,247,792	25,460,180	1,212,388	5.0%
BPOL Tax - Wholesale Merchants	1,502,942	1,712,473	1,593,119	1,672,775	79,656	5.0%
BPOL Tax - Real Estate Brokers	1,657,237	1,143,964	1,756,671	1,844,505	87,834	5.0%
BPOL Tax - Money Lenders	1,949,618	1,342,432	2,066,595	2,169,925	103,330	5.0%
BPOL Tax - Telephone Companies	1,492,523	908,671	1,582,074	1,661,178	79,104	5.0%
BPOL Tax - Consultant/Specialist	23,373,581	21,843,468	24,776,036	26,014,837	1,238,801	5.0%
BPOL Tax - Research and Development	339,997	431,201	360,397	378,417	18,020	5.0%
Subtotal BPOL - Current	\$101,997,399	\$99,593,631	\$108,122,086	\$113,528,190	\$5,406,104	5.0%
BPOL Tax - Penalties & Interest - Current Year	\$42,843	\$50,000	\$50,000	\$50,000	\$0	0.0%
BPOL Tax - Delinquent Taxes - Prior Years	2,376,564	800,000	800,000	800,000	0	0.0%
BPOL Tax - Delinquent Penalty & Interest - Prior Years	355,216	150,000	150,000	150,000	0	0.0%
Subtotal BPOL - Delinquents	\$2,774,622	\$1,000,000	\$1,000,000	\$1,000,000	\$0	0.0%
TOTAL Business, Professional & Occupational Licenses	\$104,772,021	\$100,593,631	\$109,122,086	\$114,528,190	\$5,406,104	5.0%
TOTAL GENERAL OTHER LOCAL TAXES	\$408,231,887	\$402,006,774	\$442,425,105	\$457,219,946	\$14,794,841	3.3%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<u>PERMITS, FEES & REGULATORY LICENSES</u>						
Building Permits - Residential	\$6,556,731	\$5,344,059	\$5,344,059	\$6,344,059	\$1,000,000	18.7%
Electrical Permits	2,131,920	2,052,508	2,052,508	2,052,508	0	0.0%
Plumbing Permits	2,047,197	1,748,565	1,748,565	1,748,565	0	0.0%
Mechanical Permits	1,546,766	1,458,105	1,458,105	1,458,105	0	0.0%
Cross Connection Charges	368,758	271,650	271,650	271,650	0	0.0%
Swimming Pool Inspection Licenses	1,725	430	430	430	0	0.0%
Home Improvement Inspection Licenses	4,743	17,566	17,566	17,566	0	0.0%
Elevator Inspection Licenses	1,223,729	1,035,240	1,035,240	1,035,240	0	0.0%
Appliance Permits	153,653	110,726	110,726	110,726	0	0.0%
Building Re-inspection Fees	59,079	31,782	31,782	31,782	0	0.0%
Electrical Re-inspection Fees	15,892	8,306	8,306	8,306	0	0.0%
Plumbing Re-inspection Fees	23,420	15,041	15,041	15,041	0	0.0%
Mechanical Re-inspection Fees	8,817	9,268	9,268	9,268	0	0.0%
Plan Resubmission Fee - New Construction	102,750	143,833	143,833	143,833	0	0.0%
Plan Resubmission Fee - Alteration Construction	120,205	106,216	106,216	106,216	0	0.0%
Subtotal Inspection Services	\$14,365,385	\$12,353,295	\$12,353,295	\$13,353,295	\$1,000,000	8.1%
Site Plan Fees	\$2,270,267	\$2,253,250	\$2,253,250	\$3,087,140	\$833,890	37.0%
Subdivision Plat Fees	390,879	371,145	371,145	508,500	137,355	37.0%
Subdivision Plan Fees	1,805,126	2,135,004	2,135,004	2,925,133	790,129	37.0%
Utility Permit Fees	28,910	35,776	35,776	49,016	13,240	37.0%
Developer Bond Extension	724,299	703,965	703,965	964,491	260,526	37.0%
Inspection - Site Plans	1,715,178	1,823,443	1,823,443	2,498,268	674,825	37.0%
Inspection - Subplans	1,086,310	1,324,122	1,324,122	1,814,157	490,035	37.0%
Subtotal Design Review	\$8,020,969	\$8,646,705	\$8,646,705	\$11,846,705	\$3,200,000	37.0%
TOTAL Inspection Services and Design Review	\$22,386,354	\$21,000,000	\$21,000,000	\$25,200,000	\$4,200,000	20.0%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Zoning Fees	\$812,932	\$912,909	\$812,932	\$1,465,908	\$652,976	80.3%
Sign Permit Fees	68,680	62,560	62,560	62,560	0	0.0%
Quarry Inspection Fees	19,589	20,170	20,170	20,170	0	0.0%
Board of Zoning Appeals Fees	143,487	156,680	143,487	143,487	0	0.0%
Agricultural/Forrest District Application Fee	0	250	250	250	0	0.0%
Wetlands Permits	0	900	900	900	0	0.0%
Non-Residential Use Permits Fees (NON-RUP's fees)	90,304	80,000	91,000	91,000	0	0.0%
Zoning Compliance Letters	84,530	46,175	46,175	46,175	0	0.0%
TOTAL Zoning Revenue	\$1,219,521	\$1,279,644	\$1,177,474	\$1,830,450	\$652,976	55.5%
Dog Licenses	\$244,056	\$243,944	\$243,944	\$243,944	\$0	0.0%
Auto Graveyard Licenses	50	100	100	100	0	0.0%
Bondsmen Licenses	120	300	300	300	0	0.0%
Carnival Permits	0	175	175	175	0	0.0%
Dance Hall Licenses	2,610	2,300	2,300	2,300	0	0.0%
Fortune Teller Licenses	1,000	500	500	500	0	0.0%
Mixed Drink Establishment Licenses	112,591	114,868	114,868	114,868	0	0.0%
Land Use Assessment Application Fees	100	600	600	600	0	0.0%
Massage Therapy Permits	22,740	21,000	21,000	21,000	0	0.0%
Election Filing Fees	0	700	700	700	0	0.0%
Concealed Weapon Permits	57,610	46,200	46,200	46,200	0	0.0%
Precious Metal Dealers Licenses	4,925	4,925	4,925	4,925	0	0.0%
Solicitors Licenses	5,330	8,000	8,000	8,000	0	0.0%
Going Out of Business Fees	260	845	845	845	0	0.0%
Fire Prevention Code Permits	897,269	931,203	966,620	1,016,203	49,583	5.1%
Fire Marshal Fees	2,433,317	2,091,890	2,725,334	2,779,841	54,507	2.0%
Acceptance Test Overtime Fees	357,751	300,000	365,905	373,223	7,318	2.0%
Home Childcare Permits	28,729	28,000	28,000	28,000	0	0.0%
Tax Abatement Application Fees	250	2,500	2,500	2,500	0	0.0%
Alarm Systems Registrations	91,878	50,000	50,000	50,000	0	0.0%
Taxicab Licenses	120,855	127,616	127,616	127,616	0	0.0%
Subtotal Misc. Permits, Fees & Licenses	\$4,381,442	\$3,975,666	\$4,710,432	\$4,821,840	\$111,408	2.4%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Sanitation Inspection Licenses	\$1,105	\$850	\$850	\$850	\$0	0.0%
Septic Tank Permits	76,895	71,659	76,895	76,895	0	0.0%
Septic Tank Truck Licenses	43,913	37,000	37,000	37,000	0	0.0%
Well Water Supply Permits	28,740	33,750	33,750	33,750	0	0.0%
Well Water Supply Licenses	435	450	450	450	0	0.0%
Routine Water Sample Fees	3,980	3,640	3,640	3,640	0	0.0%
Swimming Pool Licenses	143,500	149,720	149,720	149,720	0	0.0%
Portable Toilet Fees	360	550	550	550	0	0.0%
Private Schools/Day Care Center Licenses	12,550	13,000	13,000	13,000	0	0.0%
Food Establishment Operating Permits	83,076	82,658	85,493	85,493	0	0.0%
State Share Septic Tank Permits	58,528	73,369	58,528	58,528	0	0.0%
State Share Well Permit Fees	18,678	18,425	18,425	18,425	0	0.0%
Miscellaneous Environmental Fees	12,600	5,212	5,212	5,212	0	0.0%
Alternate Discharge Permits	0	103	103	103	0	0.0%
Site Development Review	15,780	12,100	15,780	15,780	0	0.0%
Building Permits Review	47,670	44,150	44,150	44,150	0	0.0%
Public Establishment Review	61,010	63,710	63,710	63,710	0	0.0%
Hotel Permits--State Health Fee	4,240	4,120	4,240	4,240	0	0.0%
Restaurants--State Health Fee	61,735	53,650	61,735	61,735	0	0.0%
Camps/Campgrounds--State Health Fee	0	280	280	280	0	0.0%
Plan Review--State Health Fee	9,060	12,000	9,200	9,200	0	0.0%
Alternative Sewage Systems Plan Review	4,200	8,250	8,250	8,250	0	0.0%
Subtotal Health Dept. Permits, Fees & Licenses	\$688,053	\$688,646	\$690,961	\$690,961	\$0	0.0%
TOTAL Misc. Permits Fees & Licenses	\$5,069,495	\$4,664,312	\$5,401,393	\$5,512,801	\$111,408	2.1%
TOTAL PERMITS, FEES & REGULATORY LICENSES	\$28,675,370	\$26,943,956	\$27,578,867	\$32,543,251	\$4,964,384	18.0%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<u>FINES AND FORFEITURES</u>						
Courthouse Maintenance Fees	\$335,995	\$299,822	\$299,822	\$299,822	\$0	0.0%
Criminal Justice Academy Fee	147,395	190,000	190,000	190,000	0	0.0%
Juvenile & Domestic Relations Court (J&DR) Fines/Interest	1,311	1,838	1,838	1,311	(527)	-28.7%
General District Court Fines/Interest	110,606	98,433	98,433	98,433	0	0.0%
Circuit Court Fines and Penalties	153,376	126,249	126,249	153,376	27,127	21.5%
County Fines/Penalties	4,740	500	500	500	0	0.0%
County Fines - J&DR Court	120,261	122,003	122,003	122,003	0	0.0%
General District Court Fines	6,334,318	5,195,700	5,432,460	5,541,109	108,649	2.0%
Photo Red Light Violations	763,862	825,172	825,172	825,172	0	0.0%
Court Security Fees	862,167	720,368	934,672	953,365	18,693	2.0%
Jail Fees / DNA Fees	92,306	63,959	63,959	92,306	28,347	44.3%
Parking Violations	3,155,265	3,570,111	3,570,111	3,570,111	0	0.0%
RMA Collection Agency Fees	12,478	75,000	75,000	75,000	0	0.0%
State Set-Off Debt Service (SOF)	11,600	100,000	34,455	34,455	0	0.0%
County Fee - Administrative - Collections of Delinquent Taxes	162,929	37,500	162,929	162,929	0	0.0%
Attorney Fee - Collection of Delinquent Taxes	6,957	37,500	37,500	37,500	0	0.0%
Alarm Ordinance Violations	997,237	916,439	916,439	943,932	27,493	3.0%
TOTAL FINES AND FORFEITURES	\$13,272,803	\$12,380,594	\$12,891,542	\$13,101,324	\$209,782	1.6%
<u>REVENUE FROM USE OF MONEY & PROPERTY</u>						
Interest on Investments	\$14,758,923	\$18,122,686	\$25,975,290	\$33,031,622	\$7,056,332	27.2%
ACCA Rent	7,518	7,518	7,518	7,518	0	0.0%
Rent of Real Estate	2,114,386	2,120,922	2,360,041	2,411,029	50,988	2.2%
Sale of Equipment	163,161	7,700	7,700	7,700	0	0.0%
Cafeteria Commissions/Vending Machines	139,171	136,849	136,849	136,849	0	0.0%
Sale of Salvage	2,394	2,000	2,000	2,000	0	0.0%
Sale of Vehicles	72,767	35,318	35,318	35,318	0	0.0%
Lewinsville School Rent	132,226	139,285	139,285	142,071	2,786	2.0%
Hollin Hall School Rent	152,437	155,486	155,486	158,596	3,110	2.0%
Monopole Leases	374,648	377,686	377,686	385,240	7,554	2.0%
TOTAL REV. FROM USE OF MONEY & PROPERTY	\$17,917,632	\$21,105,450	\$29,197,173	\$36,317,943	\$7,120,770	24.4%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<u>CHARGES FOR SERVICES</u>						
EMS Transport Fee	\$0	\$739,914	\$739,914	\$6,600,000	\$5,860,086	792.0%
FCPS Legal Assistance Fees	35,231	35,997	35,997	35,997	0	0.0%
Commemorative Gifts	10,451	11,653	11,653	11,653	0	0.0%
Copying Machine Revenue - DPWES	21,082	20,888	20,888	20,888	0	0.0%
Copying Machine Revenue - Misc.	111,515	91,282	117,068	117,068	0	0.0%
Reimbursement for Recorded Tapes/FOIA Fees	7,177	9,230	9,230	9,230	0	0.0%
Proposed Vacation Fees	3,200	2,800	2,800	2,800	0	0.0%
Precinct Locator Sales	205	630	630	500	(130)	-20.6%
County Attorney Fees	256	1,000	1,000	1,000	0	0.0%
Refuse Collection Fees	805	2,500	2,500	2,500	0	0.0%
Parental Support - Boys Probation House	12,877	8,811	12,877	12,877	0	0.0%
Parental Support - Girls Probation House	7,390	13,792	8,019	8,019	0	0.0%
Parental Support - Enterprise Learning Center	166,956	0	0	0	0	-
Commonwealth's Attorney Fees	13,129	12,178	12,178	12,422	244	2.0%
Police Reports and Photo Fees	106,254	103,390	106,254	106,254	0	0.0%
Sheriff Fees	66,271	66,271	66,271	66,271	0	0.0%
Police Reimbursement	764,452	606,685	606,685	624,886	18,201	3.0%
Animal Shelter Fees	91,248	107,458	107,458	107,458	0	0.0%
Land Acquisition Charges for Services	2,170	1,100	1,100	1,100	0	0.0%
Miscellaneous Charges for Services	49	500	500	500	0	0.0%
Parking Garage and Meter Fees	372,113	384,200	389,274	400,000	10,726	2.8%
Adoption Service Fees	5,547	6,373	5,547	5,547	0	0.0%
Street Sign Fees	3,240	4,648	4,648	3,000	(1,648)	-35.5%
Restricted Parking Fees / Residential Permit Parking Decals	0	0	4,000	4,000	0	0.0%
Comprehensive Plan Sales	5,233	14,400	5,550	5,900	350	6.3%
Sales - Mapping Division	32,398	35,000	35,000	35,000	0	0.0%
Publication Sales	61,064	55,811	61,064	62,092	1,028	1.7%
Training Seminars - DPWES	300	510	510	510	0	0.0%
Copay - Inmate Medical	21,139	13,962	13,962	13,962	0	0.0%
Coin-Operated Copiers	4,939	6,964	192,000	195,000	3,000	1.6%
Library Database Fees	1,465	3,308	1,465	1,465	0	0.0%
Library Overdue Penalties	1,565,259	1,680,533	1,565,259	1,596,564	31,305	2.0%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Employee Child Care Center Fees	683,698	683,309	693,954	704,363	10,409	1.5%
School Age Child Care (SACC) Fees	21,353,906	21,948,471	21,948,471	22,277,698	329,227	1.5%
County Clerk Fees	11,118,710	7,931,686	7,931,686	7,931,686	0	0.0%
FASTRAN Rider Fees	33,424	38,662	38,662	38,662	0	0.0%
Subtotal Misc. Charges for Services	\$36,683,155	\$34,643,916	\$34,754,074	\$41,016,872	\$6,262,798	18.0%
Athletic Service Application Fee	\$0	\$1,670,917	\$1,670,917	\$1,670,917	\$0	0.0%
Recreation Athletic Programs	193,345	143,506	193,345	197,212	3,867	2.0%
Recreation Community Use Fees	21,273	37,953	37,953	38,712	759	2.0%
Recreation Classes Fees	2,520,192	2,798,235	2,520,192	2,570,596	50,404	2.0%
Recreation Neighborhood Center Fees	158,126	201,948	201,948	213,787	11,839	5.9%
Custodial Fees	330,638	163,235	163,235	185,108	21,873	13.4%
Electric Utility Use Fees	5,062	8,766	8,766	8,766	0	0.0%
Employee Fitness Center Fee	48,054	45,172	49,387	50,375	988	2.0%
Subtotal Recreation Revenue	\$3,276,690	\$5,069,732	\$4,845,743	\$4,935,473	\$89,730	1.9%
Pre-Screening for Nursing Homes	\$29,387	\$14,000	\$14,000	\$15,525	\$1,525	10.9%
Speech Fees	97,259	90,920	100,461	102,470	2,009	2.0%
Hearing Fees	7,916	8,110	8,110	8,110	0	0.0%
Vital Statistic Fees	458,420	439,581	486,468	501,062	14,594	3.0%
Dental Health Fees	13,394	18,052	18,052	18,052	0	0.0%
Pharmacy Fees	18,153	14,221	18,153	18,153	0	0.0%
X-Ray Fees	37,144	36,945	36,945	37,144	199	0.5%
General Medical Clinic Fees	718,744	765,790	765,790	781,106	15,316	2.0%
Family Planning Services	28,761	27,810	29,208	29,792	584	2.0%
Medicaid Dental Fees	62,333	70,223	70,223	70,223	0	0.0%
Lab Services Fees	281,478	326,735	281,478	287,108	5,630	2.0%
Administrative Fees - Health Dept	2,747	1,350	2,747	2,747	0	0.0%
Activities of Daily Living - Personal Care Service	1,282	3,725	1,282	1,282	0	0.0%
Medicaid Pediatric Clinic Visits	21,672	55,470	21,672	21,672	0	0.0%
Non-Medicaid Pediatric Clinic Visits	609	1,962	655	655	0	0.0%
Medicaid Maternal Clinic Visits	756	886	886	886	0	0.0%
Hospital Administration	(61,097)	0	0	0	0	-
Non-Medicaid Maternal Clinic Visits	21,297	26,500	26,500	26,500	0	0.0%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Dementia & Respite Care Program Fees	2,741	3,197	3,197	3,197	0	0.0%
Sewage Disposal/Well Water Evaluation	36,805	34,500	34,500	34,500	0	0.0%
Elderly Day Care Fees	670,970	757,106	700,946	714,965	14,019	2.0%
Elderly Day Care Medicaid Reimbursement	119,130	122,589	127,302	129,848	2,546	2.0%
Subtotal Health Dept Revenue	\$2,569,899	\$2,819,672	\$2,748,575	\$2,804,997	\$56,422	2.1%
TOTAL CHARGES FOR SERVICES	\$42,529,744	\$42,533,320	\$42,348,392	\$48,757,342	\$6,408,950	15.1%
RECOVERED COSTS						
City of Fairfax Public Assistance	\$488,845	\$569,445	\$636,759	\$636,759	\$0	0.0%
City of Fairfax Shared Govt. Expenses	2,567,019	2,567,019	2,571,315	2,571,315	0	0.0%
City of Fairfax - Communications - Fire	257,157	119,924	119,924	119,924	0	0.0%
City of Fairfax - Communications - Telecomm Services	0	50,444	50,444	50,444	0	0.0%
City of Fairfax - FASTRAN/Employment	12,839	12,839	12,839	12,839	0	0.0%
Falls Church Public Assistance	667,076	611,690	611,690	667,076	55,386	9.1%
Falls Church Health Dept. Services	163,657	166,930	170,698	179,233	8,535	5.0%
Falls Church - FASTRAN/Employment	14,119	14,119	14,119	14,119	0	0.0%
Inmate Room and Board	401,147	631,612	631,612	631,612	0	0.0%
Boarding of Prisoners	23,052	11,951	42,900	42,900	0	0.0%
Professional Dues Deduction	11,783	12,920	12,920	12,920	0	0.0%
Hospital Reimbursement	4,389	0	0	0	0	-
Recovered Costs - Circuit Court	3,072	4,164	4,164	4,164	0	0.0%
Recovered Costs - General District Court	92,594	79,282	79,282	79,282	0	0.0%
Misc. Recovered Costs - Other	131,949	67,000	34,060	34,741	681	2.0%
Misc. Recovered Costs - Fire and Rescue Hazmat	5,781	7,928	7,928	7,928	0	0.0%
Credit Card Charges	17,092	0	0	0	0	-
Fairfax Hospital Assn. Reimbursement	417,421	417,412	417,412	425,760	8,348	2.0%
Child Care Services for Other Jurisdictions	114,842	106,523	106,523	106,523	0	0.0%
CPAN, Circuit Court Computer Service	136,822	62,380	138,904	141,682	2,778	2.0%
Golden Gazette	58,492	58,109	58,109	58,319	210	0.4%
Police Academy Cost Recovery	120,140	32,500	32,500	33,150	650	2.0%
FASTRAN	76,168	83,258	76,168	76,168	0	0.0%
TOTAL RECOVERED COSTS	\$5,785,454	\$5,687,449	\$5,830,270	\$5,906,858	\$76,588	1.3%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
REVENUE FROM THE COMMONWEALTH						
State Shared ABC Profits	\$1,423,536	\$547,468	\$547,468	\$547,468	\$0	0.0%
State Shared Rolling Stock Tax	104,585	104,585	110,777	110,777	0	0.0%
State Shared Law Enforcement (HB 599)	16,086,892	16,124,428	16,820,782	16,820,782	0	0.0%
State Indirect Aid	94,582	54,217	54,217	54,217	0	0.0%
Subtotal Non-Categorical State Aid	\$17,709,594	\$16,830,698	\$17,533,244	\$17,533,244	\$0	0.0%
State Shared Commonwealth Atty. Expenses	\$1,177,422	\$1,186,392	\$1,186,392	\$1,210,028	\$23,636	2.0%
State Shared Sheriff Expenses	12,202,982	11,030,612	12,677,359	12,930,906	253,547	2.0%
State Shared Dept. of Tax Admin./Finance Expenses	2,274,547	2,256,826	2,336,443	2,383,172	46,729	2.0%
State Shared Medical Examiner Expenses	9,450	8,637	8,637	8,637	0	0.0%
State Shared General Registrar Expense	84,854	82,797	262,107	103,541	(158,566)	-60.5%
State Shared Retirement - Commonwealth Atty.	36,202	40,770	40,770	41,585	815	2.0%
State Shared General Retirement - Sheriff	372,085	337,284	388,696	396,470	7,774	2.0%
State Shared Retirement - Dept. of Tax Admin./Finance	70,406	69,808	72,275	73,721	1,446	2.0%
State Shared Retirement - Circuit Court	87,622	82,669	87,622	89,374	1,752	2.0%
Subtotal Shared Expenses	\$16,315,571	\$15,095,795	\$17,060,301	\$17,237,434	\$177,133	1.0%
Libraries State Aid	\$557,336	\$557,336	\$541,821	\$541,821	\$0	0.0%
Virginia Share Public Assistance Programs	31,930,466	27,576,007	27,679,704	27,947,699	267,995	1.0%
State Share J&DR Court Residential Services	3,332,706	3,205,848	3,332,706	3,332,706	0	0.0%
State Share Adult Detention Center	3,130,561	2,977,474	2,977,474	3,130,561	153,087	5.1%
Subtotal Categorical State Aid	\$38,951,069	\$34,316,665	\$34,531,705	\$34,952,787	\$421,082	1.2%
State Reimb. - General District Court	\$58,519	\$59,224	\$59,224	\$59,224	\$0	0.0%
State Reimb. - Health Department	8,015,431	7,913,107	8,088,520	8,088,520	0	0.0%
State Reimb. - Residential Beds - JDC	10,850	15,309	10,850	10,850	0	0.0%
Human Services - Head Injured	929,750	929,750	929,750	929,750	0	0.0%
State Reimb. - Comm Atty. Witness Expense	(1,561)	16,400	16,400	16,400	0	0.0%
State Reimb.- Police Intoxication	7,475	3,000	3,000	3,000	0	0.0%
State Share J&DR Court Services	1,565,753	1,547,452	1,565,753	1,565,753	0	0.0%
Subtotal State Recovered Costs	\$10,586,218	\$10,484,242	\$10,673,497	\$10,673,497	\$0	0.0%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
State Reimb. - Personal Property Tax - Current	\$197,017,789	\$205,950,438	\$192,391,361	\$198,262,860	\$5,871,499	3.1%
State Reimb. - Personal Property Tax - 1st Year Delinquent	1,244,060	0	0	0	0	-
State Reimb. - Personal Property Tax - 2nd Year Delinquent	735,228	0	0	0	0	-
State Reimb. - Personal Property Tax - 3rd Year Delinquent	162,260	0	0	0	0	-
Subtotal PPTRA Current and Delinquent	\$199,159,336	\$205,950,438	\$192,391,361	\$198,262,860	\$5,871,499	3.1%
TOTAL REVENUE FROM THE COMMONWEALTH	\$282,721,787	\$282,677,838	\$272,190,108	\$278,659,822	\$6,469,714	2.4%
<u>REVENUE FROM THE FEDERAL GOVT.</u>						
J&DR Court - USA Grant	\$178,146	\$145,852	\$145,852	\$145,852	\$0	0.0%
USDA Grant - Office for Children/Human Svc.	30,595	28,440	28,440	28,440	0	0.0%
Illegal Alien Grant	1,056,854	550,000	550,000	0	(550,000)	-100.0%
Air Pollution Grant	68,850	68,850	68,850	68,850	0	0.0%
Reimbursement for Voting Machines	0	0	690,000	0	(690,000)	-100.0%
FASTRAN - Medicaid Reimb. - Dial-a-Ride	665,114	309,380	309,380	309,380	0	0.0%
Federal Emergency Assistance	795,013	53,082	0	0	0	-
Subtotal Categorical Federal Aid	\$2,794,571	\$1,155,604	\$1,792,522	\$552,522	(\$1,240,000)	-69.2%
DFS Federal and Federal Pass-Through	\$53,767,954	\$41,280,480	\$41,302,245	\$41,302,245	\$0	0.0%
Payments in Lieu of Taxes - Federal	71,662	61,814	83,589	83,589	0	0.0%
TOTAL REVENUE FROM THE FEDERAL GOVERNMENT	\$56,634,187	\$42,497,898	\$43,178,356	\$41,938,356	(\$1,240,000)	-2.9%
Combined State & Federal Public Assistance	\$85,698,420	\$68,856,487	\$68,981,949	\$69,249,944	\$267,995	0.4%

GENERAL FUND REVENUE

Revenue Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<u>MISCELLANEOUS REVENUE</u>						
Litigation Proceeds	\$146,560	\$46,000	\$175,000	\$92,613	(\$82,387)	-47.1%
Miscellaneous Revenue - Environ Mgmt.	14,013	13,158	13,158	14,000	842	6.4%
Miscellaneous Revenue - Maint. & Const.	8,887	16,000	16,000	16,000	0	0.0%
Miscellaneous Revenue - Contract Rebates	393,717	288,864	393,717	401,591	7,874	2.0%
Miscellaneous Revenue - Various	155,754	148,844	155,754	158,869	3,115	2.0%
Payphone Commission	1,417	19,867	1,417	1,417	0	0.0%
TOTAL MISCELLANEOUS REVENUE	\$720,347	\$532,733	\$755,046	\$684,490	(\$70,556)	-9.3%
<u>OTHER REVENUE</u>						
Sale of Land & Buildings	(\$13,500)	\$0	\$0	\$0	\$0	-
Revenue from Local Jurisdictions	0	6,032	6,032	0	(6,032)	-100.0%
TOTAL OTHER REVENUE	(\$13,500)	\$6,032	\$6,032	\$0	(\$6,032)	-100.0%
Total Recovered Costs/Misc./Other Revenue	\$6,492,301	\$6,226,214	\$6,591,348	\$6,591,348	\$0	0.0%
GRAND TOTAL GENERAL FUND REVENUE	\$2,631,915,674	\$2,723,109,321	\$2,772,195,247	\$3,018,555,526	\$246,360,279	8.89%

FY 2006 ADVERTISED REVENUE FROM THE COMMONWEALTH ¹

Fund	Fund Title	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
001	General Fund ²	\$282,721,787	\$282,677,838	\$272,190,108	\$278,659,822	\$6,469,714	2.38%
090	Public School Operating	315,078,029	332,638,257	364,235,528	379,266,994	15,031,466	4.13%
100	County Transit Systems	7,291,412	7,420,534	7,598,588	8,244,534	645,946	8.50%
102	Federal/State Grant Fund	8,884,179	19,216,577	5,903,502	7,049,466	1,145,964	19.41%
103	Aging Grants and Programs	725,444	727,377	996,776	776,560	(220,216)	-22.09%
106	Community Services Board	12,875,240	12,038,523	15,126,091	14,925,819	(200,272)	-1.32%
109	Refuse Collection & Recycling Ops	83,340	0	0	0	0	-
113	McLean Community Center	7,000	10,150	10,150	10,150	0	0.00%
116	Integrated Pest Management Program	95,000	0	0	0	0	-
120	E-911 Fund	2,848,448	3,067,630	3,067,630	2,848,448	(219,182)	-7.14%
191	School Food & Nutrition Services	758,851	774,473	717,873	770,535	52,662	7.34%
192	School Grants & Self Supporting	7,148,332	8,833,890	10,349,573	9,176,099	(1,173,474)	-11.34%
193	School Adult & Community Education	845,868	827,139	827,139	899,260	72,121	8.72%
301	Contributed Roadway Improvement	3,508	0	1,157,144	0	(1,157,144)	-100.00%
303	County Construction	6,017,776	5,097,776	5,307,776	6,437,688	1,129,912	21.29%
304	Primary & Secondary Road Bond Construction	144,343	0	20,304,927	0	(20,304,927)	-100.00%
307	Sidewalk Construction	975,000	300,000	1,966,000	300,000	(1,666,000)	-84.74%
308	Public Works Construction	2,045,000	2,965,000	3,065,000	2,985,000	(80,000)	-2.61%
311	County Bond Construction	372,411	0	1,460,612	0	(1,460,612)	-100.00%
312	Public Safety Construction	1,750,431	0	0	0	0	-
313	Trail Construction	0	0	171,081	0	(171,081)	-100.00%
315	Commercial Revitalization Program	0	0	635,206	0	(635,206)	-100.00%
390	School Construction	936,063	935,262	931,660	931,660	0	0.00%
408	Sewer Bond Construction	614,346	0	0	0	0	-
503	Department of Vehicle Services	0	0	1,020,000	0	(1,020,000)	-100.00%
Total Revenue from the Commonwealth		\$652,221,808	\$677,530,426	\$717,042,364	\$713,282,035	(\$3,760,329)	-0.52%

FY 2006 ADVERTISED REVENUE FROM THE FEDERAL GOVERNMENT

Fund	Fund Title	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
001	General Fund	\$56,634,187	\$42,497,898	\$43,178,356	\$41,938,356	(\$1,240,000)	-2.87%
090	Public School Operating	36,872,769	37,475,166	45,372,707	42,840,662	(2,532,045)	-5.58%
102	Federal/State Grant Fund	44,062,668	27,360,883	71,483,473	50,629,608	(20,853,865)	-29.17%
103	Aging Grants and Programs	1,296,033	1,273,501	1,601,131	1,306,990	(294,141)	-18.37%
106	Community Services Board	8,983,641	6,374,775	7,385,395	6,240,517	(1,144,878)	-15.50%
109	Refuse Collection & Recycling Ops	574,538	0	0	0	0	-
110	Refuse Disposal	252,312	0	0	0	0	-
142	Community Development Block Grant	4,928,440	7,457,000	18,157,960	7,310,000	(10,847,960)	-59.74%
145	HOME Investment Partnership Grant	1,866,225	2,704,791	9,195,865	2,616,315	(6,579,550)	-71.55%
191	School Food & Nutrition Services	15,720,374	14,993,639	16,113,383	17,444,399	1,331,016	8.26%
192	School Grants & Self Supporting	23,213,517	26,876,413	34,112,847	23,284,153	(10,828,694)	-31.74%
193	School Adult & Community Education	1,039,330	815,837	1,026,390	765,803	(260,587)	-25.39%
303	County Construction	764,880	0	235,121	0	(235,121)	-100.00%
307	Sidewalk Construction	256,651	0	784,166	0	(784,166)	-100.00%
308	Public Works Construction	73,297	0	30,715	0	(30,715)	-100.00%
311	County Bond Construction	0	0	1,176,725	0	(1,176,725)	-100.00%
340	Housing Assistance Program	0	0	7,921,480	0	(7,921,480)	-100.00%
400	Sewer Revenue Fund	117,163	0	0	0	0	-
Total Revenue from the Federal Government		\$196,656,025	\$167,829,903	\$257,775,714	\$194,376,803	(\$63,398,911)	-24.59%

¹ In addition to funds received by the County directly from the State in the funds listed herein, it is projected the State will provide \$26,466,882 to the Northern Virginia Transportation Commission (NVTC) in FY 2006 as a credit to help offset Fairfax County's Operating Subsidy and \$9,360,481 as a credit to help offset Fairfax County's Capital Construction Subsidy in Fund 309, Metro Operations and Construction.

² Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

FY 2006 ADVERTISED PERSONNEL SERVICES SUMMARY
(All Funds Excluding the School Board)

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised
Regular Positions					
General Fund	9,359	9,411	9,482	9,477	(5)
General Fund Supported	1,251	1,251	1,249	1,419	170
Other Funds	833	833	816	817	1
Total	11,443	11,495	11,547	11,713	166
Regular Salaries					
General Fund	\$472,247,349	\$532,003,415	\$536,892,285	\$581,466,411	\$44,574,126
General Fund Supported	76,679,941	85,364,643	86,713,583	89,408,484	2,694,901
Other Funds	36,041,149	41,877,655	42,770,509	43,379,806	609,297
Total	\$584,968,439	\$659,245,713	\$666,376,377	\$714,254,701	\$47,878,324
Limited Term					
General Fund	\$16,616,649	\$16,139,611	\$16,175,458	\$16,703,282	\$527,824
General Fund Supported	4,646,319	4,492,480	4,536,588	4,604,811	68,223
Other Funds	1,808,147	2,256,916	2,284,457	2,552,444	267,987
Total	\$23,071,115	\$22,889,007	\$22,996,503	\$23,860,537	\$864,034
Shift Differential					
General Fund	\$3,311,545	\$3,566,252	\$3,610,728	\$4,128,695	\$517,967
General Fund Supported	385,248	533,639	533,639	707,728	174,089
Other Funds	52,314	99,154	99,154	123,607	24,453
Total	\$3,749,107	\$4,199,045	\$4,243,521	\$4,960,030	\$716,509
Extra Compensation					
General Fund	\$33,718,992	\$32,195,812	\$32,885,768	\$36,903,261	\$4,017,493
General Fund Supported	4,699,419	3,657,513	3,662,477	3,689,828	27,351
Other Funds	1,735,024	1,461,191	1,481,333	1,556,025	74,692
Total	\$40,153,435	\$37,314,516	\$38,029,578	\$42,149,114	\$4,119,536

FY 2006 ADVERTISED PERSONNEL SERVICES SUMMARY
(All Funds Excluding the School Board)

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised
Position Turnover					
General Fund	\$0	(\$15,583,702)	(\$15,579,226)	(\$19,162,219)	(\$3,582,993)
General Fund Supported	0	(2,858,332)	(2,858,332)	(2,974,268)	(115,936)
Other Funds	0	(1,245,864)	(1,245,864)	(1,292,774)	(46,910)
Total	\$0	(\$19,687,898)	(\$19,683,422)	(\$23,429,261)	(\$3,745,839)
Total Salaries					
General Fund	\$525,894,535	\$568,321,388	\$573,985,013	\$620,039,430	\$46,054,417
General Fund Supported	86,410,927	91,189,943	92,587,955	95,436,583	2,848,628
Other Funds	39,636,634	44,449,052	45,389,589	46,319,108	929,519
Total	\$651,942,096	\$703,960,383	\$711,962,557	\$761,795,121	\$49,832,564
Fringe Benefits					
General Fund	\$132,813,046	\$160,629,722	\$161,718,715	\$176,749,788	\$15,031,073
General Fund Supported	20,746,507	21,702,713	21,996,650	27,924,751	5,928,101
Other Funds	62,368,019	74,128,180	81,891,854	83,408,609	1,516,755
Total	\$215,927,572	\$256,460,615	\$265,607,219	\$288,083,148	\$22,475,929
Fringe Benefits as a Percent of Total Personnel Services					
	24.9%	26.7%	27.2%	27.4%	
Total Costs of Personnel Services					
General Fund	\$658,707,581	\$728,951,110	\$735,703,728	\$796,789,218	\$61,085,490
General Fund Supported	107,157,434	112,892,656	114,584,605	123,361,334	8,776,729
Other Funds	102,004,653	118,577,232	127,281,443	129,727,717	2,446,274
Grand Total	\$867,869,668	\$960,420,998	\$977,569,776	\$1,049,878,269	\$72,308,493

FY 2006 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Legislative-Executive Functions/Central Services										
01	Board of Supervisors	\$3,864,761	\$0	\$0	\$9,671	\$17,788	\$0	\$6,402	(\$43,083)	\$3,855,539
02	Office of the County Executive	4,529,331	0	0	105,633	759,486	0	25,193	(48,950)	5,370,693
04	Department of Cable Communications and Consumer Protection	954,332	0	0	23,762	43,314	0	8,872	(22,438)	1,007,842
06	Department of Finance	4,280,560	0	0	106,586	100,908	0	15,070	(146,355)	4,356,769
11	Department of Human Resources	4,707,161	0	0	115,493	12,458	0	13,479	(97,993)	4,750,598
12	Department of Purchasing and Supply Management	2,975,684	0	0	74,094	8,237	0	0	(79,281)	2,978,734
13	Office of Public Affairs	851,732	0	0	21,208	179,996	0	0	(8,565)	1,044,371
15	Electoral Board and General Registrar	1,173,439	0	0	29,219	612,740	0	25,240	0	1,840,638
17	Office of the County Attorney	5,481,869	0	0	136,499	21,724	0	25,072	(112,414)	5,552,750
20	Department of Management and Budget	2,745,884	0	0	68,373	0	0	1,514	(36,752)	2,779,019
37	Office of the Financial and Program Auditor	196,375	0	0	4,890	0	0	0	0	201,265
41	Civil Service Commission	163,247	0	0	4,065	0	0	0	0	167,312
57	Department of Tax Administration	16,144,162	0	0	401,990	626,928	0	184,116	(805,195)	16,552,001
70	Department of Information Technology	18,162,427	0	0	449,651	605,866	0	25,626	(631,412)	18,612,158
	Total Legislative - Executive Functions/Central Services	\$66,230,964	\$0	\$0	\$1,551,134	\$2,989,445	\$0	\$330,584	(\$2,032,438)	\$69,069,689
Judicial Administration										
80	Circuit Court and Records	\$7,401,770	\$0	\$0	\$184,303	\$299,603	\$0	\$189,455	(\$374,665)	\$7,700,466
82	Office of the Commonwealth's Attorney	2,090,716	0	0	0	0	0	0	(109,852)	1,980,864
85	General District Court	915,543	0	40,745	22,699	27,511	9,484	8,399	(40,831)	983,550
91	Office of the Sheriff	10,725,906	0	0	122,264	0	8,733	649,301	(212,895)	11,293,309
	Total Judicial Administration	\$21,133,935	\$0	\$40,745	\$329,266	\$327,114	\$18,217	\$847,155	(\$738,243)	\$21,958,189
Public Safety										
04	Department of Cable Communications and Consumer Protection	\$799,928	\$0	\$0	\$19,918	\$1,381	\$0	\$6,557	(\$43,676)	\$784,108
31	Land Development Services	8,429,433	0	355,301	210,039	0	0	35,158	(271,079)	8,758,852
81	Juvenile and Domestic Relations District Court	15,800,945	0	0	390,958	556,290	153,465	403,597	(447,081)	16,858,174
90	Police Department	108,236,334	0	915,904	1,277,180	0	1,162,290	17,052,103	(4,306,340)	124,337,471
91	Office of the Sheriff	29,716,025	0	642,671	664,748	0	414,316	2,471,272	(551,840)	33,357,192
92	Fire and Rescue Department	109,476,472	0	3,794,255	890,522	1,244,085	2,170,644	13,354,891	(2,796,985)	128,133,884
93	Office of Emergency Management	430,016	0	68,857	8,993	35,847	0	5,029	(3,873)	544,869
	Total Public Safety	\$272,889,153	\$0	\$5,776,988	\$3,462,358	\$1,837,603	\$3,900,715	\$33,328,607	(\$8,420,874)	\$312,774,550
Public Works										
08	Facilities Management Department	\$9,692,225	\$0	\$135,444	\$241,335	\$23,292	\$20,842	\$257,428	(\$348,242)	\$10,022,324
25	Business Planning and Support	482,788	0	0	11,190	0	0	0	(3,883)	490,095
26	Office of Capital Facilities	8,479,143	0	119,596	211,130	0	0	0	(104,205)	8,705,664
29	Stormwater Management	6,465,515	0	0	160,992	249,380	0	131,419	(182,760)	6,824,546
	Total Public Works	\$25,119,671	\$0	\$255,040	\$624,647	\$272,672	\$20,842	\$388,847	(\$639,090)	\$26,042,629

FY 2006 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Health and Welfare										
67	Department of Family Services	\$60,900,790	\$0	\$0	\$1,514,901	\$1,718,206	\$0	\$1,498,332	(\$3,128,941)	\$62,503,288
68	Department of Administration for Human Services	9,077,142	0	0	226,021	49,130	0	33,183	(352,701)	9,032,775
69	Department of Systems Management for Human Services	4,999,215	0	0	122,390	41,604	0	15,105	(115,220)	5,063,094
71	Health Department	26,821,280	0	312,738	662,450	1,838,972	0	0	(748,854)	28,886,586
	Total Health and Welfare	\$101,798,427	\$0	\$312,738	\$2,525,762	\$3,647,912	\$0	\$1,546,620	(\$4,345,716)	\$105,485,743
Parks, Recreation and Libraries										
50	Department of Community and Recreation Services	\$5,689,286	\$0	\$66,506	\$138,172	\$2,537,862	\$14,168	\$8,652	(\$217,374)	\$8,237,272
51	Fairfax County Park Authority	18,946,132	0	0	471,672	2,544,681	9,541	99,690	(1,104,994)	20,966,722
52	Fairfax County Public Library	20,089,358	0	0	496,913	2,249,932	165,212	241,743	(766,458)	22,476,700
	Total Parks, Recreation and Libraries	\$44,724,776	\$0	\$66,506	\$1,106,757	\$7,332,475	\$188,921	\$350,085	(\$2,088,826)	\$51,680,694
Community Development										
16	Economic Development Authority	\$2,725,278	\$0	\$0	\$0	\$23,555	\$0	\$6,943	(\$82,090)	\$2,673,686
31	Land Development Services	10,871,711	0	490,950	270,710	97,072	0	11,035	(256,823)	11,484,655
35	Department of Planning and Zoning	8,387,602	0	128,655	208,851	68,429	0	26,368	(245,272)	8,574,633
36	Planning Commission	475,823	0	0	11,848	0	0	8,451	0	496,122
38	Department of Housing and Community Development	3,735,674	0	0	86,349	0	0	48,376	(143,636)	3,726,763
39	Office of Human Rights	1,148,553	0	0	30,618	0	0	10,190	(35,950)	1,153,411
40	Department of Transportation	4,518,053	0	317,108	109,761	107,005	0	0	(133,261)	4,918,666
	Total Community Development	\$31,862,694	\$0	\$936,713	\$718,137	\$296,061	\$0	\$111,363	(\$897,032)	\$33,027,936
Nondepartmental										
89	Employee Benefits	\$0	\$176,749,788	\$0	\$0	\$0	\$0	\$0	\$0	\$176,749,788
	Total Nondepartmental	\$0	\$176,749,788	\$0	\$0	\$0	\$0	\$0	\$0	\$176,749,788
	Total General Fund	\$563,759,620	\$176,749,788	\$7,388,730	\$10,318,061	\$16,703,282	\$4,128,695	\$36,903,261	(\$19,162,219)	\$796,789,218

FY 2006 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
General Fund Supported Funds										
103	Aging Grants and Programs	\$2,088,865	\$562,003	\$0	\$47,135	\$52,282	\$0	\$0	(\$74,806)	\$2,675,479
106	Community Services Board									
	CSB Central Services	926,375	230,084	0	23,055	0	0	1,210	(10,257)	1,170,467
	Mental Health Services	26,699,476	6,615,663	0	653,913	3,150,944	140,070	490,610	(1,504,663)	36,246,013
	Mental Retardation Services	7,295,296	1,818,370	56,375	180,396	452,929	110,340	193,765	(280,244)	9,827,227
	Alcohol and Drug Services	17,642,962	4,280,298	0	430,042	322,847	178,748	62,261	(585,590)	22,331,568
	Early Intervention Services	1,742,970	413,773	0	33,462	0	0	0	(29,074)	2,161,131
120	E-911 Fund	10,123,563	4,959,052	670,929	167,991	0	132,893	2,584,584	0	18,639,012
141	Elderly Housing Programs	710,306	209,117	0	18,658	35,631	6,024	41,805	(9,323)	1,012,218
500	Retiree Health Benefits	67,448	3,866,440	0	1,679	0	0	0	0	3,935,567
501	County Insurance Fund	851,453	173,289	0	21,201	54,233	0	0	(26,953)	1,073,223
503	Department of Vehicle Services	13,148,342	3,597,442	223,829	327,394	0	122,358	220,995	(324,224)	17,316,136
504	Document Services Division	854,362	256,117	0	23,485	0	6,616	27,805	(17,327)	1,151,058
505	Technology Infrastructure Services	4,271,170	943,103	0	106,352	535,945	10,679	66,793	(111,807)	5,822,235
	Total General Fund Supported Funds	\$86,422,588	\$27,924,751	\$951,133	\$2,034,763	\$4,604,811	\$707,728	\$3,689,828	(\$2,974,268)	\$123,361,334
Other Funds										
105	Cable Communications	\$2,727,852	\$631,060	\$0	\$67,923	\$343,981	\$0	\$65,187	(\$72,414)	\$3,763,589
109	Refuse Collection & Recycling Ops	5,768,242	1,519,893	0	143,629	183,410	0	366,809	(335,387)	7,646,596
110	Refuse Disposal	6,350,248	1,754,568	0	158,121	92,448	0	462,052	(113,163)	8,704,274
111	Reston Community Center	1,913,312	565,749	0	47,514	1,029,180	11,757	32,135	(18,280)	3,581,367
112	Energy Resource Recovery Facility	403,869	112,206	0	20,466	63,262	0	31,227	0	631,030
113	McLean Community Center	1,283,937	338,321	0	28,581	394,366	9,515	13,477	(110,203)	1,957,994
114	I-95 Refuse Disposal	1,852,918	514,152	0	46,138	56,242	0	134,588	(26,530)	2,577,508
115	Burgundy Village Community Center	0	1,258	0	0	16,447	0	0	0	17,705
116	Integrated Pest Management Program	525,664	115,952	0	13,089	26,955	0	8,739	0	690,399
142	Community Development Block Grant	1,254,251	343,094	0	31,231	112,543	0	846	0	1,741,965
145	HOME Investment Partnership Grant	87,483	23,931	0	2,178	76,949	0	0	0	190,541
401	Sewer Operations and Maintenance	18,762,354	5,015,366	0	466,009	126,661	102,335	439,235	(616,797)	24,295,163
506	Health Benefits Trust Fund	0	72,188,007	0	0	0	0	0	0	72,188,007
600	Uniformed Retirement	201,723	42,758	7,086	4,911	4,500	0	259	0	261,237
601	Fairfax County Employees' Retirement	941,373	199,536	33,067	22,917	21,000	0	1,212	0	1,219,105
602	Police Retirement	201,723	42,758	7,086	4,911	4,500	0	259	0	261,237
	Total Other Funds	\$42,274,949	\$83,408,609	\$47,239	\$1,057,618	\$2,552,444	\$123,607	\$1,556,025	(\$1,292,774)	\$129,727,717
	Total All Funds	\$692,457,157	\$288,083,148	\$8,387,102	\$13,410,442	\$23,860,537	\$4,960,030	\$42,149,114	(\$23,429,261)	\$1,049,878,269

FY 2006 ADVERTISED SUMMARY OF EMPLOYEE BENEFIT COSTS BY CATEGORY

BENEFIT CATEGORY	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
FRINGE BENEFITS						
Group Health Insurance						
Expenditures	\$50,677,954	\$61,725,214	\$61,966,605	\$66,404,851	\$4,438,246	7.16%
Reimbursements	(8,601,308)	(8,294,563)	(8,294,563)	(9,677,735)	(1,383,172)	16.68%
Net Cost	\$42,076,646	\$53,430,651	\$53,672,042	\$56,727,116	\$3,055,074	5.69%
Dental Insurance						
Expenditures	\$0	\$0	\$0	\$2,562,500	\$2,562,500	-
Reimbursements	0	0	0	0	0	-
Net Cost	\$0	\$0	\$0	\$2,562,500	\$2,562,500	-
Group Life Insurance						
Expenditures	\$2,668,204	\$3,080,814	\$3,096,438	\$3,195,285	\$98,847	3.19%
Reimbursements	(884,040)	(556,546)	(556,546)	(1,015,493)	(458,947)	82.46%
Net Cost	\$1,784,164	\$2,524,268	\$2,539,892	\$2,179,792	(\$360,100)	-14.18%
FICA						
Expenditures	\$44,727,366	\$48,859,385	\$49,058,591	\$52,410,826	\$3,352,235	6.83%
Reimbursements	(11,582,979)	(11,611,371)	(11,611,371)	(12,121,153)	(509,782)	4.39%
Net Cost	\$33,144,387	\$37,248,014	\$37,447,220	\$40,289,673	\$2,842,453	7.59%
County Retirement						
Expenditures	\$25,114,178	\$33,506,748	\$33,506,748	\$37,061,273	\$3,554,525	10.61%
Reimbursements	(8,915,262)	(12,294,417)	(12,294,417)	(12,973,895)	(679,478)	5.53%
Net Cost	\$16,198,916	\$21,212,331	\$21,212,331	\$24,087,378	\$2,875,047	13.55%
Uniformed Retirement	\$24,823,288	\$30,240,540	\$30,873,312	\$33,207,127	\$2,333,815	7.56%
Police Retirement	\$14,682,200	\$15,665,171	\$15,665,171	\$17,473,164	\$1,807,993	11.54%
Virginia Retirement System	\$916,244	\$987,257	\$987,257	\$1,060,209	\$72,952	7.39%
Unemployment Compensation	\$387,563	\$507,986	\$507,986	\$403,033	(\$104,953)	-20.66%
Capital Projects Reimbursements	(\$1,200,362)	(\$1,186,496)	(\$1,186,496)	(\$1,240,204)	(\$53,708)	4.53%
Fringe Benefit Expenditures	\$163,996,997	\$194,573,115	\$195,662,108	\$213,778,268	\$18,116,160	9.26%
Fringe Benefit Reimbursements	(\$31,183,951)	(\$33,943,393)	(\$33,943,393)	(\$37,028,480)	(\$3,085,087)	9.09%
General Fund Fringe Benefits	\$132,813,046	\$160,629,722	\$161,718,715	\$176,749,788	\$15,031,073	9.29%
OPERATING EXPENSES						
Tuition/Training	\$881,117	\$1,239,542	\$1,632,597	\$1,369,542	(\$263,055)	-16.11%
Other Operating	38,702	35,246	35,246	39,037	3,791	10.76%
Worker's Compensation	6,311,085	6,413,588	6,413,588	0	(6,413,588)	-100.00%
Employee Assistance Program	270,187	303,164	303,164	280,212	(22,952)	-7.57%
Total Operating Expenses	\$7,501,091	\$7,991,540	\$8,384,595	\$1,688,791	(\$6,695,804)	-79.86%
TOTAL EXPENDITURES	\$171,498,088	\$202,564,655	\$204,046,703	\$215,467,059	\$11,420,356	5.60%
TOTAL REIMBURSEMENTS	(\$31,183,951)	(\$33,943,393)	(\$33,943,393)	(\$37,028,480)	(\$3,085,087)	9.09%
NET COST TO THE COUNTY	\$140,314,137	\$168,621,262	\$170,103,310	\$178,438,579	\$8,335,269	4.90%

FY 2006 ADVERTISED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

#	Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
Legislative-Executive Functions/Central Services							
01	Board of Supervisors	\$3,855,539	\$1,099,068	\$601,811	\$0	\$0	\$5,556,418
02	Office of the County Executive	5,370,693	1,530,981	2,083,930	0	0	8,985,604
04	Department of Cable Communications and Consumer Protection	1,007,842	287,298	3,306,803	(3,022,582)	61,713	1,641,074
06	Department of Finance	4,356,769	1,241,950	4,441,776	(492,117)	0	9,548,378
11	Department of Human Resources	4,750,598	1,354,216	1,540,019	0	0	7,644,833
12	Department of Purchasing and Supply Management	2,978,734	849,124	1,642,006	0	0	5,469,864
13	Office of Public Affairs	1,044,371	297,711	251,710	(175,924)	0	1,417,868
15	Electoral Board and General Registrar	1,840,638	524,696	419,226	0	704,906	3,489,466
17	Office of the County Attorney	5,552,750	1,582,879	566,940	(397,240)	0	7,305,329
20	Department of Management and Budget	2,779,019	792,193	314,919	0	0	3,886,131
37	Office of the Financial and Program Auditor	201,265	57,373	14,586	0	0	273,224
41	Civil Service Commission	167,312	47,694	46,197	0	0	261,203
57	Department of Tax Administration	16,552,001	4,718,349	5,724,126	0	0	26,994,476
70	Department of Information Technology	18,612,158	5,305,622	13,675,571	(7,191,873)	0	30,401,478
Total Legis-Exec Functions/Central Services		\$69,069,689	\$19,689,154	\$34,629,620	(\$11,279,736)	\$766,619	\$112,875,346
Judicial Administration							
80	Circuit Court and Records	\$7,700,466	\$2,195,112	\$2,016,582	\$0	\$0	\$11,912,160
82	Office of the Commonwealth's Attorney	1,980,864	564,669	86,682	0	0	2,632,215
85	General District Court	983,550	280,373	740,632	0	0	2,004,555
91	Office of the Sheriff	11,293,309	3,219,295	3,336,732	0	0	17,849,336
Total Judicial Administration		\$21,958,189	\$6,259,449	\$6,180,628	\$0	\$0	\$34,398,266
Public Safety							
04	Department of Cable Communications and Consumer Protection	\$784,108	\$223,520	\$129,340	\$0	\$0	\$1,136,968
31	Land Development Services	8,758,852	2,496,817	927,004	0	0	12,182,673
81	Juvenile and Domestic Relations District Court	16,858,174	4,805,628	2,154,746	0	0	23,818,548
90	Police Department	124,337,471	35,443,910	29,139,003	(829,354)	493,857	188,584,887
91	Office of the Sheriff	33,357,192	9,508,874	4,810,977	0	0	47,677,043
92	Fire and Rescue Department	128,133,884	36,526,122	21,244,273	0	870,100	186,774,379
93	Office of Emergency Management	544,869	155,322	333,654	0	0	1,033,845
Total Public Safety		\$312,774,550	\$89,160,193	\$58,738,997	(\$829,354)	\$1,363,957	\$461,208,343

FY 2006 ADVERTISED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

#	Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
Public Works							
08	Facilities Management Department	\$10,022,324	\$2,856,985	\$35,191,913	(\$7,682,772)	\$0	\$40,388,450
25	Business Planning and Support	490,095	139,708	158,728	(267,640)	0	520,891
26	Office of Capital Facilities	8,705,664	2,481,656	6,554,912	(6,206,411)	0	11,535,821
29	Stormwater Management	6,824,546	1,945,420	3,212,831	(797,749)	255,300	11,440,348
87	Unclassified Administrative Expenses	0	0	230,730	0	0	230,730
Total Public Works		\$26,042,629	\$7,423,769	\$45,349,114	(\$14,954,572)	\$255,300	\$64,116,240
Health and Welfare							
67	Department of Family Services	\$62,503,288	\$17,817,323	\$115,392,657	(\$142,131)	\$0	\$195,571,137
68	Department of Administration for Human Services	9,032,775	2,574,902	1,452,137	(53,898)	0	13,005,916
69	Department of Systems Management for Human Services	5,063,094	1,443,297	473,131	0	0	6,979,522
71	Health Department	28,886,586	8,234,473	13,199,998	(132,243)	23,061	50,211,875
Total Health and Welfare		\$105,485,743	\$30,069,995	\$130,517,923	(\$328,272)	\$23,061	\$265,768,450
Parks, Recreation and Libraries							
50	Department of Community and Recreation Services	\$8,237,272	\$2,348,135	\$16,529,033	(\$10,531,966)	\$0	\$16,582,474
51	Fairfax County Park Authority	20,966,722	5,976,819	5,334,708	(2,449,697)	300,000	30,128,552
52	Fairfax County Public Library	22,476,700	6,407,257	6,943,015	0	0	35,826,972
Total Parks, Recreation and Libraries		\$51,680,694	\$14,732,211	\$28,806,756	(\$12,981,663)	\$300,000	\$82,537,998
Community Development							
16	Economic Development Authority	\$2,673,686	\$762,167	\$3,839,699	\$0	\$0	\$7,275,552
31	Land Development Services	11,484,655	3,273,841	2,775,595	(240,838)	0	17,293,253
35	Department of Planning and Zoning	8,574,633	2,444,304	994,365	0	0	12,013,302
36	Planning Commission	496,122	141,426	208,468	0	0	846,016
38	Department of Housing and Community Development	3,726,763	1,062,359	2,018,282	0	0	6,807,404
39	Office of Human Rights	1,153,411	328,794	98,908	0	0	1,581,113
40	Department of Transportation	4,918,666	1,402,126	2,221,549	(251,059)	173,368	8,464,650
Total Community Development		\$33,027,936	\$9,415,017	\$12,156,866	(\$491,897)	\$173,368	\$54,281,290
Nondepartmental							
89	Employee Benefits	\$0	\$0	\$1,688,791	\$0	\$0	\$1,688,791
Total Nondepartmental		\$0	\$0	\$1,688,791	\$0	\$0	\$1,688,791
GENERAL FUND DIRECT EXPENDITURES		\$620,039,430	\$176,749,788	\$318,068,695	(\$40,865,494)	\$2,882,305	\$1,076,874,724

**FY 2006 ADVERTISED SUMMARY OF GENERAL FUND
OPERATING EXPENDITURES BY OBJECT CODE**

Object Code	Description	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
300/301	MASTER BLANKET/ACROSS THE BOARD	\$630	\$0	\$34,625	\$0	(\$34,625)	-100.00%
302	PROFESSIONAL CONSULTANT/CONTRACTS	67,593,366	71,181,496	83,353,128	73,988,195	(9,364,933)	-11.24%
304	COMMERCIAL OFFICE SUPPLIES	330,987	326,315	327,041	323,735	(3,306)	-1.01%
306	CENTRAL STORE CHARGES	2,397,243	2,196,798	2,373,167	2,269,394	(103,773)	-4.37%
308	OPERATING SUPPLIES	9,191,015	8,334,678	10,266,091	9,419,297	(846,794)	-8.25%
309	OPERATING EQUIPMENT	4,657,052	2,644,781	5,189,591	3,326,375	(1,863,216)	-35.90%
310	OPERATING EXPENSES	8,702,558	8,680,267	10,123,708	9,445,980	(677,728)	-6.69%
312	WEARING APPAREL	3,685,760	3,637,410	4,143,243	3,832,540	(310,703)	-7.50%
314	POSTAGE	5,316,821	5,716,239	5,830,852	5,698,993	(131,859)	-2.26%
316	TELECOMMUNICATIONS	11,746,174	12,172,944	12,816,476	13,018,597	202,121	1.58%
318	COMMERCIAL PRINTING SERVICES	457,500	753,478	1,049,207	745,866	(303,341)	-28.91%
320	RENT OF EQUIPMENT	475,059	494,315	499,198	519,650	20,452	4.10%
322	RENT OF REAL ESTATE	10,974,702	11,686,801	11,804,992	12,468,797	663,805	5.62%
324	UTILITIES	14,232,750	14,759,007	15,089,733	15,250,892	161,159	1.07%
326	INTERJURISDICTIONAL PAYMENTS	230,504	289,020	292,036	257,797	(34,239)	-11.72%
328	REPAIRS AND MAINTENANCE	4,400,661	3,873,808	5,806,986	4,415,895	(1,391,091)	-23.96%
330	BOOKS AND RELATED MATERIAL	5,160,756	5,189,016	5,793,386	5,155,790	(637,596)	-11.01%
331	COMPUTER SOFTWARE & OPERATING EQUIPMENT	2,700,331	2,239,297	4,061,132	2,447,590	(1,613,542)	-39.73%
332	MEMBERSHIPS & SUBSCRIPTIONS	380,340	410,195	420,238	428,381	8,143	1.94%
336	AUTOMOTIVE SUPPLIES	203,230	123,401	124,147	166,334	42,187	33.98%
338	BUILDING MATERIALS AND SUPPLIES	1,214,198	1,178,066	1,232,016	1,336,615	104,599	8.49%
340	AUTO MILEAGE ALLOWANCE	777,464	1,069,881	1,068,737	1,184,545	115,808	10.84%
342	DVS CHARGES	23,030,311	21,608,713	21,587,636	24,571,923	2,984,287	13.82%
344	TECHNOLOGY APPLICATION SERVICES	912,193	534,286	599,210	613,061	13,851	2.31%
346	COOPERATIVE COMPUTER CENTER CHARGES	16,781,532	18,073,907	18,077,358	21,560,397	3,483,039	19.27%
348	DOCUMENT SERVICES	2,028,237	1,751,238	2,299,674	2,063,115	(236,559)	-10.29%
350	OTHER INTERNAL CHARGES	2,333,856	1,705,681	4,171,695	1,730,030	(2,441,665)	-58.53%
352	INSURANCE AND SURETY BONDS	10,644,243	9,459,988	10,459,988	715,483	(9,744,505)	-93.16%
356	WELFARE EXPENSES	46,370,603	71,007,744	71,531,172	71,111,386	(419,786)	-0.59%
360	PAYMENTS TO BOARDS AND COMMISSIONS	376,564	360,056	382,181	360,560	(21,621)	-5.66%
362	CONTRIBUTIONS/SUBSIDIES	33,216,295	12,366,915	13,067,011	13,799,295	732,284	5.60%
366	TUITION/TRAINING	192,185	210,000	210,000	260,000	50,000	23.81%
368	CONFERENCES/TRAVEL	4,242,307	4,060,878	4,490,494	4,205,470	(285,024)	-6.35%
370	FOOD	2,028,802	2,173,903	2,239,164	2,274,108	34,944	1.56%
372	MANPOWER CLIENT PAYROLL	84	0	0	0	0	-
374	RESALE ITEMS	16,895	34,085	36,967	34,085	(2,882)	-7.80%
376	INTEREST PAYMENTS OTHER THAN DEBT SERVICE	621	0	0	0	0	-
378	CONTINGENCIES	9,097,820	9,219,453	16,004,222	6,685,696	(9,318,526)	-58.23%
380	HOUSING COSTS/RENTAL ASSISTANCE	2,066,409	2,272,181	2,355,703	2,382,828	27,125	1.15%
TOTAL OPERATING EXPENSES		\$308,168,058	\$311,796,241	\$349,212,205	\$318,068,695	(\$31,143,510)	-8.92%

FY 2006 Capital Equipment Funding Summary

GENERAL FUND EXPENDITURES - CAPITAL EQUIPMENT

FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
\$7,555,249	\$7,073,182	\$4,460,980	\$3,529,905	\$3,372,204	\$2,336,888	\$5,639,320	\$2,718,877

PROGRAM AREA:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Legislative Executive Functions/Central Services</u>					
Department of Cable Communications and Consumer Protection	\$0	\$61,713	\$0	\$0	\$61,713
Electoral Board and General Registrar	0	0	704,906	0	704,906
<u>Public Safety</u>					
Police Department	0	85,929	0	0	85,929
Fire and Rescue Department	305,100	90,000	720,000	0	1,115,100
<u>Public Works</u>					
Stormwater Management	0	255,300	0	0	255,300
<u>Health and Welfare</u>					
Health Department	0	0	0	23,061	23,061
<u>Parks, Recreation and Libraries</u>					
Park Authority	0	240,000	0	0	240,000
Fairfax County Library	0	0	0	59,500	59,500
<u>Community Development</u>					
Department of Transportation	0	0	173,368	0	173,368
Total General Fund	\$305,100	\$732,942	\$1,598,274	\$82,561	\$2,718,877

FY 2006 Capital Equipment Funding Summary

OTHER FUNDS APPROPRIATED - CAPITAL EQUIPMENT

FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
\$38,421,106	\$36,614,421	\$27,256,450	\$27,307,638	\$28,732,928	\$27,274,294	\$55,389,725	\$22,528,030

FUND CATEGORY:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Other Funds - Appropriated</u>					
100 County Transit Systems	\$0	\$4,773,615	\$0	\$0	\$4,773,615
105 Cable Communications	500,000	250,000	0	0	750,000
109 Refuse Collection and Recycling	0	1,262,900	0	0	1,262,900
110 Refuse Disposal	0	2,581,000	0	0	2,581,000
111 Reston Community Center	0	46,720	0	0	46,720
113 McLean Community Center	27,500	0	0	0	27,500
114 I-95 Refuse Disposal	0	936,000	0	0	936,000
401 Sewer Operation and Maintenance	96,767	364,388	0	0	461,155
503 Department of Vehicle Services	315,384	9,953,756	0	0	10,269,140
505 Technology Infrastructure Services	0	1,420,000	0	0	1,420,000
Total Other Funds - Appropriated	\$939,651	\$21,588,379	\$0	\$0	\$22,528,030
Combined Total - General Fund and Other Funds Appropriated	\$1,244,751	\$22,321,321	\$1,598,274	\$82,561	\$25,246,907

OTHER FUNDS NON - APPROPRIATED - CAPITAL EQUIPMENT

FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
\$767,629	\$1,216,999	\$527,270	\$839,136	\$705,608	\$835,523	\$864,211	\$1,017,541

FUND CATEGORY:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Other Funds - Non - Appropriated</u>					
170 Park Revenue Fund	\$188,000	\$499,330	\$0	\$0	\$687,330
703 NOVARIS	0	0	330,211	0	330,211
Total Other Funds - Non-Appropriated	\$188,000	\$499,330	\$330,211	\$0	\$1,017,541
Combined Total - Other Funds Appropriated and Other Funds Non-Appropriated	\$1,127,651	\$22,087,709	\$330,211	\$0	\$23,545,571
TOTAL ALL FUNDS	\$1,432,751	\$22,820,651	\$1,928,485	\$82,561	\$26,264,448

FAIRFAX COUNTY

FY 2004 - FY 2006 County Funded Programs for School-Related Services

	FY 2004 Actual	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
General Fund Transfers/Debt Service¹			
General Fund Transfer to School Operating Fund	\$1,240,850,321	\$1,322,374,187	\$1,431,337,820
Debt Service on Schools' Debt	120,896,733	126,528,053	130,281,443
Subtotal	\$1,361,747,054	\$1,448,902,240	\$1,561,619,263
Police Department			
School Resource and School Education Officers (55/55.0 SYE)	\$4,968,327	\$5,272,202	\$5,385,179
Security for activities such as proms and football games	203,315	212,904	217,532
School Crossing Guards (127/36.88 SYE)	1,258,127	1,551,198	1,615,456
Subtotal	\$6,429,769	\$7,036,304	\$7,218,167
Fire Department			
Fire safety programs for pre-school through middle school aged students	\$91,367	\$95,935	\$100,732
Subtotal	\$91,367	\$95,935	\$100,732
Health Department			
Clinic Room Aides Program (188/119.51 SYE) and limited-term staffing funding	\$4,825,500	NA	NA
Public Health Nurses (53/53.0 SYE)	3,539,027	NA	NA
School Health (251/181.58 SYE) ²	NA	10,266,016	11,067,186
Subtotal	\$8,364,527	\$10,266,016	\$11,067,186
Community Services Board (CSB) - Mental Health Services			
Pre-Kindergarten programming	\$53,917	\$55,636	\$57,022
Elementary school programming	8,336	8,602	8,815
Middle school programming	29,007	29,932	30,677
High school and alternative school programming	548,834	566,334	580,436
Subtotal	\$640,094	\$660,504	\$676,950
Community Services Board (CSB) - Mental Retardation Services			
Elementary school programming	\$248,302	\$256,219	\$262,599
Middle school programming	13,290	13,714	14,055
High school and alternative school programming	178,105	183,784	188,360
Subtotal	\$439,697	\$453,717	\$465,014
Community Services Board (CSB) - Alcohol and Drug Services			
Elementary school programming	\$169,815	\$175,229	\$179,592
Middle school programming	131,203	135,386	138,757
High school and alternative school programming	254,238	262,344	268,877
Subtotal	\$555,256	\$572,959	\$587,226
Community Services Board (CSB) - Early Intervention Services			
Pre-Kindergarten programming	\$23,010	\$23,744	\$24,335
Subtotal	\$23,010	\$23,744	\$24,335

FAIRFAX COUNTY

FY 2004 - FY 2006 County Funded Programs for School-Related Services

	FY 2004 Actual	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
Department of Family Services			
Net Cost of the School-Age Child Care (SACC) Program (600/550.83 SYE) - includes general services and services for special needs clients partially offset by program revenues	\$5,540,490	\$8,784,903	\$7,837,532
Head Start Program-General Fund (Higher Horizons, Gum Springs (18/18.0 SYE), Schools' Contract)	5,506,430	5,932,527	5,687,740
Head Start Federal Grant Funding (Local Cash Match) ³	846,657	945,296	681,423
Comprehensive Services Act (special education programs not in FCPS)	13,363,491	12,543,783	12,543,783
County contribution to Schools for SACC space	500,000	500,000	500,000
Subtotal	\$25,757,068	\$28,706,509	\$27,250,478
Department of Community and Recreation Services			
After School Program	\$94,804	\$162,028	\$148,099
Field improvements ⁴	355,122	563,168	300,000
Therapeutic recreation	34,950	31,471	34,567
Subtotal	\$484,876	\$756,667	\$482,666
Fairfax County Park Authority			
Maintenance of Fairfax County Public Schools' athletic fields	\$2,519,582	\$3,069,704	\$3,022,813
Match for field development	228,511	370,222	0
Subtotal	\$2,748,093	\$3,439,926	\$3,022,813
TOTAL: County Funding for School Related Services	\$1,407,280,811	\$1,500,914,521	\$1,612,514,830

¹ Does not include capitalized interest for debt service on Economic Development Authority (EDA) Revenue bonds Series 2004 (Laurel Hill Facilities Project) and EDA Revenue Bond Series 2005 A (School Central Administrative Building Project Phase I). Scheduled debt service payments for Laurel Hill commence in FY 2007 and in FY 2006 for the School Central Administrative Building.

² School Health is a new cost center created in FY 2005 to more accurately capture all costs associated with providing school health-related services. It includes all positions previously shown as Clinic Room Aides and Public Health Nurses for school clinics and includes one administrative and three supervisory nurse positions not previously shown before FY 2005. Also included for the first time in FY 2005 is funding associated with the Medically Fragile Student Program.

³ This includes Local Cash Match funding for the Federal Head Start and Early Head Start for the Higher Horizons, Gum Springs and Schools' Contracts.

⁴ This includes athletic field lighting, maintenance and other upgrade requirements.

FAIRFAX COUNTY
FY 2004 - FY 2006 Additional County Funded Programs
for General Youth Services

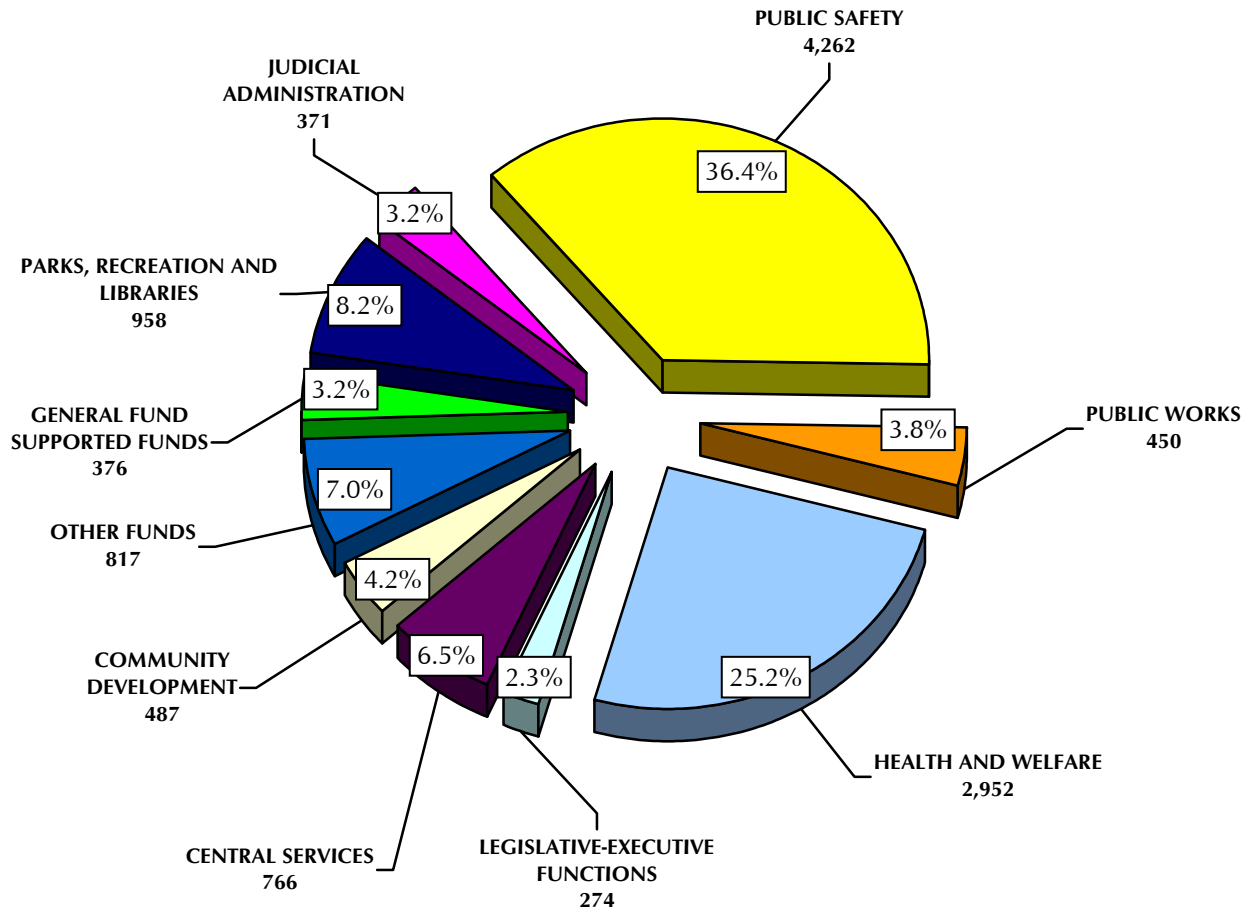
	FY 2004 Actual	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
Additional - County Funded Youth Programs			
Family Services - Net cost of services for children (excluding SACC and Head Start)	\$8,120,705	\$18,093,823	\$17,483,323
Juvenile and Domestic Relations District Court - Residential Services	2,447,132	2,491,723	2,794,555
Department of Community and Recreation Services - Therapeutic recreation	699,004	629,429	691,335
Department of Community and Recreation Services - Teen Centers	1,152,708	1,599,797	1,861,171
Department of Community and Recreation Services - Community Centers	1,323,660	1,649,666	1,637,838
Department of Community and Recreation Services - Net cost extension/community education	27,815	73,154	41,931
Youth Sports Subsidy	183,557	195,000	195,000
Youth Sports Scholarship	63,407	75,000	75,000
Subtotal: Additional County Funded Programs for General Youth Services (Non-School)	\$14,017,988	\$24,807,592	\$24,780,153
TOTAL: County Funded Programs for Youth (Includes Both School and Non-School Programs)	\$1,421,298,799	\$1,525,722,113	\$1,637,294,983

FAIRFAX COUNTY
FY 2004 - FY 2006 Additional County-Administered Programs
for School-Related Services
Funding can be Federal, State, Local, or a Combination Thereof
(Actual Direct County Funding is Minimal)

	FY 2004 Actual	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan
Community Services Board (CSB) - Alcohol and Drug Services			
Middle school programming	\$99,083	\$102,243	\$104,790
High school and alternative school programming	356,983	368,366	377,538
Department of Family Services¹			
Head Start Grant Funding	\$4,332,871	\$5,320,148	\$4,300,894
Early Head Start Grant Funding	2,956,744	3,957,367	2,996,836
Head Start State Block Grant Funding	9,005	68,792	96,945
Subtotal: County-Administered Programs	\$7,754,686	\$9,816,916	\$7,877,003
GRAND TOTAL	\$1,429,053,485	\$1,535,539,029	\$1,645,171,986

¹ It should be noted that these expenditures/budgets are by fiscal year. The amounts contain multiple program years in each fiscal year and therefore do not correlate to annual awards for these grants.

FY 2006 REGULAR POSITIONS ALL FUNDS



TOTAL REGULAR POSITIONS = 11,713

General Fund Program Areas include: General Fund agencies and Fund 106, Fairfax-Falls Church Community Services Board in Health and Welfare and Fund 120, E-911 in Public Safety.

General Fund Supported Funds include: Fund 141, Elderly Housing Programs; Fund 500, Retiree Health Benefits; Fund 501, County Insurance; Fund 503, Department of Vehicle Services; Fund 504, Document Services Division; Fund 505, Technology Infrastructure Services.

Other Funds include: Fund 105, Cable Communications; Fund 109, Refuse Collection; Fund 110, Refuse Disposal; Fund 111, Reston Community Center; Fund 112, Energy Resource Recovery Facility; Fund 113, McLean Community Center; Fund 114, I-95 Refuse Disposal; Fund 116, Integrated Pest Management Program; Fund 142, Community Development Block Grant; Fund 145, HOME Investment Partnership Grant; Fund 401, Sewer Operation and Maintenance; Fund 601, Fairfax County Employees' Retirement System.

Summary of Position Changes FY 1991 - FY 2006

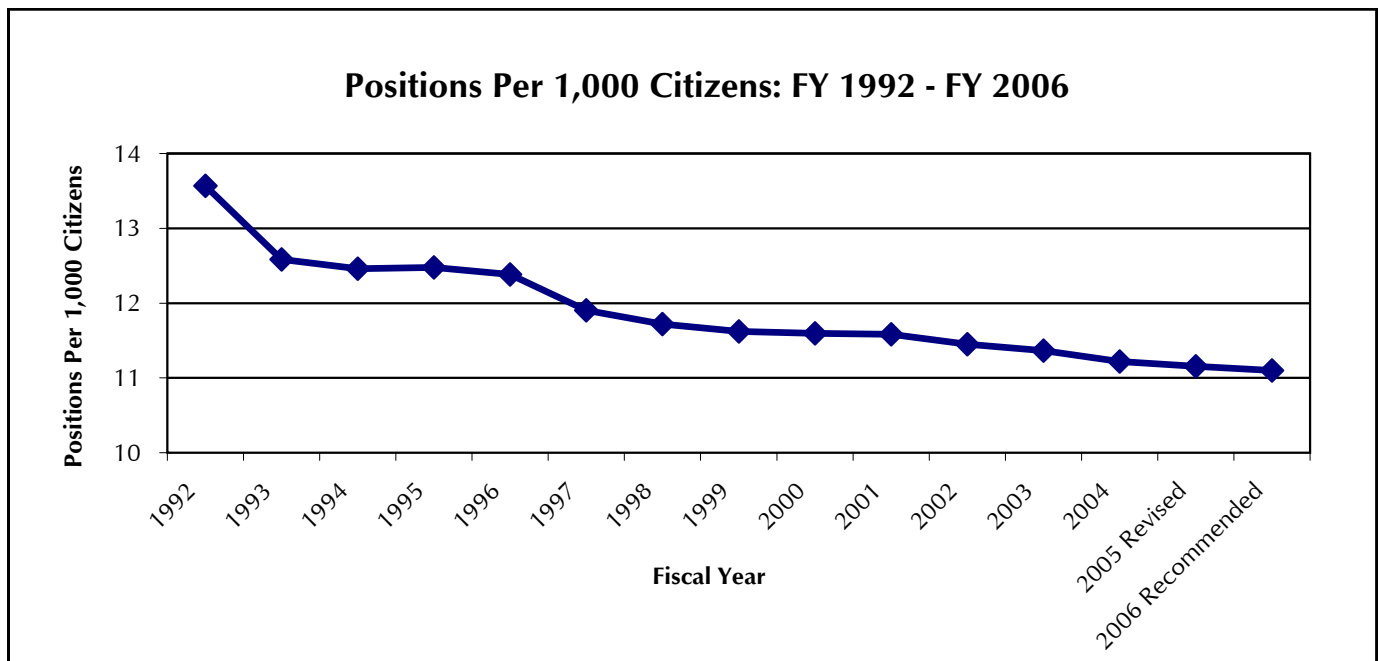
Authorized Positions - All Funds

	From	To	Abolished	New Facilities	Other Changes	Other Reviews	Total Change	Positions Per 1,000 Citizens
FY 1991 to FY 1992	11,164	11,124	(153)	41	20	52	(40)	13.57
FY 1992 to FY 1993	11,124	10,628	(588)	0	13	79	(496)	12.58
FY 1993 to FY 1994	10,628	10,685	(88)	62	56	27	57	12.46
FY 1994 to FY 1995	10,685	10,870	(157)	94	131	117	185	12.48
FY 1995 to FY 1996	10,870	11,016	(49)	60	76	59	146	12.38
FY 1996 to FY 1997	11,016	10,782	(477)	150	(14)	107	(234)	11.90
FY 1997 to FY 1998	10,782	10,802	(56)	4	43	29	20	11.72
FY 1998 to FY 1999	10,802	10,911	(35)	26	41	77	109	11.62
FY 1999 to FY 2000	10,911	11,108	(17)	106	26	82	197	11.59
FY 2000 to FY 2001	11,108	11,317	0	25	107	77	209	11.58
FY 2001 to FY 2002	11,317	11,385	(2)	14	39	17	68	11.45
FY 2002 to FY 2003	11,385	11,498	(48)	70	1	90	113	11.36
FY 2003 to FY 2004	11,498	11,443	(124)	49	0	20	(55)	11.22
FY 2004 to FY 2005 Revised	11,443	11,547	(4)	56	0	52	104	11.15
FY 2005 to FY 2006 Recommended	11,547	11,713	0	127	39	0	166	11.10
Total	11,164	11,713	(1,798)	884	578	885	549	

In addition, a total of 168 project positions have been abolished since FY 1991, resulting in a total of 1,966 abolished positions. This results in a net increase of 381 positions through the recommended FY 2006 budget. Despite the net addition of positions, Positions Per 1,000 Citizens have decreased dramatically during the period between FY 1992 and FY 2006, from 13.57 (including the 168 project positions) to 11.10, an 18.2 percent decrease. In addition, every Program Area, with the exception of Public Safety, has seen a decline in Positions Per 1,000 Citizens. Public Safety has seen approximately a 2 percent increase in Positions Per 1,000 Citizens reflective of the County's commitment to the Police and Fire and Rescue Departments and the Office of the Sheriff, as well as more recently to Public Safety Communications and Emergency Management.

() Denotes Abolished Positions

During the period FY 1992 - FY 2006, the following chart depicts the trend in merit regular positions per 1,000 citizens:



Summary of Position Changes

FY 2006 Position Actions Total Change - 166 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES/PUBLIC SAFETY			127
	Community and Recreation Services	Southgate Community Center	5
	Health	South County Secondary School	4
	Health	Little River Glen Adult Day Health Care Center	9
	Sheriff	Remaining half of new floor in ADC	11
	Fire and Rescue	New Crosspointe station	36
	Fire and Rescue	Phase II of ALS staffing	23
	Fire and Rescue	Phase II of EMS infrastructure staffing	12
	Police	Youth gang activity	4
	Police	Patrol	8
	Police	Administrative support	3
	Public Safety Communications	PSCC Reorganization	11
	Office of Emergency Management	Training and exercise officer	1
REDUCTIONS/REORGANIZATIONS/REDESIGNS			0
	Police	Transfer of PSCC positions to new Department of Public Safety Communications	(153)
	Public Safety Communications	Transfer from Police	153
WORKLOAD			39
	Facilities Management	Maintenance at County facilities	3
	DPWES/Capital Facilities	Construction project coordination	2
	DPWES/Stormwater	Stormwater Management program	3
	DPWES/Land Development Services	Increased level of development	14
	Planning and Zoning	Board of Zoning Appeals/Special Exceptions	1
	Planning and Zoning	Dulles Rail	1
	Transportation	Workload	5
	Health	Public Health Nurses	2
	General District Court	Court Services	1
	CSB/Mental Retardation Services	Special Education Graduates	1
	Retirement	DROP	1
	Vehicle Services	Increased maintenance requirements	5

Summary of Position Changes

FY 2005 Position Actions Total Change - 104 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES/PUBLIC SAFETY			56
	Community and Recreation Services	Herndon Harbor House	5
	Community and Recreation Services	Teen Center Redesign - Phase II	3
	Family Services	New SACC rooms at Navy elementary due to renovations and Sunrise Valley as a result of room availability	6
	Police	PSCC positions	16
	Fire and Rescue	Final phase-in of staffing for new Fairfax Center station	23
	Fire and Rescue	support of Emergency Medical Services fees creation and administration	3
REDUCTIONS/REORGANIZATIONS/REDESIGNS			(4)
	DPWES/Business Planning and Support	Transfer to Land Development for financial, human resource and information technology reorganization	(29)
	DPWES/Land Development	Transfer from Business Planning and Support for financial, human resource and information technology reorganization	29
	Community and Recreation Services	Redesign of Senior Centers	(2)
	Park Authority	Transfer of position to non-appropriated Park Revenue Fund	(1)
	Information Technology	Management Analyst IV	(1)
	Police	Transfer to new Emergency Management agency	(5)
	Emergency Management	Transfer from Police of emergency management	5
	CSB/Mental Retardation	Transfer to Early Intervention as part of reorganization	(20)
	CSB/Early Intervention	Transfer from Mental Retardation as part of reorganization	20

Summary of Position Changes

FY 2005 Position Actions Total Change - 104 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			52
	County Executive/ Administration of County Policy	Federal legislative liaison	1
	County Executive/Office of Partnerships	Anti-gang coordination	1
	County Executive/ Equity Programs	Transfer from Human Rights to reflect redistribution of workload	1
	Cable Communications and Consumer Protection	Transfer to Libraries, Tax Administration and Information Technology based on reorganization	(9)
	DPWES/Facilities Management Division	Transfer to Emergency Management to support emergency operations activities	(1)
	DPWES/Facilities Management Division	Maintenance	1
	Human Resources	Benefits customer service	1
	Economic Development Authority	Economic development activities	1
	Management and Budget	Legislative analysis	1
	DPWES/Capital Facilities	Transfer from Wastewater based on agency redirection of resources	2
	DPWES/Stormwater	Identified for realignment	(1)
	DPWES/Stormwater	Transfer to Land Development Services based on agency redirection of resources	(1)
	DPWES/Land Development Services	Transfer from Stormwater based on agency redirection of resources	1
	Planning and Zoning	Laurel Hill	1
	Human Rights	Transfer to Equity Programs to reflect redistribution of workload	(1)
	Transportation	Dulles Rail	1
	Community and Recreation Services	Identified for realignment	(1)
	Library	Transfer from Cable Communications and Consumer Protection based on reorganization	8
	Tax Administration	Transfer from Cable Communications and Consumer Protection based on reorganization	1
	Family Services	Transfer from Systems Management for realignment	3
	Family Services	Comprehensive Services Act utilization	1
	Systems Management for Human Services	Transfer to Family Services for realignment	(3)

Summary of Position Changes

FY 2005 Position Actions Total Change - 104 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	Systems Management for Human Services	Prevention	1
	Information Technology	Public Safety Architect	1
	Information Technology	Information systems security	1
	Information Technology	Transfer from Cable Communications and Consumer Protection based on reorganization	2
	Health	Pace	1
	Health	Air Quality	1
	Health	Bioterrorism	1
	Police	Criminal Intelligence Unit	1
	Police	Watch Officers	2
	Sheriff	Opening half floor in Adult Detention Center	18
	Fire and Rescue	ALS and EMS phase in	32
	Fire and Rescue	EMS fee Quality Assurance	1
	Emergency Management	Transfer from Facilities Management for emergency operations activities	1
	CSB/Mental Retardation	MR Graduate program	1
	Document Services Division	Transfer to Libraries based on reorganization	(2)
	Technology Infrastructure Services	Identified for realignment	(1)
	Alcohol Safety Action Program	Non-appropriated positions	(14)
	Wastewater	Identified for realignment	(3)

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES/PUBLIC SAFETY			49
	DPWES/Facilities Management Division	South County Government Center and support for Courthouse expansion	1
	Community and Recreation Services	James Lee Community Center	6
	Family Services	New and expanded SACC sites	19
	Health	Public Health Nurse to support 4 new County schools	1
	Health	Clinic Room Aides to support 4 new County schools	6
	Police	Emergency medical dispatcher coordinator	1
	Fire and Rescue	Phase-in of staffing for new Crosspointe and Fairfax Center stations	15
REDUCTIONS/REORGANIZATIONS/REDESIGNS			(124)
	Office for Women	Reorganization, including transfer to Department of Family Services of 2 positions	(8)
	Finance	Reorganization	(3)
	Human Resources	Reorganization	(1)
	Purchasing and Supply Management	Eliminate Central Stores	(3)
	Purchasing and Supply Management	Eliminate Equipment Repair Program	(1)
	Purchasing and Supply Management	P-card and small order transaction processing	(1)
	Management and Budget	Special projects	(2)
	DPWES/Capital Facilities	GIS and financial administration	(2)
	DPWES/Stormwater Management	Flood plains	(1)
	DPWES/Stormwater Management	Sign shop	(2)
	DPWES/Land Development	Environmental and facilities review	(5)
	DPWES/Land Development	Residential building inspections	(2)
	DPWES/Land Development	Commercial building inspections	(2)
	DPWES/Land Development	Home improvement contractor licensing	(2)

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	DPWES/Land Development	Code enforcement	(1)
	DPWES/Land Development	Urban forestry	(1)
	DPWES/Land Development	Building plan review	(1)
	DPWES/Land Development	Preliminary site inspection	(1)
	DPWES/Land Development	Environmental and facilities inspection	(1)
	DPWES/Land Development	Contractor ID card	(1)
	DPWES/Land Development	Inspection requests and records	(1)
	Planning and Zoning	Environment and development review	(2)
	Planning and Zoning	Zoning enforcement	(2)
	Planning and Zoning	Rezoning/special exceptions	(1)
	Planning and Zoning	Ordinance administration	(1)
	Human Rights	Transfer Equal Employment Opportunity position to grant	(1)
	Community and Recreation Services	Pinn Community Center	(1)
	Park Authority	Natural resource planning	(1)
	Park Authority	Land management	(1)
	Park Authority	Resource stewardship	(1)
	Park Authority	Landscaping at Government Center	(3)
	Park Authority	Riverbend and Hidden Oaks parks	(4)
	Tax Administration	TARGET	(13)
	Tax Administration	Outsource parking ticket processing and collection	(3)
	Family Services	Child protective services	(2)
	Family Services	Child care resource	(2)
	Family Services	Transfer to Administration for Human Services for information technology support	(1)
	Family Services	Transfer from Office for Women	2
	Family Services	Children, Youth and Family technology support	(1)
	Family Services	SACC administrative support	(1)
	Administration for Human Services	Transfer from Family Services for information technology support	1

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	Administration for Human Services	Administrative	(2)
	Administration for Human Services	Transfer to Information Technology as part of Human Services Information Technology reorganization	(28)
	Systems for Human Services	Research, Analysis and Project Services	(1)
	Systems for Human Services	Region 5	(1)
	Health	Transfer to Forest Integrated Pest Management for West Nile	(1)
	Information Technology	Transfer from Administration for Human Services as part of Human Services Information Technology reorganization	28
	Information Technology	Strategic planning	(1)
	Information Technology	Applications architect	(1)
	Information Technology	Infrastructure strategist	(1)
	Information Technology	Telecommunications coordination	(1)
	Information Technology	Group Decision Support Center	(1)
	Information Technology	E-government	(1)
	Information Technology	Information technology security	(1)
	Information Technology	Radio services inventory management	(1)
	Juvenile and Domestic Relations District Court	Juvenile Detention Center	(4)
	Police	Inspections	(1)
	Police	Victim services	(1)
	Police	Public information	(1)
	Police	Community policing	(1)
	Police	School crossing guards	(3)
	Police	Court liaison	(1)
	Sheriff	Community relations	(1)
	Sheriff	Mental Health and Alcohol and Drug services in the Adult Detention Center	(1)
	Sheriff	Privatize Food Services	(13)
	CSB/Mental Health	Prevention	(1)
	CSB/Alcohol and Drug	Homeless Shelter	(2)
	CSB/Alcohol and Drug	Entry and referral	(2)
	Forest Integrated Pest Management	Transfer from Health Department for West Nile	1

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	Technology Infrastructure	Programmer	(1)
	Retirement Administration	DROP Program	1
OTHER CHANGES DURING FISCAL YEAR			20
	County Executive/Office of Partnerships	Transfer from Administration for Human Services to realign administrative support of Partnerships	1
	DPWES/Facilities Management Division	Transfer from Wastewater based on agency redirection of resources	1
	DPWES/Business Planning and Support	Transfer from Capital Facilities of Deputy Director	1
	DPWES/Business Planning and Support	Transfer to Land Development for administrative support	(1)
	DPWES/Capital Facilities	Transfer to Business Planning and Support of Deputy Director	(1)
	DPWES/Capital Facilities	Transfer to Stormwater based on agency redirection of resources	(1)
	DPWES/Stormwater	Transfer from Capital Facilities based on agency redirection of resources	1
	DPWES/Stormwater	Transfer from Wastewater based on agency redirection of resources	6
	DPWES/Land Development	Transfer from Business Planning and Support for administrative support	1
	DPWES/Land Development	Transfer from Wastewater based on agency redirection of resources	1
	Housing	Transfer to Administration for Human Services based on redirection of resources	(2)
	Community and Recreation Services	Athletic Field Scheduling	1
	Park Authority	Identified for realignment	(2)
	Park Authority	Restore hours at Riverbend and Hidden Oaks parks	4
	Tax Administration	Transfer from Police based on administrative requirements	1
	Administration for Human Services	Transfer to Office of Partnerships for administrative alignment	(1)
	Administration for Human Services	Transfer to Information Technology as part of Human Services Information Technology reorganization	(2)
	Administration for Human Services	Transfer from Housing based on redirection of resources	2

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
Information Technology		Transfer from Administration for Human Services as part of Human Services Information Technology reorganization	2
Health		Long term care	1
Police		COPS UHP	16
Police		Transfer to Fire and Rescue of EMD position for PSCC support	(1)
Police		Transfer to Tax Administration based on administrative requirements.	(1)
Sheriff		Transfer from Fire for Alternative Placement Program	1
Fire and Rescue		Transfer from Police of EMD position	1
Fire and Rescue		Transfer to Sheriff for Alternative Placement Program	(1)
Refuse Disposal		Transfer from Wastewater based on agency redirection of resources	1
Integrated Forest Pest Management		Conversion of contract to direct service for West Nile treatment	2
Wastewater		Identified for realignment	(11)

Summary of Position Changes

FY 2003 Position Actions Total Change - 113 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES/PUBLIC SAFETY			70
	Family Services	New and expanded SACC sites	22
	Police	Sully Police Station	25
	Police	Transfer of Animal Shelter function	19
	Animal Shelter	Transfer of Animal Shelter function to Police	(19)
	Fire and Rescue	Full time Hazardous Materials Unit	23
WORKLOAD RELATED			1
	McLean CC	Performance Arts support position	1
ABOLISHMENTS			(48)
	Finance	E-Government Initiative	(1)
	Human Resources	Division head	(1)
	Purchasing	Processing purchasing transactions	(2)
	Management and Budget	Special Projects	(2)
	Tax Administration	Personal Property Division	(6)
	Information Technology	Strategic planning, Human Services IT support and PRISM support/modifications	(3)
	Circuit Court	Mediation program	(1)
	Sheriff	Vacant positions to be determined	(3)
	DPWES/Business Planning and Support	IT Support and Development	(2)
	DPWES/Capital Facilities	Special Projects and Citizen Response	(3)
	DPWES/Stormwater Management	Flooding and Snow emergency response	(2)
	Family Services	Deputy Director	(1)
	Administration for Human Services	Assistant Buyer and Computer Systems Analyst	(2)
	Community and Recreation Services	FASTRAN scheduling	(1)
	Fairfax County Park Authority	Computer program analysis, RECPAC support and to be determined	(3)
	DPWES/Land Development	Plan processing and review	(10)
	Planning and Zoning	Land use applications, public facility review, processing of building permits and special projects	(4)
	Community Services Board	Support position as result of Fairfax House closure	(1)

Summary of Position Changes

FY 2003 Position Actions Total Change - 113 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			90
	DPWES/Facilities Mgmt	Lorton/Laurel Hill Development	1
	Human Resources	Transfer to Public Affairs for Courier	(1)
	Public Affairs	Transfer from Human Resources for Courier	1
	Public Affairs	Transfer positions from Administration for Human Services for South County	2
	Park Authority	Lorton/Laurel Hill Development	2
	DPWES/Business Planning and Support	Transfer from Administration for Human Services for information technology support	1
	Tax Administration	Revenue enhancement	4
	Administration for Human Services	Transfer to Health for Long Term Care	(1)
	Administration for Human Services	Transfer to Systems for Human Services for Strengthening Neighborhoods and Building Communities Initiative	(1)
	Administration for Human Services	Transfer to Public Affairs for South County	(2)
	Administration for Human Services	Transfer to DPWES/Business Planning and Support for information technology support	(1)
	Systems for Human Services	Transfer from Admin for Human Services for Strengthening Neighborhoods and Building Communities Initiative	1
	Information Technology	HIPAA Compliance Officer	1
	Health	Transfer from Admin for Humans Services for Long Term Care	1
	Health	Transfer from Forest Integrated Pest Management Program for West Nile	1
	Police	COPS UHP	52
	Sheriff	Additional ADC positions to meet required staffing levels	37
	ASAP	Transfer to CSB	(1)
	CSB/Central Services	Transfer from ASAP	1
	CSB/Mental Health	Adult day support services (as part of State cut to be taken in FY 2003)	(1)
	CSB/Alcohol and Drug	Hope Center (as part of State cut to be taken in FY 2003)	(6)
	Refuse Collection	DPWES realignment of positions	(1)
	Refuse Disposal	DPWES realignment of positions	2
	Wastewater Treatment	DPWES realignment of positions	(1)
	Forest Integrated Pest Management Program	Transfer position to Health for West Nile	(1)

Summary of Position Changes

FY 2003 Position Actions Total Change - 113 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
POSITION POOL CHANGES			0
	Transportation	Traffic Calming	1
	Police	Emergency Coordinator	1
	Wastewater Treatment	Identified for realignment	(2)

Summary of Position Changes

FY 2002 Position Actions Total Change - 68 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES			14
	Family Services	New and expanded SACC sites	12
	Community and Recreation Services	Expanded Groveton Senior Center	2
PUBLIC SAFETY			17
	Sheriff	Inmate Janitorial Supervision in ADC Expansion	5
	Sheriff	LIDs Clerk for State Reporting	1
	Fire and Rescue	Additional Tanker staffing	9
	Fire and Rescue	Staff requirements for an expanded South County apparatus shop	2
WORKLOAD RELATED			20
	County Executive	Elimination of 1 Assistant to the County Executive position	(1)
	Finance	Financial Management	1
	DPWES/Capital Facilities	Elimination of Streetlight and Bus Shelter project management position	(1)
	Housing and Community Development	Revitalization	3
	Community and Recreation Services	Senior Social Day Program	2
	Community and Recreation Services	Transfer of positions associated with Leisure Enterprises and the Employee Fitness Center to the Park Authority	(6)
	Park Authority	Transfer of positions associated with Leisure Enterprises and the Employee Fitness Center to from Community and Recreation Services	6
	Tax Administration	Real Estate Appraisers to improve ratio of parcels per appraiser	3
	Systems Management for Human Services	Coordination of Continuum of Care Process	2
	Information Technology	Security for Information Processing Systems	2
	Health	Community Health Care Network	1
	General District Court	Probation Counselor I	1
	Vehicle Services	Fleet Maintenance	4
	CSB/Mental Retardation	Support for new graduates of County Schools	1
	CSB/Mental Health	Case workers for JDC/LSC	2

Summary of Position Changes

FY 2002 Position Actions Total Change - 68 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			17
	Electoral Board and General Registrar	Conversion of Exempt Limited term Positions in response to National Voter Registration Act workload	2
	DPWES/Business Planning and Support	Transfer of position from Land Development for better alignment of duties	1
	DPWES/Stormwater Management	Transfer of position from Land Development for Stormwater design issues and creation of two new positions for Perennial Streams Mapping	3
	DPWES/Land Development	Transfer of position to Stormwater Management	(1)
	DPWES/Land Development	Transfer of position to Business Planning and Support	(1)
	Community and Recreation Services	Transfer of position to Health	(1)
	Administration for Human Services	Transfer of position from Juvenile and Domestic Relations for better alignment of duties	1
	Health	Transfer of position from Community and Recreation Services for the Senior+ Program	1
	Juvenile and Domestic Relations	Transfer of position to Administration for Human Services	(1)
	Police	School Resource Officers	6
	Police	Conversion of COPS More grant positions	7
POSITION POOL CHANGES			0
	Human Resources	Training staff	2
	Public Affairs	Citizen Hotline	1
	System Management for Human Services	Assistant for Human Services Deputy County Executive	1
	Police	Criminal Intelligence Unit crime analysts and Emergency Preparedness Coordinator	3
	Wastewater Treatment	Identified for realignment	(7)

Summary of Position Changes

FY 2001 Position Actions Total Change - 209 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES			25
	Family Services	New and expanded SACC sites	12
	Health	Herndon Harbor House Adult Day Care Facility	9
	Family Services	SACC Pilot in Middle Schools	3
	Family Services	Herndon Harbor House Adult Day Care Facility	1
PUBLIC SAFETY			38
	Fire and Rescue	Building Inspections	9
	Police	Public Safety Communication Assistants	7
	Police	Alarm Ordinance	6
	Police	Animal Control officers	4
	Police	Central Record clerical support	3
	Police	Victim Services Section	2
	Fire and Rescue	Fiscal Administrator and Accountant	2
	Police	Child Abuse Section	1
	Police	Information Technology support	1
	Animal Control	Education/Fundraising position	1
	Animal Control	Secretarial support	1
	Fire and Rescue	Women's Program officer	1

Summary of Position Changes

FY 2001 Position Actions Total Change - 209 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
WORKLOAD RELATED POSITIONS			69
	CSB/Alcohol and Drug	Prevention Resiliency Program in County Schools	8
	Information Technology	County Internet, Enterprise Services Manager and Help Desk	7
	DPWES/Land Development	Site Inspectors	7
	Housing and Community Development	Financial Management support as recommended by external auditor	5
	Park Authority	Maintenance staff for Athletic Fields	5
	Health	Public Health Nurses for County Schools	5
	Juvenile and Domestic Relations	Probation Counselors and Secretary for Domestic Relations, East County Probation Office and Less Secure Facility	5
	Administration for Human Services	IT Positions for workload requirements	5
	Transportation	Accounting, Transit Operations, Proffers workload	5
	CSB/Mental Retardation	Individuals with Disabilities Education Act (IDEA) Service Provision	3
	Systems Management for Human Services	Faith in Action coordinator and support	2
	Health	Healthy Families	2
	CSB/Mental Retardation	Support for new graduates of County Schools	1
	Juvenile and Domestic Relations	IT Strategist and Coordinator	1
	Circuit Court	Land Records workload	1
	Internal Audit	Audit Finding for enhanced audit capacity	1
	Transportation	Senior Transportation Initiative	1
	McLean CC	Theater cashier	1
	Electoral Board	Secretary	1
	Human Rights	Human Rights Specialist	1
	Family Services	Healthy Families	1
	CSB/Alcohol and Drug	Wrap Around Substance Abuse Treatment	1

Summary of Position Changes

FY 2001 Position Actions Total Change - 209 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			77
	County Executive	Transfer of Environmental Coordinator from DPWES/Business Planning and Support	1
	Telecommunications and Consumer Services	Transfer of position to Information Technology	(1)
	DPWES/Business Planning and Support	Transfer of positions to County Executive and Land Development	(10)
	DPWES/Land Development	Transfer of positions from Business Planning and Support	9
	Park Authority	Master Gardener	1
	Library	Transfer of positions to Information Technology	(12)
	Family Services	SACC positions for Spring Hill Recreation Center and Churchill Road Elementary SACC Expansions	6
	Family Services	Conversion of Gum Springs Contract Positions to Merit status	18
	Administration for Human Services	Transfer of positions to Information Technology and Juvenile and Domestic Relations	(6)
	Information Technology	Transfer of positions from Telecommunications and Consumer Services, Libraries and Human Services Administration	18
	Juvenile and Domestic Relations	Transfer of position from Human Services Administration	1
	Police	Conversion of Merit Grant position from COPS More Grant	1
	CSB/Mental Health	Residential Services	1
	Police	School Resource Officers	14
	Police	COPS UHP	36

Summary of Position Changes

FY 2001 Position Actions Total Change - 209 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
POSITION POOL CHANGES			0
	County Executive	Language Coordinator, Auditor, Network Analyst	3
	Office for Women	Management Analyst IV	1
	Finance	Financial management	2
	Human Resources	Administrative Aide for training staff	1
	Public Affairs	Support Staff (Conversion of Limited Term)	1
	DPWES/Business Planning and Support	Information Technology Training Program	1
	DPWES/Capital Facilities	Streetlight and Bus Shelter project management	1
	DPWES/Land Development	Inspection services information system replacement project	1
	Planning and Zoning	Trail Planner	1
	Housing and Community Development	Information Technology Training Program	1
	Park Authority	Park Foundation Director	1
	Tax Administration	Identified for realignment	(6)
	Family Services	Senior Transportation Initiative	1
	Administration for Human Services	Identified for realignment - Specifically for Information Technology	(3)
	Information Technology	Information Technology positions to support Human Services Administration	3
	Circuit Court	Language Interpreter	1
	Police	Program and Procedures Coordinator	1
	Sheriff	Information Technology	2
	Refuse Collection	Identified for realignment	(2)
	ASAP	Identified for realignment	(1)
	Wastewater Treatment	Identified for realignment	(10)

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES / PUBLIC SAFETY			106
	Comm & Rec	Sully Senior Center	2
	Public Library	New Great Falls Community Library	5
	Family Services	New and Expanded SACC Centers	25
	Family Services	Expanded Franconia/Springfield Family Center	1
	Sheriff, CSB/MH	Expansion of Adult Detention Center	10
	Fire & Rescue	New North Point Station	33
	CSB/Mental Health	New Stevenson Road Adult Care Facility	2
	Police	Support for Central Records Section	3
	Police	School Resource Officers	10
	Police	Officers for "Mixing Bowl"	12
	Sheriff	Support for Live-Scan Fingerprinting and Mug Shot Systems, Emergency Clinic Services for Inmates	3
WORKLOAD / REDIRECTED POSITIONS			9
	Purchasing	Efficiencies	(1)
	Human Resources	Outreach Recruitment Program	1
	Family Svcs, Health	Healthy Families Fairfax	3
	Health	Public School Nurses	5
	Information Tech	Increased Workload in Network Services	3
	Circuit Court	Expansion of Differentiated Case Tracking System for Chancery Cases	4
	Police	Transfer of Animal Shelter Cost Center	(17)
	Animal Shelter	Create Animal Shelter Agency	17
	CSB/M Retardation	Support for New Special Education Graduates	1
	CSB/Alcohol & Drug	Substance Abuse Counselors for Schools	3
	CSB/Alcohol & Drug	Convert HIDTA Grant Position to Regular	1
	County Insurance	Claims/Rehabilitation Specialist	1
	Cable	Installation of Institutional Network	4
	Sewers and Solid Waste	Streamlining of Processes, Productivity Increases, and Automation	(16)

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			82
	Electoral Board	Voting Machine Supervisor	1
	Juvenile Court	Substance Abuse Screening	4
	General District Court	Clerical Specialist and relief workers	5
	CSB/Mental Health, Mental Retardation and Alcohol & Drug	Support for additional State funded activities, case managers, Schools ADS position, ADS Youth Initiative and MH/ADS Medical Services Unit	42
	Transportation	Photo Red Light Program	3
	Police	COPS Universal Hiring Grant additional Police Officers	25
	Family Services	Administrative Adjustment	(1)
	Human Resources	Administrative Adjustment	1
	Telecom	Massage Ordinance	1
	Police	School Resource Officer	1

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
POSITION POOL CHANGES			0
	Program Partnerships	Program Support	3
	Equity Programs	Alternative Dispute Resolution program	1
	Purchasing and Supply Management	Procurement Card Program	1
	Utilities Planning and Design	Engineer Positions	2
	Planning & Zoning	Planners for the backlog of zoning application processing	2
	Family Services	Identified for realignment - Specifically for CSB	(1)
	Information Technology	Program Analysts for Tax Project and Database Administrator for Enterprise Systems	6
	Tax Administration	Identified for realignment - Specifically for DIT	(6)
	Health Department	Adjustment for Human Services Reorganization	3
	Circuit Court	Support for Automated Systems	2
	Fire and Rescue	Engineer Positions	2
	CSB	Child Specific Team Coordinator	1
	Refuse Collection	Identified for realignment	(8)
	Refuse Disposal	Identified for realignment	(4)
	I-95 Solid Waste	Identified for realignment	(1)
	Gypsy Moth	Identified for realignment	(1)
	Wastewater Treatment	Identified for realignment	(1)
	Systems Engineering	Identified for realignment	(2)
	Technology Infrastructure Services	Data Center Maintenance	1

Summary of Position Changes

FY 1999 Position Actions Total Change - 109 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(35)
	Sewers	Streamlining of Processes, Productivity Increases, and Automation	(28)
	Various	County Executive Reorganization	(7)
NEW FACILITIES			26
	Family Services	Shreveewood and Chesterbrook Child Care Centers	6
	Facilities Mgmt.	Support Adult and Juvenile Detention Centers	3
	Comm & Rec Svs	Bailey's Community Center Expansion	1
	Public Library	Kingstowne & Great Falls Community Libraries	15
	Health	West County Middle School Clinic Room Aide	1
WORKLOAD/PROGRAMMATIC			41
	County Executive	Assistants to the County Executive	2
	County Executive	Information Systems Auditor - Office of Internal Audit	1
	Health Department	Health Inspectors	4
	Health Department	Public Health Nurses and Support for Respite and Bathing Program	4
	Health Department	Environmental Health Specialists	4
	Juvenile Court	Intake and Probation Services Support	6
	Police	Warden, Naturalist IV and Support for Public Safety Communications Center	4
	Police	Gang Investigation Unit	8
	CSB/M Retardation	Support for New Graduates of County Schools	1
	Human Rights	Investigator	1
	Site Development	Urban Foresters II	5
	Family Services	Child Protective Services Supervisor for Hotline	1

Summary of Position Changes

FY 1999 Position Actions Total Change - 109 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			77
	County Executive	Director for 6 new Computer Learning Centers	1
	CSB/Alcohol & Drug	Hope Day Treatment	8
	Building Code Svs	Design Review Workload	11
	Police	Parking Guards	7
	McLean Center	Efficiency	(1)
	CSB/Mental Health, Alcohol & Drug	Dual Diagnosis Facility	15
	Family Services	Child Medical Care Program	5
	Police	Universal Hiring Grant	25
	Police	Photo Red Light Program	6

Summary of Position Changes

FY 1998 Position Actions Total Change - 20 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(56)
Major Actions	Solid Waste	Reduced Workload due to Closure of Landfill	(13)
	Sewers	Adjusted Workload - Upgrade of Lower Potomac Pollution Control Plant	(34)
	Cable	Reduced Workload due to New Technology	(1)
	FMD, Human Resources, DMB, Comm & Rec, CSB/Mental Health	KPMG Recommendations	(8)
NEW FACILITIES			4
	Family Services	SACC for Fox Mill, Franconia Elementary Schools	4
WORKLOAD/PROGRAMMATIC			43
Public Safety:	Sheriff	Mt. Vernon and Mason Lock-up Programs	14
	Fire	Auto Mechanics for Aging/Growing Vehicle Fleet	2
	Police	Motorcycle Officers and Increased Public Safety Center Staff	13
Other Major Actions:	Public Affairs	Internet Supervision	1
	Commonwealth Attorney	State-reimbursed Positions to Address Increased Domestic Relations Felony cases	5
	Design Review	Urban Foresters	2
	Juvenile Court	Additional Probation Counselors and Conversion of Grant Positions Supporting Detention Release Program	6

Summary of Position Changes

FY 1998 Position Actions Total Change - 20 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			29
	Various	Position Reductions to Achieve \$438,276 Savings	(18)
	Human Rights	Fair Housing Program	1
	CSB/Mental Health	State Funded Residential Services	2
	Ec. Dev. Authority	Planners for Increased Workload	7
	DEM	Engineers for Increased Workload	4
	Health	Discontinue Medical Exam Unit	(1)
	Police	Grant Funded COPS Program	25
	Information Tech	Transfer from Schools to Support Purchasing System	3
	CSB/M Retardation	Increased Case Management Services	5
	Juvenile Court	Increased Workload	1

Summary of Position Changes

FY 1997 Position Actions Total Change - (234) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(477)
	Tax Admin	Close Branch Offices	(26)
	Public Safety	Workload Redistribution	(58)
	FMD/Housing	Privatize Custodial Contracts	(55)
	Libraries	Close 4 Mini-branches	(10)
	Div. Of Solid Waste	Planned Closure of Landfill. Upgrade of Lower Potomac Pollution Control Plant	(22)
	Public Works	Capital Projects Schedule	(12)
	Various	Lines of Business Modifications/Eliminations, Consolidations, Org. Efficiencies	(294)
NEW FACILITIES			150
	Sheriff	Adult Detention Center Expansion	68
	Juvenile Court	Juvenile Detention Center Expansion	61
	OFC	1 New and 7 Expanded SACC Centers	20
	Recreation	"The Pit" Teen Center in Reston	1
WORKLOAD/PROGRAMMATIC			(14)
	Housing	Transferred to Non-Appropriated Funds	(14)

Summary of Position Changes

FY 1997 Position Actions Total Change - (234) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			107
	CSB/Alcohol & Drug	New Generations and CSAT Grant to Regular	19
	OFC	Day Care Teachers for Virginia Initiative for Employment not Welfare (VIEW)	9
	Various	Downsize Medical Unit, Page Staff, Clearing Crews	(7)
	Reston Center	Senior Citizens Educational Center Staff	2
	Document Services	County/Schools Consolidation of Print Shop	7
	Transportation	Reinstate Planner Based on RPPD Workload	1
	Parks	Transfer Information Officer to Trust Fund. State Co-operative Position to Extension Services	0
	FMD	Custodians for Public Safety Secured Areas	10
	Com./Rec Svs	Restore Services to Community Centers	3
	Circuit Court	Service Realignment Associated with Consolidation with Judicial Operations	2
	Police	Crossing Guards, Impound/Wrecker Section, Universal Hiring Grant	37
	Fire	Rehabilitation Positions Converted from Exempt Limited Term	14
	Aging	Human Services Redesign Grant to Regular	6
	Commonwealth Attorney	State-reimbursed Positions for Increased Domestic Relations Felony Cases	4

Summary of Position Changes

FY 1996 Position Actions Total Change - 146 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(49)
Major Actions	Public Works	Capital Project Schedules	(11)
	Parks	Adjusted Workload - Planning and Land Management, Facility Development	(18)
	Various	Agency Efficiency Efforts	(12)
	Refuse Disposal	Planned Closure of Landfill to Municipal Solid Waste	(8)
NEW FACILITIES			60
	Fire & Rescue	West Centreville Fire Station	27
	Juvenile Court	Expand Boys' Probation House from 12 to 22 Beds	7
	Various	2 Schools - SACC Centers, Crossing Guards, Clinic Room Aides	25
	Recreation	Braddock Community Center	1
WORKLOAD/PROGRAMMATIC			76
Public Safety:	Police	Officers to Expand Community Policing - Grant Funding COPS AHEAD	25
	Sheriff	Workload due to Increased Inmate Population	12
Other Major Actions:	CSB	Stonegate Drug and Alcohol Treatment Program - Previously Grant Funded	8
	Circuit Court	State Mandated Fines and Costs Program	5
	OFC	2 Additional SACC Centers	4
	Various	Workload Adjustments	11
	Health	5 Public Health Nurses, North County Affordable Health Care	11
OTHER CHANGES DURING FISCAL YEAR			59
	Tax Admin, Sheriff	TARGET II Program Converted from Exempt Limited Term, Offset by Revenues	36
	Juvenile Court	Increased Workload	8
	Police	Crossing Guards for 2 New Schools, Polygraph Operator - Public Safety Academy	3
	Sheriff	Applicant Screening/Training for Public Safety Academy	8
	CSB	Psychiatrists	3
	Retirement	Replace Contracted Investment Consulting Services	1

Summary of Position Changes

FY 1995 Position Actions Total Change - 185 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(157)
	EMTA	Privatization of West Ox Garage	(70)
	Public Works	Capital Projects Schedule	(41)
	Various	Human Services Redesign - Admin. Functions	(27)
	Other	Agency Reorganizations and Adjusted Workload	(19)
NEW FACILITIES			94
	Fire & Rescue	Kingstowne Fire Station	23
	Libraries	Chantilly Regional and Herndon Community Libraries	28
	Health, Police	2 Schools - Clinic Room Aides, School Crossing Guards	7
	OFC	6 New SACC Centers	32
	Judicial Operations	4 New Courtrooms	2
	Parks	Green Spring Gardens Park	2
WORKLOAD/PROGRAMMATIC			131
Public Safety:	Police	56 Officers, 5 TARGET Positions	61
	Fire & Rescue	33 Advanced Life Support Positions, 1 Volunteer Training Coordinator	34
	Sheriff	Community Diversion Program - Previously Grant	18
	Juvenile Court	Increased Workload in Probation Services	5
Other Actions:	CSB	Comply with Federally Mandated Waiver Program Standards	7
	Health	Chesapeake Bay Preservation Ordinance, Public Health Nurses for Schools	5
	Assessments	Support Litigation of Assessments Appeals	5
	Other	Workload adjustments	19
	Housing	Transfer SF 175, County Assisted Rental Housing Positions to Non-Appropriated Subfund	(23)

Summary of Position Changes

FY 1995 Position Actions Total Change - 185 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			117
	OFC	New SACC Center	5
	Juvenile Court	Outreach Detention Program	4
	Police	Communication Assistants for Public Safety Center, Emergency Services Section, Crime "Hot Spots"	28
	EMTA	West Ox Positions Restored	53
	CSB	Psychiatrists and Federal Substance Abuse Treatment Grant	5
	Various	Human Services Redesign Efforts	(10)
	Various	Workload Adjustments	38
	Sheriff	Redesign Community Diversion Program	(6)

Summary of Position Changes

FY 1994 Position Actions Total Change - 57 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(88)
	CSB	Mental Retardation Privatization, Mental Health Redesign	(27)
	County Executive	Graduate Management Intern Program	(13)
	Public Works	Capital Projects Schedule	(11)
	Refuse Collection	Roadside Litter and Newspaper Collection	(8)
	Sewers	Closing of Little Hunting Creek Plant	(7)
	Police	Privatization of Government Center Security	(5)
	EMTA	Reduced Requirement for School Buses	(11)
	Various	Agency Efficiencies	(6)
NEW FACILITIES			62
	CSB	Crossroads - 70 Bed Facility	24
	CSB	New Beginnings - 30 Bed Facility, Social Detoxification Program	35
	OFC	SACC Center for New School, Serves 30 Children	2
	Libraries	Sunday Hours, Centreville Regional Library	1
WORKLOAD/PROGRAMMATIC			56
	Fire & Rescue	EMS Relief Personnel	15
	DEM	Workload Requirements	9
	Circuit Court, Jud. Operations	Court Workload Requirements	6
	Various	Planning and Development Redesign (Corporate Land Development System)	17
	Auditor	Initiate Financial Program Auditor on behalf of the Board of Supervisors	3
	Sheriff, Jud. Ops.	Support 2 New Judges	5
	Reston	Teen Partnership Proposal	1
OTHER CHANGES DURING FISCAL YEAR			27
	Fire & Rescue	Hazardous Materials Bureau	7
	OFC	Expand SACC Center	1
	CSB/Alcohol & Drug	Adolescent Day Treatment	3
	County Attorney	Enhance Tax Assessment Litigation	9
	Comp Planning	Corporate Land Development System	7

Summary of Position Changes

FY 1993 Position Actions Total Change - (496) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(588)
	Various	Reduction in General Government Agencies	(84)
	Fire & Rescue	48 Firefighters and other Positions due to the Elimination of Citizen CPR Program	(52)
	Police	19 School Crossing Guards, Admin Support, Cadets, Planning & Research	(30)
	Consumer Affairs	Downsize Agency by 1/2	(11)
	FMD	Custodial, Planning and Engineering Functions	(13)
	Public Works	Defer Projects	(39)
	OFC	SACC Support, Public Information Officers, Provider Training	(12)
	Parks	Transfer to Fund 940, Historic Preservation, Grounds Maintenance, Marketing	(60)
	Libraries	Systemwide Reductions	(50)
	DEM	Inspections, Enforcement, Technical Support, Urban Forestry	(53)
	OCP	Environmental, Commercial Revitalization, Heritage Resources, Publications	(40)
	Transportation	Administration, Planning	(13)
	EMTA	Defer Maintenance or Increase Downtime due to Abolishing Vacant Positions	(48)
	CSB/ Mental Health	Administrative Support	(15)
	Other	Reductions	(68)
NEW FACILITIES	None		0
WORKLOAD/PROGRAMMATIC			13
	Health	Dementia and Respite Care - Previously Grant Funded	8
	Judicial Operations	New Judge and Differentiated Case Tracking	4
	CSB/ M Retardation	Services for New Special Education Graduates	1

Summary of Position Changes

FY 1993 Position Actions Total Change - (496) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			79
	DEM	Workload and Chesapeake Bay Ordinance	15
	Libraries	Re-Open 6 Mini-libraries	9
	Various	TARGET II	24
	CSB, DCA	Convert Grant Positions to Regular	14
	OFC	New SACC Center, Expand Resource Center	7
	Police	Enhanced Revenue Collection	6
	Health	Abolish State Co-operative Positions	(12)
	Various	Workload Adjustments	16

Summary of Position Changes

FY 1992 Position Actions Total Change - (40) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(153)
Major Actions	DEM	Agency Downsizing due to Existing Workload	(151)
	CSB	Reductions in Administrative Support Staff	(2)
NEW FACILITIES			41
	Various	New Government Center (Communications, FMD, CCC, Police)	39
	Health	2 New Schools - Clinic Room Aides	2
WORKLOAD/PROGRAMMATIC			20
	Various	TARGET Program, Offset by Revenues	15
	County Attorney	To represent Schools, Billed to Schools	1
	Reston & McLean	Community Center Staff, No General Fund Impact	4
OTHER CHANGES DURING FISCAL YEAR			52
	DHD	State Funded Benefits Program, Child Protective Services, Medicaid Processing	32
	Board of Supervisors	New Sully District	3
	Sheriff	Double-bunking of Pre-Release Center	10
	General Dist. Court	Pre-Trial Release Program	3
	CSB/Alcohol & Drug	Federal War on Drugs	4

FY 2006 Position Changes Detail

As summarized in the tables below, position changes for FY 2006 include both additional positions associated with new facilities, public safety, and workload requirements, as well as position transfers due primarily to the creation of the new Department of Public Safety Communications.

A total of 127/126.27 SYE new positions are included for new facilities and public safety requirements in the Police Department, Fire and Rescue Department, Health Department, Department of Community and Recreation Services, Office of the Sheriff, Office of Emergency Management, and Department of Public Safety Communications. In addition, 153/153.0 SYE positions will be transferred from the Police Department to the new Department of Public Safety Communications. A total of 39/39.0 SYE new positions are included to address increased workload-related issues in the Facilities Management Department, Office of Capital Facilities, Stormwater Management, Land Development Services, Department of Planning and Zoning, Department of Transportation, Health Department, General District Court, Community Services Board (CSB), Retirement Administration Agency, and Department of Vehicle Services. The resulting net change in positions for FY 2006 is 166/165.27 SYE.

The details of these changes are included by Fund, Program Area, and Agency below.

GENERAL FUND

Judicial Administration

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
General District Court	0/0.0 SYE	0/0.0 SYE	1/1.0 SYE

Funding of \$55,780 is included in Agency 85, General District Court, for 1/1.0 SYE new Probation Counselor II position to address workload issues associated with an increased number of pretrial and probation cases. Currently, the average daily caseload per probation counselor is 46 pretrial cases and 56 probation counselors; the Department of Criminal Justice Services guidelines are one probation counselor to 25 pretrial cases or one probation counselor to 50 probation cases. Funding includes \$40,745 in Personnel Services, \$3,597 in Operating Expenses, and \$11,438 in Fringe Benefits.

Public Safety

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Police Department	15/15.0 SYE	(153/153.0) SYE	0/0.0 SYE

Funding of \$1,477,417 is included in Agency 90, Police Department, including \$2,051,383 for 15/15.0 SYE new positions, offset by a \$573,966 decrease associated with the transfer of 153/153.0 SYE positions to the new Department of Public Safety Communications.

Of the total, \$610,881 is included for 1/1.0 SYE new Police Officer I and 3/3.0 SYE new Police Officers II for the Gang Investigations Unit. The existing Gang Unit will be expanded from 8 to 12 detectives in an effort to keep up with the increased number of gang-related crimes, as well as the community's interest in local gang awareness and prevention/intervention measures. Of the funding for the positions, \$6,480 is allocated for expenses related to shift differential and \$4,516 is for additional overtime costs. The \$610,881 in funding includes \$254,472 in Personnel Services, \$142,389 in Operating Expenses, \$135,976 for Capital Equipment, and \$78,044 in Fringe Benefits.

FY 2006 Position Changes Detail

Funding of \$1,190,772 is included for 2/2.0 SYE new Police Officers I and 6/6.0 SYE new Police Officers II assigned to Patrol in support the County's eight District Police Stations. The additional positions will allow greater opportunity to reduce response times, further develop community policing concepts, engage citizens in partnerships to prevent crime, and conduct officer safety training. Of the funding for the positions, \$15,152 is allocated for expenses related to shift differential and \$9,152 is for additional overtime costs. The \$1,190,772 in funding includes \$517,912 in Personnel Services, \$242,060 in Operating Expenses, \$271,952 for Capital Equipment, and \$158,848 in Fringe Benefits.

Funding of \$249,730 is included for 3/3.0 SYE new positions, including 1/1.0 SYE Management Analyst II for the Financial Resources Division, 1/1.0 SYE Management Analyst I for grants administration, and 1/1.0 SYE Internet/Intranet Architect II to act as the agency's Web site administrator. Given the County's growing population, and subsequently, the size of Police Department's sworn force, additional civilian staff has become necessary to support the administrative, fiscal, logistical, and technical functions of the Department. The \$249,730 in funding includes \$178,820 in Personnel Services, \$23,172 in Operating Expenses, and \$47,738 in Fringe Benefits.

The remaining reduction of \$573,966 is included to reflect the transfer of 153/153.0 SYE existing positions from the Public Safety Communications Center (PSCC) within the Police Department to the new Department of Public Safety Communications. It should be noted that the majority of funding supporting the 153/153.0 SYE positions and PSCC Operating Expenses is reflected in Fund 120, E-911, as all expenditures allowable by law directly associated with the PSCC are billed directly to that fund. The \$573,966 represents non-allowable expenses in the Police Department and will now be reflected in the new Department of Public Safety Communications. The reduction of \$573,966 in funding includes \$199,772 in Personnel Services and \$374,194 in Operating Expenses.

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Office of the Sheriff	11/11.0 SYE	0/0.0 SYE	0/0.0 SYE

Funding of \$1,080,550 is included in Agency 91, Office of the Sheriff, for 11/11.0 SYE new positions associated with opening of the second half of the new floor in the Adult Detention Center. The space will accommodate an anticipated increase in inmates due to a combination of more stringent DUI laws enacted by the State as well as a continuing trend of general growth. Of the total, \$91,198 is included for additional overtime costs associated with the new positions. Funding includes \$733,869 in Personnel Services, \$70,268 in Operating Expenses and \$276,413 in Fringe Benefits.

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Fire and Rescue Department	71/71.0 SYE	0/0.0 SYE	0/0.0 SYE

Funding of \$6,802,883 is included in Agency 92, Fire and Rescue Department, for 71/71.0 SYE new positions.

Of the total, \$3,460,872 is included for 36/36.0 SYE new positions associated with the new Crosspointe Fire Station, scheduled to open in May 2006. This new station will provide additional response capacity to the southern part of the County. Of the total, \$56,685 is included for expenses related to shift differential and \$304,680 is included for additional overtime costs associated with the new positions. The \$3,460,872 in funding includes \$2,240,556 in Personnel Services, \$485,491 in Operating Expenses, and \$734,825 in Fringe Benefits.

FY 2006 Position Changes Detail

Funding of \$2,202,905 is included for 23/23.0 SYE new positions associated with the second part of a two-stage process to reach a full complement of Advanced Life Support (ALS) Providers. Once these positions are recruited and trained, they will address ALS services currently provided by existing staff on overtime. The first part of this two-year phase in was funded as part of *FY 2004 Carryover Review*. Of the total, \$46,032 is included for expenses related to shift differential and \$252,000 is included for additional overtime costs associated with the new positions. The \$2,202,905 in funding includes \$1,501,437 in Personnel Services, \$238,000 in Operating Expenses, and \$463,468 in Fringe Benefits.

The remaining funding of \$1,139,106 is included for 12/12.0 SYE new positions to correct the current structural deficiencies in the command and oversight infrastructure of Emergency Medical Services (EMS). This funding reflects the second part of a two-stage process to provide EMS daily program supervision, compliance, quality assurance, training, and continuing education management. The first part of this two year phase-in was funded as part of *FY 2004 Carryover Review*. Of the total, \$48,000 is included for additional overtime costs associated with the new positions. The \$1,139,106 in funding includes \$759,659 in Personnel Services, \$157,000 in Operating Expenses, and \$222,447 in Fringe Benefits.

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Office of Emergency Management	1/1.0 SYE	0/0.0 SYE	0/0.0 SYE

Funding of \$92,242 is included in Agency 93, Office of Emergency Management, for 1/1.0 SYE new Security Analyst position that will manage the County's emergency training and exercise program. Funding includes \$68,857 in Personnel Services, \$5,000 in Operating Expenses, and \$18,385 in Fringe Benefits.

Public Works

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Facilities Management Department	0/0.0 SYE	0/0.0 SYE	3/3.0 SYE

Funding of \$198,594 is included in Agency 08, Facilities Management Department, for 3/3.0 SYE new positions for the maintenance of County facilities. Funding includes \$135,444 in Personnel Services, \$27,000 in Operating Expenses, and \$36,150 in Fringe Benefits.

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
DPWES, Office of Capital Facilities	0/0.0 SYE	0/0.0 SYE	2/2.0 SYE

Funding of \$51,920 is included in Agency 26, Office of Capital Facilities, for 2/2.0 SYE new Engineer II positions required to assist with construction administration at the West Ox Road Complex, as well as numerous construction projects included in the Fall 2004 Bond Referendum. Funding includes \$119,596 in Personnel Services and \$31,920 in Fringe Benefits, partially offset by \$99,596 in Recovered Costs.

FY 2006 Position Changes Detail

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
DPWES, Stormwater Management	0/0.0 SYE	0/0.0 SYE	3/3.0 SYE

No funding is included in Agency 29, Stormwater Management, for 3/3.0 SYE new Engineer II positions to assist in addressing requirements associated with the County's expanded stormwater management program. All costs will be recovered from stormwater management projects.

Health and Welfare

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Health Department	13/12.27 SYE	0/0.0 SYE	2/2.0 SYE

Funding of \$574,351 is included in Agency 71, Health Department, for 15/14.27 SYE new positions.

Of the total, \$212,257 is included for partial year funding of 9/9.0 SYE positions associated with the start-up of the Little River Glen Adult Day Health Care Center, expected to open in early FY 2007. The positions include 1/1.0 SYE Center Nurse Coordinator, 1/1.0 SYE Administrative Assistant IV, 1/1.0 SYE Public Health Nurse II, 1/1.0 SYE Recreation Specialist III, 1/1.0 SYE Senior Center Assistant, and 4/4.0 SYE Home Health Aides. The \$212,257 in funding includes \$52,206 in Personnel Services, \$123,051 in Operating Expenses, \$23,061 in Capital Equipment, and \$13,939 in Fringe Benefits.

Funding of \$208,432 is included for 2/2.0 SYE Public Health Nurses and 2/1.27 SYE Clinic Room Aide positions. Public Health Nurses are responsible for developing and implementing health plans for students with identified health conditions, while Clinic Room Aides administer medication, provide care for sick and injured students, and conduct vision and hearing screenings. These additional positions will provide coverage to the new South County Secondary School, as well as act in a roving capacity at 188 Fairfax County Public School sites. The \$208,432 in funding includes \$151,880 in Personnel Services, \$16,000 in Operating Expenses, and \$40,552 in Fringe Benefits.

The remaining funding of \$153,662 is included for 2/2.0 SYE Public Health Nurses for the Department's School Health program. Due to the growing number of students requiring health plans to be in place, and the increased complexity and scope of procedures performed in the school setting, the additional positions are included to improve the ratio of nurses to students and the rate at which health plans are implemented for students with identified health conditions. The \$153,662 in funding includes \$108,652 in Personnel Services, \$16,000 in Operating Expenses, and \$29,010 in Fringe Benefits.

FY 2006 Position Changes Detail

Parks, Recreation and Libraries

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Department of Community and Recreation Services	5/5.0 SYE	0/0.0 SYE	0/0.0 SYE

Funding of \$274,841 is included in Agency 50, Department of Community and Recreation Services, for partial year funding of 5/5.0 SYE new positions and one-time start-up costs associated with the new Southgate Community Center, scheduled to open in early FY 2007. The positions include 1/1.0 SYE Recreation Specialist IV, 1/1.0 SYE Recreation Specialist III, 1/1.0 SYE Recreation Specialist II, and 2/2.0 SYE Recreation Specialists I. The Southgate Community Center will be the center for regional services in the North County region, including areas in the Hunter Mill, Dranesville, and Sully districts. Of the total, \$7,700 is included for additional limited-term support. Funding includes \$74,206 in Personnel Services, \$182,878 in Operating Expenses and \$17,757 in Fringe Benefits.

Community Development

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
DPWES, Land Development Services	0/0.0 SYE	0/0.0 SYE	14/14.0 SYE

Funding of \$1,169,215 is included in Agency 31, Land Development Services, for 14/14.0 SYE new positions due to requirements in Site Development and Building Code Services associated with the increased level of development within the County. Funding includes \$846,251 in Personnel Services, \$97,100 in Operating Expenses, and \$225,864 in Fringe Benefits.

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Department of Planning and Zoning	0/0.0 SYE	0/0.0 SYE	2/2.0 SYE

Funding of \$214,993 is included in Agency 35, Department of Planning and Zoning, for 2/2.0 SYE new positions, including 1/1.0 SYE Planner II which will be dedicated to reviewing special permits for the Board of Zoning Appeals and 1/1.0 SYE Planner III which will be dedicated to the Dulles Rail Initiative. Of the total, \$50,000 is included for additional limited-term support. Funding includes \$178,655 in Personnel Services, \$2,000 in Operating Expenses, and \$34,338 in Fringe Benefits.

FY 2006 Position Changes Detail

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Department of Transportation	0/0.0 SYE	0/0.0 SYE	5/5.0 SYE

Funding of \$426,469 is included in Agency 40, Department of Transportation, for 5/5.0 SYE new positions associated with substantial workload-related issues. Among other responsibilities, these positions will address expanded workload in traffic calming, pedestrian safety, Residential Traffic Administration (RTAP) Programs, traffic operations activities, and for work associated with the bus stop safety study. Funding includes \$317,108 in Personnel Services, \$25,000 in Operating Expenses, and \$84,361 in Fringe Benefits.

GENERAL FUND SUPPORTED

Fund	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Fund 106, Community Services Board	0/0.0 SYE	0/0.0 SYE	1/1.0 SYE

Funding of \$71,422 is included in Fund 106, Community Services Board (CSB), for 1/1.0 SYE new Mental Retardation Specialist II position to accommodate the increased case management workload from the June 2005 special education graduates and the administration oversight of the expected additional Medicaid Waiver slots to be awarded to the CSB in Spring 2005. Funding includes \$56,375 in Personnel Services and \$15,047 in Fringe Benefits.

Fund	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Fund 120, E-911 Fund	11/11.0 SYE	153/153.0 SYE	0/0.0 SYE

Funding of \$1,423,966 is included in Fund 120, E-911, for 164/164.0 SYE positions.

Of the total, \$850,000 is included for 11/11.0 SYE new positions to support the structure necessary to resolve leadership, performance, recruitment and retention issues as well as independent agency status of Agency 95, Department of Public Safety Communications. Funding includes \$670,929 in Personnel Services and \$179,071 in Fringe Benefits.

The remaining funding of \$573,996 is included to reflect the transfer of 153/153.0 SYE existing positions from the Public Safety Communications Center (PSCC) within the Police Department to the new Department of Public Safety Communications. It should be noted that the majority of funding supporting the positions and PSCC Operating Expenses is already reflected in Fund 120, E-911, as all expenditures allowable by law directly associated with the PSCC are billed directly to that fund. The \$573,966 represents non-allowable expenses in the Police Department that will now be reflected in the Department of Public Safety Communications. Funding includes \$199,772 for Personnel Services and \$374,194 for Operating Expenses.

FY 2006 Position Changes Detail

Fund	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Fund 503, Department of Vehicle Services	0/0.0 SYE	0/0.0 SYE	5/5.0 SYE

No funding is included in Fund 503, Department of Vehicle Services, for 5/5.0 SYE new mechanic positions to address workload issues primarily associated with the increase in the number of school buses in the fleet. Although the cost of the positions includes \$223,829 for Personnel Services, \$9,070 for Operating Expenses and \$59,740 for Fringe Benefits, these expenses will be totally offset by savings of \$25,000 in overtime and savings of \$267,639 in commercial repair contracts with outside vendors.

OTHER FUNDS

Fund	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns	Workload
Fund 601, Fairfax County Employees' Retirement System	0/0.0 SYE	0/0.0 SYE	1/1.0 SYE

Funding of \$62,197 is included in Fund 601, Fairfax County Employees' Retirement System, for 1/1.0 SYE new Retirement Counselor position associated with the anticipated implementation of the Deferred Retirement Option Plan (DROP) for the Employees' Retirement System. Funding includes \$47,239 in Personnel Services and \$14,958 in Fringe Benefits.

FY 2006 ADVERTISED POSITION SUMMARY

(GENERAL FUND)

#	Agency Title	FY 2004		FY 2005								FY 2006		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
		Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Legislative-Executive Functions/Central Services															
01	Board of Supervisors	78	78.00	78	77.50	0	0.00	0	0.00	78	77.50	78	77.50	0	0.00
02	Office of the County Executive	50	50.00	50	50.00	1	1.00	2	2.00	53	53.00	53	53.00	0	0.00
04	Department of Cable Communications and Consumer Protection	29	29.00	29	29.00	(8)	(8.00)	0	0.00	21	21.00	21	21.00	0	0.00
06	Department of Finance	69	69.00	69	69.00	0	0.00	0	0.00	69	69.00	69	69.00	0	0.00
11	Department of Human Resources	68	68.00	68	68.00	0	0.00	1	1.00	69	69.00	69	69.00	0	0.00
12	Department of Purchasing and Supply Management	52	52.00	52	52.00	0	0.00	0	0.00	52	52.00	52	52.00	0	0.00
13	Office of Public Affairs	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
15	Electoral Board and General Registrar	24	24.00	24	24.00	0	0.00	0	0.00	24	24.00	24	24.00	0	0.00
17	Office of the County Attorney	64	64.00	64	64.00	0	0.00	0	0.00	64	64.00	64	64.00	0	0.00
20	Department of Management and Budget	37	37.00	37	37.00	0	0.00	1	1.00	38	38.00	38	38.00	0	0.00
37	Office of the Financial and Program Auditor	2	2.00	2	2.00	0	0.00	0	0.00	2	2.00	2	2.00	0	0.00
41	Civil Service Commission	2	2.00	2	2.00	0	0.00	0	0.00	2	2.00	2	2.00	0	0.00
57	Department of Tax Administration	310	310.00	310	310.00	1	1.00	0	0.00	311	311.00	311	311.00	0	0.00
70	Department of Information Technology	239	239.00	238	238.00	2	2.00	2	2.00	242	242.00	242	242.00	0	0.00
Total Legis - Exec Functions/Central Services		1,039	1,039.00	1,038	1,037.50	(4)	(4.00)	6	6.00	1,040	1,039.50	1,040	1,039.50	0	0.00
Judicial Administration															
80	Circuit Court and Records	161	161.00	161	161.00	0	0.00	0	0.00	161	161.00	161	161.00	0	0.00
82	Office of the Commonwealth's Attorney	37	36.50	37	36.50	0	0.00	0	0.00	37	36.50	37	36.50	0	0.00
85	General District Court	20	20.00	20	20.00	0	0.00	0	0.00	20	20.00	21	21.00	1	1.00
91	Office of the Sheriff	153	152.50	153	152.50	0	0.00	(1)	(1.00)	152	151.50	152	151.50	0	0.00
Total Judicial Administration		371	370.00	371	370.00	0	0.00	(1)	(1.00)	370	369.00	371	370.00	1	1.00
Public Safety															
04	Department of Cable Communications and Consumer Protection	15	15.00	15	15.00	(1)	(1.00)	0	0.00	14	14.00	14	14.00	0	0.00
31	Land Development Services	150	150.00	150	150.00	0	0.00	1	1.00	151	151.00	152	152.00	1	1.00
81	Juvenile and Domestic Relations District Court	301	296.00	301	296.00	0	0.00	0	0.00	301	296.00	301	296.00	0	0.00
90	Police Department ¹	1,866	1,775.88	1,877	1,786.88	0	0.00	3	3.00	1,880	1,789.88	1,742	1,651.88	(138)	(138.00)
91	Office of the Sheriff	410	409.50	410	409.50	18	18.00	1	1.00	429	428.50	440	439.50	11	11.00
92	Fire and Rescue Department	1,312	1,312.00	1,338	1,338.00	32	32.00	1	1.00	1,371	1,371.00	1,442	1,442.00	71	71.00
93	Office of Emergency Management	0	0.00	5	5.00	0	0.00	1	1.00	6	6.00	7	7.00	1	1.00
Total Public Safety		4,054	3,958.38	4,096	4,000.38	49	49.00	7	7.00	4,152	4,056.38	4,098	4,002.38	(54)	(54.00)
Public Works															
08	Facilities Management Department	186	186.00	186	186.00	0	0.00	0	0.00	186	186.00	189	189.00	3	3.00
25	Business Planning and Support	35	35.00	6	6.00	0	0.00	0	0.00	6	6.00	6	6.00	0	0.00
26	Office of Capital Facilities	123	123.00	123	123.00	0	0.00	2	2.00	125	125.00	127	127.00	2	2.00
29	Stormwater Management	127	127.00	127	127.00	0	0.00	(2)	(2.00)	125	125.00	128	128.00	3	3.00
Total Public Works		471	471.00	442	442.00	0	0.00	0	0.00	442	442.00	450	450.00	8	8.00

FY 2006 ADVERTISED POSITION SUMMARY (GENERAL FUND)

#	Agency Title	FY 2004		FY 2005								FY 2006		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
		Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Health and Welfare															
67	Department of Family Services	1,241	1,188.59	1,247	1,193.45	3	3.00	1	1.00	1,251	1,197.45	1,251	1,197.45	0	0.00
68	Department of Administration for Human Services	163	162.50	163	162.50	0	0.00	0	0.00	163	162.50	163	162.50	0	0.00
69	Department of Systems Management for Human Services	81	80.10	81	80.10	(3)	(3.00)	1	1.00	79	78.10	79	78.10	0	0.00
71	Health Department	562	492.81	562	492.81	0	0.00	3	3.00	565	495.81	580	510.08	15	14.27
Total Health and Welfare		2,047	1,924.00	2,053	1,928.86	0	0.00	5	5.00	2,058	1,933.86	2,073	1,948.13	15	14.27
Parks, Recreation and Libraries															
50	Department of Community and Recreation Services	100	100.00	106	106.00	0	0.00	(1)	(1.00)	105	105.00	110	110.00	5	5.00
51	Fairfax County Park Authority	383	379.00	382	378.00	0	0.00	0	1.50	382	379.50	382	379.50	0	0.00
52	Fairfax County Public Library	458	415.50	458	415.50	8	8.00	0	0.00	466	423.50	466	423.50	0	0.00
Total Parks, Recreation and Libraries		941	894.50	946	899.50	8	8.00	(1)	0.50	953	908.00	958	913.00	5	5.00
Community Development															
16	Economic Development Authority	33	33.00	33	33.00	0	0.00	1	1.00	34	34.00	34	34.00	0	0.00
31	Land Development Services	130	130.00	159	159.00	0	0.00	0	0.00	159	159.00	172	172.00	13	13.00
35	Department of Planning and Zoning	132	131.50	132	131.50	0	0.00	1	1.00	133	132.50	135	134.50	2	2.00
36	Planning Commission	8	8.00	8	8.00	0	0.00	0	0.00	8	8.00	8	8.00	0	0.00
38	Department of Housing and Community Development	56	56.00	56	56.00	0	0.00	0	0.00	56	56.00	56	56.00	0	0.00
39	Office of Human Rights	18	18.00	18	18.00	0	0.00	(1)	(1.00)	17	17.00	17	17.00	0	0.00
40	Department of Transportation	59	59.00	59	59.00	1	1.00	0	0.00	60	60.00	65	65.00	5	5.00
Total Community Development		436	435.50	465	464.50	1	1.00	1	1.00	467	466.50	487	486.50	20	20.00
Total General Fund Positions		9,359	9,092.38	9,411	9,142.74	54	54.00	17	18.50	9,482	9,215.24	9,477	9,209.51	(5)	(5.73)

¹ As part of the FY 2006 Advertised Budget Plan, 153/153.0 SYE positions are transferred from Agency 90, Police Department, to a new agency, Agency 95, Department of Public Safety Communications, in Fund 120, E-911 Fund.

FY 2006 ADVERTISED POSITION SUMMARY (GENERAL FUND SUPPORTED AND OTHER FUNDS)

Fund	FY 2004		FY 2005								FY 2006		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
General Fund Supported														
106 Community Services Board														
Administration	13	13.00	13	13.00	0	0.00	0	0.00	13	13.00	13	13.00	0	0.00
Mental Health Services	419	409.85	419	409.85	0	0.00	0	0.00	419	409.85	419	409.85	0	0.00
Mental Retardation Services ¹	132	131.50	132	131.50	1	1.00	0	0.00	133	132.50	134	133.50	1	1.00
Alcohol and Drug Services	293	291.00	293	291.00	0	0.00	0	0.00	293	291.00	293	291.50	0	0.50
Early Intervention Services ¹	20	20.00	20	20.00	0	0.00	0	0.00	20	20.00	20	20.00	0	0.00
<i>Total Community Services Board</i>	<i>877</i>	<i>865.35</i>	<i>877</i>	<i>865.35</i>	<i>1</i>	<i>1.00</i>	<i>0</i>	<i>0.00</i>	<i>878</i>	<i>866.35</i>	<i>879</i>	<i>867.85</i>	<i>1</i>	<i>1.50</i>
120 E-911 Fund ²	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	164	164.00	164	164.00
141 Elderly Housing Programs	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
500 Retiree Health Benefits	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
501 County Insurance Fund	13	13.00	13	13.00	0	0.00	0	0.00	13	13.00	13	13.00	0	0.00
503 Department of Vehicle Services	256	256.00	256	256.00	0	0.00	0	0.00	256	256.00	261	261.00	5	5.00
504 Document Services Division	20	20.00	20	20.00	(2)	(2.00)	0	0.00	18	18.00	18	18.00	0	0.00
505 Technology Infrastructure Services	69	69.00	69	69.00	0	0.00	(1)	(1.00)	68	68.00	68	68.00	0	0.00
Total General Fund Supported	1,251	1,239.35	1,251	1,239.35	(1)	(1.00)	(1)	(1.00)	1,249	1,237.35	1,419	1,407.85	170	170.50
Other Funds														
105 Cable Communications	39	39.00	39	39.00	0	0.00	0	0.00	39	39.00	39	39.00	0	0.00
109 Refuse Collection & Recycling Ops	137	137.00	137	137.00	0	0.00	0	0.00	137	137.00	137	137.00	0	0.00
110 Refuse Disposal	137	137.00	137	137.00	0	0.00	0	0.00	137	137.00	137	137.00	0	0.00
111 Reston Community Center	38	38.00	38	38.00	0	0.00	0	0.00	38	38.00	38	38.00	0	0.00
112 Energy Resource Recovery Facility	9	9.00	9	9.00	0	0.00	0	0.00	9	9.00	9	9.00	0	0.00
113 McLean Community Center	30	25.45	30	25.45	0	0.00	0	0.00	30	25.45	30	25.45	0	0.00
114 I-95 Refuse Disposal	38	38.00	38	38.00	0	0.00	0	0.00	38	38.00	38	38.00	0	0.00
116 Forest Integrated Pest Management Program	10	10.00	10	10.00	0	0.00	0	0.00	10	10.00	10	10.00	0	0.00
117 Alcohol Safety Action Program ³	14	14.00	14	14.00	0	0.00	(14)	(14.00)	0	0.00	0	0.00	0	0.00
142 Community Development Block Grant	21	21.00	21	21.00	0	0.00	0	0.00	21	21.00	21	21.00	0	0.00
145 HOME Investment Partnership Grant	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
401 Sewer Operations and Maintenance	338	337.50	338	337.50	(1)	(1.00)	(2)	(2.00)	335	334.50	335	334.50	0	0.00
601 Fairfax County Employees' Retirement	21	21.00	21	21.00	0	0.00	0	0.00	21	21.00	22	22.00	1	1.00
Total Other Funds	833	827.95	833	827.95	(1)	(1.00)	(16)	(16.00)	816	810.95	817	811.95	1	1.00
Total All Funds	11,443	11,159.68	11,495	11,210.04	52	52.00	0	1.50	11,547	11,263.54	11,713	11,429.31	166	165.77

¹ Beginning in FY 2005 Early Intervention Services is reflected as a separate agency within the Community Services Board. For presentation purposes, positions previously in Mental Retardation Services are shown in Early Intervention in prior years.

² As part of the FY 2006 Advertised Budget Plan, 153/153.0 SYE positions are transferred from Agency 90, Police Department, to a new agency, Agency 95, Department of Public Safety Communications, in Fund 120, E-911 Fund.

³ Beginning in FY 2005 positions in the non-appropriated Alcohol Safety Action Program are being reflected as non-appropriated positions for purposes of the County's position count.

FY 2006 ADVERTISED POSITION SUMMARY (GENERAL FUND STATE POSITIONS)

Agency Title	FY 2004		FY 2005								FY 2006		Inc/Dec Positions	Inc/Dec SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Circuit Court and Records	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
Juvenile and Domestic Relations District Court	42	42.00	42	42.00	0	0.00	0	0.00	42	42.00	42	42.00	0	0.00
General District Court	124	117.00	124	117.00	0	0.00	0	0.00	124	117.00	124	117.00	0	0.00
Total General Fund	181	174.00	181	174.00	0	0.00	0	0.00	181	174.00	181	174.00	0	0.00

FY 2006 ADVERTISED POSITION SUMMARY (GRANT POSITIONS)

Fund/ Agency Title	FY 2004		FY 2005								FY 2006		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Fund 102, Federal/State Grant Fund														
Office of the County Executive	2	2.00	2	2.00	0	0.00	0	0.00	2	2.00	2	2.00	0	0.00
Office of Human Rights	4	4.00	4	4.00	0	0.00	0	0.00	4	4.00	4	4.00	0	0.00
Department of Transportation	6	6.00	6	6.00	0	0.00	0	0.00	6	6.00	7	7.00	1	1.00
Department of Community and Recreation Services	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00	(1)	(1.00)
Department of Family Services	215	213.00	215	213.00	0	0.00	(5)	(4.75)	210	208.25	212	209.25	2	1.00
Health Department	28	27.13	28	27.13	0	0.00	2	2.00	30	29.13	30	29.13	0	0.00
Circuit Court and Records	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
Juvenile and Domestic Relations District Court	24	22.50	24	22.50	0	0.00	(1)	(0.50)	23	22.00	6	5.00	(17)	(17.00)
General District Court	8	8.00	8	8.00	0	0.00	0	0.00	8	8.00	8	8.00	0	0.00
Police Department	6	6.00	6	6.00	0	0.00	0	0.00	6	6.00	6	6.00	0	0.00
Fire and Rescue Department	8	8.00	8	8.00	0	0.00	0	0.00	8	8.00	8	8.00	0	0.00
Total Federal/State Grant Fund	302	297.63	302	297.63	0	0.00	(3)	(2.25)	299	295.38	284	279.38	(15)	(16.00)
Fund 103, Aging Grants and Programs														
Department of Community and Recreation Services	10	10.00	10	10.00	0	0.00	0	0.00	10	10.00	10	10.00	0	0.00
Department of Family Services	28	27.00	28	27.00	0	0.00	0	0.00	28	27.00	31	30.00	3	3.00
Total Aging Grants and Programs	38	37.00	38	37.00	0	0.00	0	0.00	38	37.00	41	40.00	3	3.00
Fund 106, Community Services Board														
Mental Health Services	33	30.50	33	30.50	1	1.00	0	0.00	34	31.50	34	31.50	0	0.00
Mental Retardation Services ¹	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
Alcohol and Drug Services	29	28.00	29	28.00	0	0.00	0	0.00	29	28.00	29	28.00	0	0.00
Early Intervention Services ¹	11	10.50	11	10.50	0	0.00	0	0.50	11	11.00	11	11.00	0	0.00
Total Community Services Board	74	70.00	74	70.00	1	1.00	0	0.50	75	71.50	75	71.50	0	0.00

¹ Beginning in FY 2005 Early Intervention Services is reflected as a separate agency within the Community Services Board. For presentation purposes, positions previously in Mental Retardation Services are shown in Early Intervention in prior years.



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Glossary and Index

This section includes:

- ▶ *Glossary of Frequently Used Budget Terms (Page 302)*
- ▶ *Index of All Three Volumes (Page 312)*

Glossary and Index

GLOSSARY

Advertised Budget Plan -- A plan of financial operations submitted by the County Executive to the Board of Supervisors. This plan reflects estimated revenues, expenditures, and transfers, as well as agency goals, objectives, and performance data. In addition, sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County. Also called the Executive Budget.

Adopted Budget Plan -- A plan of financial operations approved by the Board of Supervisors highlighting major changes made to the County Executive's Advertised Budget Plan by the Board of Supervisors. The Adopted Budget Plan reflects approved tax rates and estimates of revenues, expenditures, transfers, and agency goals, objectives, and performance data. Sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County.

Appropriation -- An authorization granted by the Board of Supervisors to a specified unit of the County government to make expenditures and to incur obligations for specific purposes. Appropriation authorizations expire at the end of the fiscal year.

Assessment -- The official valuation of property for purposes of taxation.

Assessment Ratio -- The ratio of the assessed value of a taxed item to the market value of that item. In Fairfax County, real estate is assessed at 100 percent of market value as of January 1 each year.

Beginning Balance -- Unexpended funds from the previous fiscal year that may be used to make payments during the current fiscal year. This is also referred to as a carryover balance.

Benchmarking -- The systematic comparison of performance with other jurisdictions, in order to discover best practices that will enhance performance.

Bond -- A written promise to pay a specified sum of money (called the principal) at a specified date in the future, together with periodic interest at a specified rate. In the budget document, these payments are identified as debt service. Bonds may be used as an alternative to tax receipts to secure revenue for long-term capital improvements. The two major categories are General Obligation Bonds (G.O. Bonds) and Revenue Bonds. The majority of bonds issued for County and School construction projects are known as General Obligation Bonds.

Budget -- A plan for the acquisition and allocation of resources to accomplish specified purposes. The term may be used to describe special purpose fiscal plans or parts of a fiscal plan, such as "the budget of the Police Department," "the Capital Budget" or "the School Board's budget," or it may relate to a fiscal plan for an entire jurisdiction, such as "the budget of Fairfax County."

Budget Process Redesign - An ongoing effort to improve both the budget development process and the budget document. In FY 2005, three new components designed to link the budget to the County strategic planning initiatives were introduced: budget narrative enhancements, expanded program area summaries and a high-level presentation of Key County Indicators.

Business Process Redesign (BPR) -- A methodology that seeks to improve customer service through the strategic use of information technology. BPR focuses on redesigning current processes, incorporating automation-based productivity improvements. Redesign efforts require an Information Strategy Plan (ISP) which identifies and prioritizes the business areas to be redesigned. New or enhanced business system applications (BSAs) are usually required to improve the flow of information across organizational boundaries.

Glossary and Index

Calendar Year – Twelve months beginning January 1 and ending December 31.

Capital Equipment – Equipment such as vehicles, furniture, technical instruments, etc., which have a life expectancy of more than one year and a value of over five thousand dollars. Equipment with a value of less than five thousand dollars is operating equipment.

Capital Improvement Program – A five-year plan for public facilities which plans for the construction or acquisition of fixed assets, primarily buildings but also including parks, sewers, sidewalks, etc., and major items of capital equipment and operating expenses related to new facilities.

Capital Projects Funds – Funds, defined by the State Auditor of Public Accounts, consisting of funds to account for the acquisition and/or construction of major capital facilities or capital improvements other than sewers.

Carryover – The process by which certain unspent or unencumbered funds previously approved by the Board of Supervisors and for commitments to pay for goods and services at the end of one fiscal year are reappropriated in the next fiscal year. Usually, funds carried over are nonrecurring expenditures, such as capital projects or capital equipment items.

Cash Management – An effort to manage cash flows in such a way that interest and penalties paid are minimized and interest earned is maximized.

Cash Management System – A system of financial practices which ensures that sufficient cash is available on a daily basis for payment of County obligations when due.

Character – A class of expenditures, such as salaries, operating expenses, recovered costs, or capital equipment.

Consolidated Community Funding Pool – A separately-budgeted pool of County funding, located in Fund 118, which was established in FY 1998 to facilitate the implementation of a competitive funding process through which community-based organizations, which are primarily human-services oriented, will be awarded County funding on a competitive basis. These organizations previously had received County funding either as a contribution or through contracts with specific County agencies. Since FY 2001, the County has awarded grants from this pool on a two-year funding cycle to provide increased stability for the community-based organizations.

Consolidated Plan – The U.S. Department of Housing and Urban Development (HUD) requires a Consolidated Plan application which combines the planning and application submission processes for several HUD programs: Community Development Block Grant, HOME Investment Partnerships Program, Emergency Shelter Grant, and Housing Opportunities for Persons with AIDS. Citizen participation is required as part of the process and is accomplished through representation on the Consolidated Plan Review Committee (CPRC), involvement in public hearings held on housing and community development needs, and participation in public hearings at which the Board of Supervisors takes action on the allocation of funds as recommend by the CPRC.

Consumer Price Index (CPI) – CPI is a measure of the price level of a fixed “market basket” of goods and services relative to the value of that same basket in a designated base period. Measures for two population groups are currently published by the Bureau of Labor Statistics, CPI-U and CPI-W. CPI-U is based on a market basket determined by expenditure patterns of all urban households including professionals, self-employed, the poor, the unemployed, retired persons, and urban wage-earners and clerical workers. The CPI-W represents expenditure patterns of only urban wage-earner and clerical-worker families including sales

Glossary and Index

workers, craft workers, service workers, and laborers. The CPI is used to adjust for inflation, the income payments of Social Security beneficiaries, and payments made by other programs.

Contributory Agencies – Governmental and nongovernmental organizations that are supported in part by contributions from the County. Examples include the Northern Virginia Regional Commission, the Northern Virginia Regional Park Authority, and the Arts Council of Fairfax County, and community agencies such as Volunteer Fairfax.

Cost Center – Expenditure categories within a program area, which relate to specific organizational goals or objectives. Each cost center may consist of an entire agency or a part of an agency. The Civil Service Commission, for example, being small and having a single purpose, is treated as a single cost center. The Office of the County Executive consists of four cost centers: Administration of County Policy, Office of Equity Programs, Internal Audit, and Office of Partnerships.

Cross-cutting initiative - A cross-cutting initiative involves the participation of two or more government agencies in addressing a challenge or implementing a program in Fairfax County. For example, there is a coordinated effort to address the challenge of West Nile Virus control by several agencies including the Health Department, the Park Authority, Department of Public Works and Environmental Services, Office of Public Affairs, and others.

Debt Service Funds – Funds, defined by the State Auditor of Public Accounts, consisting of funds to finance and account for the payment of principal and interest on bonds. Fairfax County has three debt service funds, one for school debt, one for the Wastewater Management Program, and one for bonds issued to finance capital expenditures for all other agencies (County debt service). These funds receive revenue primarily by transfers from the General Fund, except for the Sewer Debt Service Fund, which is supported by sewer service fees.

Deferred Retirement Option Plan (DROP) – A provision within a defined benefit retirement system that provides additional flexibility in the distribution of benefits. The DROP plan allows an employee who reaches retirement eligibility to agree to defer leaving employment until a specified date in the future, on the condition of being deemed to have retired for purposes of the retirement system.

Deficit – Insufficient revenues or other available funds to fully fund expenditures and other disbursements during a fiscal year.

Derivatives – Complex investments, which are largely unregulated, especially when compared with stocks and bonds. These are securities whose value are derived from some other variable, such as interest rates or foreign currencies, and can be used to reduce risk or increase returns. Fairfax County does not invest in derivatives.

Disbursement – An expenditure, or a transfer of funds, to another accounting entity within the County financial system. Total disbursements equal the sum of expenditures and transfers.

Efficiency – One of the four performance indicators in Fairfax County's Family of Performance Measures. This indicator reflects inputs used per unit of output and is typically expressed in terms of cost per unit or productivity.

Encumbrance – An obligation of funding for an anticipated expenditure prior to actual payment for an item. Funds are usually reserved or set aside, and encumbered once a contracted obligation has been entered.

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Enterprise Funds – Funds, defined by the State Auditor of Public Accounts, that account for operations that are financed and operated in a manner similar to private business enterprises. Costs of providing goods or services are financed or recovered, at least in part, through user charges. For example, funds which support the Wastewater Management Program are classified as enterprise funds.

Equalization – An annual assessment of real estate to ensure that assessments accurately reflect current market values. Equalization revenue is the annual increase or decrease in collected revenue resulting from adjustments to the assessment of existing property in the County. This annual increase or decrease is due to value changes rather than to new construction.

Expenditure – A decrease in net financial resources. Expenditures include payments for current operating expenses, debt service, and capital outlays.

Financial Forecast – A computer-aided financial model that estimates all future revenues and disbursements based on assumptions of future financial and economic conditions.

Fiscal Restraint – The practice of restraining growth in expenditures and disbursements to stay within revenue forecasts.

Fiscal Year – In Fairfax County, the twelve months beginning July 1 and ending the following June 30. (The Commonwealth of Virginia's fiscal year begins on July 1. The federal government's fiscal year begins October 1).

Fiscal Planning Resolution – A legally binding document prepared by the Department of Management and Budget identifying changes made by the Board of Supervisors to the Advertised Budget Plan during the adoption of the annual budget. Fiscal Planning Resolutions approved by the Board subsequent to the Adopted Budget Plan change only transfers between funds. These documents are used at the annual or quarterly reviews whenever changes in fund transfers occur.

Fringe Benefits – The fringe benefit expenditures included in the budget are the County's share of employees' fringe benefits. Fringe benefits provided by Fairfax County include FICA (Social Security), health insurance, dental insurance, life insurance, retirement, and Unemployment and Workers' Compensation. The County's share of most fringe benefits is based on a set percentage of employee salaries. This percentage varies per category.

Fund – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances and changes therein. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance - Represents the residual funding on an annual basis from revenues and transfers-in minus expenditures and transfers-out. This fund balance may be reserved for a specific purpose or unreserved and used for future requirements.

Fund Type – A group of funds that have similar activities, objectives, or funding sources as defined by the State Auditor of Public Accounts. Examples include Special Revenue Funds and Debt Service Funds.

General Fund – The primary tax and operating fund for County Governmental Activities and is used to account for all County revenues and expenditures which are not accounted for in other funds. Revenues are derived primarily from general property taxes, local sales tax, utility taxes, license and permit fees, and state shared taxes. General Fund expenditures include the costs of the general County government and transfers to

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other funds, principally to fund the operations of the Fairfax County Public School system, and County and School system debt service requirements.

General Fund Disbursements – Direct expenditures for County services such as Police or Welfare expenses and transfers from the General Fund to Other County funds such as School Operations or Metro Operations.

General Obligation Bond - A municipal bond secured by the taxing and borrowing power of the municipality issuing it, also known as the full faith and credit of the issuing municipality. County general obligation debt can only be approved by voter referendum. The State Constitution mandates taxes on real property sufficient to pay the principal and interest of such bonds.

Goal – A general statement of purpose. A goal provides a framework within which the program unit operates; it reflects realistic constraints upon the unit providing the service. A goal statement speaks generally toward end results rather than toward specific actions, e.g., "To provide maternity, infant and child health care and/or case management to at risk women, infants, and children in order to achieve optimum health and well being." Also see Objective.

Input – The value of resources used to produce an output. Input can be staff, budget dollars, work hours, etc.

Internal Service Funds – Funds established to finance and account for services furnished by a designated County agency to other County agencies. An example is Fund 503, Department of Vehicle Services.

Line Item – A specific expenditure category within an agency budget, e.g., rent, travel, motor pool services, postage, printing, or office supplies.

Key County Indicators – Key County Indicators are high-level, countywide measures, organized by vision element, that help assess if Fairfax County government is meeting the needs of citizens and positively impacting the community as a whole.

Management by Objectives – A method of management of County programs which measures attainment or progress toward pre-defined objectives. This method is evolving into a system that measures performance factors. Also see Performance Measurement.

Management Initiatives – Changes to internal business practices undertaken by County Managers on their own initiative to improve efficiency, productivity, and customer satisfaction.

Managed Reserve – A reserve, held in the General Fund, which equals 2.0 percent of the General Fund disbursements. Established by the Board of Supervisors on January 25, 1982, the purpose of the reserve is to provide temporary financing for emergency needs and to permit orderly adjustment to changes resulting from the termination of anticipated revenue sources.

Market Pay – A compensation level that is competitive and consistent with the regional market. The County analyzes the comparability of employee salaries to the market in a number of different ways. A "Market Index" has been developed that factors in the Consumer Price Index, federal wage adjustments, and the Employment Cost Index (which includes state, local, and private sector salaries). The index is designed to gauge the competitiveness of County pay scales in general.

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Merit Grant - A position with full benefits and full civil service grievances, although the employment term is limited by the grant specifications. The position is funded by a specific grant. At the end of the grant position, the person is the first eligible for hire for another position in the County. Also see [Position](#).

Merit Regular - A position with full benefits, full civil service grievances, and 52 work weeks in a year. Also see [Position](#).

Mission Statement - A mission statement is a broad, philosophical statement of the purpose of an agency, specifying the fundamental reasons for its existence. A mission statement is a written statement of purpose that can be used to initiate, evaluate, and refine business activities. It serves as a guiding road map.

Municipal Bond -- Bond issued by a state, local, or government authority especially in the U.S. The interest is exempt from U.S. Federal taxation and usually from state taxation within the state of issue, as is the case in Virginia.

Net Debt as a percent of estimated market value -- Total debt (less debt that is self-supported by revenue producing projects), divided by the total market value of all taxable property within the County expressed as a percentage. Since property taxes are a primary source of revenue for the repayment of debt, this measure identifies the debt burden compared with the worth of the revenue generating property base.

Net Total Expenditures -- See [Total Budget](#).

Objective -- A statement of anticipated level of achievement; usually time limited and quantifiable. Within the objective, specific statements with regard to targets and/or standards often are included, e.g., "To respond to 90 percent of ambulance calls within a 5-minute response time."

Operating Equipment -- Equipment that has a life expectancy of more than one year and a value of less than five thousand dollars. Equipment with a value greater than five thousand dollars is capital equipment.

Operating Expenses -- A category of recurring expenses, other than salaries and capital equipment costs, which covers expenditures necessary to maintain facilities, collect revenues, provide services, and otherwise carry out the agency's goals. Typical line items under this character are office supplies, printing, postage, transportation, and utilities.

Outcome -- Qualitative consequences associated with a program service, e.g., reduction in fire deaths or percent of juveniles not reconvicted within 12 months.

Output -- Quantity or number of units produced. Outputs are activity-oriented, measurable, and usually under managerial control.

Pay for Performance -- A system of pay and appraisal that is based on an employee's performance. An on-going dialogue between employees and supervisors regarding performance and expectations is essential to the successful implementation of this system.

Paydown Construction -- Capital construction funded with current year General Fund revenues as opposed to construction financed through the issuance of bonds. This is also referred to as "pay-as-you-go" construction.

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Performance Indicators – As used in Fairfax County’s Performance Measurement System, these indicators represent the four types of measures that comprise the Family of Measures and consist of output, efficiency, service quality, and outcome.

Performance Measurement – The regular collection of specific information regarding the results of service in Fairfax County. The County’s performance measurement methodology links agency mission and cost center goals (broad) to quantified objectives (specific) of what will be accomplished during the fiscal year. These objectives are then linked to a series of indicators that present a balanced picture of performance, i.e., output, efficiency, service quality, and outcome.

Personal Property – Property, other than real estate identified for purposes of taxation, including personally owned items, as well as corporate and business equipment and property. Examples include automobiles, motorcycles, boats, trailers, airplanes, business furnishings, and manufacturing equipment. Goods held for sale by manufacturers, wholesalers or retailers are not included.

Personal Property Tax Relief Act of 1998 (PPTRA) – Legislation approved by the Virginia General Assembly that phases out the Personal Property Tax on the first \$20,000 of the value for vehicles owned by individuals. In FY 2002, the PPTRA reduced the Personal Property Taxes paid by citizens by 70 percent with an offsetting reimbursement paid to the County by the Commonwealth. Under the original approved plan, taxes paid by individuals were to be reduced by 100 percent in FY 2003. Due to the state’s lower than anticipated General Fund revenue growth, the reimbursement has remained at 70 percent since FY 2003. The 2004 General Assembly approved legislation that will cap Personal Property Tax reimbursement in FY 2007 at the FY 2005 level. In subsequent years, the level of Personal Property Taxes may fall unless the tax rate is increased.

Personnel Services – A category of expenditures, which primarily covers salaries, overtime, and shift differential paid to County employees and also includes certain fringe benefit costs.

Planning System – Refers to the relationship between the Annual Budget, the Comprehensive Plan, and the 5-year Capital Improvement Plan.

Position – A group of duties and responsibilities, as prescribed by an office or agency, to be performed by a person on a full-time or part-time basis.

The status of a position is not to be confused with the status of the employee. For the purpose of the County’s budget, the following definitions are used solely in describing the status and funding of positions:

- An established position is a position that has been classified and assigned a pay grade.
- An authorized position has been approved for establishment by the Board of Supervisors. The authorized position is always shown as a single, not a partial position. Staff-Year Equivalency (SYE) reflects whether positions are authorized for full-time (40 hours per week) or part-time. A full-time position would appear in the budget as one authorized position and one staff-year equivalent (1/1.0 SYE). A half-time position would be indicated as one authorized position and .5 staff-year equivalents (1/.5 SYE).

The following defines the types of positions in Fairfax County. They can be either full or part-time status.

- A regular position is a career position, which falls within all provisions of the Merit System Ordinance.
- An exempt position does not fall within the provisions of the Merit System Ordinance. It includes elected and appointed positions.

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- A project position is established to accomplish a one-time project with a specified expiration date. It falls within all provisions of the Merit System Ordinance.
- An exempt limited term position or exempt part-time position is established to meet a temporary workload not exceeding 48 weeks. It does not fall within the provisions of the Merit System Ordinance.
- Cooperative funding of some positions occurs between the Federal and State governments and Fairfax County. Numerous funding and reimbursement mechanisms exist. The County's share of a position's authorized funding level is that portion of a position's salary and/or fringe benefits paid by the County which is over and above the amount paid by the State or Federal Government either based on the County's pay classification schedule or based on a formal funding agreement. The share of State or Federal funding varies depending upon the eligibility of each individual agency and type of position.
- A State position is a position established and authorized by the State. These positions may be partially or fully funded by the State.
- County supplement is the portion of a State position's authorized salary (based on the County's compensation plan) that exceeds the State's maximum funding level. This difference is fully paid by the County.

Position Turnover – An accounting debit which allows for gross salary projections to be reduced due to anticipated and normal position vacancies, delays in filling vacancies, and historical position turnover information.

Prime Interest Rate – The rate of interest charged by banks to their preferred customers.

Program Area – A grouping of County agencies with related countywide goals. Under each program area, individual agencies participate in activities to support that program area's goals. The Public Safety Program Area, for example, includes the Police Department and the Fire and Rescue Department, among others.

Program Budget – A statement and plan, which identifies and classifies, total expenditures and revenues by activity or program. Budgets are aggregated into program areas. This is in contrast to a line-item budget, which identifies expenditures only by objects for which money is spent, e.g., personnel services, operating expenses, recovered costs, or capital equipment.

Real Property – Real estate, including land and improvements (buildings, fences, pavements, etc.) classified for purposes of assessment.

Recovered Costs – Reimbursements to an agency for specific services provided to another agency. Recovered costs, or Work Performed for Others, are reflected as a negative figure in the providing agency's budget, thus offsetting expenditures. An example is the reimbursement received by the Department of Information Technology from other agencies for telecommunication services.

Revenue Bond – A municipal bond secured by the revenues of the project for which it is issued. Sewer and utility bonds are typically issued as revenue bonds. The County has also issued Lease Revenue bonds, a form of revenue bond in which the payments are secured by a lease on the property built or improved with the proceeds of the bond sale.

Revenue Forecast – A projection of future County revenue collections.

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Revenue Stabilization Fund – In FY 2000, the Board of Supervisors approved the creation of this fund to provide a mechanism for maintaining a balanced budget without resorting to tax increases and/or expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy. A minimum of 40 percent of non-recurring balances identified at the Carryover and Third Quarter Reviews are to be transferred to the Fund until a maximum balance of 3 percent of General Fund Disbursements is attained.

School Board Budget – Includes the School Operating Fund, the School Food and Nutrition Services Fund, the School Debt Service Fund, the School Insurance Fund, the School Construction Fund, the School Central Procurement Fund, the School Health Benefits Trust Fund and the Educational Employees' Supplementary Retirement Fund, identifying both expenditure levels and sources of revenue. The Board of Supervisors may increase or decrease the School Board budget but normally does so only at the fund level (i.e., by increasing or decreasing the General Fund Transfer to the School Operating Fund without specifying how the change is to be applied). By state law, the Supervisors may not make specific program or line item changes, but may make changes in certain major classifications (e.g., instruction, overhead, maintenance, etc.). The Board of Supervisors has not exercised its right to make any such changes.

School Board Transfer – A transfer out of funds from the General Fund to the School Operating Fund. State law must approve this transfer approved by the Board of Supervisors by May 1, for the next fiscal year.

Service Quality – Degree to which customers are satisfied with a program, or how accurately or timely, a service is provided.

Set-Aside Reserve – A reserve made up from available balances materializing throughout one or more fiscal years which are not required to support disbursements of a legal or emergency nature and are held (set aside) for future funding requirements.

Sewer Funds – A group of self-sufficient funds that support the Wastewater Management Program. Revenues consist of bond sales, availability fees (a one-time fee paid before connection to the system and used to defray the cost of major plant and trunk construction), connection charges (a one-time fee to defray the cost of the lateral connection between a building and the trunk), service charges (quarterly fees based on water usage which defray operating costs and debt service), and interest on invested funds. Expenditures consist of construction costs, debt service, and the cost of operating and maintaining the collection and treatment systems.

Special Revenue Funds – Funds, defined by the State Auditor of Public Accounts, to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to Fairfax County's State and Federal grants, the operation of the Fairfax County Public Schools, and services to specific taxing districts that are principally financed by special assessment tax levies in those districts.

Staff-Year Equivalency (SYE) – This figure reflects whether authorized positions are full-time or part-time. A position authorized for 40 hours per week is reflected in the budget as one authorized position with a staff-year equivalency (SYE) of one (1/1.0 SYE). In comparison, a position authorized for 20 hours per week would be indicated as one authorized position with a SYE of 0.5 (1/0.5 SYE).

Strategic Planning Process - The strategic planning process provides the County the opportunity to identify individual agency missions and goals in support of the public need, action steps to achieving goals and measures of progress and success in meeting strategic goals. Strategic planning will help ensure that limited resources are appropriately allocated to achieve the objectives of the community as determined by the Board of Supervisors.

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Supplemental Appropriation Resolution – Any appropriation resolution approved by the Board of Supervisors after the adoption of the budget for a given fiscal year.

Tax Base – The aggregate value of taxed items. The base of the County's real property tax is the market value of all real estate in the County. The base of the personal property is the market value of all automobiles, trailers, boats, airplanes, business equipment, etc., which are taxed as personal property by the County. The tax base of a sales tax is the total volume of taxable sales.

Tax Rate – The level of taxation stated in terms of either a dollar amount or a percentage of the value of the tax base. The Board of Supervisors fixes property tax rates for the period beginning January 1 of the current calendar year when the budget for the coming fiscal year is approved. The property tax rate is applied to the value of property assessed as of January 1 each year.

Technology Infrastructure – The hardware and software that support information requirements, including computer workstations and associated software, network and communications equipment, and mainframe devices.

Third Quarter Review – The current year budget is reevaluated approximately 7 months after the adoption of the budget based on current projections and spending to date. The primary areas reviewed and analyzed are (1) current year budget versus prior year actual expenditure data, (2) year-to-date expenditure status plus expenditure projections for the remainder of the year, (3) emergency requirements for additional, previously unapproved items, and (4) possible savings. Recommended funding adjustments are made for Board of Supervisors' approval.

Total Budget – The receipts and disbursements of all funds, e.g., the General Fund and all other funds. Net total expenditures (total expenditures minus expenditures for internal service funds) is a more useful measure of the total amount of money the County will spend in a budget year, as it eliminates double accounting for millions of dollars appropriated to operating agencies and transferred by them to service agencies. General Fund total disbursements (direct General Fund expenditures plus transfers to other funds, such as the School Operating Fund) are a more accurate measure of the cost of government to the local taxpayers.

Transfer – A movement of funding from one fund to another. The largest such transaction is the annual transfer of funds from the General Fund to the School Operating Fund.

Trust Funds – A categorization of accounts defined by the State Auditor of Public Accounts consisting of funds established to account for money and property held by the County government in the capacity of a trustee or custodian for individuals or other specified purposes. Examples are the various retirement funds, which contain contributions from the County government and individual employees.

Vision Elements – The vision elements were developed by the County Executive and the Senior Management team to address the priorities of the Board of Supervisors and emphasize the County's commitment to protecting and enriching the quality of life for the people, neighborhoods, and diverse communities of Fairfax County. There are seven vision elements including: Maintaining Safe and Caring Communities, Building Livable Spaces, Connecting People and Places, Maintaining Healthy Economies, Practicing Environmental Stewardship, Creating a Culture of Engagement and Exercising Corporate Stewardship.

Workforce Planning – A systematic process designed to anticipate and integrate the human resources aspect to an organization's strategic plan by identifying, acquiring, developing, and retaining employees to meet organizational needs.

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