Fairfax County, Virginia

Fiscal Year 2012
Adopted Budget Plan

Overview

1742

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

http://www.fairfaxcounty.gov/dmb/

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Fairfax County

Virginia

For the Fiscal Year Beginning

July 1, 2010

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, 2010.

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 2012 Budget

July 1, 2010
Distribution of the FY 2012 budget development guide. Fiscal Year 2011 begins.

September - October 2010
Agencies forward completed budget submissions to the Department of Management and Budget (DMB) for review.

September - December 2010
The County and FCPS solicits public input for the FY 2012 budget through two Community Dialogues, an Employee Forum, and online feedback for public comment to guide the development of a budget framework for the FY 2012 Advertised Budget Plan.

February 3, 2011
School Board adopts its advertised FY 2012 Budget.

February 22, 2011
County Executive's presentation of the FY 2012 Advertised Budget Plan. Board authorization for publishing FY 2012 tax and budget advertisement.

March 29, 30 and 31, 2011
Public hearings on proposed FY 2012 budget, *FY 2011 Third Quarter Review* and FY 2012-2016 Capital Improvement Program (with Future Years to 2021) (CIP).

April 12, 2011
Board action on *FY 2011 Third Quarter Review*. Board mark-up of the FY 2012 proposed budget.

April 26, 2011
Adoption of the FY 2012 budget plan, Tax Levy and Appropriation Ordinance by the Board of Supervisors.

June 30, 2011
Distribution of the FY 2012 Adopted Budget Plan. Fiscal Year 2011 ends.

July 1, 2011
Fiscal Year 2012 begins.

Board Goals & Priorities
December 7, 2009

By **engaging** our residents and businesses in the process of addressing these challenging times, **protecting investment** in our **most critical priorities**, and by **maintaining strong responsible fiscal stewardship**, **we must ensure:**

√ **A quality educational system**
Education is Fairfax County's highest priority. We will continue the investment needed to protect and enhance this primary community asset. Our children are our greatest resource. Because of our excellent schools, businesses are eager to locate here and our children are able to find good jobs. A well-educated constituency is best able to put back into their community.

√ **Safe streets and neighborhoods**
Fairfax County is the safest community of our size in the U.S. We will continue to invest in public safety to respond to emergency situations, as well as efforts to prevent and intervene in destructive behaviors, such as gang activity and substance abuse.

√ **A clean, sustainable environment**
Fairfax County will continue to protect our drinking water, air quality, stream valleys and tree canopy through responsible environmental regulations and practices. We will continue to take a lead in initiatives to address energy efficiency and sustainability and to preserve and protect open space for our residents to enjoy.

√ **Liable, caring and affordable communities**
As Fairfax County continues to grow we will do so in ways that address **environmental** and **mobility** challenges. We will encourage housing that is affordable to our children, seniors and members of our workforce. We will provide compassionate and efficient services to members of our community who are in need. We will continue to protect and support our stable lower density neighborhoods. We will encourage and support participation in community organizations and other activities that address community needs and opportunities.

√ **A vibrant economy**
Fairfax County has a well-earned reputation as a business-friendly community. We will vigorously pursue **economic development** and **revitalization** opportunities. We will support the business community and encourage this healthy partnership. We will continue to be sensitive and responsive to the needs of our corporate neighbors in the areas of **workforce development** and **availability, affordable housing, regulation and taxation.**

√ **Efficient transportation network**
Fairfax County makes it a priority to connect People and Places. We will continue to plan for and invest in transportation improvements to include comprehensive bicycle and pedestrian initiatives, bus and para transit, road and intersection improvements and expansion of Metrorail and VRE.

√ **Recreational and cultural opportunities**
A desirable community is one where there is a lot going on that residents can enjoy. Fairfax County will continue to provide for athletic, artistic, intellectual and recreational activities, in our communities, parks, libraries and schools.

√ **Taxes that are affordable**
The property tax is Fairfax County's primary source of revenue to provide services. We will ensure that taxes are affordable for our residents and businesses, and we will seek ways to diversify County revenues in order to make our tax base more equitable. We will ensure that County programs and services are efficient, effective and well run.

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 workforce, 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.

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/budget

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

City of Fairfax Regional
10360 North Street
Fairfax, VA 22030-2514
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 22042-7409
703-573-1060

Burke Centre
5935 Freds Oak Road
Burke, VA 22015-2599
703-249-1520

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

Oakton
10304 Lynnhaven Place
Oakton, VA 22124-1785
703-242-4020

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

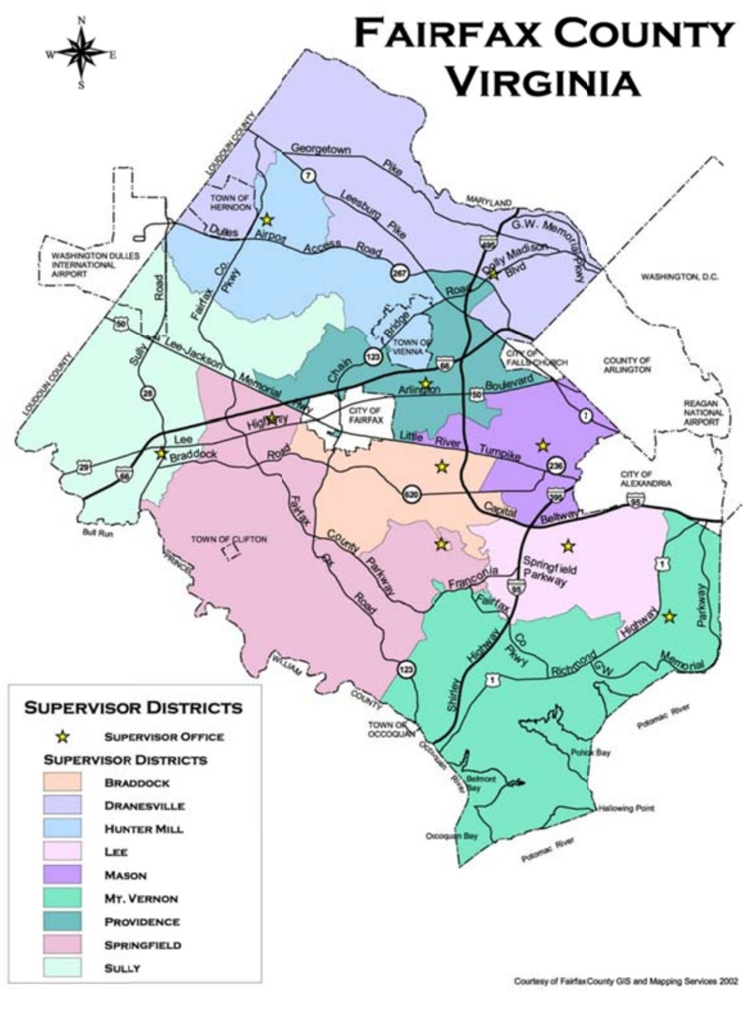
Additional copies of budget documents are also available on compact disc (CD) from the Department of Management and Budget (DMB) at no extra cost. Please call DMB in advance to confirm availability of all budget publications.

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

Fairfax County Government

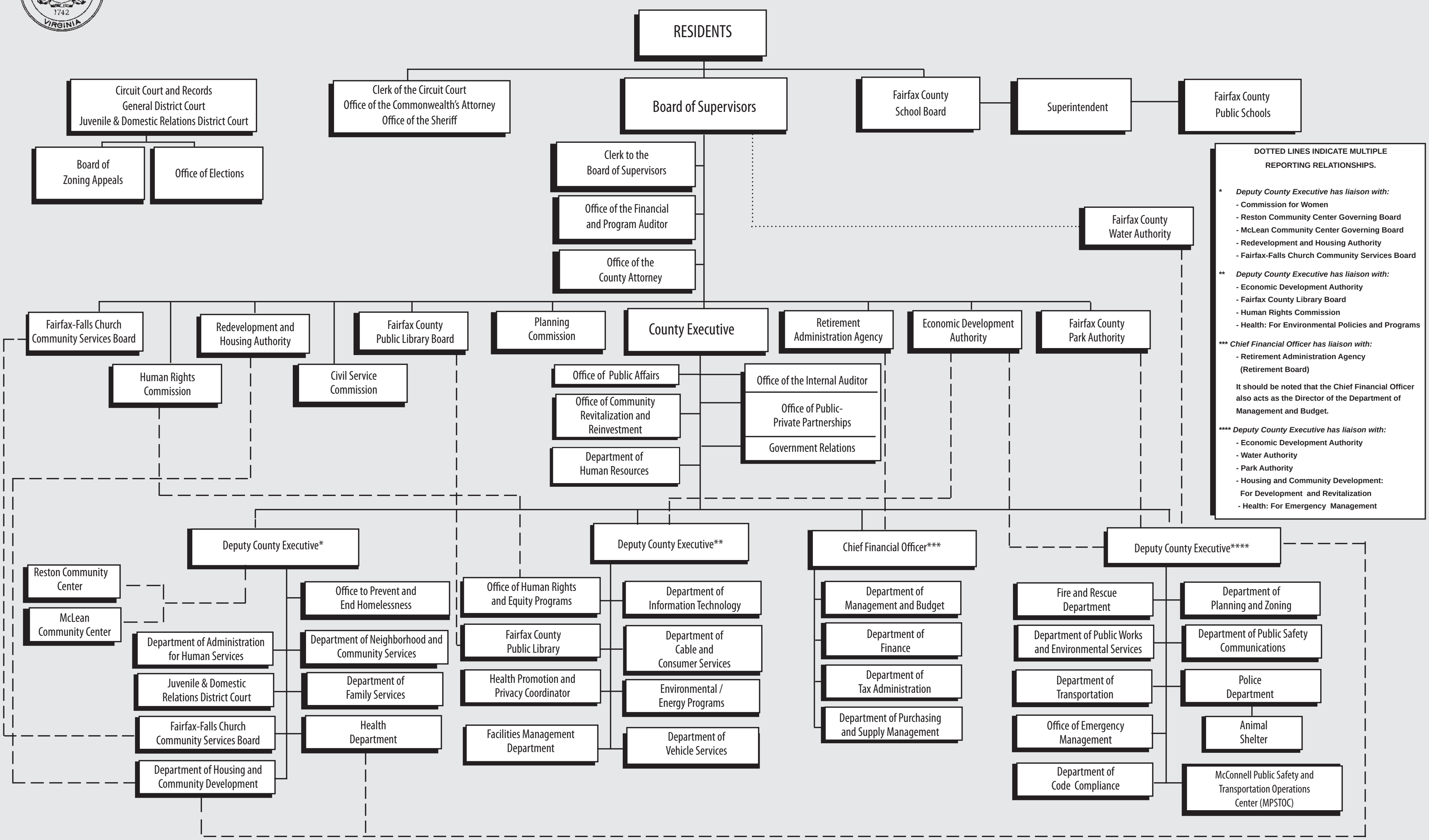
In Virginia, cities and counties are distinct units of government and do not overlap. Fairfax County completely surrounds the City of Fairfax and is adjacent to the City of Falls Church and the City of Alexandria. Property within these cities is not subject to taxation by Fairfax County, and the County 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



BOARDS, AUTHORITIES AND COMMISSIONS

Appeal Groups

Board of Building and Fire Prevention 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, Inc. Board of Directors
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
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 (UOSA)
Virginia Association of Counties
Washington Metropolitan Area Transit Authority

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

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
Citizen Corps Council, Fairfax County
Commission for Women
Commission on Aging
Commission on Organ and Tissue Donation and Transplantation
Committee for the Plan to Prevent and End Homelessness in the Fairfax-Falls Church Community
Community Action Advisory Board (CAAB)
Community Criminal Justice Board (CCJB)
Community Policy and Management Team, Fairfax-Falls Church
Community Revitalization and Reinvestment Advisory Group
Consumer Protection Commission
Criminal Justice Advisory Board (CJAB)
Dulles Rail Transportation Improvement District Advisory Board, Phase I
Economic Advisory Commission
Engineering Standards Review Committee
Environmental Quality Advisory Council (EQAC)
Fairfax Area Disability Services Board
Fairfax Community Long Term Care Coordinating Council
Fairfax County History Museum Subcommittees
Fairfax County Safety Net Health Center Commission
Geotechnical Review Board
Health Care Advisory Board
History Commission
Human Services Council
Information Technology Policy Advisory Committee
Josiah H. Beeman Commission
Juvenile & Domestic Relations Court Citizens Advisory Council
Laurel Hill Project Advisory Citizen Oversight Committee
Oversight Committee on Drinking and Driving
Planning Commission
Road Viewers Board

BOARDS, AUTHORITIES AND COMMISSIONS

Advisory Groups

Security Alarm Systems Commission
Small Business Commission, Fairfax County
Southgate Community Center Advisory Council
Supervised Visitation and Supervised Exchange Task Force
Tenant Landlord Commission
Trails and Sidewalks Committee
Transportation Advisory Commission
Tree Commission
Trespass Towing Advisory Board
Tysons Corner Transportation and Urban Design Study Coordinating Committee
Volunteer Fire Commission
Wetlands Board
Youth Basketball Council Advisory Board

How to Read the Budget

THE BUDGET

Each year, Fairfax County publishes sets of budget documents or fiscal plans: the Advertised Budget Plan and the Adopted Budget Plan. Submission and publication of the budget is contingent upon criteria established in the Code of Virginia. The Advertised Budget Plan is the annual budget proposed by the County Executive for County general government operations for the upcoming fiscal year, which runs from July 1 through June 30. The Advertised Budget Plan is based on estimates of projected expenditures for County programs and it provides the means for paying for these expenditures through estimated revenues. According to the Code of Virginia, the Board of Supervisors must approve a tax rate and adopt a budget for informative and planning purposes no later than the beginning of the fiscal year (July 1). Following extensive review, deliberation and public hearings to receive input from County residents, the Board of Supervisors formally approves the Adopted Budget Plan typically in late April in order to satisfy the requirement that the Board of Supervisors approve a transfer to the Fairfax County School Board by May 1, or within 30 days of receiving state revenue estimates from the state, whichever is later. The transfer amount has traditionally been included in the Board's Adopted Budget, requiring that the Board adopt the budget on or before May 1, not July 1 as the Code allows.

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

The Citizen's Guide for the Advertised Budget 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, demographic and economic 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, 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.

Capital Improvement Program – The County also prepares and publishes a 5-year Capital Improvement Program (CIP) – separate from the budget – which is also adopted by the Board of Supervisors and published as a separate document. The CIP specifies capital improvements and construction projects which are scheduled for funding over the next five years in order to maintain or enhance the County's capital assets and delivery of services. In addition, the CIP also describes financing instruments or mechanisms for those projects. Financial resources used to meet priority needs as established by the CIP are accounted for in the Capital Project Funds. The primary type of operating expenditure included in the budget relating to the CIP is funding to cover debt service payments for general obligation bonds or other types of debt required to fund specific CIP projects. In addition, the cost of opening and operating new facilities is closely linked to the CIP.

To view information on Fairfax County's budget and budget process on the web, go to ***http://www.fairfaxcounty.gov/budget***

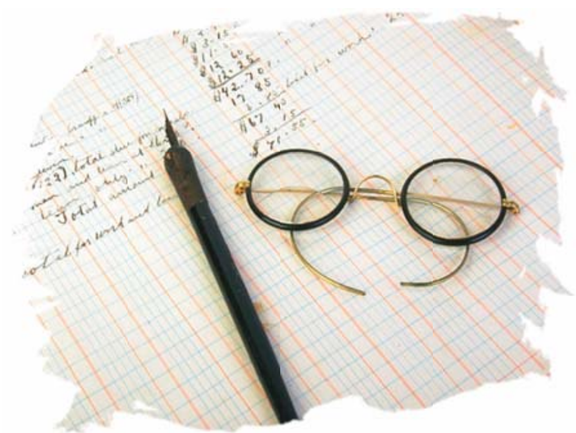
BASIS OF ACCOUNTING AND BUDGETING

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 reflects the estimated costs of operation for the County's programs, services and activities. 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. Fairfax County is required 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. Financially, the County budget is comprised of three primary fund types: Governmental Funds (General Fund, Debt Service Fund, Special Revenue Funds and Capital Project Funds), Proprietary Funds (Enterprise Funds and Internal Service Funds), and Fiduciary Funds (Trust Funds and Agency Funds).

Accounting Basis

The County's governmental functions and accounting system are organized and controlled on a fund 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 full accrual basis of accounting which requires that revenues be recognized in the period in requires that revenues be recognized in the period in which service is given and that expenses be recorded in the period in which the benefit is received. A description of the fund types is provided:

- **General Fund:** The General Fund is the County's primary operating fund, and it is used to account for all revenue sources and expenditures which are not required to be accounted for in other funds. Revenues are derived primarily from real estate and personal property taxes as well as other local taxes, federal and state distributions, license and permit fees, charges for services, and interest from investments. A significant portion of General Fund revenues are transferred to other funds to finance the operations of the County's public schools and Community Services Board (CSB) and debt service among other things.

- **Special Revenue Funds:** These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

- **Debt Service Funds:** The debt service funds are used to account for the accumulation of resources for, and the payment of, the general obligation debt service of the County and for the debt service of the lease revenue bonds and special assessment debt. Included in this fund type is the School Debt Service Fund as the County is responsible for servicing the general obligation debt it has issued on behalf of Fairfax County Public Schools (FCPS).

- **Capital Project Funds:** These funds are used to account for financial resources to be used for the acquisition or construction of any major capital facilities (other than those financed by Proprietary Funds), and are used to account for financial resources used for all general construction projects other than enterprise fund construction. The Capital Project Funds account for all current construction projects, including improvements to and the construction of schools, roads and various other projects.

- **Proprietary Funds:** These funds account for County activities, which operate similarly to private sector businesses. Consequently, these funds measure net income, financial position, and changes in financial position. The two primary types of Proprietary Funds are Enterprise Funds and Internal Service Funds. The Fairfax County Integrated Sewer System is the only enterprise fund of the County. This fund is used to account for the financing, construction, and operations of the countywide sewer system. Internal Service Funds are used to account for the provision of general liability, malpractice, and workers' compensation insurance, health insurance for County employees and retirees, vehicle services, the County's print shop operations, and technology infrastructure support that are provided to County departments or agencies on an allocated cost recovery basis.

- **Fiduciary Funds:** These funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Pension Trust Funds are the principal fiduciary funds used to account for the assets held in trust by the County for the employees and beneficiaries of its defined pension plans – the Employees' Retirement System, the Police Officers Retirement System, and the Uniformed Retirement System. Also included in Fiduciary Funds are Agency Funds which are used to account for monies received, held, and disbursed on behalf of developers, welfare recipients, the Commonwealth of Virginia, the recipients of certain bond proceeds, and certain other local governments.

How to Read the Budget

Accounting Standards

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

During FY 2012, 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 standards changed the entire reporting process for local governments, as they require new entity-wide financial statements, in addition to current fund statements and other additional reports such as management discussion and analysis. Infrastructure values are now reported, and various changes in accounting have been implemented.

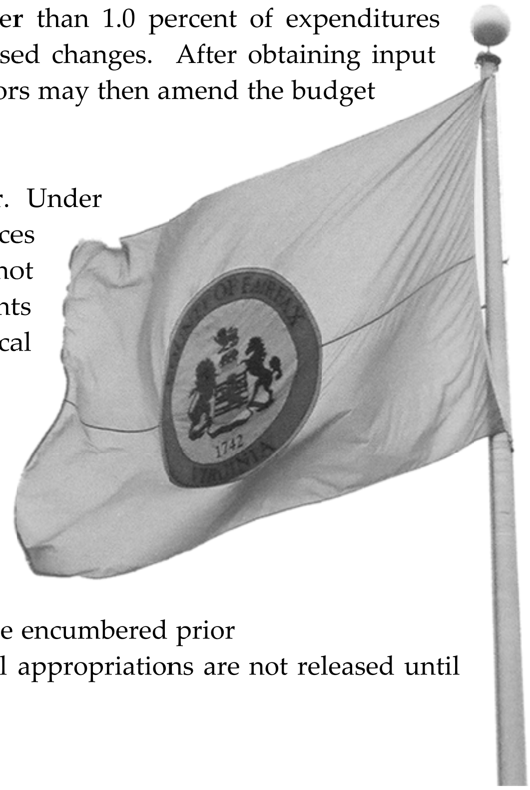
It should be noted that beginning in FY 2008 the County's financial statements were required to implement GASB Statement Number 45 for post employment benefits including health care, life insurance, and other non-retirement benefits offered to retirees. This new standard addresses how local governments 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. Historically, the County's subsidy was funded on a pay-as-you-go basis. GASB 45 required 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 decided to follow guidance provided by GASB 45 and established a trust fund as part of the FY 2008 Adopted Budget Plan to pre-fund the cost of post-employment healthcare and other non-pension benefits. For further details please refer to the Fund 603, OPEB Trust Fund, narrative in Volume 2.

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 Supplemental Appropriation 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, Capital Equipment, and Recovered Costs) 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 life of more than one year, and Recovered Costs are reimbursements from other County agencies for specific services that have been provided.

There are also two built-in provisions for amending the adopted budget -- the Carryover Review and the Third Quarter Review. During the fiscal year, quarterly budget reviews are the primary mechanism for revising appropriations. The budget for any fund, agency, program grant, or project can be increased or decreased by formal Board of Supervisors action (budget and appropriation resolution). According to the Code of Virginia any budget amendment which involves a dollar amount exceeding one percent of total expenditures from that which was originally approved may not be enacted without the County first advertising the amendment and without conducting a public hearing. The advertisement must be published at least once in a newspaper with general County circulation at least 7 days prior to the public hearing. It should be noted that, any amendment greater than 1.0 percent of expenditures requires that the Board advertise a synopsis of the proposed changes. After obtaining input from residents at the public hearing, the Board of Supervisors may then amend the budget by formal action.



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.

In addition, the County's Department of Management and Budget is authorized to transfer budgeted amounts between characters, grant 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.

COUNTY EXPENDITURES AND REVENUES

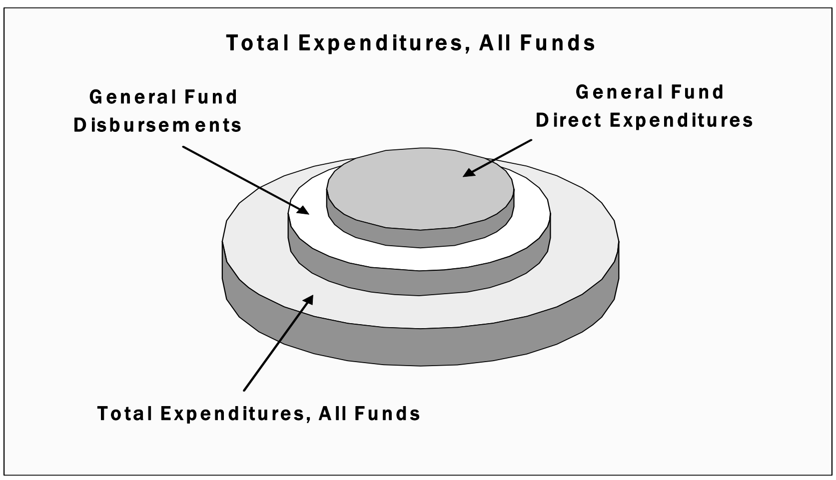
County Expenditures

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 52.5 percent of the County's disbursements in FY 2012.

- The largest circle is Total Expenditures. It represents expenditures from all appropriated funds.



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 2012, these categories are estimated to account for 61.6 percent and 15.7 percent of the total General Fund revenues, respectively. Please note that a portion of the Personal Property Taxes is 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 14.8 percent of General Fund revenues in FY 2012. 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 7.9 percent of the total.

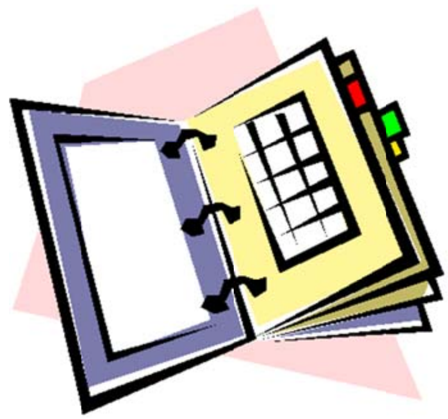
- Total Revenues consist of all revenues received by all appropriated funds in the County. Total Revenues include all General Fund revenues, as well as sewer bond revenue, refuse collection and disposal fees, and revenue from the sale of bonds.

FINANCIAL STRUCTURE

Fund/Fund Type Title	Purpose	Revenue	Budgeting Basis	Accounting Basis
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
General Fund Group: 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.	Policy guidelines require a retention of 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 revenue from the real estate penny, 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

THE BUDGET CYCLE

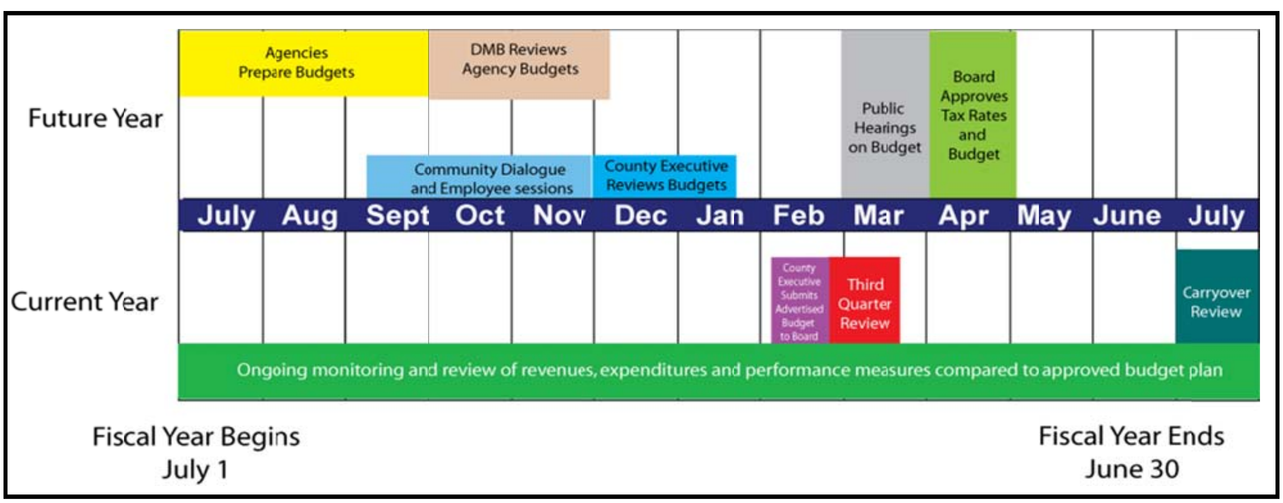
The budget has several major purposes. It converts the County's long-range plans and policies into services and programs; serves as a vehicle to communicate these plans to the public; details the costs of County services and programs; and outlines the revenues (taxes and fees) that support the County's 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 budget 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 1.0 percent expenditure.

Citizen involvement and understanding of the budget are a key part of the review process. For the FY 2012 process, to address the projected deficit, the County facilitated two Community Dialogue sessions in October 2010 as well as one Employee Forum. In addition, residents submitted comments, suggestions and questions through an online web survey. Public hearings for the County Executive's FY 2012 Advertised Budget Plan and the FY 2012 - FY 2016 Capital Improvement Program (CIP) were held on March 29, 30 and 31, 2011 at the Government Center. Between late February and mid-April 2011, residents also provided online feedback concerning the County Executive's proposed budget. The mark-up of the FY 2012 budget was held on Tuesday, April 12, 2011, and the Board of Supervisors formally adopted the FY 2012 Adopted Budget Plan on Tuesday, April 26, 2011.

FY 2012 Budget Process



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SHARON BULOVA
CHAIRMAN

June 15, 2011

To the citizens of Fairfax County:

I am pleased to present to you the Fiscal Year 2012 Adopted Budget Plan. Over the last several years, our country has endured the failure of financial and lending institutions, plummeting property values, rising foreclosures and unemployment. These factors resulted in shrinking County revenues. Over the past two years, our Board has closed revenue shortfalls by freezing compensation and reducing spending by $180 million. This budget includes approximately $20 million in additional reductions.

Our Board has addressed these challenges by engaging our community and our workforce in the implementation of reorganization changes, efficiencies and reductions that have allowed us to right-size the cost of services to a vastly reduced revenue stream while maintaining the quality of life we value.

While we are not yet out of the woods, Fairfax County is beginning to see property values improve and our Board has encouraged economic development as a means of jump starting our economy. Our success is evidenced by the 3.73% increase this year in commercial property values and various companies choosing to make Fairfax County their home.

As with budgets of the past, this year's budget has its own distinct personality. When thinking of a theme to this year's budget, I was reminded of a photo that appeared in the news in January 2009 when a plane made an emergency landing in the Hudson River right off the shore of Manhattan. What could have been a catastrophic disaster was avoided by a cool-headed pilot (Chesley "Sully" Sullenberger) and his crew who assisted passengers out of the plane and onto the wings where they waited in an orderly line for lifeboats to arrive.

While comparing Fairfax County's response to this decade's economic downturn to the Hudson River landing may be a stretch, we have averted what could easily have been a severe economic downspin and have benefitted by some remarkable cool-headed individuals who have worked with this Board and with our community to bring us in for a steady landing as we are beginning to see some evidence of recovery.

In February, County Executive Tony Griffin presented the Advertised Budget to our Board based on a Real Estate tax rate of $1.09 per $100 of assessed value, which would leave an available balance of $30 million.

After receiving a substantial amount of public feedback from the community our Board adopted the FY 2012 Budget which reduced the Real Estate tax rate by two cents to $1.07. This reduction keeps the average tax bill in Fairfax County essentially flat.

This budget reduces the personal property tax rate to $0.01 per $100 of assessed value for one vehicle for a fully disabled veteran and exempts fully disabled veterans and their spouses from payment of Real Estate taxes as required by Virginia law. The cost of both these reductions is $3.6 million.

To remain prepared for potential State and Federal reductions our Board put aside a reserve of $2.3 million.

The School Transfer is maintained at the FY 2011 level with a few exceptions. Consistent with widespread community input the Board strongly supports the School Board's implementation of the full phase in of Full Day Kindergarten. Our Board identified savings of $500,000 in the SACC program, $641,904 of additional cable funding and greater flexibility in the $1.9 million in funding for the School Nurse Health Program to assist the schools with funding the final phase in of Full Day Kindergarten.

Employee salaries have been frozen for the last two fiscal years. In this package, our Board directed the County Executive to analyze the County's fiscal condition at the end of FY 2011 and based on this review to identity funding to provide County employees with a market-rate adjustment of 1.12% based on the inflation-based formula advocated for by the EAC and employee unions. This increase would be effective in mid-October.

Our Board has maintained our commitment to human services and public safety programs. We adopted an increase of $1.3 million for supportive programs for high school graduates with Intellectual Disabilities, as well as the Medical Detoxification and the Diversion to Detoxification programs. Additionally $1.5 million is included for the Fire and Rescue Department to support an Advanced Life Support Incumbent Training School. This is necessary to provide adequate levels of certified personnel to support minimum staffing requirements.

While planning for the last few budgets has been difficult for our residents and our Board, we have worked to keep taxes affordable for our residents while maintaining our exceptional quality of life in Fairfax County.

Sincerely,

Sharon Bulova

Sharon Bulova

County of Fairfax, Virginia

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

February 22, 2011

Honorable Board of Supervisors
County of Fairfax
Fairfax, Virginia

Chairman and Board Members:

Each budget year brings its own unique challenges. Since the recession began in December 2007, this year marks the third consecutive year in which our budget forecast projected a multi-million dollar shortfall. While these projected shortfalls have progressively lessened in severity, the corresponding challenges for our decision-makers are increasing. Over the past two years, we have cut General Fund and General Fund supported spending by more than $180 million and we have eliminated nearly 500 positions. In fact, our Fiscal Year 2011 budget is over $40 million less than the adopted budget of FY 2009. We have worked hard to make strategic reductions in County spending while maintaining the high quality of our most critical services. We have continually sought out opportunities to make organizational change to streamline our government, find efficiencies to reduce operational costs, and identify further reductions to lower the cost of providing services. We have conscientiously sought to maintain a consistent level of taxes for our residents and businesses, recognizing that the economic downturn has had negative impacts on them as well, but that a financially strong County government provides the foundation for economic stability for all. This array of strategies has not been easy to accommodate or achieve, but thankfully through the collaborative work of our residents, elected officials and staff, we are emerging from the ravages of the recession as well as can be expected.

At the same time, the downturn in the local economy over the past several years has resulted in an upsurge in demand for many County services, especially in the arena of human services. Many members of our community have turned to us in need, so while our resources are diminished, the need for help is greater than ever. These challenges are not unique to Fairfax County, as many state and local governments wrestle with these same problems. This budget continues to feature reductions in operating costs and program funding, both in terms of agency reductions and in savings and efficiencies from reorganization. Yet, this budget does not include any significant program eliminations or Reduction-in-Force (RIF) procedures as was necessitated by expenditure cuts in FY 2010 and FY 2011. Perhaps more significantly, this budget does not provide for any County-supported expansion or increase in service, does not provide for any increases in compensation for our employees, and provides for only limited funding to support our infrastructure.

Despite significant reductions in program funding and personnel, our staff has continued to perform great work under less than ideal circumstances. Perhaps what has impressed me the most over the past two years is the dedicated and professional spirit and attitude of our employees who in the face of employee compensation freezes, have continued to strive to do the right things in the right way while being conscious to spend wisely and maximize and leverage resources prudently. Over the past year, our staff has won numerous state and national awards for excellence. These achievements epitomize the caliber and quality of the men and women who work for our residents every day. It is gratifying to see that the rest of the nation recognizes the excellent work that our staff does. While we do not yet have the financial resources to provide a restoration of pay increases for our staff for this excellent work, this budget continues to include funding for retirement and health benefits requirements. I also continue to support increases in employee compensation as soon as funding is available.

The FY 2012 budget recommendations present a balanced, no expansion budget. The FY 2012 budget recommendation includes no tax rate increase. Instead, the moderate growth in our revenue base is sufficient to cover our operational requirements. We have held spending to a minimum, covering only required increases, and allowing for no compensation increases and only limited infrastructure investments. In many respects, this is a bare-bones budget which enables us to fulfill our minimum fiscal obligations and ensures the funding of essential services and core functions necessary for the continuity of our operations. With strategic decisions by the Board of Supervisors in setting aside available funding at the end of FY 2010 and during FY 2011, we have generated nearly the same level of balances as used in the FY 2011 budget. These balances are important to fill the continuing gap between our revenue base and disbursement requirements. The result of these recommendations is an available balance of $30 million. My proposal includes a number of recommendations for the use of this balance, including retaining it for use in the FY 2013 budget.

FY 2012 Budget Summary

▪ Projected increase in Revenues And Transfers In	$103 mil
▪ Required Disbursements increase	($68 mil)
▪ Change in Balances	($5 mil)
▪ **Available Balance**	**$30 mil**

While this budget recommendation primarily focuses on FY 2012, it is also necessary to adopt and maintain a longer range approach to deal with future challenges and opportunities. Therefore, this balanced budget proposal is built upon a foundation of effective strategies and approaches to maintain long-term financial sustainability and stability and steers away from choices that may result in future structural imbalances.

We are cautiously optimistic that County revenues will continue to experience positive growth. However, we are not out of the woods yet. As most experts readily admit, it is almost certain that we will continue to see some mixed signals and periodic fluctuations in the economic indicators as well as other bumps on the road to economic recovery. Perhaps the best that can be said is that we have hit bottom and are now digging our way out of the hole caused by the "Great Recession."

FY 2012 Budget Summary

The FY 2012 Advertised Budget Plan totals $6,099,305,889, including General Fund Disbursements of $3,376,351,675, a decrease of $17,909,818 or 0.53 percent from the *FY 2011 Revised Budget Plan* and an increase of $68,232,761 or 2.06 percent over the FY 2011 Adopted Budget Plan. Funding increases in this budget are minimal and are tied to required disbursement allocations to fund infrastructure-related obligations for capital and IT-related projects, contract rate increases, County insurance, Metro/CONNECTOR increases, and benefit-related increases.

The recommended General Fund Transfer to Schools this year is equal to the level of funding given in the FY 2011 Adopted Budget Plan. Consequently, this funding level continues to reflect education as our highest priority and is consistent with the percentage proportion allocated to FCPS over the past few years at 52.5 percent. The proposed County General Fund transfer for school operations and debt service in FY 2012 totals $1,773.8 million, an increase of $2,761,538, or 0.16 percent, over the FY 2011 Adopted Budget Plan. Within this amount, the transfer for School operations remains at the FY 2011 level of $1,610.3 million and the transfer in support of School debt service is $163.5 million. The County also provides additional support for the Schools in the amount of $58.9 million for programs such as Head Start, School Health, School Resource Officers, School Crossing Guards, after-school programming, field maintenance and recreational programs, among others. On February 3, 2011, the Fairfax County School Board approved a $2.2 billion advertised budget for FY 2012 that would give school employees raises, add more positions to address increased enrollment, maintain class sizes and necessitate a $48.8 million, or 3 percent, increase in the General Fund Transfer from the County to Schools. This request would require nearly a 3 cent Real Estate Tax rate increase to fund and has not been included in my budget proposal. I must take this opportunity to caution that Fairfax County Public Schools will face more serious financial issues over the next couple of years. Among these challenges facing Schools in FY 2012 and beyond will be the cessation of federal stimulus funding in 2011 and 2012, an anticipated change in the state funding formula or Local Composite Index (LCI) for public schools, which will probably result in less State aid to the County schools next year (FY 2013), and the repayment of the Virginia Retirement System (VRS) contribution that the legislature allowed school districts to defer this year.

Both the County and Schools need to continue exercising restraint in our budgeting forecasts for the near- and long-term. Standard & Poor's reported on November 8, 2010 that, "We believe that even governments capable of weathering an economic slump significantly deeper than the recent one could lose this ability if they ignore or delay current and future imbalances." Consequently, the policy choices we pursue and adopt will have significant long-term implications for the fiscal solvency of the County and Schools. The time for tough decisions is now. We must look past the next budget year to the interests of the next generation.

The County's real estate values are clearly stabilizing. There is significant improvement in the change in real estate property values in FY 2012 from FY 2011. Rather than another year of loss in values, both residential and non-residential properties are experiencing positive growth. Overall residential equalization reflects a 2.34 percent increase in FY 2012, compared to a 5.56 percent decline in FY 2011, while non-residential equalization has rebounded from a decline of 18.29 percent in FY 2011 to a 3.73 percent increase in FY 2012. We continue, however, to be cautious in our revenue projections for both FY 2012 and beyond. It is not unlikely that short term upticks in our revenue could be followed by short term declines. In fact, the revenue scenario for the next several years includes projections of relatively modest revenue growth.

The value of a penny on the Real Estate Tax rate is projected to increase from $18.7 million in FY 2011 to $19.3 million in FY 2012. Each penny change in the tax rate equals $44.35 on a taxpayer's bill. My budget recommendation proposes maintaining the Real Estate Tax rate at $1.09 per $100 of assessed value. Assuming no change in the Real Estate Tax rate of $1.09 per $100 of assessed value, FY 2012 Real Estate taxes per "typical" household would increase just $110.55 over FY 2011. Perhaps more significantly, the "typical" household will pay $11.70 less in Real Estate Tax in FY 2012 than it paid five years earlier in FY 2007.

Last Seven Years of Average Homeowner's Taxes

Fiscal Year	Mean Assessed Value of Residential Property	Real Estate Tax Rate per $100	Tax per Household	
FY 2006	$448,491	$1.00	$4,484.91	
FY 2007	$544,541	$0.89	$4,846.41	
FY 2008	$542,409	$0.89	$4,827.44	
FY 2009	$525,132	$0.92	$4,831.21	
FY 2010	$457,898	$1.04	$4,762.14	
FY 2011	$433,409	$1.09	$4,724.16	
FY 2012	$443,551	$1.09	$4,834.71	+$110.55

The recurring theme for the FY 2012 budget is the *stabilizing* nature of the external and internal conditions and circumstances which influenced the development of this budget proposal. The economy is showing signs of stabilization although ups and downs are still likely. Past budget actions and current year budget options must focus on stabilizing our organization and our budget, while adjusting to the realities of very limited revenue growth over the next several years. Over the past three years, we have charted a sound, long-term course to help us weather this budget storm. Our reductions, while painful, were not as severe as those which have occurred in other similar-sized communities, nor did we witness major tax increases to offset major revenue declines to the degree that other jurisdictions did. As we adjust our service delivery expectations and levels of service and operations, we also continually readjust our budget to live within our means, realizing that we cannot and should not fund everything that everyone wants. The historical nature of boom-bust economic cycles demands that we continue to live within our means as the economy continues to stabilize. Nevertheless, there are signs that our national and local economies are rebounding and recovering, albeit slowly in some respects.

Economic Overview

It is evident that the national, regional and local economies are *stabilizing*, although most analysts contend that we will continue to witness fluctuations punctuated by dips and uncertainties. While the revenue forecast for Fairfax County for FY 2012 and FY 2013 is slightly improving, most experts predict that economic growth will be slow to moderate for the next few years. Therefore, it is fair to assume that the County's revenue base will grow only moderately for the foreseeable future, and there will be little growth in discretionary disbursements in our budget. Growth averaging just three percent is expected over the next several years.

National Economy

On the national front, the U.S. economy keeps inching out of the deep hole left by the "Great Recession" which officially ended in June 2009. However, after the 18-month contraction, the expansion has not been as strong as previous economic recoveries. In January 2011, Federal Reserve chair William Bernanke suggested that the U.S. economy was in better shape, but a full recovery will only be achieved once small businesses begin to prosper. Predicting that the economy will expand at a healthy pace of 3 to 4 percent in 2011, Bernanke expressed concern about the nation's high unemployment rate. Small businesses are still adversely affected by the stringent lending standards of banks squeezed by the credit crunch. While many big businesses have bounced back with healthy profits, smaller companies remain the weak sector in the economy. It should be noted that small firms account for about 50 percent of the nation's private sector economy. All in all, according to the Federal Reserve in January 2011, the economy is "very slowly gaining momentum, with some continued pockets of distress but also definite signs of progress as 2011 gets underway." Signs of recovery are seen in other sectors of the economy including unemployment, which has fallen to 9.0 percent, its lowest level since April 2009, retail sales and consumer confidence. Offsetting these optimistic indicators are record consumer debt levels, home price instability and inflation.

Local Economy

No region of the country was totally insulated from the adverse effects of the economy. In Fairfax County, nearly all homeowners saw losses in the value of their homes while several thousand lost their homes altogether through foreclosure. The current unemployment rate in Fairfax County is 4.6 percent, with slow to no job growth in construction, financial services, information and communication industries, and manufacturing. However, the County's unemployment rate during the recession peaked at 5.5 percent in February 2010 so it appears that unemployment is stabilizing in the County and slowly reversing its upward trend. There are signs of optimism as the local economy stabilizes and improves. Job growth and expansion of the economy are being fueled by continued growth in the private sector. For instance, in 2010, defense contracting giant Northrop Grumman Corporation announced that it was relocating its corporate headquarters from Los Angeles to Fairfax County in summer 2011. Following its signing of a $3.8 billion deal last summer with National Geospatial-Intelligence Agency (NGA), the Loudoun-based company GeoEye announced that it was relocating to Fairfax County to be closer to NGA which is also relocating from Bethesda, Maryland to Fort Belvoir. Fairfax County is currently home to eight Fortune 500 company headquarters: Capital One Financial, CSC, Freddie Mac, Gannett Corporation, General Dynamics, SAIC, Sallie Mae, NII Holdings, Inc., and the addition of Northrop Grumman will make it nine.

Real Estate

After declining for four consecutive years, residential property values, which make up over 75 percent of our real estate base, rose 2.34 percent. Another signal that the County's housing market is stabilizing is a downward trend in mortgage delinquencies. Nonresidential property values also improved primarily due to strong increases in apartments and hotels. Office property values rose modestly, as lease rates stabilized and office vacancy rates declined.

FY 2012 General Fund Revenues

FY 2012 General Fund revenues are projected to be $3,340,353,056, an increase of $102,848,445, or 3.1 percent, over the FY 2011 Adopted Budget Plan level and $92,710,572 over the *FY 2011 Revised Budget Plan*. The net increase is primarily the result of a $60.7 million increase in current Real Estate Taxes based on rising assessments and no change in the Real Estate Tax rate of $1.09 per $100 of assessed value. In addition, Personal Property Taxes are projected to increase $23.7 million mostly due to an increase in vehicle levy, and Other Local Taxes are expected to rise $7.0 million based on modest growth in various categories.

FY 2012 Disbursements

FY 2012 General Fund disbursements are $3.376 billion, an increase of $68.2 million, or 2 percent, over the FY 2011 Adopted Budget Plan and a decrease of $17.9 million, or 0.5 percent, from the FY 2011 Revised funding level. The increase over the Adopted budget is based on FY 2012 increased requirements of $78 million, offset by savings from agency budget cuts and reorganizations totaling $9.8 million. Increases in the County General Fund budget totaling $78.0 million fall into the following main categories: cost of County operations, human services requirements, debt service and capital construction, transportation, information technology and other.

Cost of County Operations *$53.6 million*

Over two-thirds of the increase in County General Fund disbursements is due to costs associated with ongoing County operations. These cost increases are driven primarily by current benefit requirements supporting the thousands of County employees who provide the quality services enjoyed by our residents. As noted above, no funding is included for employee salary increases for the third consecutive year. However the costs of insurance, retirement and other factors necessitate the majority of the FY 2012 increase in this category.

- **Retirement Funding**

  The FY 2012 budget includes a $15.4 million increase for fiduciary requirements associated with the County's retirement systems. All three of the County's retirement systems experienced significant value loss as a result of the global financial crisis during FY 2009. Consequently, the funding ratio of the Uniformed, Police Officers and Employees' retirement systems dropped further outside of the approved funding corridor of 90-120 percent. Following the established corridor funding policy, the employer contribution rates for each system are increased to amortize the unfunded liabilities created by the fall in values. Like most public pension plans, upturns and downturns in the value of plan equities are smoothed over a period of 3 years and, as a result, the full impact of the FY 2009 equity loss will not be fully evident until FY 2013. In order to prepare for the fiscal impact of the anticipated increase in the employer contribution rates, $15 million was identified at the *FY 2010 Carryover Review* and held in reserve to offset the FY 2012 requirements.

  Because of the funding issues associated with our plans in conjunction with the need to ensure competitiveness, the County is currently studying its retirement programs and policies. The results of this analysis will be available in summer 2011.

- **Other Post-Employment Benefits (OPEB) Requirements**

  Beginning in FY 2008, the County was required to account for and report costs associated with Other Post-Employment benefits, which include a graduated (based on years of service) monthly subsidy to retirees to help offset the cost of health insurance, as well as an implicit subsidy by including retirees in the County's health insurance plans. Historically, these costs were funded on a pay-as-you-go basis. However, regulation changes in the Governmental Accounting Standards Board (GASB) Statement No. 45 require that the County accrue the future costs of these benefits. This methodology mirrors the funding approach used for pension benefits. Based on the actuarial valuation as of July 2010, the County's actuarial accrued liability for OPEB is $489 million. As a result, the annual required contribution is $35 million. For the past several years, much of the annual required contribution has been funded through the application of balances that were accumulated based on excess revenues received from employer contributions and additional General Fund contributions. However, these reserves have been exhausted and an increase in the General Fund transfer of $10.1 million is required in FY 2012. As a result of this action, funding for the annual OPEB requirement will be included in the baseline budget and this recurring cost will be covered by recurring funding.

- **Health Insurance**
  FY 2012 funding for health insurance and other benefits is increased $8.7 million over FY 2011 levels. This increase is primarily attributable to $8.4 million required for health insurance, including the impact of projected premium increases of 10 percent for all County health insurance plans effective January 1, 2012 and the full-year impact of January 2011 premium adjustments. It should be noted that these premium increases are projections only; final premium decisions will be made in the fall of 2011 based on updated experience. Premiums will be set based on the impact to employees and retirees, the actual claims experience of each plan, the maintenance of adequate reserves, and the impact on the County's GASB 45 liability. The remaining increase of $0.3 million is the net impact of adjustments in other benefits categories including Social Security, dental insurance, and life insurance.

- **Worker's Compensation and Self-Insurance**
  An increase in the General Fund transfer to Fund 501, County Insurance, of $7.2 million is required for FY 2012. Fairfax County has a statutory responsibility to provide Workers' Compensation benefits, including medical treatment and loss of wages due to related disability, to employees who sustain occupational injuries and illnesses. The County Insurance Fund was established to fulfill this obligation. The Fund also provides for countywide commercial insurance and self-insurance. The County self-insures automobile and general liability claims. As a result of a number of significant injuries requiring long-term care and surgeries, an increase in medical costs in Workers' Compensation claims is projected for FY 2012 consistent with estimates for FY 2011 expenditures as approved by the Board of Supervisors at the *FY 2010 Carryover Review*. In addition, potentially significant liability losses are projected based on pending self-insurance claims in litigation.

- **Movement of a Portion of Grant Funding to General Fund**
  As part of the replacement of the County's legacy corporate computer systems, $6.1 million of grant revenues formerly accounted for in Fund 102, Federal/State Grant Fund, are now reflected in the General Fund, resulting in a commensurate increase in General Fund expenditures. This funding, primarily from 9 grants, no longer meets the grant definition as defined by the new system and now needs to be posted as General Fund revenue and expended directly from the General Fund. A corresponding adjustment has been made in Fund 102, Federal/State Grant Fund, for no net impact.

- **Limited Term Position Conversion**
  The County has reviewed the status of non-merit positions to ensure compliance with existing and new (both defined and evolving) requirements. This review is being driven by the Patient Protection and Affordable Care Act (PPACA), the Health Care and Education Reconciliation Act (HCERA), and Section 125 of the IRS Code on the provision of benefits to employees in certain non-merit positions. In addition to the regulatory compliance issues, the County has also reviewed personnel and payroll business practices as part of the FOCUS "blueprinting" process.

Positions that are currently categorized as Exempt Limited Term (L) or Exempt Part-Time (T) have been reviewed to determine what status adjustment is appropriate. Among the significant changes that will occur are the redefinition of the maximum number of hours to be worked by an employee in each of the new non-merit categories defined below; the opportunity for those non-merit employees who work between 20 hours a week and 30 hours a week to participate in County health care, dental care and flexible spending programs; the elimination of the break in service requirement for L status positions; and the opportunity to convert a limited number of L status positions to merit positions.

As a result of this review and consistent with Board approval in September 2010, 400 positions have been converted to Merit Regular and the process of competitively filling the positions has begun. New categories of non-merit positions – "Benefits Eligible" and "Benefits Non-Eligible" – are being created to accommodate the other business needs that must continue but which do not support full-time merit employees. A total of $4.0 million in additional General Fund resources have been included in the FY 2012 budget to reflect the full-year cost of the conversion.

♦ **Line of Duty Act**

Currently, the Commonwealth of Virginia funds the Line of Duty Act, which provides funding for healthcare benefits for public safety personnel disabled in the line-of-duty. The Act also pays benefits for qualified dependents of members who died in the line-of-duty. As of July 2011, the Commonwealth will still process and, if approved, pay the benefits. However, the County will now be required to reimburse the Commonwealth for all payments. Currently, the County is billing the state for approximately $44,000 per month for health and dental insurance coverage for 40 County personnel covered under the Line of Duty Act. In order to allow flexibility for premium increases and applications pending approval, the FY 2012 budget recommends the funding of $575,000 in Agency 89, Employee Benefits, to fund these benefits. It is important to note that as the state makes final decisions, there may be additional requirements that the County will be required to fund beginning in FY 2012.

Major Human Services Requirements *$12.1 million*

It continues to be critical that we leverage our ability to assist the neediest in the community and maintain the safety net to which the Board is so committed. We have been able to increase expenditures in support of many of our neediest, meet some of our highest priorities, and strengthen the public-private partnerships in this budget with limited County dollars. The $12.1 million General Fund expenditure increase and another $1 million increase in the Community Services Board are leveraged with federal and state funds. Some of the most significant adjustments are discussed below:

♦ **Comprehensive Services Act (CSA) Support**

An increase of $1.8 million is associated with the implementation of the state changes to programs for at-risk children. Specifically, the Human Services system will be implementing a System of Care initiative to support Intensive Care Coordination, the Family Partnership Program and enhanced Utilization Review. It is anticipated that providing these new services to the families and youth in CSA will reduce residential placements, increase the utilization of community-based services, reduce costs, and improve outcomes. The expenditure increase is offset by additional State revenue.

- **Child Care Assistance and Referral (CCAR) Program**
  An increase of $1,275,000 in Operating Expenses is associated with the Child Care Assistance and Referral (CCAR) Program. Funding is due to an increase in federal and state revenue to provide services which assist families with childcare costs, based on income levels. The expenditure increase is fully offset by an increase in state and federal revenue, for no net impact to the County.

- **School Health Program Resources**
  Twelve (12/12.0 SYE) additional positions are included for the School Health Program to begin implementation of a strategic plan to align school assignments by Fairfax County Public Schools (FCPS) clusters in order to maximize efficiencies and better respond to community needs. The additional 12 positions will allow the Health Department to target resources in those schools with a concentration of high-risk students with chronic medical conditions such as diabetes, asthma, seizure disorders, and life-threatening allergies. Funding to fully support the costs of these positions is provided by the Virginia Department of Education through its Standards of Quality monies and is based on the number of nursing hours provided to school-age children. The funding can only be used to support school nurse positions or for contracted service professionals providing health services. These funds, allocated to the FCPS, will be provided to the County through a transfer from the School Operating fund. Of the total funding of $3.8 million, half will support salaries, benefits, and operating costs associated with the new positions and other Health Department support for the School Health program, and half will be made available to the School system for services provided by FCPS in support of the School health functions.

- **Fairfax-Falls Church Community Services Board (CSB) Intensive Community Treatment Teams**
  In FY 2012, 20/15.5 SYE new positions are being created, with no additional net cost to the General Fund. The positions will add six Intensive Community Treatment Teams (ICT). These teams will provide intensive, community-based case management and outreach services to persons with serious mental illness and/or serious substance use disorders. This treatment model aligns with the principles and recommendations of the Josiah H. Beeman Commission as well as the Fairfax-Falls Church Community 10 Year Plan to Prevent and End Homelessness and will ensure that individuals served by the CSB with the most acute and complex needs will receive appropriate levels of support.

  Services will be focused on both homeless services and outpatient services. Consistent with the CSB's efforts in recent years, utilization of this intensive model of services will allow full maximization of Medicaid revenues through the billing of Case Management, Mental Health Supports, Crisis Intervention and Medication Management services. The ICT Homeless Services component includes the creation of three teams and 8/5.0 SYE positions, while the ICT Outpatient Services component includes the creation of three teams and 10/8.5 SYE positions. Also included are two business support positions. These business support positions are vital to ensuring Medicaid reimbursement of eligible consumers and eligible services. The FY 2012 total expenditure requirement, reflected in the Community Services Board budget, is $1,063,976, partially offset by $936,072 in new Medicaid revenues, with the remaining requirement of $127,904 appropriated from the CSB Beeman Commission balance which was established to help support recommendations from the Commission in the area of mental health services. These expenditures are anticipated to be fully offset by Medicaid revenues by FY 2013.

- **Herndon Neighborhood Resource Center**
  Additional recurring funding of $245,000 is required to address the transition of funding for the Herndon Neighborhood Resource Center. The Herndon Neighborhood Resource Center (HNRC) opened in July of 1999 as a collaborative effort of the Town of Herndon and Fairfax County. The Center offers integrated services, including the WIC program administered by the Health Department, to address the complex social and physical challenges facing many of Herndon's neighborhoods. It is within walking distance to many of the neighborhoods in the Dulles Park/Alabama Drive area and located on the Fairfax Connector bus route 950. Beginning in FY 2012 the County will fully fund the HNRC. The services provided are essential to meet prevention objectives of the County's Human Service system and the clients served by the HNRC have limited options for these services. County staff has been working to identify options to maintain the services in this community and will be working to partner with a non-profit for management of the HNRC.

- **Contract Rate Increases**
  An increase of $3.2 million supports contract rate increases for the providers of mandated and non-mandated services in the Department of Family Services, Community Services Board, Health Department, and Office to Prevent and End Homelessness. The expenditure increase is partially offset by an increase of $0.6 million in revenue for a net cost to the County of $2.6 million.

- **Revenue Alignment for Self Sufficiency Positions**
  An increase of $1.2 million in the Department of Family Services is associated with caseload requirements as a result of sustained and significant increases in requests for public assistance and the distribution of federal and state dollars for programs such as food stamps and Medicaid, which has required an increase in staff resources. The expenditure increase is fully offset by an increase in state revenue for no net impact to the County.

Capital Construction and Debt Service $0.8 million

- **Capital Construction**
  The Capital Construction Program is essential to the sustainability of County services and is organized to meet the existing and anticipated future needs of the residents of the County. Reinvestment in County facilities is critical to avoid deterioration and obsolescence. The Capital Program is primarily financed by the General Fund, General Obligation Bonds, fees, and service district revenues. The General Fund supported Capital Program of $16,084,369 reflects an increase of $506,963 over the FY 2011 Adopted Budget Plan level of $15,577,406. The $16.1 million Paydown Program represents General Fund support only for the following projects and programs: Park Authority Grounds Building and Equipment Maintenance of $1.88 million; Athletic Field Maintenance of $4.65 million; Americans with Disabilities Act (ADA) compliance funding of $2.17 million; construction funding associated with the renovation of a fourth courtroom of $0.55 million; continued revitalization maintenance and support of $1.1 million; funding associated with the County's environmental commitment to the Clean Air Partners and the Invasive Plant Removal Program of $0.085 million; ongoing support for Laurel Hill

development, emergency road repairs and developer defaults of $2.24 million; and obligations and commitments to the School-Age Child Care (SACC) program, the Northern Virginia Community College, and the annual Salona property payment of $3.42 million. General Fund support for these areas was reviewed critically on a project-by-project basis and funding was provided for only the most essential maintenance projects and legally obligated commitments.

It should be noted that to supplement the Paydown program, short-term borrowing of $15,000,000 will provide for capital renewal project funding in FY 2012. In FY 2012 the County will have a projected facility inventory of over 8.5 million square feet of space which requires the planned replacement of building subsystems such as roofs, electrical systems, HVAC, plumbing systems, carpet replacement, parking lot and garage repairs, fire alarm replacement and emergency generator replacement that have reached the end of their useful life. As part of the FY 2011 Adopted Budget Plan, the Board of Supervisors approved a 3-year plan of short-term borrowing. FY 2012 is the second appropriation for capital renewal projects supported by short-term borrowing. A total of $35 million is anticipated to eliminate the current backlog which will allow for a more preventative and proactive maintenance program, increase the life cycle of County buildings, and enable the renewal program to reach a fairly consistent level of annual funding. Borrowing will be based on actual project completion schedules and cash flow requirements and will be achieved through the establishment of a variable rate line of credit in order to take advantage of very low short-term interest rates. The renewal program is entirely supported by the short term borrowing plan and no General Fund funding is included in FY 2012.

- **Debt Service**

  FY 2012 General Fund support of the County and Schools debt service requirements is $282.8 million, an increase of $0.3 million over the FY 2011 level. The FY 2012 funding level supports debt service payments associated with existing debt service requirements. During FY 2012 it is anticipated that a general obligation bond sale of approximately $280 million will be conducted to fund cash requirements for on-going capital projects for School and County purposes. This bond sale estimate is consistent with the FY 2012 - FY 2016 Advertised Capital Improvement Program (With Future Fiscal Years to 2021). It should be noted that the Capital Improvement Program assumes School bond sales of $155 million per year for the next five years. This represents an increase from $130 million to $155 million in FCPS bond sales between FY 2013 and FY 2016.

Transportation $6.4 million

FY 2012 funding increases of $6.4 million are required to support mass transit related costs.

- **Metro Operations and Construction**

  The FY 2012 General Fund transfer in support of Metro Operations and Construction is increased by $3.9 million to $11.3 million. Based on current Metro system needs, Washington Metropolitan Area Transit Authority (WMATA) staff project an increased FY 2012 operating subsidy requirement from local jurisdictions of approximately 7 percent. The increased General Fund transfer, in combination with an additional $3.5 million in applied State Aid, will meet the anticipated increase in the subsidy requirement, as well as a prior year audit adjustment. State Aid and gas taxes, held on behalf of Fairfax County by the Northern Virginia Transportation Commission (NVTC), are used in support of both Metro and CONNECTOR requirements, and minimize the impact of increases on the County's General Fund. The use of these balances in the last several years made it possible to lower General Fund support to Metro; however; these one-time balances are limited and are not anticipated to be available to fully meet future year operating budget requirements associated with rail to Dulles, and bus transit in support of new silver line Metro rail stations and beltway HOT lanes.

- **County Transit**

  The FY 2012 General Fund transfer for the County Transit Systems, the Fairfax CONNECTOR and the Virginia Railway Express (VRE), is $34.45 million, an increase of $2.5 million, or 7.7 percent. This increases funds the expansion of bus services in the Fort Belvoir area, required as a result of the federal Base Realignment and Closure (BRAC). It also supports relocating bus services to a new Reston East Park & Ride. The current site will be permanently closed in March 2011 in preparation for the construction of the Wiehle Avenue Metro Station. In addition to increased General Fund support for County Transit, additional commercial and industrial tax funding will support expanded service to implement critical routes identified within the Transit Development Plan, including a new route servicing Tysons to Dulles Airport and improved frequency of routes in the Richmond Highway corridor. One-time State Aid balances, held on behalf of the County by NVTC, will support the purchase costs of 25 buses for future beltway HOT Lanes. It is necessary to place buses on order at least 18 months prior to the initiation of any service.

Information Technology Requirements for Enhanced Operations and Efficiencies $3.4 million

- **Information Technology Projects**

  Total General Fund support of projects in Fund 104, Information Technology, is $5.3 million, an increase of $2.1 million over the FY 2011 Adopted Budget Plan level. This funding supports several critical Information Technology projects which will replace existing legacy systems, complete the Public Safety wireless mobile replacement, and fund key projects for enhanced operations and security. In addition, an increase of $1.3 million to support annual software license and database license maintenance agreements is included in the Department of Information Technology agency budget to support systems requirements of the FOCUS project, as well as ongoing operations from other projects in the post-implementation phase.

- **Use of Cable Funding to Support Key Technology Initiatives**

  It should be noted that two new information technology projects are being financed by a transfer from Fund 105, Cable Communications. Revenue in the cable fund is derived from franchise fees and may only be used for cable and I-NET related projects. In FY 2012, funding of $2.0 million is made available from cable revenues to support requirements associated with the deployment of technologies to secure access of new web-based social media functionalities. Utilizing the County's IT infrastructure, including the I-Net, this project will implement a protected web security gateway to provide for secure access for agency business needs, smart media/video streaming and data leakage protection. This project also improves compliance with regulatory standards, mitigates against cyber security threats to the County's networks, and enables real-time security monitoring. Funding of $3.7 million supports the Police Department's In-Car Video System project to install digital surveillance video cameras in the Police Department's 800 vehicle fleet. The In-Car Video system enables accurate recording of events, statements and scenes, enhances both the Commonwealth and County Attorneys' abilities to support cases and improves the department's accountability to the public. The In-Car Video System will utilize the County's I-Net to transmit, store, and access the video data.

Other Adjustments $1.7 million

There are a small number of other increases in the budget based on requirements, including $0.8 million associated with new positions added at the *FY 2010 Carryover Review* in support of the Tysons Plan Amendment, $0.4 million in the Office of Elections for expenses related to redistricting, and $0.25 million in increased advertising funding for the Economic Development Authority.

Agency Budget Reductions and Reorganization Opportunities/Savings ($9.8) million

In accordance with direction provided to agencies immediately after the adoption of the budget in Spring 2010, the FY 2012 budget includes agency budget reductions totaling $9.5 million. These reductions, which impact most County agencies, do not result in significant programmatic reductions but require agencies to hold positions vacant longer, to not fill some key position vacancies and to maintain work and service levels within reduced resource levels.

To generate the savings, I identified targets and worked with agencies to identify savings opportunities. In addition, I have been guided by suggestions from our senior leadership group. A commensurate savings of approximately $9.6 million will be identified as part of the *FY 2011 Third Quarter Review*. These savings have been anticipated and have been applied in the FY 2012 budget proposal.

In addition, the FY 2012 budget includes a number of reorganization changes for a total savings to the General Fund of $0.3 million. As you recall, the FY 2011 budget included a considerable number of reorganizations and resultant savings to the General Fund. Staff has been hard at work in FY 2011 implementing these reorganizations. Any reorganization can be a challenge, especially in the County's current environment of several years of reductions, increasing workloads in our human service agencies and the continued uncertainty in the economy. I know each Board member has been briefed on the status of one of our largest reorganizations, the creation of the Department of Neighborhood and Community Services and it, like the rest of our reorganizations, is moving forward thanks to the hard work of staff. Another effort that is underway is the FOCUS project. Though not a "reorganization," the project is still designed to help the County improve our performance and requires an enormous contribution from County and Schools staff, many dedicated full-time to the project and hundreds of others throughout the organization who assist with the project and fill in for staff dedicated full time to the effort. I think it is essential that we provide the resources necessary to make this project successful and ensure that the benefits of improved processing, access to data and financial transparency are achieved. Therefore, I have deliberately focused staff's attention on the implementations of FY 2011 reorganizations and the FOCUS project so the list of reorganizations for FY 2012 is somewhat shorter and the savings, at $0.3 million, is smaller. The more significant reason for making these changes is improved, efficient and effective operations. The changes in the FY 2012 budget include:

- Scheduling, technology support and logistics associated with the use of the conference rooms at the Government Center complex have been consolidated and transferred to Fund 105, Cable Communications, resulting in a savings to the General Fund. This consolidation maximizes operations efficiencies by aligning video technology support with the Communications Productions engineer staff and leveraging technology, scheduling logistics and other resources to provide conference center services.

- Transfer of the Seniors-on-the-Go! and the Taxi Access program from the Departments of Transportation and Family Services to the Department of Neighborhood and Community Services. As a result, human services transportation services are further consolidated and transportation for seniors is coordinated.
- Transfer of Access Fairfax from the Office of Public Affairs to the Department of Neighborhood and Community Services to provide a more focused link to clients at the South County Government Center.

- Transfer of support for the Showmobile from the Department of Purchasing and Supply Management to the Park Authority, as the vast majority of use is at Park sites.

FY 2012 and Beyond

As a result of the revenue increase of $103 million, offset by expenditure requirements of $68 million and balance adjustments of $5 million, the FY 2012 budget proposal results in a balance of $30 million. Prior to addressing possible uses for this balance, I believe it is necessary to summarize some of the more pressing requirements for the County in the near-term. There are a number of significant funding challenges presented in FY 2012 and beyond, and these challenges must be considered during decision-making on the FY 2012 balance, the budget, the tax rate, and Board budget guidelines for the next several fiscal years.

All signs indicate that the economy – nationally, regionally, and locally – is expected to show moderate to low growth at best with no appreciable increases in revenue for the County over the next several years. Since the "Great Recession" of 2007-2009 was deeper and more painful than earlier recessions, it is reasonable to assume that recovery will be slow and extended. Comparatively speaking, economic recovery from the recession in the early 1990s extended almost 8 years before real, significant growth was realized in the County's housing market and other revenue streams. Consequently, we will have to accept the economic realities of the "new normal" and adjust our expectations for expanding existing programs and creating new programs in the face of limited revenue growth.

Past Lessons and Strategic Decisions

Fairfax County's priority services and programs survived the recession better than most local governments because of an adherence to a very sound, strategic approach that streamlined and reduced costs and inefficiencies. This approach required hard choices that have enabled the County to move forward. The bond markets and our creditors point to this approach in their assessments of our overall fiscal health. For example, in January 2011, the global bond-rating agency Fitch reaffirmed our long-standing Triple A (AAA) bond rating, characterizing the County's outlook as *stable*. In reporting the rationale for its rating, it noted that, "Fairfax County's 'AAA' rating is based on its history of exemplary financial management and planning, consistent operating results, and solid general fund reserves....Fitch anticipates stable financial performance, based on the County's continued adherence to sound financial management practices, conservative budgeting, and proven ability to respond to changes in its operating environment."

By staying the course of this sound approach which required strategic reductions in County costs, tax rate adjustments to stabilize County Real Estate Tax receipts and limited use of our reserves and balances, the County has continued to provide those services most important to our residents and businesses. Since revenue growth will be stunted, I strongly recommend that the Board of Supervisors continues to stay the course of restrained spending and maintaining the stable tax rate that it has consistently pursued during the past several years. This approach enabled us to survive the "Great Recession" and an ongoing commitment to this stabilizing approach will help us to eventually recover and progress without having to make any further significant programmatic reductions or invoke significant increases in the Real Estate Tax rate.

The New Normal: No Expansion of Existing Programs, No Creation of New Programs and No Restoration of Previous Reductions or Eliminations

Therefore, our focus in the County budget will continue to concentrate on providing the highest priority services demanded by the public while investing in and shoring up our infrastructure. This strategy will allow us to continue providing good services, maintain safe environments for all who use our facilities, and enable us to remain competent, competitive and cost-effective. The Board's successful strategy demands that we cannot expand existing programs, unless critically required, mandated, or supported by non-County sources. Furthermore, with few exceptions, there will only be limited growth in existing programs in the near future to accommodate mandated initiatives or to fund those needs that are most critical to ensuring the continuity of our operations and core functions. In addition, there will be no restoration of previous program reductions. As such, in this budget, just as in FY 2010 and FY 2011, there are no budgeted increases for compensation or other significant investment in our infrastructure. On the contrary, as we continue to monitor the inventory of our services and programs, we will continue to reprioritize our available funding depending on existing resources in FY 2013. The inevitable ebbs and flows of the economy will necessitate that we make tweaks and adjust our expectations and assumptions as we progress. Our overall budget proposals for these programs and services will have to be balanced with the available resources. Yet, as we continue to stabilize, we will nevertheless continue to explore opportunities to make our services more cost-effective, efficient, and innovative through the creativity and resourcefulness of our staff. We have done this in the past, we are doing it right now, and we will continue to do it in the future by seeking to give our residents the most value for their tax dollar. We will continue to do the right things and do them in the right, most cost-effective way.

Continued Funding for and Partnership with Fairfax County Public Schools

We remain committed to continuing our partnership with Schools, although we both recognize the constraints brought on by slower growth, which will limit what we can jointly achieve in the short-term. Of course, the current economic situation dictates that there will be no increase in the County's General Fund transfer to the Schools in FY 2012 and no significant increase in the transfer in the near term. Nevertheless, the Schools will continue to receive the majority of our General Fund budget, reflective of education being our community's highest priority. All agree that due to other ongoing disbursement requirements, Schools staff must continue to look for and take advantage of opportunities to streamline their programs and reduce costs while living within this new normal along with us. As I noted earlier, the challenges facing the Schools over the next two years are daunting and absent significant tax rate increases, FCPS must continue to wield a surgical approach to reduce costs where it deems it most appropriate while minimizing the impact on the classroom sizes and maintaining the integrity of our Schools' core curricula and programs.

County Infrastructure Investment

In addition to our continued funding of education, one of our most pressing challenges in this era of slow revenue growth is finding the resources to fund investment in our infrastructure. Although little new funding is available for this investment in the FY 2012 budget, there are significant near-term requirements for the two key components: investment in our employees and investment in our infrastructure.

EMPLOYEES

Clearly, our employees are our greatest resource – they are the principal means by which our government provides the services that affect nearly everyone's daily routine more so than any other type of government, from public safety to public health to public education. Thousands of men and women provide these crucial services everyday to our residents.

One of the most difficult challenges we have faced over the past three years is the continued lack of resources to provide our employees with compensation adjustments. While this budget does not recommend increases in employee compensation, I do urge the Board of Supervisors to consider various options to recognize and reward our employees for their contributions through every possible avenue, and to continue to discuss and consider the challenges of employee compensation. In the meantime, it is especially important for the County to keep funding our benefits program, now more than ever. Of course, benefits constitute an important and integral component of our employees' overall compensation package. Moreover, our benefits programs are a mainstay in attracting, recruiting, and retaining highly qualified staff. In order to maintain our competitiveness in this region, especially faced with a significant number of "Baby Boomers" projected to retire within the next five years, it is imperative that we keep our benefits programs competitive and sound while recognizing our limitations to fund compensation increases at the present. Based on the Board's guidance in 2010, staff continues to review the County's retirement policies and programs. With funding designated at the *FY 2010 Carryover Review*, the Department of Human Resources is currently conducting a comprehensive retirement study with results expected to be presented to the Board of Supervisors in summer 2011.

Proposed New Employee Compensation Model

To ensure the ongoing viability of our successful Pay for Performance program, this budget includes changes to the existing system. Specifically, the new proposed system will feature two components: pay for performance (PFP) and a market rate adjustment (MRA). The new pay for performance component features an annual performance evaluation rating between 0 and 3 percent, and a market rate adjustment component totaling 1 to 3 percent, both contingent on available funding in any given budget year. Therefore, compensation increases for staff may increase in a given year between 1 and 6 percent. No funding in support of this new system is included in the FY 2012 budget but it is important that the changes be made and in place so the new process and structure can be implemented with funding availability. In addition, changes to the rating process, including the timing of evaluations can be made more quickly.

Compensation Program Recommendations

Earlier discussions with employee groups and the Board Personnel and Reorganization Committee recommended that the pay for performance program be revised to include both a market rate (MRA) component and a variable pay for performance (PFP) component. As a result the County Executive has recommended a new program to be developed for implementation in FY 2013, subject to funding availability.

The Market Rate Adjustment will:

- continue to be calculated based on the approved formula
- be no less than 1 percent and no greater than 3 percent
- be applied to all employee groups and pay scales
- be implemented at the beginning of each fiscal year; and
- be complemented by a pay scale review every 3-5 years to maintain market competitiveness

Pay for Performance will:

- range from 0 percent to 3 percent
- not have any bonus component
- move to a single anniversary date with the implementation of the new payroll system
- require all reviews be completed in the Fall; and
- apply pay increases associated with PFP at the beginning of the calendar year

Stable Workforce

Despite significant population growth and the building of numerous new facilities to serve the needs of our community since 1990, the County has managed to keep a very stable workforce without significantly increasing staff. In fact, our positions per capita ratio, which currently stands at 11.34 per 1,000 residents, is currently 17 percent lower than the level 20 years ago, largely due to increased efficiencies gained through information technology and reductions in administrative and management positions. This budget proposal includes the modest addition of 35/30.5 SYE new positions with 12/12.0 SYE positions for the Health Department, 20/15.5 SYE positions for the Fairfax-Falls Church Community Services Board and 3/3.0 SYE positions for the Reston Community Center. All of these additional positions are fully supported by non-General Fund sources.

PHYSICAL INFRASTRUCTURE

Physical Infrastructure is perhaps best defined as the physical assets of our government, that is, our public buildings, parks, sewer system, and technology systems that support our efficient operation of local government and significantly contribute to the quality of life in the County. Our past investment in this infrastructure as well as future requirements will support the continuation of high quality County services.

Information Technology

Due to limited growth and resources, the County will continue to leverage efficiencies through technology. Technology makes it possible for us to deliver the same level of service with essentially the same number of staff to more residents and a greater number of public facilities than we did in 1990. Technology continues to transform the way we work and do business in the County. Coping with growth in the demand for services with limited resources, the County is faced with major challenges and opportunities where technological innovation is essential. We also have to operate with high expectations from the County's residents and the business community who want to interact and conduct business with us by using automation to its fullest. To aid greater responsiveness and transparency in government, we are maximizing our web-based capabilities to enable residents and businesses to do business with us more easily and faster. In order to leverage greater opportunities for collaboration and information sharing among Board members, County agencies, other governments, private/non-profit partners, media and the public, the County continues to expand and improve its Web 2.0 platform to support broader usage of social media, such as Facebook, Twitter and YouTube, by County staff. There is not a significant increase in Information Technology funding in the FY 2012 budget, rather the FY 2012 funding supports the completion of high priority projects and the costs associated with our legacy system replacement. There are other pressing and equally important technology infrastructure needs in the areas of human services, public safety, planning and development which must be prioritized over the next couple of years.

New Enterprise Resource Planning System (FOCUS)

One of the primary IT initiatives currently underway, the FOCUS project, is the replacement of our aging legacy corporate mainframe systems with a new Enterprise Resource Planning system. Fairfax County government and Schools have embarked on a multi-year, joint initiative to modernize the portfolio of enterprise systems that support finance, human resources, budget, procurement, and related administrative applications with an integrated approach that has the flexibility to meet current and future requirements. The project seeks to mitigate the risk that antiquated and disjointed systems pose for system failure. The current legacy systems leave us vulnerable to increased risk for fraud and security intrusions. Due to their age, many of these systems have no vendor support and rely on retirement eligible in-house staff for maintenance. Some of the benefits of the new FOCUS system for County and Schools staff include:

FOCUS
FAIRFAX COUNTY

- providing the opportunity for multi-faceted, data-driven decisions;
- improving the efficiency and effectiveness of existing processes;
- enhancing e-government initiatives;
- improving transparency and accountability;
- aligning the reporting strategy for the County government and the School system;

- reducing the number of shadow systems and reconciliations between systems; and
- reducing redundant data entry, storage, and paper processing

The cost of the FOCUS project, estimated at $60 million, has been financed by the strategic allocation of year-end agency savings and other balances, as well as the application of additional recurring dollars for the ongoing systems support of the project. A contractually obligated requirement of approximately $20 million remains for this joint County-Schools project, which will need to be included in a future budget process.

Capital Infrastructure

One of our most vital infrastructure needs centers on capital infrastructure. Much of the County's infrastructure is aging and key parts are in need of repair, renovation, rebuilding, or replacement. In particular, the renewal of the County's building subsystems such as roof replacement, plumbing, and HVAC/ electrical systems require increasing attention and funding. For several years staff has identified an estimated requirement of $22 to $26 million in capital renewal investment annually for the current building inventory. Annual capital renewal funding has never reached these projected required levels in the County. It is estimated that approximately $35 million in capital renewal projects are currently backlogged. The FY 2012 Advertised Budget Plan provides much more detail about a short-term borrowing plan to address this backlog. The capital renewal program is budgeted at $15 million for work on 36 Category F projects which are those projects deemed to be "urgent/safety related, or endangering life and/or property." The County will have to continue monitoring and addressing its aging capital facilities.

Some of the County's Infrastructure

- Over 8.5 million square feet of space maintained by FMD at 189 County owned-facilities, including 11 parking garages and 14 radio towers
- Over 537,000 square feet of buildings maintained by the Park Authority
- 644 miles of walkways maintained by Public Works
- 300 miles of walkways maintained by the Park Authority
- 505 FCPS athletic fields at over 175 school sites
- 287 athletic fields (owned by the Park Authority)
- 32 operational turf fields throughout the County

Future Infrastructure Investments

We have many infrastructure needs and lots of work to be done to shore up our aging buildings, sidewalks, IT systems, and vehicles. The challenge for future funding is compounded by the necessary investments we are currently making in a number of large, significant projects such as the Tysons redevelopment, the replacement of the 43-year-old Massey Public Safety Building, the building of the new Woodburn Mental Health Center, and a significant revitalization effort throughout the County. The County is in the midst of an ambitious and effective plan to revitalize and redevelop the areas of Tysons, Merrifield, McLean, Springfield, Baileys Crossroads, Annandale, and the Richmond Highway corridors. In particular, the County's vision to transform Tysons Corner will make it a livable, walkable, urban downtown for Northern Virginia. Tysons is the heart of the County's commercial growth. Our plans will transform Tysons from a sprawling, car-centered area into a high-density, pedestrian-friendly urban center that will eventually grow over the next few decades to about twice the current 44 million square feet of commercial and residential space. It is projected that the population of the Tysons region could increase from 17,000 to 100,000 over the next 20 years. Our transportation staff estimates that this new urban center will require $3.5 billion in road and transportation improvements over the next two decades. This makeover of Tysons has already begun, and ground was broken in 2009 on the first phase of an extension of the Metrorail system, which will bring four new Metrorail stations to Tysons. Much further analysis, alternative costing, and financing review will be necessary over the next year to develop community consensus and focused decisions on how to pay for these investments.

Construction of the Tysons East Station at Route 123 and Coleshire Road (Capital One Headquarters in background).

These necessary and worthwhile projects, as well as our ongoing infrastructure needs for repair, renovation, and replacement, will pose significant funding challenges for us in FY 2013 and FY 2014. Many of these current infrastructure projects will require funding increases within the next two to four years and will require the Board to prioritize funding and project timelines as deferring or delaying investments in these critical infrastructure needs is not possible. I anticipate much discussion, analysis, study, and consensus-gathering of financing solutions for these vital projects over the next several years.

The Choices Before Us

Like all budgets, this one is extremely important since the choices and decisions we make in the next few months will have long-term ramifications for the progress we make in further stabilizing our government and shoring up much needed investments for our future critical infrastructure needs. In April 2010, the Board of Supervisors directed me to prepare a budget proposal for FY 2012 that "considers the affordability of taxes for our residents and businesses and attempts to keep the taxes steady with FY 2011." This budget reflects this guidance. With the recommendations in this budget proposal, there is a balance of $30 million which equates to less than 1.0 percent of our General Fund budget. As a result, there is flexibility for the Board during its deliberations on the FY 2012 budget. Options include:

1. Use it for employee compensation increases: The balance could be used to fund a one-time, non-recurring bonus for County employees. This could include a 1 percent bonus which would cost approximately $7.8 million or an across-the-board flat-rate bonus. A $1,000 net bonus for County employees would cost approximately $15.7 million.

2. Increase the General Fund transfer to Schools: The balance could be used to increase the County transfer to the Fairfax County Public Schools. The FCPS School Board requested a General Fund transfer for school operations of $1.66 billion, an increase of $48.8 million or approximately 3 percent above the FY 2011 level. This budget proposal includes no increase to the School transfer. Each one percent increase in the School transfer is $16.1 million.

3. Reduce the Real Estate Tax rate: The balance could be used to reduce the Real Estate Tax rate. Each one cent reduction in the tax rate would cost $19.3 million and results in savings to the average homeowner of $45 annually.

4. Use it to make up for potential loss in revenue from the Commonwealth or State authorized revenue sources.

5. Use it to fund other priorities and unfunded initiatives cited in this budget: The balance could be used to fund current unfunded requirements.

6. Use it for the required, contractually obligated $20 million payment which remains for completion of the joint County-Schools FOCUS project.

7. Save it for upcoming critical needs in FY 2013: The balance could be held in reserve to address FY 2013 requirements and beyond or to support the infrastructure requirements noted above.

<u>I believe and strongly recommend that the most prudent and fiscally responsible choice from this array of options is to save this money in our reserves in light of the FY 2013 financial forecast and the crucial need to eventually fund our ongoing, critical infrastructure needs</u>. Many of the above options are not only important and worthy of much consideration but also appealing to many for the short-term. However, I think it is more important that we proceed cautiously considering the uncertainties of future budget years. We have always made these difficult choices by considering the long-term issues and consequences of our choices to maintain our quality of life not just for today but for tomorrow and for the next generation.

Conclusion

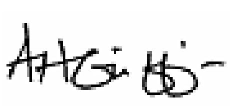
As I have illustrated in this recommended balanced budget proposal, we are emerging from the worst recession in two generations in better shape than most because of the expedient choices we made over the past three years. We now find ourselves in the midst of a period of stabilization, both in terms of our economic recovery and in our existing array of County programs and services.

With the prospects of constrained revenue and slow economic growth in the near-term, I strongly recommend that we stay the current course that has enabled us to survive this severe recession relatively intact without sacrificing the integrity of our core functions. Now is not the time to deviate from this sound, tried and true course. We have many significant challenges before us that will require us to continue to make some hard, priority-based decisions with a concentrated focus on using any available funding balances for our infrastructure needs. This ability to make the tough decisions at the present, forged with a commitment of prudent, responsible investment in the future, has characterized Fairfax County for many years. Our investors know it. Our residents know it. Our employees know it. In fact, many people around the country recognize it, and many people who move here or residents who stay here do so because we have contributed to creating a great community for the present and affirmed the promise it provides for the future.

This budget message reminds us that we cannot go backwards; on the contrary, I have included funding and investments to keep us moving forward. Nevertheless, a "new normal" is here to stay. As we progress into the 21st century, we have to remain true to the foundational principles that have contributed to the growth and stability of our County government. And yet we must also adapt and transform our government to tackle the challenges before us and to shore up our investment in our infrastructure. The challenges I have outlined require us to adhere to the far-sighted policies and strategies outlined and recommended in this budget and to be mindful of the necessity to invest in the future. The history of prudent decision-making and investing by the Board has paid handsome dividends for the County. We will continue to be fiscally sound for the present and sufficiently prepared for the future.

Finally, I would like to thank the Board of Supervisors, many residents, agency directors, staff and other stakeholders who have contributed to the development of this budget proposal. It is in this spirit of collaboration that I respectfully submit the FY 2012 Advertised Budget Plan to the Board of Supervisors and our community for its consideration.

Anthony H. Griffin



County Executive

ADVERTISED TAX AND FEE FACTS

Type	Unit	FY 2010 Actual Rate	FY 2011 Actual Rate	FY 2012 Recommended Rate
Real Estate	$100/Assessed Value	$1.04	$1.09	$1.09
Personal Property	$100/Assessed Value	$4.57	$4.57	$4.57
Integrated Pest Management Program	$100/Assessed Value	$0.001	$0.001	$0.001
Refuse Collection	Household	$345	$345	$345
Refuse Disposal	Ton	$60	$60	$60
Solid Waste Landfill Ash Disposal	Ton	$13.50	$13.50	$15.50
Leaf Collection	$100/Assessed Value	$0.015	$0.015	$0.015
Sewer Availability Charge	Residential	$7,310	$7,750	$7,750
Sewer Service Charge	Per 1,000 Gallons	$4.50	$5.27	$6.01
McLean Community Center	$100/Assessed Value	$0.024	$0.024	$0.023
Reston Community Center	$100/Assessed Value	$0.047	$0.047	$0.047
Commercial Real Estate Tax For Transportation	$100/Assessed Value	$0.11	$0.11	$0.11
Stormwater Services District Levy	$100/Assessed Value	NA	$0.015	$0.015

Advertised Summary General Fund Statement

(in millions of dollars)

	FY 2010 Actuals	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	Inc/(Dec) Over Adopted	% Inc/(Dec) Over Adopted
Beginning Balance [1]	**$185.39**	**$137.05**	**$240.28**	**$126.30**	**($10.75)**	**(7.84%)**
Revenue [2,3]	$3,350.61	$3,237.50	$3,247.64	$3,340.35	$102.85	3.18%
Transfers In	$12.12	$6.73	$8.06	$7.48	$0.75	11.13%
Total Available	**$3,548.12**	**$3,381.28**	**$3,495.98**	**$3,474.13**	**$92.85**	**2.75%**
Direct Expenditures [2]	$1,161.44	$1,193.61	$1,259.27	$1,236.75	$43.15	3.61%
Transfers Out						
School Operating [4]	$1,626.60	$1,610.33	$1,611.59	$1,610.33	$0.00	0.00%
School Debt Service	163.77	160.71	160.71	163.47	2.76	1.72%
Subtotal Schools	*$1,790.37*	*$1,771.04*	*$1,772.30*	*$1,773.81*	*$2.77*	*0.16%*
Revenue Stabilization	$16.21	$0.00	$0.00	$0.00	$0.00	-
Metro	7.41	7.41	7.41	11.30	3.89	52.48%
Community Services Board	93.62	93.34	93.34	94.45	1.11	1.19%
County Transit Systems	21.56	31.99	31.99	34.46	2.46	7.70%
Capital Paydown	20.89	15.58	15.91	16.08	0.51	3.25%
Information Technology	13.43	3.23	13.23	5.28	2.06	63.75%
County Debt Service	110.93	121.87	121.87	119.37	(2.50)	(2.05%)
OPEB	9.90	9.90	9.90	20.00	10.10	102.02%
Other Transfers	62.08	60.15	69.05	64.85	4.70	7.81%
Subtotal County	*$356.03*	*$343.47*	*$362.69*	*$365.79*	*$22.33*	*6.50%*
Total Transfers Out	$2,146.40	$2,114.51	$2,134.99	$2,139.60	$25.09	1.19%
Total Disbursements	**$3,307.84**	**$3,308.12**	**$3,394.26**	**$3,376.35**	**$68.23**	**2.06%**
Ending Balance	**$240.28**	**$73.16**	**$101.72**	**$97.78**	**$24.61**	**33.64%**
Less:						
Managed Reserve	$68.01	$66.16	$67.89	$67.53	$1.36	2.06%
FY 2009 Audit Adjustments [5]	0.73				0.00	-
Balances held in reserve for FY 2011 [6]	12.97				0.00	-
Third Quarter Reductions [7]	35.34				0.00	-
Retirement Reserve [8]	20.00				0.00	-
Reserve for State Cuts [9]		7.00			(7.00)	(100.00%)
Reserve for FY 2011/FY 2012 [10]			23.95		0.00	-
FY 2010 Audit Adjustments [2]			2.54		0.00	-
Additional FY 2011 Revenue [3]			7.34		0.00	-
Reserve for Board Consideration [11]				30.25	30.25	-
Total Available	**$103.23**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**0.00%**

[1] The FY 2012 Advertised Budget Plan Beginning Balance reflects the FY 2011 Revised Managed Reserve of $67,885,230 and, as noted below, balances held in reserve for FY 2012 requirements totaling $23,953,143, the net impact of FY 2010 audit adjustments of $2,539,239, and additional FY 2011 revenue of $7,339,516. In addition, the beginning balance includes $15,000,000 set aside in reserve in Agency 89, Employee Benefits, at the *FY 2010 Carryover Review* for anticipated increases in the FY 2012 employer contribution rates for Retirement and $9,580,000 in reductions anticipated to be taken at the *FY 2011 Third Quarter Review* and held in reserve to balance the FY 2012 budget.

[2] In order to appropriately reflect actual revenues and expenditures in the proper fiscal year, FY 2010 revenues are increased $1,890,845 and FY 2010 expenditures are decreased $648,394 to reflect audit adjustments as included in the FY 2010 Comprehensive Annual Financial Report (CAFR). As a result, the *FY 2011 Revised Budget Plan* Beginning Balance reflects a net increase of $2,539,239. Details of the FY 2010 audit adjustments will be included in the FY 2011 Third Quarter package. It should be noted that this amount has been set aside in reserve and utilized to balance the FY 2012 budget.

[3] *FY 2011 Revised Budget Plan* revenues reflect a net increase of $7,339,516 million based on revised revenue estimates as of fall 2010. The *FY 2011 Third Quarter Review* will contain a detailed explanation of these changes. It should be noted that this amount has been set aside in reserve and utilized to balance the FY 2012 budget.

[4] The proposed County General Fund transfer for school operations in FY 2012 totals $1,610.3 million, which reflects no change from the FY 2011 Adopted Budget Plan level. It should be noted that the Fairfax County Public Schools Superintendent's Proposed budget reflects a General Fund transfer of $1,659.1 million, an increase of $48.8 million or 3.0 percent over the FY 2011 Adopted Budget Plan. In their action on the Superintendent's Proposed budget on February 3, 2011, the School Board maintained the Superintendent's transfer request.

[5] As a result of FY 2009 audit adjustments, an amount of $728,086 was available to be held in reserve in FY 2010 and was utilized to balance the FY 2011 budget.

[6] As part of the *FY 2009 Carryover Review*, $12,429,680 was identified to be held in reserve for FY 2011 requirements. As part of the *FY 2010 Third Quarter Review*, an additional amount of $542,445 was set aside and held in reserve for FY 2011 requirements. This balance was the result of decreased Managed Reserve requirements attributable to reductions taken as part of the *FY 2010 Third Quarter Review*. This reserve was utilized to balance the FY 2011 budget.

[7] As part of the *FY 2010 Third Quarter Review*, $35,340,186 in reductions were taken and set aside in reserve for FY 2011 requirements. This amount was assumed in the beginning balance for the FY 2011 Adopted Budget Plan and was utilized to balance the FY 2011 budget.

[8] As part of the *FY 2009 Carryover Review*, $20,000,000 was set aside in reserve in Agency 89, Employee Benefits, for anticipated increases in the FY 2011 employer contribution rates for Retirement. This amount was assumed in the beginning balance for the FY 2011 Adopted Budget Plan and was utilized to balance the FY 2011 budget.

[9] An amount of $7,000,000 was set aside in reserve as part of the FY 2011 Adopted Budget Plan to offset potential reductions in state revenue beyond those accommodated within FY 2011 revenue estimates. As part of the *FY 2010 Carryover Review*, $1,255,755 of this reserve was utilized to fund the Priority Schools Initiative for the Fairfax County Public Schools. The remaining balance was reallocated to a reserve for FY 2011 critical requirements or to address the projected FY 2012 shortfall.

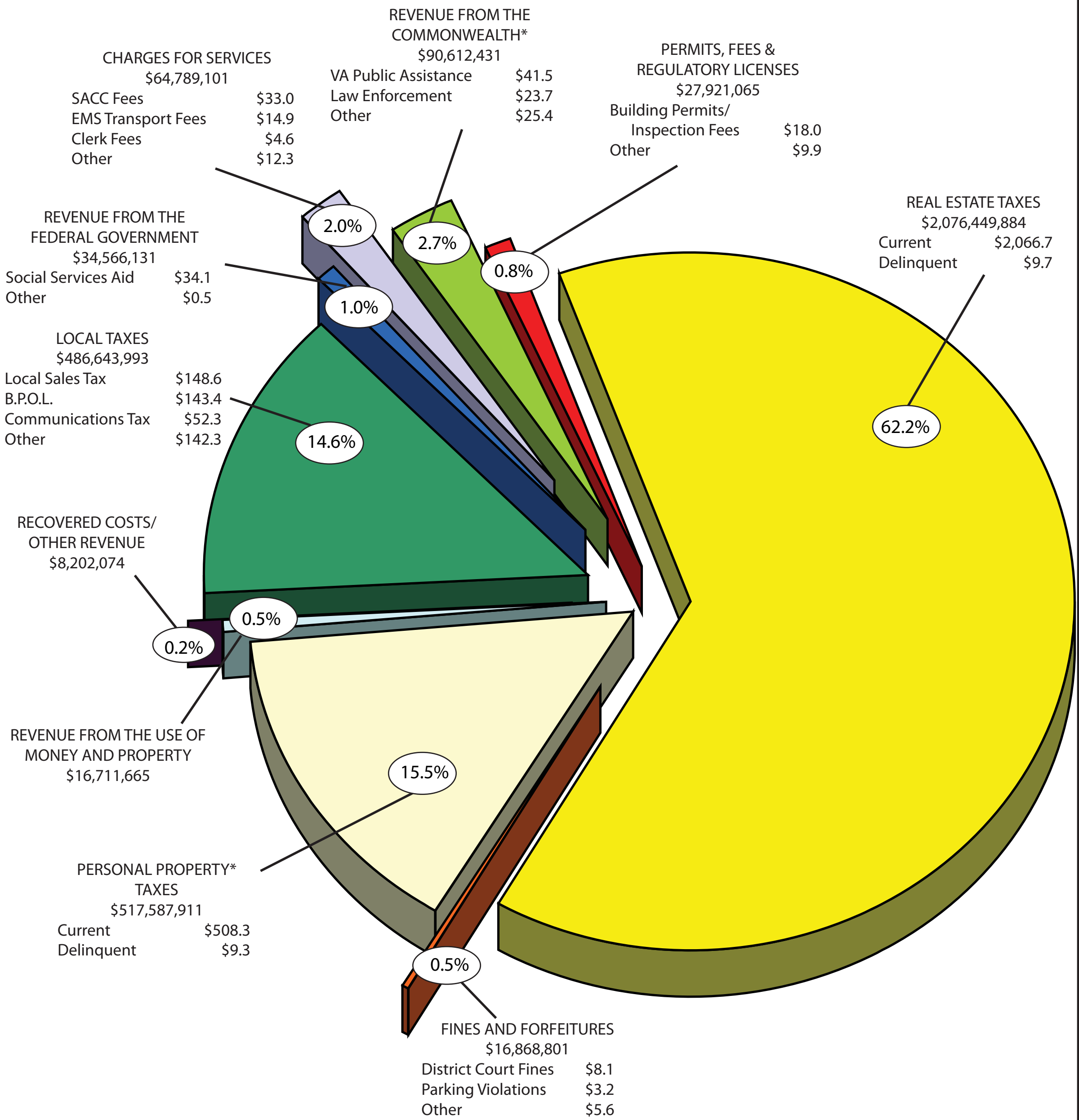
[10] As part of the *FY 2010 Carryover Review*, $23,953,143 was identified to be held in reserve for critical requirements in FY 2011 or to address the projected budget shortfall in FY 2012. It should be noted that this reserve has been utilized to balance the FY 2012 budget.

[11] As part of the FY 2012 Advertised Budget Plan, a balance of $30,249,733 is held in reserve for Board of Supervisors' consideration in the development of the FY 2012 budget.

FY 2012 ADVERTISED GENERAL FUND RECEIPTS **

Where it comes from . . .

(subcategories in millions)



FY 2012 GENERAL FUND RECEIPTS = $3,340,353,056 **

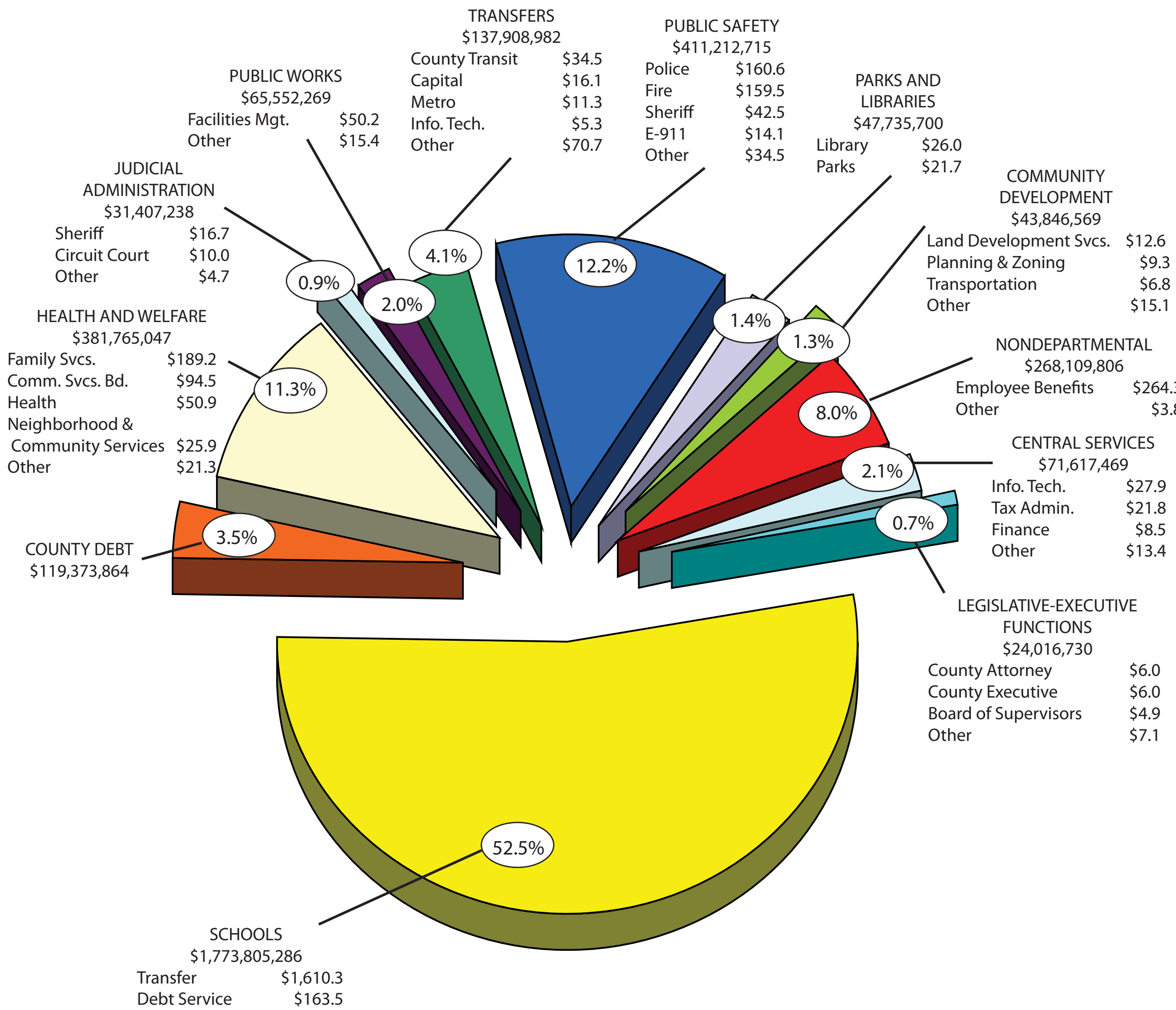
* For presentation purposes, Personal Property Taxes of $211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.

** Total County resources include the receipts shown here, as well as a beginning balance and transfers in from other funds.

FY 2012 ADVERTISED GENERAL FUND DISBURSEMENTS

Where it goes . . .

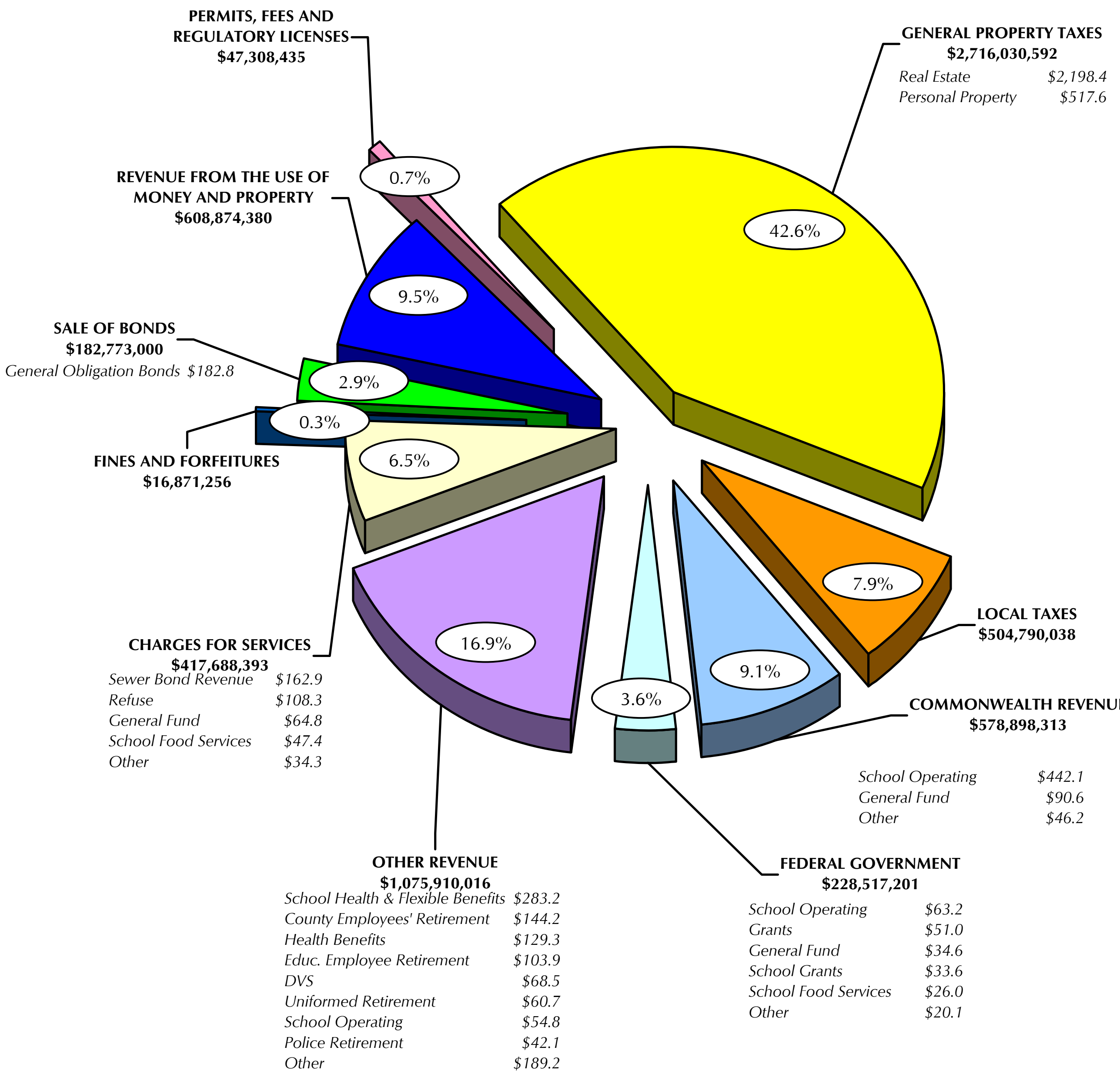
(subcategories in millions)



FY 2012 GENERAL FUND DISBURSEMENTS = $3,376,351,675

In addition to FY 2012 revenues, available balances and transfers in are also utilized to support disbursement requirements.

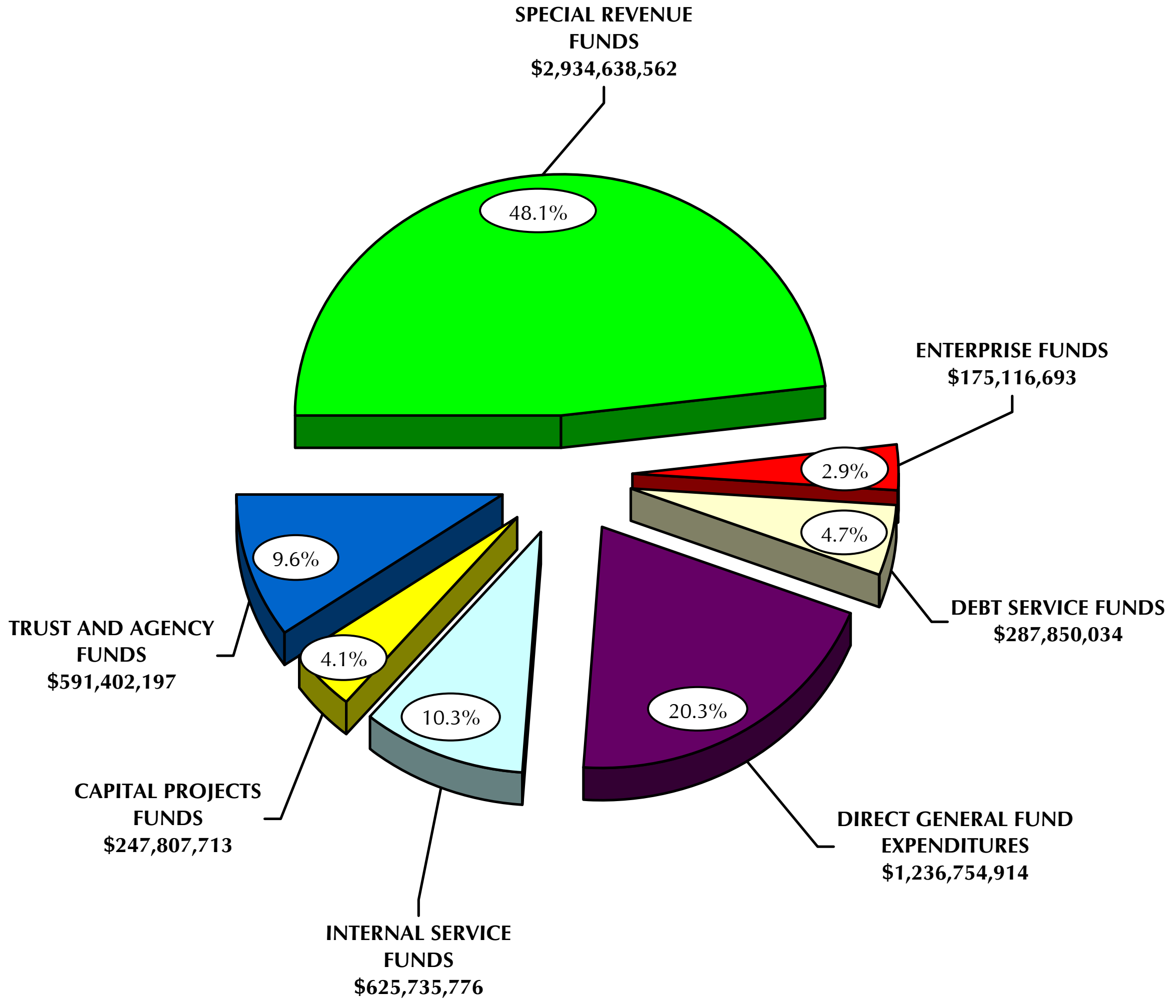
FY 2012 ADVERTISED BUDGET PLAN
REVENUE ALL FUNDS
(subcategories in millions)



TOTAL REVENUE = $6,377,661,624

For presentation purposes, Personal Property Taxes of $211,313,944 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 2012 ADVERTISED BUDGET PLAN
EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = $6,099,305,889

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FY 2012

ADOPTED BUDGET PLAN

Adopted Budget Summary

This section includes:

FY 2012 Fairfax County Budget Facts

Expenditures

- **General Fund Direct Expenditures** total $1.24 billion, a decrease of $20.9 million or 1.66 percent from the *FY 2011 Revised Budget Plan.* It is a decrease of $42.8 million or 3.59 percent from the FY 2011 Adopted Budget Plan level.

- **General Fund Disbursements** total $3.38 billion, which is a decrease of $24.6 million, or 0.72 percent, from the *FY 2011 Revised Budget Plan*, and an increase of $69.36 million or 2.10 percent over the FY 2011 Adopted Budget Plan. These figures include the School Transfer and School Debt Service.

- **The County General Fund transfer for School operations in FY 2012** is $1.61 billion and $163.47 million for School debt service. The total County transfer to support School Operating and Debt Service is $1.77 billion or 52.5 percent of total County disbursements. The FY 2012 transfer is increased $500,000 from the FY 2011 Adopted Budget level as a result of savings in the School-Age Child Care (SACC) program that will be realized with the implementation of Full Day Kindergarten. For FY 2012, the County also identified additional cable funding of $641,904 for the School's use that can be used for Full Day Kindergarten. In addition, the County identified flexibility in the $1.9 million in funding for the School Nurse Health Program for use in funding Full Day Kindergarten.

- **Expenditures for All Appropriated Funds** total $6.10 billion.

- **General Fund Support for Information Technology (IT) Projects** is $5.28 million, an increase of $2.06 million or 63.8 percent increase over the FY 2011 Adopted Budget Plan level of $3.2 million.

- **Pay-As-You-Go Capital Construction** projects total $15.78 million, which is a $199,558 increase over the FY 2011 level.

Population and Positions

- **Fairfax County's population,** based on the 2010 U.S. Census, is 1,081,726. This is an increase of 32.15 percent over the 1990 census count of 818,584.

- **Authorized Positions** for all funds are increasing 39 positions. The **ratio of authorized positions per 1,000 citizens** is 11.09 in FY 2012.

Tax Base

- **Total FY 2012 General Fund Revenue** is $3.31 billion, reflecting an increase of $37.05 million or 1.13 over the *FY 2011 Revised Budget Plan.*

- **One Real Estate Penny** is equivalent to approximately $19.3 million in tax revenue.

- **One Personal Property Penny** is equivalent to approximately $1.1 million in tax revenue.

- **The Average Residential Assessed Property Value** is $443,551, an increase of $10,142 or 2.34 percent over the FY 2011 value of $433,409. On average, residential annual real estate tax bills will increase $21.84 in FY 2012 based on the adopted General Fund Real Estate tax rate of $1.07 per $100 of assessed value.

- **The Commercial/Industrial percentage** of the County's Real Estate Tax base is 19.64 percent, a slight decrease of 0.06 percentage points from the FY 2011 level of 19.70 percent.

- **The Main Book Assessed Value** of all real property is projected to increase $6.1 billion or 3.27 percent over FY 2011.

- **Real Estate and Personal Property Taxes** (including the Personal Property portion being reimbursed by the Commonwealth) comprise approximately 77.3 percent of General Fund Revenues.

Tax Rates

- **Real Estate Tax Rate** decreases from $1.09 to $1.07 per $100 of assessed value.

- **Personal Property Tax Rate** remains at $4.57 per $100 of assessed value.

- **Stormwater Services District Levy** for County stormwater operating/ capital projects remains at $0.015 per $100 of assessed value.

- **Leaf Collection Rate** remains at $0.015 per $100 of assessed value.

- **Refuse Collection Rate** for County collection districts remains at $345 per household and the **Refuse Disposal Rate** remains at $60 per ton.

- **Solid Waste Ash Disposal Rate** increases from $13.50 per ton to $15.50 per ton in FY 2012.

- **Integrated Pest Management Program,** a countywide Special Tax, remains at $0.001 per $100 of assessed value.

- **The special real estate tax** rate collected on all properties within Small District 1, Dranesville for the **McLean Community Center** decreases from $0.024 per $100 of assessed value to $0.023, and the rate collected on all properties within Small District 5, Hunter Mill for the Reston Community Center remains at $0.047 per $100 of assessed value.

- **Sewer Service Rate** increases from $5.27 to $6.01 per 1,000 gallons of water consumption and the **Sewer Availability Charge** for new single family homes remains at $7,750 per unit.

- **Commercial Real Estate Tax Rate** for County transportation projects remains at $0.11 per $100 of assessed value. This tax is levied on all commercial and industrial properties in the County.

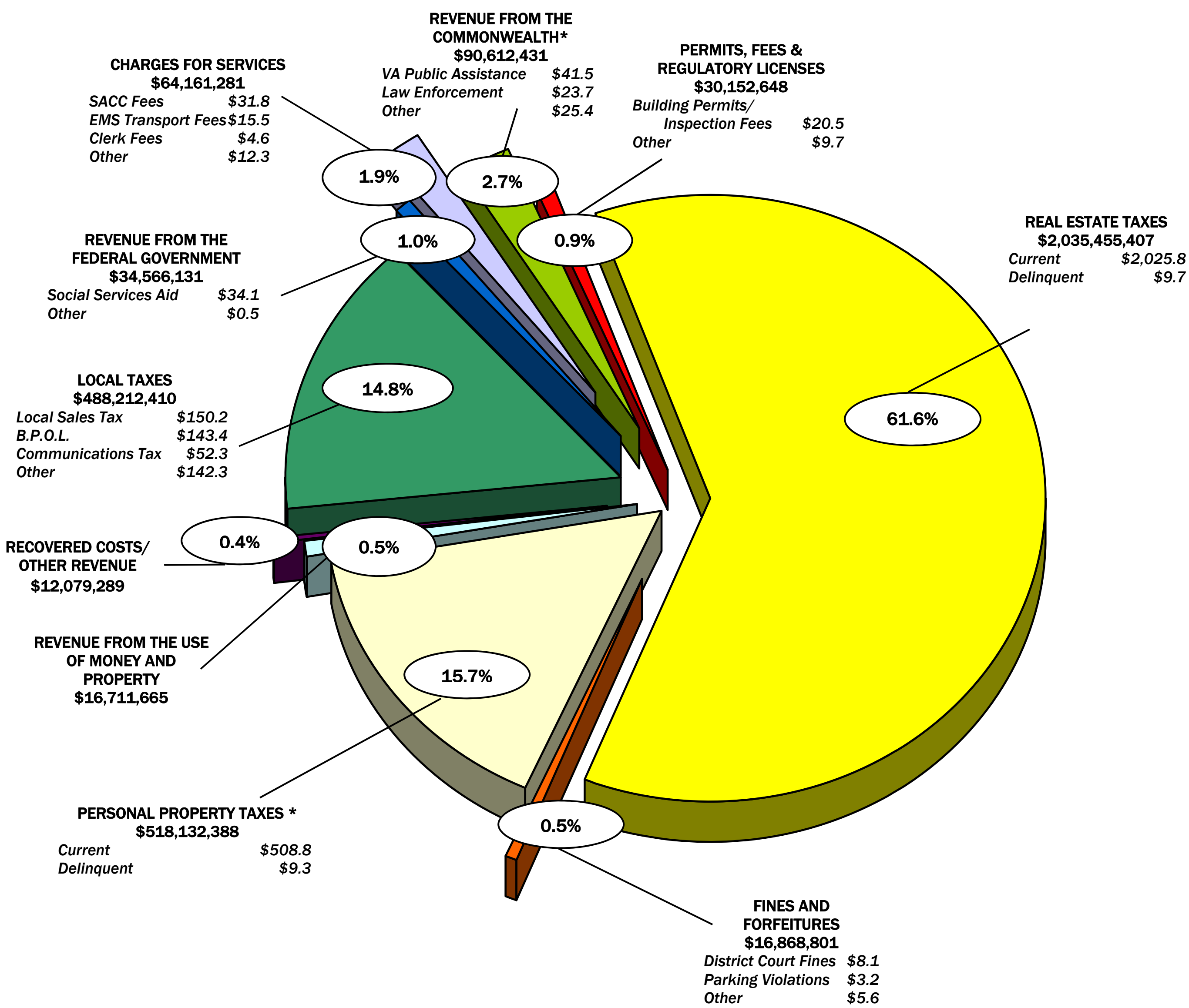
- **Stormwater Services** for County stormwater operating/capital projects remains at $0.015 per $100 of assessed value.

FY 2012 Adopted Budget Plan
General Fund Revenues

FY 2012 revenues are projected to be $3,306,952,451, an increase of $37,052,022 or 1.13 percent over the *FY 2011 Revised Budget Plan*. The Real Estate tax rate decreases from $1.09 to $1.07 per $100 of assessed value.

$3,306,952,451**

(subcategories in millions)



* For presentation purposes, Personal Property Taxes of $211,313,944 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.

** Total County resources used to support the budget include the revenues shown here, as well as a beginning balance and transfers in from other funds.

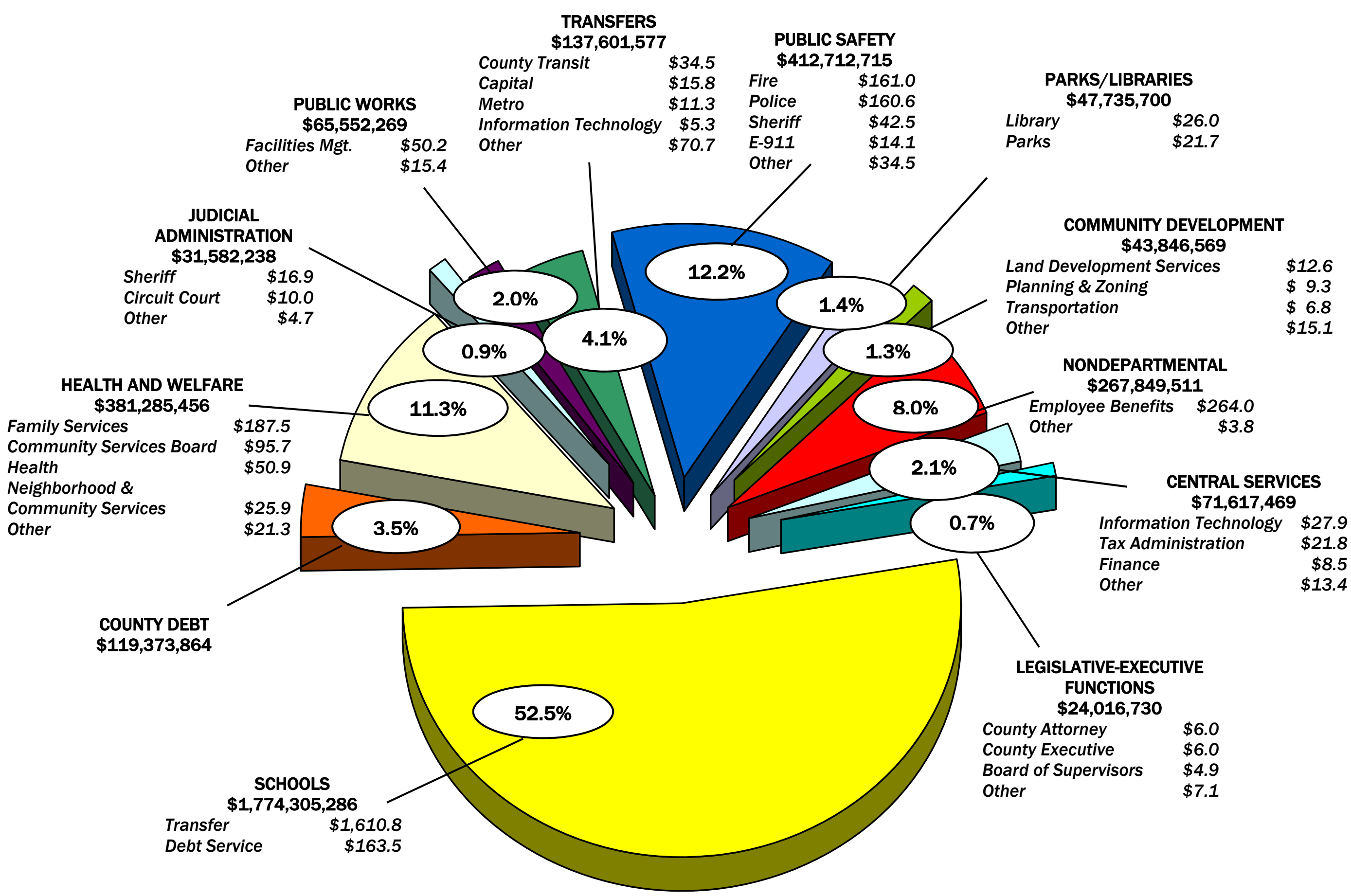
FY 2012 Adopted Budget Plan
General Fund Disbursements

FY 2012 disbursements total $3,377,479,384, a decrease of $24,581,704 or 0.72 percent from the *FY 2011 Revised Budget Plan.* The County General Fund transfer for school operations in FY 2012 totals $1,610,834,722. In addition, the County's contribution to School Debt Service for FY 2012 is $163,470,564.

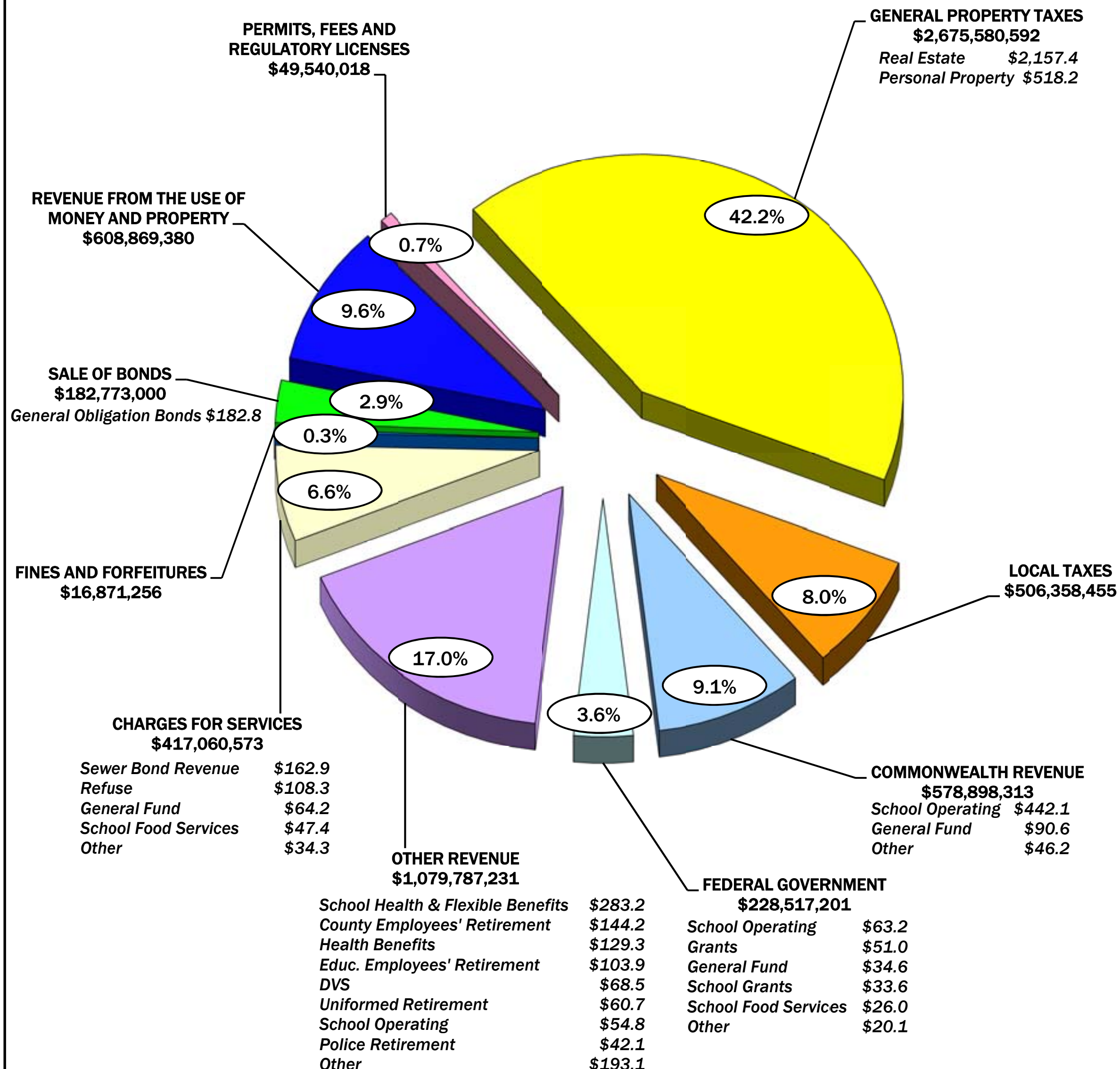
General Fund Direct Expenditures total $1,236,415,028, a decrease of $20,861,277, or 1.66 percent, from the *FY 2011 Revised Budget Plan* direct expenditure level. A summary of the major initiatives included in the FY 2012 Adopted Budget Plan is presented on the following pages. Details concerning each of these items can be found in the various budget volumes.

$3,377,479,384

(subcategories in millions)



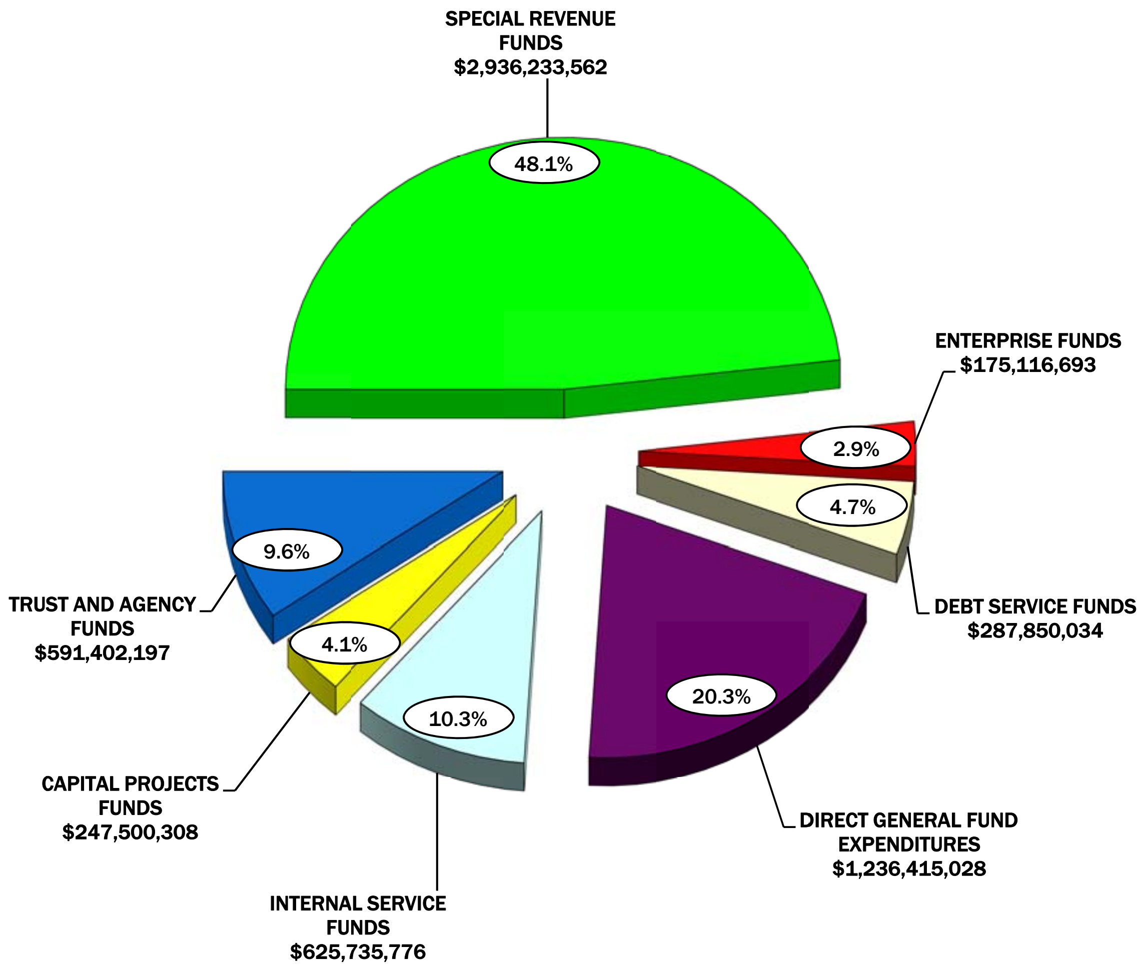
FY 2012 ADOPTED BUDGET PLAN
REVENUE ALL FUNDS
(subcategories in millions)



TOTAL REVENUE = $6,344,256,019

For presentation purposes, Personal Property Taxes of $211,313,944 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 2012 ADOPTED BUDGET PLAN
EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = $6,100,253,598

COUNTY BUDGET IN BRIEF

On April 26, 2011, the Fairfax County Board of Supervisors adopted the fiscal year 2012 budget, which begins on July 1, 2011 and runs through June 30, 2012. The approved General Fund budget totals $3,377,479,384, a decrease of $24.6 million, or 0.72 percent, from the *FY 2011 Revised Budget Plan* total, and an increase of $69.36 million or 2.10 percent over the FY 2011 Adopted Budget Plan. The total of all Appropriated Funds is $6,100,253,598.

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**

The approved transfer to the Public School Operating Fund is $1,610,834,722, a $500,000 increase over the FY 2011 Adopted Budget Plan as a result of savings in the School-Age Child (SACC) program that will be realized with the implementation of Full Day Kindergarten. In addition, the County's transfer for School Debt Service is $163,470,564. The combined transfer for School Operations and Debt Service is $1.774 billion, which represents 52.5 percent of total County General Fund Disbursements.

The FY 2012 Adopted Budget Plan includes a Real Estate tax rate of $1.07 per $100 of assessed value, a $0.02 decrease from the $1.09 rate in FY 2011. The average tax bill in FY 2012 will increase $21.84 over the FY 2011 level.

BOARD OF SUPERVISORS' PRIORITIES

- **A Quality Educational System**
- **Safe Streets and Neighborhoods**
- **A Clean, Sustainable Environment**
- **Livable, Caring and Affordable Communities**
- **A Vibrant Economy**
- **Efficient Transportation Network**
- **Recreational and Cultural Opportunities**
- **Affordable Taxes**

Strategic Framework for the FY 2012 Budget

The FY 2012 budget was developed around a stabilizing local economy. FY 2012 revenue is projected to only increase 1.13 percent over the *FY 2011 Revised Budget Plan.* The economic realities of this stabilizing economy and limited revenue growth result in a budget framework which features:

- Approximately $20 million in reductions are included in the FY 2012 Adopted Budget Plan, including $9.8 million in savings from agency budget cuts and reorganizations. This is in addition to $180 million in reductions that have been taken during FY 2010 and FY 2011.

- Continuing to hold agency spending to a minimum, covering only required increases in disbursements.

- Holding compensation flat, although the Board of Supervisors has directed the County Executive to analyze the County's fiscal condition at the end of FY 2011 and based on this review to identity funding to provide County employees with a market-rate adjustment estimated to be 1.12 percent based on the inflation-based formula. This increase would be effective in mid-October 2011.

- Maintaining a consistent level of fiscal support for Fairfax County Public Schools, consistent with the FY 2011 Adopted level. However, based on broad community support, the County Board of Supervisors strongly supports the School Board's implementation of the full phase in of Full Day Kindergarten (FDK) and provided the following assistance toward making that happen:

  - Savings of $500,000 in the School-Age Child Care (SACC) program that would be realized from implementation of FDK will be added to the School Transfer.

  - Additional cable funding of $641,904 has been identified for the School's use that can be used for FDK.

  - More flexibility has been identified in the $1.9 million in funding for the School Nurse Health Program.

  - The School Board has been advised that additional flexibility is allowed in the potential re-prioritization of Cable programming funds.

Overall, while increases in funding are limited in the FY 2012 budget, the Board approved the following increases to meet requirements and to continue to fund the following programs and services which is consistent with its priorities:

- $53.6 million to fund County General Fund disbursements associated with ongoing County operations, most notably cost increases driven by current benefit requirements for retirement funding, OPEB, health insurance, Worker's Compensation and Self-Insurance, and movement of a portion of Grant Funding to the General Fund

- $12.1 million increase to fund major human services requirements for the Fairfax-Falls Church Community Services Board Intensive Community Treatment Teams, Comprehensive Services Act support, Child Care Assistance and Referral Program, and School Health Program Resources

- $6.4 million in transportation funding to support mass transit-related costs for Metro Operations and Construction and County Transit

Subsequent to the release of the County Executive's budget plan in February 2011, the Board approved the following funding adjustments for FY 2012:

- $1.5 million is included for the Fire and Rescue Department to support an Advanced Life Support (ALS) Incumbent Training school. This is necessary to provide adequate levels of certified personnel to support minimum staffing requirements.

- As recommended by the Human Services Council, an increase in funding of $1.3 million for high school graduates with Intellectual Disabilities, as well as the Medical Detoxification and the Diversion to Detoxification programs.

- $175,000 to provide liability insurance for the Office of the Sheriff recognizing services provided outside of the Office's state mandate.

- $120,000 from the County's Pest Management Fund for the 4 Poster Program aimed at reducing the occurrence of Lyme disease. This is at no additional cost to the General Fund.

In light of real potential reductions in funding from both the Commonwealth of Virginia and the federal government, the Board of Supervisors set aside a reserve of $2.3 million as a hedge against possible state and federal reductions.

As the County continues to review its infrastructure needs and requirements for stabilizing its infrastructure, the Board of Supervisors also increased the school bond sale program to $155 million per year (or $125 million in increased capacity over the five-year Capital Improvement Program period), and it has directed staff to work with the school system to identify short-term financing alternatives for energy-related improvements to accelerate construction projects.

Tax Rate and Fee Adjustments for FY 2012

FY 2012 tax rates and/or levies are summarized in the following chart:

TAX AND FEE FACTS

Type	Unit	FY 2010 Actual Rate	FY 2011 Actual Rate	FY 2012 Adopted Rate
Real Estate	$100/Assessed Value	$1.04	$1.09	$1.07
Personal Property	$100/Assessed Value	$4.57	$4.57	$4.57
Integrated Pest Management Program	$100/Assessed Value	$0.001	$0.001	$0.001
Refuse Collection	Household	$345	$345	$345
Refuse Disposal	Ton	$60	$60	$60
Solid Waste Landfill Ash Disposal	Ton	$13.50	$13.50	$15.50
Leaf Collection	$100/Assessed Value	$0.015	$0.015	$0.015
Sewer Availability Charge	Residential	$7,310	$7,750	$7,750
Sewer Service Charge	Per 1,000 Gallons	$4.50	$5.27	$6.01
McLean Community Center	$100/Assessed Value	$0.024	$0.024	$0.023
Reston Community Center	$100/Assessed Value	$0.047	$0.047	$0.047
Commercial Real Estate Tax For Transportation	$100/Assessed Value	$0.11	$0.11	$0.11
Stormwater Services District Levy	$100/Assessed Value	$0.010	$0.015	$0.015

FY 2012 Reductions

General Fund Impact

The following table summarizes FY 2012 reductions of $9.51 million. Including FY 2012 savings associated with reorganizations of $0.26 million and additional reductions of $9.58 million taken as part of the FY 2011 Third Quarter Review, a total of $19.35 million in savings resulting from reductions and reorganizations were used to balance the FY 2012 budget.

Reduction Title / Impact Statement	Reduction
001 - General Fund	
04 - Department of Cable and Consumer Services	
Reduce Rental Expenses	**$7,537**
Mail Services will reduce equipment rental expenses. In FY 2010, rental agreements for mailroom equipment were negotiated and savings will be realized in FY 2011 and FY 2012. This should result in no impact to the public.	
Reduce Printing Costs	**$2,463**
Consumer Affairs will reduce printing by eliminating the printing of Your Community Your Call flyers for distribution to homeowners' associations (HOAs). During FY 2011, the branch will launch a campaign to enroll HOAs in a listserv to be used for distribution of the flyers and all information will be made available to the public on the County's website. Regulation and Licensing will reduce printing by eliminating the printing of the taxicab code that is currently distributed to taxicab applicants. Alternate distribution means will be used including the County website. These actions should result in no impact to the public.	
04 - Department of Cable and Consumer Services Total	**$10,000**
08 - Facilities Management Department	
Reduce Lease-Purchase Program	**$140,000**
This reduction results in the payoff of four lease purchase contracts for Energy Management Control Systems (EMCS), HVAC and lighting systems purchased for various County facilities. These lease purchase agreements have been completed and require no FY 2012 funding.	
Reduce Contracted Moving Services	**$110,000**
The department will reduce contract moving services requirements based on a decrease in the number of agency relocations within existing facilities in FY 2012.	
Reduce Contracted Architectural and Design Services	**$100,000**
The department will reduce contract services, primarily for the use of architectural and engineering services which include space renovation, reconfiguration and design services. This reduction will require in-house staff to perform additional services rather than outsource contract services for various projects. The number of completed projects requiring building permits will be reduced and some may not be designed within the fiscal year requested. The increase in staff workload will prolong project completion timelines.	
08 - Facilities Management Department Total	**$350,000**
12 - Department of Purchasing and Supply Management	
Manage Position Vacancies to Achieve Savings	**$20,000**
The overall impact of the department's reduction strategies will increase the workload for individual department staff members. This increase in workload will result in a general increase in response time for customer needs. The department will strive to mitigate this effect by reallocating resources to programs which require the most support.	
12 - Department of Purchasing and Supply Management Total	**$20,000**

FY 2012 Reductions

General Fund Impact

Reduction Title / Impact Statement	Reduction

15 - Office of Elections

Manage Limited Term Spending $20,000

Workload will be redistributed among remaining staff, which may result in delays completing certain tasks such as updating street files, assigning voters to precincts, counting ballots, ascertaining Election results, and longer lines and wait times at the polls on Election Day, especially during the morning rush hours when voter turnout is heaviest.

15 - Office of Elections Total $20,000

17 - Office of the County Attorney

Manage Position Vacancies to Achieve Savings $20,000

Combined with reductions in previous fiscal years, this reduction will require the agency to continue to hold attorney positions vacant indefinitely resulting in increased caseloads and potential delays in responding to the Board of Supervisors and County agencies. Delays in initiating litigation for enforcement of violations of County ordinances such as zoning, property maintenance, erosion and sediment control, etc. may also occur as priority must be given to the defense of lawsuits against the County and its employees.

17 - Office of the County Attorney Total $20,000

20 - Department of Management and Budget

Manage Position Vacancies to Achieve Savings $10,000

In FY 2012, the agency will hold positions vacant to meet the target of $10,000. This is not anticipated to impact service levels.

20 - Department of Management and Budget Total $10,000

31 - Land Development Services

Manage Position Vacancies to Achieve Savings $750,000

In FY 2012, the agency will continue to manage position vacancies in order to achieve this reduction. Due to the continuation of a depressed economy, LDS has taken several actions to match funded staff resources to workload. At the same time it has maintained a staffing level that will provide some flexibility should permitting activity increase. When the economy fully recovers, inadequate staffing could result in increased wait times at public counters and increased response times for inspection requests beyond the current target of 24 hours. Further negative impacts could include the failure to meet state mandated minimum frequency for erosion and sediment control inspections and plan review and processing times in excess of the state mandated timeframe.

31 - Land Development Services Total $750,000

35 - Department of Planning and Zoning

Manage Position Vacancies to Achieve Savings $10,000

In order to meet reduced funding levels from both this and prior year reductions, the department will need to continue to hold and maintain approximately seven vacant positions for the duration of FY 2012. The department will attempt to minimize service delivery impacts by evaluating each staff vacancy in terms of its contribution to the department's overall mission and by reallocating existing staff, as appropriate, in an effort to maintain an equitable distribution of resources and workload.

35 - Department of Planning and Zoning Total $10,000

FY 2012 Reductions

General Fund Impact

Reduction Title / Impact Statement	Reduction
39 - Office of Human Rights and Equity Programs	
Manage Position Vacancies to Achieve Savings	$10,000
In FY 2012, the agency will hold positions vacant to meet the target of $10,000. This is not anticipated to impact service levels.	
39 - Office of Human Rights and Equity Programs Total	**$10,000**
41 - Civil Service Commission	
Decrease Operating Expenses	$100,000
When the Commission was expanded to twelve members, funding for Operating Expenses was increased to cover an estimated 42 appeals annually as increased funding for Commissioner stipends and the need for additional outside hearing officers was anticipated. However, based on the current number of appeals and careful management of operating expenses, there is flexibility within the operating budget from which the reduction can be taken with minimal impact to Civil Service Commission services.	
41 - Civil Service Commission Total	**$100,000**
67 - Department of Family Services	
Charge Costs of Family Partnership Program to Comprehensive Services Act (CSA)	$400,000
This reduction is accomplished by seeking reimbursement for the Family Partnership Program services from the Comprehensive Services Act (CSA) as part of the County's System of Care Initiative. Starting in FY 2011, the System of Care Initiative is a new approach to how services are delivered to youth and their families. This approach is child-centered and family-focused. Services are designed around the youth and his/her family's strengths and needs, and, when possible, delivered in the community. As a result, the services are more cost effective and result in better outcomes.	
Reduce Funding for School-Age Child Care Operating Expenses	$200,000
This reduction in operating expenses will delay SACC's computer and furniture refurbishment cycle. The reduction will not impact the safety of classrooms.	
Reduce Funding for School-Age Child Care Personnel Expenses	$150,000
Modifications to the SACC summer program have resulted in savings which will not impact service levels.	
67 - Department of Family Services Total	**$750,000**
70 - Department of Information Technology	
Reduce Telecommunication Support Funding	$200,000
The reduced funding will challenge the agency's ability to provide the current level of telecommunications support. It is anticipated that services currently provided at no charge will be eliminated and operational efficiencies, customer satisfaction, and flexibility to deal with unforeseen situations will decline as a result.	
70 - Department of Information Technology Total	**$200,000**

FY 2012 Reductions

General Fund Impact

Reduction Title / Impact Statement	Reduction
71 - Health Department	
Manage Reductions to Various Operating Expenses	$400,000
The agency will reduce various operating expenses and anticipates a limited impact on customers as a result of these reductions.	
71 - Health Department Total	**$400,000**
73 - Office to Prevent and End Homelessness	
Reconciliation of Current Service Levels	$50,000
This reduction does not adversely impact services.	
73 - Office to Prevent and End Homelessness Total	**$50,000**
81 - Juvenile and Domestic Relations District Court	
Manage Position Vacancies to Achieve Savings	$180,000
The court has absorbed recent budget reductions through a managed hiring freeze and will continue this practice. While vacancies have been maintained in all cost centers, most of the vacancies have been in the Residential Services cost center. Due to a lower than anticipated population in the Juvenile Detention Center, the vacancies have had a manageable impact.	
81 - Juvenile and Domestic Relations District Court Total	**$180,000**
82 - Office of the Commonwealth's Attorney	
Reduce Personnel Services	$20,000
This reduction will impact the office in a number of ways. First, the continued reductions to Personnel Services result in the agency being unable to fill a third vacant attorney position as well as two administrative positions because funds are not available to do so. In addition, the caseload that each prosecutor handles continues to grow due to a smaller staff and a high volume of cases. Prosecutors are working an increased amount of unpaid hours in the office preparing for cases because most of the paid work day is spent in the courtroom. In order to absorb this impact, prosecutors prepare for cases primarily during evening and weekend hours.	
82 - Office of the Commonwealth's Attorney Total	**$20,000**

FY 2012 Reductions

General Fund Impact

Reduction Title / Impact Statement	Reduction

87 - Unclassified Administrative Expenses

Eliminate Reserve for Adult Detention Center — **$1,815,760**

This reduction results in the elimination of a one-time reserve created as part of the FY 2011 Adopted Budget Plan in anticipation of a possible increase in expenditures as a result of a change in the state's definition of state-responsible prisoners.

Reduce Contracted Maintenance — **$84,240**

This reduction of contracted routine maintenance at Park and Ride facilities and bus shelters throughout the County is accomplished by an increase in services that are currently being provided by the Office of the Sheriff Community Labor Force (CLF). The CLF oversees the activities of inmates working in the community and has resulted in a saving in the cost of basic routine maintenance services. The CLF provides grass mowing and trash removal services at commuter rail and park and ride facilities as well as routine maintenance at 276 bus shelters in the County inventory. Bus shelter maintenance includes cleaning, trash removal, graffiti removal and minor repairs. This reduction in operational expenses continues the current practice of increasing CLF efforts when appropriate and reducing contracted costs. This reduction is not expected to change the current service level in these maintenance programs.

87 - Unclassified Administrative Expenses Total — **$1,900,000**

90 - Police Department

Reduce Overtime — **$1,000,000**

The department will reduce unscheduled overtime by 17,900 hours or approximately 5.4 percent from the FY 2011 adopted level. This reduction is in addition to the combined reduction of over 100,000 overtime hours in the FY 2010 and FY 2011 budgets. As a result, over a three-year period, the overtime budget for the department has been reduced by just over $6.9 million, or just over 28 percent, from the FY 2009 adopted budget level, or the equivalent of approximately 60 full time police officers. The department will make every effort to avoid adverse impacts to police operations; however, these reductions will invariably impact service delivery at some point in the following areas: ability to meet minimum staffing levels, increased response times, delayed investigations and complex case closures, reduced proactive initiatives, reduced training availability, and delayed service delivery in administrative areas. In addition, the department's flexibility to respond to unforeseen major incidents will be impacted.

90 - Police Department Total — **$1,000,000**

91 - Office of the Sheriff

Reduce Overtime and Increase Efficiencies — **$1,500,000**

This reduction can be managed without significant adverse impacts to services and the level of security provided due to the agency's ability to reduce overtime spending. Being fully staffed has allowed the agency to create and implement service efficiencies that require less agency staff time and less overtime. Furthermore, staff training has been scaled back to minimum required levels.

91 - Office of the Sheriff Total — **$1,500,000**

FY 2012 Reductions

General Fund Impact

Reduction Title / Impact Statement	Reduction
92 - Fire and Rescue Department	
Reduce Overtime Spending	$1,000,000
This reduction, when combined with reductions taken in FY 2010 and 2011, results in a net reduction in overtime of almost $9.0 million. This will limit FRD's ability to callback personnel to fill vacancies, affecting the number of units FRD can maintain in service daily. FRD is in the process of identifying a tiered approach to placing units out of service based on the callback needs of each day.	
92 - Fire and Rescue Department Total	**$1,000,000**
93 - Office of Emergency Management	
Decrease Operational Support	$10,000
This reduction will further decrease the operational support and maintenance for the remaining Watch Center equipment and logistical needs of the EOC and AEOC. Timely situational awareness and proper emergency notification to the public and employees prior to and during a significant event could be compromised without proper maintenance and support of these systems.	
93 - Office of Emergency Management Total	**$10,000**
001 - General Fund Total	**$8,310,000**

FY 2012 Reductions

General Fund Impact

Reduction Title / Impact Statement	Reduction

106 - Fairfax-Falls Church Community Services Board

75 - Community Services Board

Increase Medicaid Revenues **$600,000**

1) As a result of seeking additional statewide, regional and out-of-state services contracts for bed days at Crossroads, an additional 452 bed days per year increasing their daily capacity from 15 to 16.2. The increase of capacity will be absorbed with the current staffing levels and budget.

2) This increase in non-County revenues will be accomplished by increased billing for early intervention services made possible by recently-implemented business process enhancements and the implementation of a new Medicaid State Plan amendment for early intervention services. It is not anticipated to effect direct services and/or expenditures.

3) This increase in Medicaid revenues will be accomplished by redesigning shelter based homeless services to provide intensive, community based treatment services via an Intensive Community Treatment (ICT) model -- similar to the evidence based Assertive Community Treatment (ACT) service-delivery model. Medicaid revenues will be fully maximized through Case Management, Mental Health Supports, Crisis Intervention and Medication Management. In the current shelter based service delivery model, there is minimal Medicaid billing performed, and currently only for case management services.

Reduce funding for Psychotropic Medications **$300,000**

This reduction should not result in any loss of medication access based on three factors: 1) ongoing State subsidy of medication for eligible populations and of pharmacy supports; 2) execution of a new pharmacy services contract in FY 2011 to include new technologies such as e-prescribing which will increase the accuracy in billing and payment of subsidized medication costs; and 3) sustained emphasis on multiple cost-saving pharmaceutical initiatives such as the use of samples, the Patient Assistant Programs (PAP) offered by major pharmaceutical companies to cover the costs of medications for individuals who qualify, and the Medicare Part D enrollment service which assists individuals navigate the 40+ plans and select the plan that best covers the costs of their medications.

Reduce funding for Contracted Intellectual Disability Services Support **$300,000**

This reduction, if not manageable through attrition, will be achieved through implementation of a vocational services wait list for existing consumers. There would be no gaps or delays in services for individuals requiring IDS day services who have Medicaid Waiver funding or for those individuals identified to be served by the Cooperative Employment Program (CEP), which is directly-operated. However, individuals identified to be served with local funding by contracted vendors may be delayed. Since these consumers may have been assessed for specific vendors and vocational placements, they may have to repeat the process and select different vendors if vendors cannot "hold" these placements. In this case, actual start dates for services could be delayed longer until consumers are interviewed and assessed for new placements. Some families may have to secure alternative day care arrangements, if the consumer cannot be left alone during the day and all other family members work. Vendors will be impacted by not being able to fill planned openings in job enclaves to support their business contracts. Vendors will also not realize local revenue for the consumers they were planning to serve, and for whom they may have incurred additional staffing costs.

75 - Community Services Board Total	**$1,200,000**
106 - Fairfax-Falls Church Community Services Board Total	**$1,200,000**
Total Reductions	**$9,510,000**

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FY 2012

ADOPTED BUDGET PLAN

Strategic Linkages

This section includes:

Context and Background

Fairfax County has been working on a number of initiatives over the last ten 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, converting to Pay for Performance, and initiating a Balanced Scorecard at the agency level. 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 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.

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.

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 workforce, 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.

Vision Element posters are 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

Strategic planning furthers the County's commitment to high performance by helping agencies focus resources and services on the most strategic needs. The County process directs all agencies to strengthen the linkage between their individual missions and goals, as well as to the broader County vision laid out in the seven countywide vision elements.

Fairfax County implemented its countywide strategic planning effort in spring 2002. By 2006, many County agencies were beginning to update their second phase of strategic plans. Agencies developed their plans after performing an agency-wide environmental scan to determine which factors influenced service delivery and customer demands, identified business areas within each agency to more specifically define the services provided, aligned the specific tasks performed by business areas within the agency and vision element framework, and refine 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 2007 the County Executive directed agencies to build upon the strategic planning process with the development in 2008 of a Balanced Scorecard, including strategy maps and an accompanying scorecard. The majority of County agencies completed both their strategy maps and balanced scorecards by November 2008, and they are now using these strategic planning and management tools on a regular basis. The Balanced Scorecard approach is a framework that helps organizations to translate strategy into operational objectives that drive both behavior and performance. It is also a management tool to fully align strategy and performance throughout the organization. The Balanced Scorecard is based on developing a strategy map around the following four perspectives:

- Customer
- Financial
- Internal Process
- Learning and Growth

The rationale is that strategies will be 'balanced' around those various perspectives instead of being overly oriented to one or another at the expense of the others.

In addition to the Strategic Planning process and the Balanced Scorecard, strategic planning efforts in Fairfax County have been reinforced by four ongoing efforts – performance measurement, pay-for-performance, workforce planning and technology enhancements. These efforts help the County assess agency success, 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. 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.

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. According to ICMA, 220 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, although not every participating jurisdiction completes every template. 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. Cost per capita data for each program area, (e.g., public safety, health and welfare, community development, etc.) has also been included at the beginning of each program area summary in Volume 1 of the FY 2012 Adopted Budget Plan. The Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually. 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. It should be noted that Fairfax County's cost per capita in each of the program areas is quite competitive with other Northern Virginia localities and large jurisdictions 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. In

FY 2002 automatic step increases and cost-of-living adjustment were discontinued for over 8,000 non-public safety employees, so annual compensation adjustments were 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.

During FY 2007 a further review of County compensation practices, including the pay for performance system, was undertaken. The Board of Supervisors approved changes during their deliberations on the FY 2008 budget. These changes targeted the disconnect between an employee rated as "fully proficient" who received a 1.7 percent pay raise. The previous five rating levels were expanded to seven rating levels in response to focus group feedback that greater rating flexibility was needed in the rating process. The rating labels were also removed. With the exception of the disconnect between "fully proficient" and the 1.7 percent pay increase, the consultant found the County's rating distribution (a basic bell curve but leaning to the higher end of ratings) to be consistent with that of a high performing workforce.

Pay for Performance is being continued; however, in FY 2010, FY 2011 and FY 2012 the program has not been funded given the fiscal environment. Changes to the pay for performance system will be put in place when funding is again available for compensation increases. The revised program will include both a market rate adjustment component and a performance based component. The performance based component is still under development but the existing practice of performance reviews on individual employee anniversary dates will be replaced with a single anniversary date countywide in the Fall with all employees receiving the appropriate performance increase at the beginning of the calendar year. The market rate adjustment will continue to be calculated based on an approved formula, but will be applied to all employee groups and pay scales, will be implemented at the beginning of each fiscal year; and be complemented by a pay scale review every 3-5 years to maintain market competitiveness.

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.

In FY 2008, Fairfax County added a Succession Planning component to workforce planning. The Succession Planning process provides managers and supervisors with a framework for effective human resources planning in the face of the dramatic changes anticipated in the workforce over the next five to ten years. It is a method for management to identify and develop key employee competencies, encourage professional development and contribute to employee retention.

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. Constrained funding will impact the number of new IT projects that can be undertaken in the next year. However, the County continues to explore and monitor all areas of County government for information technology enhancements and/or modifications which will streamline operations and support future savings.

Strategic Planning Links to the Budget

Since FY 2005 the annual budget has included links to the comprehensive strategic initiatives described above. To achieve these links, agency budget narratives include discussions of County Vision Elements and agency strategic planning efforts; program area summaries include cross-cutting efforts and benchmarking data; and the Key County Indicator presentation in this section demonstrates how the County is performing as a whole. As a result, the budget information is presented in a user-friendly format and resource decisions are more clearly articulated to Fairfax County residents.

- ***Agency Narratives***: Individual agency narratives identify strategic issues, which were developed during the agency strategic planning efforts, link 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 1 and 2.

- ***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 1 and 2.

- ***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 2012 Key County Indicators is included 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, a list of Fairfax County School Student Achievement Goals are included following the Key County Indicator presentation.

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 County budget is extremely well received within the County and nationally. As a measure of the quality of its budget preparation, Fairfax County was awarded the Government Finance Officers Association's Distinguished Budget Presentation Award by meeting rigorous criteria for the budget as a policy document, financial plan, operations guide, and communications device for the 25th consecutive year. In July 2010, Fairfax County was one of only 21 jurisdictions to receive ICMA's highest recognition for performance measurement, the "Certificate of Excellence." The County will continue to build on this success for future budget documents in order to enhance the accountability, transparency, and usefulness of the budget documents.

Key County Indicators

Introduction

The Key County Indicator presentation communicates the County's progress on each of the Vision Elements through key measures. The Indicators were compiled by a diverse team of Fairfax County senior management and agency staff through a series of meetings and workshops. 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. The County also compiles Benchmarking data, providing a high-level picture of how Fairfax County is performing compared to other jurisdictions of its size. Benchmarking data is presented within the program area summaries in budget Volumes 1 and 2.

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 actual data from FY 2008, FY 2009, and FY 2010, and it includes a discussion of how the Indicators relate to their respective Vision Elements. In addition, the Corporate Stewardship Vision Element includes FY 2011 and FY 2012 estimates in order to present data related to the current budget and FY 2012 Adopted Budget Plan. For some indicators, FY 2009 is the most recent year in which data are available, and FY 2010 Actuals will be included in the following year's budget document. All of the indicator data are for Fairfax County only, listed by Fiscal Year, unless otherwise noted in the text.

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 2008 Actual	FY 2009 Actual	FY 2010 Actual
Ratio of Part I Index Crimes (Violent Criminal Offenses) to 100,000 County Population (Calendar Year)	91.07	77.45	86.44
Clearance rate of Part I Index Crimes (Violent Criminal Offenses) (Calendar Year)	54.25%	58.15%	NA[1]
Percent of time Advanced Life Support (ALS) transport units on scene within 9 minutes	95.34%	NA[2]	82.60%
Fire suppression response rate for engine company within 5 minutes	50.43%	NA[2]	41.0%
Percent of low birth weight babies (under 5 lbs 8 oz)	6.9%	7.4%	NA[3]
Immunizations: completion rates for 2 year olds	74%	79%	70%
High School graduation rates	84.3%	86.91%	87.28%
Children in foster care per 1,000 in total youth population	1.80	1.54	1.15

Strategic Linkages

Key County Indicators	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Percent of seniors, adults with disabilities and/or family caregivers who express satisfaction with community-based services that are provided by Fairfax County to help them remain in their home/community	90.4%	90.9%	91.2%
Percent of restaurants operating safely	95.0%	95.4%	97.0%

[1] Due to the implementation of the new Records Management System, crime data for FY 2010 is not available.
[2] Due to the implementation of new software and processes for capturing data, response time data for FY 2009 is not available.
[3] Prior year actuals on the percent of low birth weight babies are provided by the Annie E. Casey Foundation, and FY 2009 is the most recent data available in time for budget publication.

Fairfax County is one of the nation's safest jurisdictions in which to live and work. In early 2010, the Police Department implemented a new records management system (RMS), which tracks and reports on all statistical data. Pursuant to the migration to the new RMS system, the reporting format has also migrated from the Uniform Crime Reporting (UCR) to Incident-Based Reporting (IBR). Due to the change in formats, a direct comparison between 2010 and prior year crime numbers is not possible. However, the Fairfax County **ratio of Part I Index Crimes** result of 86.44 incidences per 100,000 residents continues to reflect the lowest violent crime rate of any large jurisdiction in the United States. Because of the timing of the data migration, FY 2010 **clearance rate data for Part I crimes** will not be available until FY 2011.

The Fairfax County Health Department is committed to protecting the health of County residents by ensuring restaurants operate safely.

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). The five minute fire suppression response standard of the NFPA was met 41.0 percent of the time in FY 2010. The County met a second NFPA suppression response standard 80.39 percent of the time (not noted in the chart above), which requires 15 Fire and Rescue personnel to be on site within nine minutes. The complement of responding personnel may be greater than 15 and is appropriate to the incident and structure type, and the response may include response from engine, truck, heavy rescue, EMS units and other specialty units. Advanced Life Support transport units arrived on the scene within 9 minutes or 82.6 percent of the time in FY 2010.

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. *(Note: Prior year actuals on the percent of low birth weight babies are provided by the Annie E. Casey Foundation, and FY 2009 is the most recent data available in time for budget publication).* The County's FY 2009 incidence rate of 7.4 percent of low birth weight babies compares favorably against the state average of 8.5 percent. The FY 2010 immunization completion rate of 70 percent for two-year olds represents a nine percentage point decrease from FY 2009. Because of the downturn in the economy, there was an increase in clients coming to the Health Department for the first time, many who were not entering the system as infants and thus had incomplete immunizations; the Health Department will strive to achieve completion rates of 80 percent in FY 2011 and FY 2012. It is noted that by the time of school entry, many children are adequately immunized, although they may have lacked these immunizations at the age of two. Fairfax County also funds numerous programs to help children stay in school and provides recreational activities in after-school programs. These services contributed to the County's FY 2010 **graduation rate** of 87.28 percent. In FY 2010, the **ratio of children in foster care per 1,000** in the total population of children 0–17 years old was 1.15. While this is low compared to the statewide ratio of 3.05, Fairfax County remains committed to further decreasing the number of children in foster care as well as reducing 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 older adults and persons with disabilities by helping them stay in their homes** as indicated by the 91.2 percent combined satisfaction rating for two support programs: Adult Day Health Care (ADHC) and Congregate Meals programs. ADHC satisfaction was maintained at 100 percent in FY 2010. Department of Family Services staff solicited input from Congregate Meal clients, including the growing ethnic client population, and continued to work with food vendors to revise food options accordingly. Client satisfaction increased from 89 percent to 95.2 percent in FY 2010.

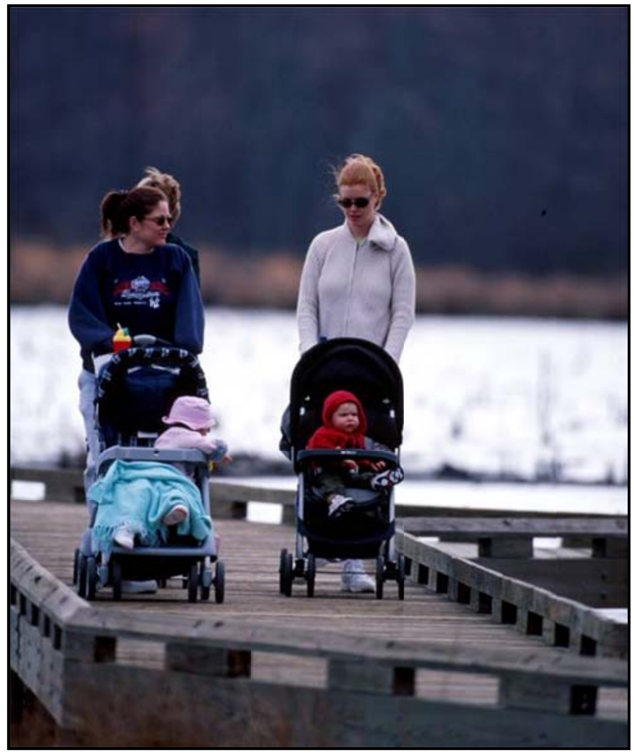
Fairfax County is committed to protecting the health of its residents, and in FY 2010, 97.0 percent of **restaurants operated safely**. This measure reflects restaurants that do not present a health hazard to the public and are determined to be safe at the time of inspection, otherwise the operating permit would be suspended and the restaurant would be closed. Studies have shown that high risk establishments, (those with complex food preparation; cooking, cooling and reheating) which are approximately 50 percent of Fairfax County restaurants, should be inspected at a greater frequency than low risk establishments (limited menu/handling) to reduce the incidence of food borne risk factors. The Food and Drug Administration (FDA) recommends that high risk establishments be inspected three times a year, moderate risk twice a year and low risk once a year. Therefore, the Food Safety Program transitioned to a risk based inspection process in FY 2009.

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 2008 Actual	FY 2009 Actual	FY 2010 Actual
Acres of parkland held in public trust [1]	41,814	40,347	40,322
Miles of trails and sidewalks maintained by the County	634	640	644
Annual number of visitations to libraries, park facilities and recreation and community centers	11,859,268	12,325,902	11,963,753
Value of construction authorized on existing residential units	$200,706,471	$145,844,063	$136,836,731
Annual percent of new dwelling units within business or transit centers as measured by zoning approvals	88.0%	13.0%	98.8%
Percent of people in the labor force who both live and work in Fairfax County	54.1%	53.7%	51.7%
Number of affordable rental senior housing units	3,024	3,024	3,024

[1] Acres of parkland were restated in FY 2009, based on a Park Authority reconciliation of its historical records on Park Authority park acreage received and granted.

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 parkland 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. This indicator measures parkland in the County held by the Fairfax County Park Authority, the Northern Regional Park Authority, state and federal governments, and other localities. In FY 2010, there was a slight downward adjustment in acres due primarily to the County's sale of some acres at the Vulcan Quarry to comply with the provisions of the Federal Lands to Parks Program. This adjustment offset new acres acquired and brought the FY 2010 total acreage to 40,322. 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 Department of Public Works and Environmental Services (DPWES). A GIS-based walkway inventory now provides a more accurate estimate of miles. By the end of FY 2010, DPWES maintained 644 miles of trails and sidewalks. In addition to miles maintained by the County, approximately 1,600 miles are maintained by the Virginia Department of Transportation (VDOT) and over 300 miles are contained within County parks. In addition, over 1,700 miles of walkway are maintained by private homeowners associations. The number of walkways in the County contributes to the sense of community and connection to places. The County will continue to improve pedestrian access and develop walkways through the use of funding support from a variety of sources, including bond funding and the commercial and industrial real estate tax for transportation.



The County maintains 644 miles of trails and sidewalks in addition to the nearly 1,600 miles of trails and sidewalks maintained by the Virginia Department of Transportation within Fairfax County's boundaries.

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. In the fall of 2004, the voters approved a Public Library Bond Referendum totaling $52.5 million for library projects. Funding provided for two new libraries (the completed Burke Centre and Oakton libraries) and library renovation and renewal projects. Renovation and expansion construction of the Richard Byrd Community, Martha Washington Community, and Thomas Jefferson Community libraries were completed in summer 2010. Renovation and expansion of the Dolley Madison Community Library is underway, and design work and feasibility studies continue for other library renewals. In FY 2010, the number of visits to all library, parks and recreation facilities decreased to 11,963,753, after setting a record high for visits in FY 2009. Library visitations were impacted by severe weather that forced library closings, the relocation of three community branches into temporary quarters during branch renovations and a decrease in operating hours due to budget reductions to meet the FY 2010 shortfall. It should be noted that a modification of library hours countywide also was required in FY 2011 to meet funding constraints due to the continuing economic downturn. The more limited schedule may further decrease the number of library visits in FY 2011. In addition to lower Library visitations, FY 2010 and FY 2011 budget reductions, and the impact of the economic downturn on fee-based activities, have reduced participation levels for some Park Authority programs.

Resident investment in their own residences reflects the perception of their neighborhood as a "livable community." While many residents have moved forward with home renovations despite the slowdown of the real estate market and economic uncertainty, many other residents have delayed renovation plans, resulting in the County receiving fewer construction permit applications. FY 2008, FY 2009 and FY 2010 data reflect the continuing decline in the homeowner-reported **value of construction authorized on existing residential units.** These figures result from a combination of the slowdown in home improvement projects resulting in fewer permits, lower actual construction costs due to market competition, and underreporting of project costs by homeowners. It is projected that the total value of issued construction permits will rise in the future as the housing market strengthens.

The measure for the **percent of dwelling units within business or transit centers as measured by zoning approvals** provides a sense of the quality of built environments in the County and the County's annual success in promoting mixed use development. The Comprehensive Plan encourages built environments suitable for work, shopping and leisure activities. The County requires Business Centers to include additional residential development to facilitate an appropriate mix of uses. In FY 2010, 98.8 percent of proffered residential units were within business or transit centers, as compared to the 13.0 percent in FY 2009, reflective of the approval of two significant rezoning applications, Springfield Mall and the Comstock-Wiehle Avenue zoning cases. The percentage of residential units in business and transit areas is anticipated to remain at or near the FY 2010 level in the near future, due to a number of zoning cases approved or pending in FY 2011 in Reston, Tysons and other centers of the County.

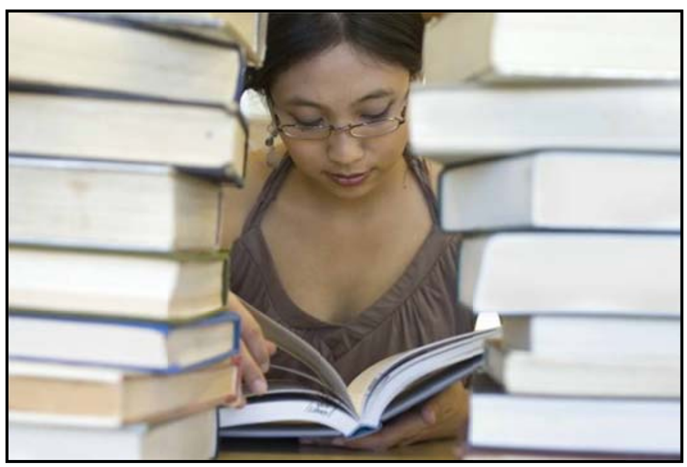
The **percentage of employed people who both live and work in Fairfax County** is currently above 50 percent and may be linked to both quality of life and access to mixed use development in the County. Additional residential development in business centers also increases the potential for the members of the workforce to live in proximity to their place of work. In addition, the County is actively promoting the creation and preservation of affordable dwelling units to support those who both live and work within the County.

Continued production of **affordable senior housing** by the Fairfax County Redevelopment and Housing Authority (FCRHA) and others, as well as FCRHA preservation efforts, are helping to offset the loss of affordable senior rental units on the market. As of the close of FY 2010, the County maintained an inventory of 3,024 affordable housing units, including both publicly and privately owned rental apartment complexes. This number includes 55 units at the Chesterbrook facility, delivered in November 2007, that are specifically for low-income residents. In FY 2010, 90 units of independent senior housing were under construction by the FCRHA, and were delivered in FY 2011.

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 2008 Actual	FY 2009 Actual	FY 2010 Actual
Number of times County information and interactive services are accessed electronically (millions)	57.3	68.9	87.2
Percent change in number of times County information and interactive services accessed electronically	10.1%	20.3%	26.5%
Library materials circulation per capita	12.0	13.0	12.9
Percent of library circulation represented by materials in languages other than English	1.4%	1.4%	1.3%
Percent change in transit passengers	1.3%	(0.89%)	6.6%

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 useful information. Not only does the website provide information on County services, but it also enables residents to transact business with the County. Residents no longer have to appear at a County facility during normal business hours. They now can 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 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 information 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 convenient access to information and services is found in the FY 2010 measure of a 26.5 percent increase in **electronic access to County information and interactive services**. This indicator measures the change in the number of people using the County's website and suggests increasing consumer interest in and availability of County website applications.



For residents of Fairfax County who do not have access to a computer at home or at work, or who 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 them 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. The utilization of Fairfax County libraries is demonstrated by the **library materials circulation per capita,** which was 12.9 in FY 2010. This is 87 percent higher than the FY 2009 mean of 6.9 for the 26 jurisdictions surveyed by ICMA with populations greater than 100,000 (most recent data available). This high circulation rate indicates the availability of an extensive selection of materials and a desire for library resources among Fairfax County residents. In addition, interest in library resources can be seen in the number of library website page views, which increased 26 percent from FY 2009 to FY 2010, from 17.5 million to 22.0 million. For additional information on benchmarks, please refer to the Parks, Recreation and Libraries Program Area Summary in Volume 1.

As previously mentioned, Fairfax County is becoming an increasingly diverse community in terms of culture and language. As of 2009, 35.0 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 2010, 1.3 percent of **library circulation was represented by materials in languages other than English.** With a circulation of 13.9 million items by Fairfax County Public Library (FCPL) in FY 2010, the 1.3 percent reported for the circulation of non-English materials represents a significant number of materials being used by a multi-language population.

Another important aspect of connecting people and places is actually moving them from one place to another. The County operates the FAIRFAX CONNECTOR bus service; provides FASTRAN services to seniors; and contributes funding to Metro and the Virginia Railway Express (VRE). The **percent change in transit passengers** measures the impact of County efforts as well as efforts of Metro and the VRE. Following a decrease of 0.89 percent in Fairfax County transit passengers in FY 2009, an overall 6.6 percent increase was experienced in FY 2010. This increase was, in large part, attributable to an 11.1 percent increase in annual Metrorail trips originating in Fairfax County, from 29.0 million to 32.2 million, and an 8.8 percent increase in annual VRE ridership, from 786,450 to 855,540. Transit ridership growth was, in part, fueled by an increased federal government subsidy for commuter fares. In addition, VRE implemented operational efficiencies such as new rail cars and extended platforms.

In FY 2012, the County will continue its support of Metro Operations and Construction, CONNECTOR bus service, and the VRE subsidy. Additional General Fund support is required for the projected Metro jurisdictional subsidy and for critical CONNECTOR services. For more information, please see Fund 309, Metro Operations and Construction and Fund 100, County Transit Systems, in Volume 2.

While transportation funding and improvements to date have been largely a state function, the County also has supported a large portion of local transportation projects in an effort to reduce congestion and increase safety. The County continues to broaden its effort to improve roadways, enhance pedestrian mobility, and support mass transit through funding available from the 2007 Transportation Bond Referendum and from the commercial and industrial real estate tax for transportation. This tax was first adopted by the Board of Supervisors in FY 2009, pursuant to the General Assembly's passage of the Transportation Funding and Reform Act of 2007 (HB 3202). The FY 2012 budget includes a continuation of the 11 cent/$100 assessed value rate, which is projected to provide approximately $42 million in support of capital and transit projects, including continued support of CONNECTOR bus service from the West Ox Bus Operations Center, and funding of new bus services and increased frequencies.

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 2008 Actual	FY 2009 Actual	FY 2010 Actual
Total employment (Total All Industries, All Establishment Sizes, equaling the total number of jobs in Fairfax County)	592,012	576,336	580,747
Growth rate	-0.02%	-2.65%	0.77%
Unemployment rate (not seasonally adjusted)	2.9%	4.8%	4.9%
Commercial/Industrial percent of total Real Estate Assessment Base	19.23%	21.06%	22.67%
Percent change in Gross County Product (adjusted for inflation)	0.60%	0.84%	2.65%
Percent of persons living below the federal poverty line (Calendar Year)	4.9%	4.8%	5.6%
Percent of homeowners that pay 30.0 percent or more of household income on housing (Calendar Year)	30.1%	35.0%	32.9%
Percent of renters that pay 30.0 percent or more of household income on rent (Calendar Year)	41.2%	45.0%	47.4%
Direct (excludes sublet space) office space vacancy rate (Calendar Year)	12.1%	13.9%	13.3%

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. 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 overall health of Fairfax County's economy.

Total employment illustrates the magnitude of Fairfax County's jobs base. After declining 2.65 percent in FY 2009, the total number of jobs in the County grew a slight 0.77 percent in FY 2010. For context, there are more jobs in Fairfax County than there are people in the entire state of Wyoming. 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 unemployment rate was 4.9 percent in calendar year 2010, the Commonwealth of Virginia experienced 6.9 percent unemployment (not seasonally adjusted) in the same period. The strength of the County's economy is even more apparent when compared to the national unemployment rate of 9.6 percent in 2010. However, by historical standards, the County's unemployment rate is still elevated. In the last three recessions, the unemployment rate never exceeded 4.0 percent.

The **Commercial/Industrial percent of total Real Estate Assessment Base** 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. From FY 2001 to FY 2007, the Commercial/Industrial percentage declined from 25.37 percent to 17.22 percent, in part due to vacant office space early in this period and further exacerbated by the booming housing market attributable to record low mortgage rates that resulted in double-digit residential real estate assessment increases for several consecutive years. This imbalance increased the burden on the residential component to finance government services. Starting in FY 2008, when the housing market began to slow down, the Commercial/Industrial percentage increased for three consecutive years, reaching 22.67 percent in FY 2010 as a result of declining residential values. The Commercial/Industrial percentage of the County's FY 2011 Real Estate Tax base declined 2.97 percentage points to 19.70 percent due to the record decrease of 18.29 percent in nonresidential values and a more moderate decline in residential properties. In FY 2012, the Commercial/Industrial percentage is 19.64

percent, a slight decrease of 0.06 percentage points. The Commercial/Industrial percentage is based on Virginia land use codes and includes all nonresidential property except multi-family rental apartments, which make up 4.62 percent of the County's Real Estate Tax base in FY 2012, up from 4.15 percent in FY 2011. Multi-family rental apartments experienced a double digit increase in value in FY 2012, while other nonresidential property rose at more moderate rates or decreased slightly, resulting in an overall decrease in the Commercial/Industrial percentage.

Gross County Product (GCP) is an overall measure of the County's economic performance. The percentage change in the GCP indicates whether the economy is expanding or contracting. Moody's Analytics estimates that GCP, adjusted for inflation, rose at a rate of 2.7 percent in 2010. As the economy improves, the GCP growth is expected to accelerate in 2011 and 2012.

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., $20,000 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 5.6 percent poverty rate in FY 2010 is better than most, yet it still translates to over 55,000 persons living below the federal poverty level. *(Note: Census data are reported based upon the calendar year (CY) rather than the fiscal year and are typically available on a one-year delay. FY 2010 data represent CY 2009 data.)*

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,** 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 a loss of jobs. In FY 2010, 32.9 percent of homeowners paid 30 percent or more of their household income on housing, while a substantially greater number of renters, 47.4 percent, paid 30 percent or more of their household income on rent. *(Note: Census data are reported based upon the calendar year rather than the fiscal year and are typically available on a one-year delay. FY 2010 data represent CY 2009 data.)*

Finally, the **direct (excludes sublet space) office space vacancy rate** reflects yet another aspect of the health of the business community. During the past year, lease rates stabilized and office vacancy rates declined. In 2010, the direct office vacancy rate decreased for the first time since 2006 to 13.3 percent, down from a 16-year high of 13.9 percent at the end of 2009. Including sublet space, the overall office vacancy rate was 15.3 percent, down from 16.4 percent. No new speculative developments broke ground during 2010. Office vacancy rates are expected to continue to decline during 2011 as the demand for office space rises with employment gains. 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. It should be noted that income growth does not affect Fairfax County tax revenues directly because localities in Virginia do not tax income; however, revenues are indirectly affected because changes in income impact the County's economic health.

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 2008 Actual	FY 2009 Actual	FY 2010 Actual
Unhealthy Air Days recorded on Fairfax County monitors, based on the EPA Air Quality Index recorded on a monitor in Fairfax County (Calendar Year)	13	1	11
Overall Level of Stream Quality as a weighted index of overall watershed/ stream conditions on a scale of 5 (Excellent) to 1 (Very Poor)	2.35	2.08	2.60
Percent of Tree Coverage in County	41.0%	40.5%	40.5%
Number of homes that could be powered as a result of County alternative power initiatives	68,000	68,500	64,000
Solid Waste Recycled as a percentage of the waste generated within the County (Calendar Year)	40%	39%	42%

The Environmental Stewardship Vision Element demonstrates the County's continued commitment to the environment. Rapid growth and development since the 1980's 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 continues to be demonstrated by the County's Solid Waste 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. The Wastewater Management Program achieved an Exemplary Environmental Enterprise (E3) rating. These designations are 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. In addition, in FY 2006, the County was presented with a National Association of Counties Achievement Award (NACo) for its efforts to improve air quality.

On June 21, 2004, the Board of Supervisors adopted the Environmental Excellence 20-year Vision Plan (Environmental Agenda). The Environmental Agenda is organized into six areas: growth and land use; air quality and transportation; water quality; solid waste; parks, trails and open space; and environmental stewardship. The underlying principles of the Environmental Agenda include: the conservation of limited natural resources being interwoven into all governmental decisions; and the County commitment to provide the necessary resources to protect the environment. By adopting the Environmental Agenda, the Board of Supervisors endorsed the continued staff effort to support the Environmental Stewardship Vision Element. In addition, the Environmental Coordinating Committee developed the Environmental Improvement Program (EIP) to support the Board's Environmental Agenda. The EIP is a tactical plan with concrete strategies, programs and policies that directly support the goals and objectives of the Board's Environmental Agenda. In FY 2007, the County was presented with a NACo achievement award for its Environmental Agenda and EIP Programs.

In FY 2006 and FY 2007, the County was presented with National Association of Counties (NACo) Achievement Awards for its efforts to improve air quality and for its Environmental Improvement Program.

Fairfax County partnered with a select group of counties across the United States and the Sierra Club to create a template for local governments to begin reducing their greenhouse gas emissions in favor of more environmentally friendly practices. This "Cool Counties" initiative was inaugurated at the NACo annual conference in July 2007. It identifies specific strategies and actions for the nation's 3,000 counties to adopt as part of the regional, national and global effort to pursue smarter, cleaner energy solutions. A number of "Cool County" strategies have already been implemented in Fairfax County, including the purchase of hybrid vehicles (now totaling approximately 112 vehicles), the promotion of green buildings for both public and private facilities (Burke Centre Library, Richard Byrd and Martha Washington Library, Oakton Library, Girls Probation House, Hanley Family Shelter, and Crosspointe and Fairfax Center Fire Stations, for example), and the utilization of teleworking (Fairfax County has approximately 1,400 employees registered to telework). The County Executive and the Board of Supervisors opted not to extend the wind energy contract; however, wind energy credits/purchase is now available on a facility-by-facility basis through Dominion Virginia Power. In addition, on March 31, 2008, the Fairfax County Board of Supervisors approved a resolution pledging to implement greenhouse gas emission reduction actions as part of the National Capital Region's Cool Capital Challenge.

In addition, in October 2009, the County received approval for a U.S. Department of Energy, Energy Efficiency and Conservation Block Grant (EECBG) as a result of the American Recovery and Reinvestment Act. Funding of $9,642,800 has been approved for specific EECBG projects, each of which is aligned with the EECBG program's defined purposes and eligible activities. Some of the projects include: heating, ventilation and air conditioning systems; energy management control systems; lighting and lighting control systems; an enterprise server consolidation project which will reduce power demands in the County's data centers by approximately 90 percent; PC power management; and a comprehensive greenhouse gas emissions inventory of County operations. The Fairfax County Department of Information Technology received the "Green 15" award for its PC power management initiative that automatically shuts down over 14,000 County computers resulting in electricity savings for the County. Other on-going environmental initiatives are detailed below, include minimizing unhealthy air days, enhancing stream quality, expanding tree coverage, exploring alternative forms of energy, and recycling.

In support of the regional goal of attaining the federal standard for ozone levels, Fairfax County is committed to 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 including both coarse and fine particulates (PM_{10} and $PM_{2.5}$), lead, carbon monoxide, sulfur dioxide, and nitrogen dioxide. The **EPA Air Quality Index** for the criteria pollutants assigns colors to levels of health concern, code orange indicating unhealthy for sensitive groups; code red – unhealthy for everyone; purple - very unhealthy; and maroon - hazardous. The Key County Indicator on unhealthy air days includes all of these color levels. In 2005, EPA revoked the one-hour ozone standard and completed the transition from the one-hour 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. Fairfax County has implemented air pollution strategies including the previous purchase of wind energy credits, reducing County vehicle emissions through the purchase of hybrid vehicles, diesel retrofits and the use of ultra low sulfur fuel, no refueling of County vehicles except emergency vehicles on Code Red Days, transportation strategies including previous free FAIRFAX CONNECTOR bus rides on Code Red Days, teleworking, no mowing of grass at County properties on Code Red Days, use of low Volatile Organic Compound (VOC) paints, County building energy efficiency programs, tree canopy and planting activities, green building actions, community outreach and maintaining standards and procedures that promote healthy air. In FY 2008, the number of unhealthy air days increased to 13. This was primarily due to the March 2008 EPA action of lowering the ozone eight-hour standard even further from a 0.8 parts per million (ppm) to a 0.075 ppm eight-hour standard. Weather conditions in a given year also influence air quality. The FY 2009 decrease to 1 unhealthy air day was due not only to the continued actions taken by the County that were previously stated; but also to similar actions by neighboring jurisdictions, federal actions over many years to reduce emissions from vehicles and power plants, and milder weather conditions than normal. The number of unhealthy air days in FY 2010 increased to 11, as reported by the state of Virginia. At this time EPA is proposing another revision to lower the ozone standard further to 0.06-0.07 ppm as recommended by the Clean Air Scientific Advisory Committee. EPA planned to adopt the exact standard in August 2010; however it has extended the timeline to 2011. On April 28, 2008, EPA announced that the Metropolitan Washington DC, MD, VA area met the 1996 one-hour ozone National Ambient Air Quality Standard by the required attainment date of November 15, 2005. The County's Environmental Coordinating Committee continues to examine the adequacy of current air pollution measures and practices, education and notification processes, and codes and regulations to make further progress toward meeting the standard. 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). Since FY 2005, the County has participated as a media sponsor for the group's public awareness campaign. It is noted that in FY 2010, the County's air monitoring program was eliminated due to budget reductions; however, the monitoring responsibility was turned over to the Virginia Department of Environmental Quality (VDEQ).

Stream quality in Fairfax County may affect residents' recreational use of streams and other water bodies as well as the quality of our drinking water. Monitoring the health of our waterways and preparing watershed management plans provide a head start for the County in satisfying the federal and state regulatory requirements as dictated by Total Maximum Daily Loads (TMDLs) established in December 2010. The goal is to restore the Chesapeake Bay and eventually remove it from the national list of impaired bodies of water. Between 2005 and 2011, Fairfax County developed 13 watershed management plans for the County's 30 watersheds in order to restore the health of local streams, meet regulatory requirements and help satisfy restoration goals for water quality and living resources for the Chesapeake Bay. The final set of plans (seven) were completed at the end of 2010 and were adopted by the Board between December 2010 and February 2011. These plans provide a systematic project framework for establishing restoration goals, implementation strategies, and prioritization of the most cost-effective projects that will help restore and protect our streams and watersheds at a countywide scale. Additional information on watershed management plans, including digital copies of adopted plans, may be found at www.fairfaxcounty.gov/dpwes/watersheds. Since 2004, a stratified random sampling procedure has been used to assess and report the ecological conditions in the County's streams. A stream quality indicator was developed from the benthic macroinvertebrate monitoring data to establish overall watershed/stream conditions countywide. The stream quality indicator is an index value ranging from 5 to 1, with the following qualitative interpretations associated with the index values: 5 (Excellent), 4 (Good), 3 (Fair), 2 (Poor) to 1 (Very Poor). The stream quality index continued to fluctuate over the last seven years between 2.03 at its low and 2.83 at its highest level as the County strives to meet the goal of a future average **stream quality index value** of 3 or greater (Fair to Good stream quality). 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). Fairfax County continues to work collaboratively with other area jurisdictions toward the common goal of a cleaner Chesapeake Bay.

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 percent of the County's land mass covered by the canopies of trees. 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. Satellite analysis is typically done approximately 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's Urban Forest Management Division estimates that the County has a tree coverage level of 40.5 percent. This percentage compares favorably to the average levels reported by the U.S. Forest Service for urbanized areas of Virginia (35.3 percent) and Maryland (40.1 percent). The County's tree coverage level is slightly above the percentage recommended by American Forests (40 percent) as the level needed to sustain an acceptable quality of life. In 2006, the County improved its ability to sustain its tree coverage through the completion of the Tree Action Plan which is a strategic document that will help guide the community's efforts to conserve and manage tree and forest resources over the next 20 years. In October 2007, the Board of Supervisors approved a 30-year Tree Canopy Goal of 45 percent. This goal will require the community to plant over 2 million trees over the next 30-years and requires the continued protection and management of existing native forest communities. In recent years, the County has partnered with several non-profit organizations that leverage the use of volunteers, and provide significant opportunities for community involvement and environmental awareness associated with tree planting projects. These tree planting projects are also consistent with the overall stormwater goals to re-establish native plant buffers and increase the natural absorption of stormwater runoff associated with ground imperviousness.

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 (E/RRF) and from methane recovery at the County's closed landfills. Locally, average energy use per home equals 800 Kilowatt-hours (kWh) per month. FY 2010 electric sales from the County's resource recovery facility were approximately 46,700,000 kWh/month while methane-to-electricity project sales have averaged approximately 4,500,000 kWh/month. The E/RRF posted unusually low output during FY 2010, due to increased outages caused by record snowfall, a major turbine-generator overhaul, and miscellaneous equipment failures, while the output from the methane-to-electricity project remained consistent with previous years. An additional methane space-heat project at the I-66 Transfer Station for space heat at the West Ox Bus Operations Center is underway.

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. Fairfax County manages trash and recycling through the County's 20-Year Solid Waste Management Plan approved by the Board of Supervisors in May 2004. This plan, mandated by state law and administered by the Virginia Department of Environmental Quality, documents the County's integrated management system and provides long-range planning for waste disposal and recycling for the next 20 years. Recycling initiatives in FY 2012 will include continued emphasis on electronics recycling and compact fluorescent lamp recycling. Fairfax County continues to administer and enforce requirements to recycle paper and cardboard from all residential and nonresidential properties, including multi-family residential properties. Additionally, cardboard generated from construction projects is required to be recycled. The intent of requiring this recycling is to maximize the amount of paper and cardboard removed from the waste stream to ensure sufficient waste disposal capacity for waste in the County's waste management system. The County's recycling rate is calculated on a calendar year basis according to state regulations and is due to the Virginia Department of Environmental Quality on April 30 of each calendar year. The annual countywide **recycling rate** of 42 percent (for calendar year 2010) exceeds the state-mandated requirement of 25 percent. Recycling information is collected under the authority of Fairfax County Code, Chapter 109.1, specifically Section 109.1-2-4. Solid waste collectors and certain businesses operating in the County are required to prepare an annual report due by March 1 of each year with information on the quantity of materials collected for recycling. The amount of **solid waste recycled** in Fairfax County is calculated by comparing the quantity of materials collected for recycling to the quantity of waste sent for disposal. Revenue is generated from the sale of recyclable materials, and since they are not disposed of, disposal fees ($53/ton) are avoided for each ton of material recycled.

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 2008 Actual	FY 2009 Actual	FY 2010 Actual
Volunteerism for Public Health and Community Improvement (Medical Reserve Corps and Volunteer Fairfax)	8,262	12,460	16,058
Volunteer hours leveraged by the Consolidated Community Funding Pool	419,923	513,046	515,579
Residents completing educational programs about local government (includes Citizens Police Academy, Neighborhood College Program, and Fairfax County Youth Leadership Program)	284	265	393
Percent of registered voters who voted in general and special elections	33.3%	78.7%	44.6%
Percent of Park Authority, Fairfax County Public Schools, and Community and Recreation Services athletic fields adopted by community groups	32.9%	33.3%	29.5%

Volunteerism for Public Health and Community Improvement is strongly evident in two County programs: the **Medical Reserve Corps** (MRC) and **Volunteer Fairfax**. Fairfax County benefits greatly from citizens who are knowledgeable about and actively involved in community programs and initiatives. Nationally, the MRC consists of groups of volunteers organized into 933 individual units, with more than 208,000 volunteers, whose purpose is to build strong, healthy, and prepared communities. MRC volunteers include medical and non-medical professionals, such as physicians and nurses, site assistants and volunteer unit leaders. In addition, non-medical community members - such as interpreters, office workers and teachers, fill key support positions. At the local level, over 3,700 participate in Fairfax MRC, and Fairfax MRC volunteers participate in exercises and response activities to augment local resources used for protecting Fairfax residents health prior to, during, and after a public health emergency.

In 2010, Fairfax MRC volunteers were heavily engaged in assisting at H1N1 flu clinics during the first quarter and with seasonal flu clinics in the fall. The Fairfax MRC had a tremendous impact on H1N1 pandemic preparedness and response efforts, including participating in education campaigns for vulnerable communities and assisting directly at vaccination clinics. Notably, Fairfax MRC volunteers comprised 2 percent of the national H1N1 volunteer response and 62 percent of the statewide volunteer response. During this year’s flu season, MRC volunteers supported Health Department efforts at seasonal flu clinics in the fall at Dulles Airport and at Fairfax County Public School elementary school clinics. MRC volunteer support for these efforts is a perfect illustration of how engaged residents can make a substantial impact to improve our communities.

Utilizing creative approaches to meet vulnerable population needs, over 150 volunteers, in conjunction with staff from the Fairfax County Health Department and partner agencies, participated in three community preparedness fairs entitled “Get Ready Fairfax.” The events, which were set up as mock medication dispensing sites, were conducted in partnership with more than 20 County and community agencies to focus on emergency preparedness in underserved communities. More than 2,000 residents attended these events. Participants were given a "passport to preparedness” to help educate them on what to expect in an emergency and how to improve their personal, family and household preparedness. Participants were given an emergency preparedness starter kit with key items to start them on their way to better preparedness. “Get Ready Fairfax” was selected by the National Association of City and County Health Officials (NACCHO) Model Practice Program as a Promising Practice. The fairs were supported by funding from the Department of Homeland Security's Urban Area Security Initiative (UASI) program.

Current and future MRC program efforts are focused on developing a three-year strategic plan to increase volunteer capacity and improve and sustain the capabilities of the program and its critical resource – the volunteers – to a level that effectively supports the Fairfax County Health Department in its plans to respond to and recover from natural and man-made disasters and emergencies.

Volunteer Fairfax, a private, nonprofit corporation (created in 1975) to promote volunteerism through a network of over 900 nonprofit agencies, has mobilized people and other resources to meet regional community needs. Volunteer Fairfax connects individuals, youth, seniors, families and corporations to volunteer opportunities, honors volunteers for their hard work and accomplishments, and educates the nonprofit sector on best practices in volunteer and nonprofit management. Through various programs and services, Volunteer Fairfax has referred or connected 12,295 individuals in FY 2010. A new database and website enhanced the organization’s ability to track referrals and volunteer involvement, so FY 2008, FY 2009 and FY 2010 reflect adjusted numbers.

Volunteerism not only reflects a broad-based level of engagement with diverse organizations and residents throughout Fairfax 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** (CCFP), 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 the community. Numbers fluctuate from year to year since new and revamped programs are funded every two years. The increase in volunteerism in recent years is due in part to 117 programs funded by CCFP.

In addition to its many volunteer opportunities, Fairfax County has designed several programs to educate citizens about local government. The **Citizens Police Academy** is an educational outreach program designed to provide a unique “glimpse behind the badge” as participants learn about police department resources, programs, and the men and women who comprise an organization nationally recognized as a leader in the law enforcement community. Participants learn about the breadth of resources involved in preventing and solving crime and the daily challenges faced by Fairfax County police officers. Academies are ten weeks in length and meet one night a week for 3.5 hours. Five-week academies may also be offered at the request of station commanders. The Fairfax County Citizens Police Academy was selected “best in the nation” in 2009 by the National Citizens Police Academy Association (NCPAA). In FY 2010, 107 residents completed this course.

The **Neighborhood College Program** aims to promote civic engagement by preparing residents to participate in local government and in their neighborhoods and communities. Participants are encouraged to utilize the knowledge, skills, and access gained from the class to engage in activities that will contribute to healthy neighborhoods and strong communities. The program provides information on local government, services, the community, and opportunities for involvement through presentations, panels, activities, group discussion, and fieldwork. This program has experienced significant growth, rising from 78 residents in FY 2009 to 250 in FY 2010. 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 25 high schools represented. The students are chosen based on a range of criteria including student activities and awards, written essays and recommendations. 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.

Fairfax County has a civic-minded population. Voter participation levels in Fairfax County reflect a community that is well informed, engaged, and involved with local government to address community needs and opportunities. The **percent of Fairfax County residents voting** in recent elections generally has exceeded state averages. The turnout for the November 2010 Midterm Election (FY 2011) was 49.1 percent compared to the statewide average of 46.9 percent. The County's 49.1 percent turnout represents 282,632 citizens voting at the polls on Election Day and 26,054 voters who applied for absentee ballots. Additionally, over 2,000 civic minded citizens and nearly 400 high school students volunteered at County polling places to conduct the 2010 election. In both 2008 and 2009, Fairfax County voter participation also exceeded state averages. For the 2008 Presidential Election (FY 2009) the County turnout was 78.7 percent compared to a statewide turnout of 76.4 percent and for the 2009 Gubernatorial Election (FY 2010) the County turnout was 44.6 percent compared to the state average of 42.5 percent.

Another aspect of an engaged community is the extent to which residents take advantage of opportunities to improve their physical surroundings and to maintain the facilities they use. The **percent of athletic field adoptions** – 29.5 percent in FY 2010 -- by community groups is solid and evidenced by the consistent community support of approximately one-third of total fields over the recent period. Athletic field adoptions reduce the County's financial burden to maintain these types of public facilities and improve their quality. Analysis indicates that organizations in Fairfax County annually provide over $4 million in support for facility maintenance and development. In addition to natural turf field maintenance, community organizations continue to develop synthetic turf fields by partnering with the County and funding the development independently. New incentives have recently been put into place to encourage groups to maintain and increase adoptions despite the current economic climate. The Department of Neighborhood and Community Services, Fairfax County Park Authority (FCPA), and Fairfax County Public Schools (FCPS) continue to work with a very involved athletic community to design and implement the FCPS diamond field maintenance plan. This plan established an enhanced level of consistent and regular field maintenance at school softball and baseball game-fields. This benefits both scholastic users as well as community groups that are reliant upon use of these fields to operate their sports programs throughout the year. In FY 2011, the Fairfax County Athletic Council (FCAC) formed a committee to review the Friend of the Field and Field Adoption programs and recommend any suggestions to come up with ways to incentivize participation.

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 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Estimate
Average tax collection rate for Real Estate Taxes, Personal Property Taxes and Business, Professional, and Occupational License Taxes	99.51%	99.21%	99.70%	99.21%	99.21%
County direct expenditures per capita	$1,151	$1,153	$1,089	$1,160	$1,136
Percent of household income spent on residential Real Estate Tax	4.49%	4.71%	4.63%	4.48%	4.35%
County (merit regular) positions per 1,000 citizens	11.52	11.54	11.06	11.10	11.09
Number of consecutive years receipt of highest possible bond rating from major rating agencies (Aaa/AAA/AAA)	30	31	32	33	34
Cumulative savings from both County bond sales as compared to the Bond Buyer Index and County refundings (in millions)	$358.39	$394.91	$434.23	$486.30	$486.30
Number of consecutive years receipt of unqualified audit	27	28	29	30	31

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 (See chart above for "**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 since 1975, AAA from Standard and Poor's Corporation since 1978 and AAA from Fitch Investors Services since 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 $486.30 million since 1978. This savings was achieved as a result of the strength of County credit 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). In 2001, the GPP completed 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. Recent recognitions of sound County management include continuing annual recognition by the Government Finance Officers Association (GFOA) for excellence in financial reporting and budgeting, and receipt of the International City/County Management Association (ICMA) 2010 Certificate of Excellence for the County's use of performance data from 21 different government service areas (such as police, fire and rescue, libraries, etc) to achieve improved planning and decision-making, training, and accountability. Fairfax County was one of 14 jurisdictions that earned this prestigious certificate out of more than 220 jurisdictions participating in ICMA's Center for Performance Measurement.

The success in managing County resources has been accompanied by the number of **merit regular positions per 1,000 citizens** being managed very closely. Since FY 1992 the ratio has declined from 13.57 to 11.09 in FY 2012. The ratio has declined since FY 2009 due to position eliminations as part of budget reductions to address shortfalls in FY 2010 and FY 2011, offset by an increase in merit status positions primarily as a result of changes to federal regulations. County position categories were reviewed during FY 2011 in light of recent changes to federal regulations related to health care and other federal tax requirements. The impact of these changes was the conversion of limited term positions meeting established criteria to merit status, resulting in a net increase of 235 merit positions in FY 2011. Apart from these recent changes, the long term decline in the positions to citizen ratio indicates a number of efficiencies and approaches - success in utilizing technology, best management processes and success in identifying public-private partnerships and/or contractual provision of service.

The County consistently demonstrates success in maintaining high **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 residents.

County direct expenditures per capita of $1,136 in FY 2012 reflect a small decrease from FY 2008. Budget shortfalls in FY 2010, FY 2011 and FY 2012 have prevented significant growth. No County pay for performance or merit adjustments are included in the FY 2010, FY 2011 or FY 2012 budgets, and those budgets accommodate operating adjustments for new facilities, critical infrastructure requirements, population growth and workload increases within reduction levels. More cost per capita data, showing how much Fairfax County 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 2012 Adopted 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 Tax** increased slightly from FY 2008 to FY 2010, primarily reflecting a decline in average household income. A decrease to 4.35 percent of estimated household income is estimated for FY 2012. It should be noted that Fairfax County continues to rely heavily on the Real Estate Tax at least in part due to the lack of tax diversification options for counties in Virginia. In FY 2012 real property taxes total 61.6 percent of total General Fund revenues.

Fairfax County Public Schools (FCPS) Strategic Governance

The School Board's Strategic Governance Initiative includes beliefs, vision, and mission statements, and student achievement goals to provide a more concentrated focus on student achievement and to establish clearer accountability. In addition to specifying the results expected for students, the Board has created comprehensive departmental operational expectations that provide a guiding framework for both the Superintendent and staff members to work within. The Strategic Governance Initiative includes those operational expectations as well as student achievement goals as measures of school system success.

FCPS Overview

- ***FY 2012, FCPS' total approved membership is 177,629; nation's 11th largest school district.***
- ***194 schools and centers.***
- ***Full-day kindergarten at all elementary schools.***
- ***Needs-based staffing at all schools.***
- ***Ninety-two percent of FCPS graduates plan to continue to post secondary education.***
- ***FCPS schools are in the top 6 percent of all high schools in the nation (2010 Newsweek)***
- ***FCPS students continue to post SAT and ACT scores above the state and national average***
- ***FCPS educates tomorrow's leaders.***

Beliefs

- We Believe in Our Children.
- We Believe in Our Teachers.
- We Believe in Our Public Education System.
- We Believe in Our Community.

Vision

- Looking to the Future
- Commitment to Opportunity
- Community Support
- Achievement
- Accountability

Mission

Fairfax County Public Schools, a world-class school system, inspires, enables, and empowers students to meet high academic standards, lead ethical lives, and demonstrate responsible citizenship.

Student Achievement Goals

1. Academics
2. Essential Life Skills
3. Responsibility to the Community

FCPS is Efficient

- ***FCPS ranks 4th when compared to other local districts in average cost per pupil (FY 2011 WABE Guide).***

Fairfax County Public Schools' beliefs, vision, mission, and student achievement goals are discussed in more detail at: http://www.fcps.edu/schlbd/sg/index.htm

School system performance is monitored regularly throughout the year by the School Board to assure that reasonable progress is being made toward achieving the student achievement goals and that the system is complying with the Board's operational expectations.

FCPS students scored an average of 1664 on the SAT, exceeding both the state and national average for 2010:

FCPS	*1664*
VA	*1521*
Nation	*1509*

1742

FY 2012

ADOPTED BUDGET PLAN

General Fund Statement

This section includes:

FY 2012 ADOPTED FUND STATEMENT
FUND 001, GENERAL FUND

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Beginning Balance [1]	**$185,385,547**	**$137,047,282**	**$240,276,899**	**$126,297,128**	**$131,175,478**	**($109,101,421)**	**(45.41%)**
Revenue							
Real Property Taxes	$2,115,971,076	$2,009,434,786	$2,015,748,709	$2,076,449,884	$2,035,455,407	$19,706,698	0.98%
Personal Property Taxes [2]	296,171,622	287,310,921	288,011,049	306,273,967	306,818,444	18,807,395	6.53%
General Other Local Taxes	460,148,029	474,881,301	484,667,630	486,643,993	488,212,410	3,544,780	0.73%
Permit, Fees & Regulatory Licenses	28,665,677	27,719,593	29,888,461	27,921,065	30,152,648	264,187	0.88%
Fines & Forfeitures	14,942,650	16,868,801	16,868,801	16,868,801	16,868,801	0	0.00%
Revenue from Use of Money & Property	21,816,673	18,309,869	21,492,015	16,711,665	16,711,665	(4,780,350)	(22.24%)
Charges for Services	62,980,797	65,529,312	63,228,869	64,789,101	64,161,281	932,412	1.47%
Revenue from the Commonwealth [2]	295,694,307	299,666,641	306,428,846	301,926,375	301,926,375	(4,502,471)	(1.47%)
Revenue from the Federal Government	48,278,483	29,747,606	35,372,285	34,566,131	34,566,131	(806,154)	(2.28%)
Recovered Costs/Other Revenue	5,940,194	8,035,781	8,193,764	8,202,074	12,079,289	3,885,525	47.42%
Total Revenue	**$3,350,609,508**	**$3,237,504,611**	**$3,269,900,429**	**$3,340,353,056**	**$3,306,952,451**	**$37,052,022**	**1.13%**
Transfers In							
090 Public School Operating	$0	$0	$0	$3,877,215	$0	$0	–
105 Cable Communications	2,011,708	2,729,399	2,729,399	3,601,043	6,901,043	4,171,644	152.84%
106 Fairfax-Falls Church Community Services Board	0	0	1,329,839	0	0	(1,329,839)	(100.00%)
311 County Bond Construction	500,000	0	0	0	0	0	–
312 Public Safety Construction	3,000,000	0	0	0	0	0	–
503 Department of Vehicle Services	2,000,000	4,000,000	4,000,000	0	0	(4,000,000)	(100.00%)
505 Technology Infrastructure Services	4,610,443	0	0	0	0	0	–
Total Transfers In	**$12,122,151**	**$6,729,399**	**$8,059,238**	**$7,478,258**	**$6,901,043**	**($1,158,195)**	**(14.37%)**
Total Available	**$3,548,117,206**	**$3,381,281,292**	**$3,518,236,566**	**$3,474,128,442**	**$3,445,028,972**	**($73,207,594)**	**(2.08%)**
Direct Expenditures							
Personnel Services	$673,673,855	$665,948,300	$664,129,083	$672,933,597	$672,679,006	$8,549,923	1.29%
Operating Expenses	327,820,172	339,317,773	383,940,741	345,298,612	345,473,612	(38,467,129)	(10.02%)
Recovered Costs	(42,620,871)	(45,283,240)	(44,388,600)	(44,628,451)	(44,628,451)	(239,851)	0.54%
Capital Equipment	792,415	0	2,614,215	0	0	(2,614,215)	(100.00%)
Fringe Benefits	201,770,116	233,626,678	250,980,866	263,151,156	262,890,861	11,909,995	4.75%
Total Direct Expenditures	**$1,161,435,687**	**$1,193,609,511**	**$1,257,276,305**	**$1,236,754,914**	**$1,236,415,028**	**($20,861,277)**	**(1.66%)**

FY 2012 ADOPTED FUND STATEMENT
FUND 001, GENERAL FUND

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Transfers Out							
002 Revenue Stabilization	$16,213,768	$0	$0	$0	$0	$0	–
090 Public School Operating	1,626,600,722	1,610,334,722	1,611,590,477	1,610,334,722	1,610,834,722	(755,755)	(0.05%)
100 County Transit Systems	21,562,367	31,992,047	31,992,047	34,455,482	34,455,482	2,463,435	7.70%
102 Federal/State Grant Fund	2,962,420	2,914,001	2,914,001	4,250,852	4,250,852	1,336,851	45.88%
103 Aging Grants & Programs	4,252,824	3,913,560	2,961,489	0	0	(2,961,489)	(100.00%)
104 Information Technology	13,430,258	3,225,349	19,025,349	5,281,579	5,281,579	(13,743,770)	(72.24%)
106 Fairfax-Falls Church Community Services Board	93,615,029	93,337,947	93,127,107	94,450,326	95,725,326	2,598,219	2.79%
112 Energy Resource Recovery (ERR) Facility	1,722,908	0	1,745,506	0	0	(1,745,506)	(100.00%)
118 Consolidated Community Funding Pool	8,970,687	8,970,687	8,970,687	8,970,687	8,970,687	0	0.00%
119 Contributory Fund	12,935,440	12,038,305	12,038,305	12,162,942	12,162,942	124,637	1.04%
120 E-911 Fund	10,823,062	14,058,303	14,058,303	14,058,303	14,058,303	0	0.00%
125 Stormwater Services	362,967	0	0	0	0	0	–
141 Elderly Housing Programs	2,033,225	1,989,225	1,989,225	1,989,225	1,989,225	0	0.00%
200 County Debt Service	110,931,895	121,874,490	121,660,143	119,373,864	119,373,864	(2,286,279)	(1.88%)
201 School Debt Service	163,767,929	160,709,026	160,208,882	163,470,564	163,470,564	3,261,682	2.04%
303 County Construction	12,109,784	12,062,406	12,392,861	14,919,369	14,919,369	2,526,508	20.39%
307 Sidewalk Construction	0	0	0	100,000	100,000	100,000	–
309 Metro Operations & Construction	7,409,851	7,409,851	7,409,851	11,298,296	11,298,296	3,888,445	52.48%
312 Public Safety Construction	800,000	0	0	550,000	242,595	242,595	–
317 Capital Renewal Construction	7,470,000	3,000,000	3,000,000	0	0	(3,000,000)	(100.00%)
340 Housing Assistance Program	515,000	515,000	515,000	515,000	515,000	0	0.00%
501 County Insurance	15,616,251	13,866,251	22,887,317	21,017,317	21,017,317	(1,870,000)	(8.17%)
504 Document Services Division	2,398,233	2,398,233	2,398,233	2,398,233	2,398,233	0	0.00%
603 OPEB Trust Fund	9,900,000	9,900,000	13,900,000	20,000,000	20,000,000	6,100,000	43.88%
Total Transfers Out	**$2,146,404,620**	**$2,114,509,403**	**$2,144,784,783**	**$2,139,596,761**	**$2,141,064,356**	**($3,720,427)**	**(0.17%)**
Total Disbursements	**$3,307,840,307**	**$3,308,118,914**	**$3,402,061,088**	**$3,376,351,675**	**$3,377,479,384**	**($24,581,704)**	**(0.72%)**
Total Ending Balance	**$240,276,899**	**$73,162,378**	**$116,175,478**	**$97,776,767**	**$67,549,588**	**($48,625,890)**	**(41.86%)**
Less:							
Managed Reserve	$68,006,885	$66,162,378	$68,041,222	$67,527,034	$67,549,588	($491,634)	(0.72%)
FY 2009 Audit Adjustments [3]	728,086					0	–
Balances held in reserve for FY 2011 [4]	12,429,680					0	–
Additional balances held in reserve for FY 2011 [5]	542,445					0	–
FY 2010 Third Quarter Reductions [6]	35,340,186					0	–

FY 2012 ADOPTED FUND STATEMENT
FUND 001, GENERAL FUND

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Retirement Reserve [7]	20,000,000					0	–
Reserve for State Cuts [8]		7,000,000				0	–
Reserve for FY 2011/FY 2012 [9]			23,953,143			(23,953,143)	(100.00%)
FY 2010 Audit Adjustments [10]			2,539,239			(2,539,239)	(100.00%)
Additional FY 2011 Revenue [11]			7,339,516			(7,339,516)	(100.00%)
FY 2011 Third Quarter Reductions [12]			9,580,000			(9,580,000)	(100.00%)
Reserve for Board Consideration [13]			4,722,358			(4,722,358)	(100.00%)
Reserve for Board Consideration [14]				30,249,733		0	–
Total Available	**$103,229,617**	**$0**	**$0**	**$0**	**$0**	**$0**	**–**

[1] The FY 2012 Beginning Balance includes $15,000,000 set aside in reserve in Agency 89, Employee Benefits, at the *FY 2010 Carryover Review* for anticipated increases in the FY 2012 employer contribution rates for Retirement.

[2] Personal Property Taxes of $211,313,944 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.

[3] As a result of FY 2009 audit adjustments, an amount of $728,086 was available to be held in reserve in FY 2010 and was utilized to balance the FY 2011 budget.

[4] As part of the *FY 2009 Carryover Review*, $12,429,680 was identified to be held in reserve for FY 2011 requirements. It should be noted that this reserve was utilized to balance the FY 2011 budget.

[5] As part of the *FY 2010 Third Quarter Review*, an additional amount of $542,445 was set aside and held in reserve for FY 2011 requirements. This balance was the result of decreased Managed Reserve requirements attributable to reductions taken as part of the *FY 2010 Third Quarter Review*. This reserve was utilized to balance the FY 2011 budget.

[6] As part of the *FY 2010 Third Quarter Review*, $35,340,186 in reductions were taken and set aside in reserve for FY 2011 requirements. This amount was assumed in the beginning balance for the FY 2011 Adopted Budget Plan and was utilized to balance the FY 2011 budget.

[7] As part of the *FY 2009 Carryover Review*, $20,000,000 was set aside in reserve in Agency 89, Employee Benefits, for anticipated increases in the FY 2011 employer contribution rates for Retirement. This amount was assumed in the beginning balance for the FY 2011 Adopted Budget Plan and was utilized to balance the FY 2011 budget.

[8] An amount of $7,000,000 was set aside in reserve as part of the FY 2011 Adopted Budget Plan to offset potential reductions in state revenue beyond those accommodated within FY 2011 revenue estimates. As part of the *FY 2010 Carryover Review*, $1,255,755 of this reserve was utilized to fund the Priority Schools Initiative for the Fairfax County Public Schools. The remaining balance was reallocated to a reserve for FY 2011 critical requirements or to address the projected FY 2012 shortfall.

[9] As part of the *FY 2010 Carryover Review*, $23,953,143 was identified to be held in reserve for critical requirements in FY 2011 or to address the projected budget shortfall in FY 2012. It should be noted that this reserve has been utilized to balance the FY 2012 budget.

[10] As a result of FY 2010 audit adjustments, an amount of $2,539,239 was available to be held in reserve in FY 2011 and has been utilized to balance the FY 2012 budget.

[11] Based on revised revenue estimates as of fall 2010, an amount of $7,339,516 was available to be held in reserve in FY 2011 and has been utilized to balance the FY 2012 budget.

[12] As part of the *FY 2011 Third Quarter Review*, $9,580,000 in reductions were taken and set aside in reserve. This amount has been utilized to balance the FY 2012 budget.

[13] As part of the *FY 2011 Third Quarter Review*, a balance of $4,722,358 was held in reserve for Board of Supervisors' consideration for the *FY 2011 Third Quarter Review*, the development of the FY 2012 budget, or future year requirements. As part of their budget deliberations, the Board utilized this amount in order to balance the FY 2012 budget.

[14] As part of the FY 2012 Advertised Budget Plan, a balance of $30,349,733 was held in reserve for Board of Supervisors' consideration in the development of the FY 2012 budget. As part of their budget deliberations, the Board utilized this amount in order to balance the FY 2012 budget.

FY 2012 ADOPTED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Legislative-Executive Functions / Central Services								
01	Board of Supervisors	$4,474,636	$4,876,387	$4,876,387	$4,876,387	$4,876,387	$0	0.00%
02	Office of the County Executive	5,795,101	5,789,394	5,858,651	5,989,394	5,989,394	130,743	2.23%
04	Department of Cable and Consumer Services	1,160,620	997,077	1,101,165	910,290	910,290	(190,875)	(17.33%)
06	Department of Finance	8,498,101	8,515,509	9,070,259	8,515,509	8,515,509	(554,750)	(6.12%)
11	Department of Human Resources	6,439,081	6,983,752	7,382,252	7,158,752	7,158,752	(223,500)	(3.03%)
12	Department of Purchasing and Supply Management	4,996,947	4,889,371	4,941,157	4,869,371	4,869,371	(71,786)	(1.45%)
13	Office of Public Affairs	1,253,812	1,154,174	1,252,262	1,086,384	1,086,384	(165,878)	(13.25%)
15	Office of Elections	2,403,372	2,596,036	2,997,986	3,016,036	3,016,036	18,050	0.60%
17	Office of the County Attorney	5,939,736	5,976,026	6,180,469	6,007,704	6,007,704	(172,765)	(2.80%)
20	Department of Management and Budget	2,795,595	2,720,598	2,792,807	2,710,598	2,710,598	(82,209)	(2.94%)
37	Office of the Financial and Program Auditor	145,001	330,227	332,320	330,227	330,227	(2,093)	(0.63%)
41	Civil Service Commission	361,061	529,297	429,297	429,297	429,297	0	0.00%
57	Department of Tax Administration	21,848,539	21,673,030	22,088,489	21,818,030	21,818,030	(270,459)	(1.22%)
70	Department of Information Technology	25,882,692	26,497,804	30,177,907	27,916,220	27,916,220	(2,261,687)	(7.49%)
	Total Legislative-Executive Functions / Central Services	**$91,994,294**	**$93,528,682**	**$99,481,408**	**$95,634,199**	**$95,634,199**	**($3,847,209)**	**(3.87%)**
Judicial Administration								
80	Circuit Court and Records	$9,855,991	$10,033,175	$10,434,277	$10,033,175	$10,033,175	($401,102)	(3.84%)
82	Office of the Commonwealth's Attorney	2,535,239	2,545,464	2,525,464	2,525,464	2,525,464	0	0.00%
85	General District Court	2,322,902	2,029,128	2,234,811	2,149,128	2,149,128	(85,683)	(3.83%)
91	Office of the Sheriff	16,462,844	17,133,905	17,312,127	16,699,471	16,874,471	(437,656)	(2.53%)
	Total Judicial Administration	**$31,176,976**	**$31,741,672**	**$32,506,679**	**$31,407,238**	**$31,582,238**	**($924,441)**	**(2.84%)**
Public Safety								
04	Department of Cable and Consumer Services	$928,660	$790,919	$788,499	$788,456	$788,456	($43)	(0.01%)
31	Land Development Services	8,569,181	9,193,297	9,364,671	8,356,264	8,356,264	(1,008,407)	(10.77%)
81	Juvenile and Domestic Relations District Court	20,313,862	20,343,367	20,748,500	20,163,367	20,163,367	(585,133)	(2.82%)
90	Police Department	164,661,587	161,513,847	164,058,926	160,613,847	160,613,847	(3,445,079)	(2.10%)
91	Office of the Sheriff	41,470,229	43,517,287	42,705,445	42,451,721	42,451,721	(253,724)	(0.59%)
92	Fire and Rescue Department	164,278,014	160,510,430	165,191,947	159,510,430	161,010,430	(4,181,517)	(2.53%)
93	Office of Emergency Management	1,538,552	1,649,744	2,292,254	1,759,744	1,759,744	(532,510)	(23.23%)
97	Department of Code Compliance [1]	0	0	3,500,252	3,510,583	3,510,583	10,331	0.30%
	Total Public Safety	**$401,760,085**	**$397,518,891**	**$408,650,494**	**$397,154,412**	**$398,654,412**	**($9,996,082)**	**(2.45%)**
Public Works								
08	Facilities Management Department	$46,994,914	$50,445,185	$51,439,985	$50,233,926	$50,233,926	($1,206,059)	(2.34%)
25	Business Planning and Support	329,616	350,199	350,199	777,170	777,170	426,971	121.92%
26	Office of Capital Facilities	10,423,284	10,713,365	11,031,724	10,859,546	10,859,546	(172,178)	(1.56%)
87	Unclassified Administrative Expenses	4,288,745	3,765,867	4,292,725	3,681,627	3,681,627	(611,098)	(14.24%)
	Total Public Works	**$62,036,559**	**$65,274,616**	**$67,114,633**	**$65,552,269**	**$65,552,269**	**($1,562,364)**	**(2.33%)**

FY 2012 ADOPTED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Health and Welfare								
67	Department of Family Services	$190,234,135	$176,884,039	$192,968,722	$189,219,345	$187,464,754	($5,503,968)	(2.85%)
68	Department of Administration for Human Services	10,665,601	10,421,592	10,921,764	10,771,592	10,771,592	(150,172)	(1.37%)
69	Department of Systems Management for Human Services [2]	5,471,136	0	0	0	0	0	–
71	Health Department [2]	46,577,027	48,289,031	50,415,739	50,928,317	50,928,317	512,578	1.02%
73	Office to Prevent and End Homelessness	314,291	9,582,532	10,237,842	10,460,606	10,460,606	222,764	2.18%
79	Department of Neighborhood and Community Services [2]	0	24,973,524	26,261,030	25,934,861	25,934,861	(326,169)	(1.24%)
	Total Health and Welfare	**$253,262,190**	**$270,150,718**	**$290,805,097**	**$287,314,721**	**$285,560,130**	**($5,244,967)**	**(1.80%)**
Parks, Recreation and Libraries								
50	Department of Community and Recreation Services [2]	$18,718,036	$0	$0	$0	$0	$0	–
51	Fairfax County Park Authority	23,103,572	21,621,388	22,112,220	21,699,789	21,699,789	(412,431)	(1.87%)
52	Fairfax County Public Library	27,910,295	26,035,911	27,276,291	26,035,911	26,035,911	(1,240,380)	(4.55%)
	Total Parks, Recreation and Libraries	**$69,731,903**	**$47,657,299**	**$49,388,511**	**$47,735,700**	**$47,735,700**	**($1,652,811)**	**(3.35%)**
Community Development								
16	Economic Development Authority	$6,797,502	$6,795,506	$6,795,506	$7,045,506	$7,045,506	$250,000	3.68%
31	Land Development Services [1]	13,494,972	14,922,619	12,491,538	12,624,026	12,624,026	132,488	1.06%
35	Department of Planning and Zoning [1]	10,710,814	10,326,041	9,561,621	9,271,412	9,271,412	(290,209)	(3.04%)
36	Planning Commission	707,150	664,654	664,654	664,654	664,654	0	0.00%
38	Department of Housing and Community Development	6,585,966	5,928,757	6,030,760	5,928,757	5,928,757	(102,003)	(1.69%)
39	Office of Human Rights and Equity Programs	1,615,648	1,544,570	1,534,570	1,534,570	1,534,570	0	0.00%
40	Department of Transportation	7,650,965	6,734,842	10,416,178	6,777,644	6,777,644	(3,638,534)	(34.93%)
	Total Community Development	**$47,563,017**	**$46,916,989**	**$47,494,827**	**$43,846,569**	**$43,846,569**	**($3,648,258)**	**(7.68%)**
Nondepartmental								
87	Unclassified Administrative Expenses	$1,027,489	$6,015,760	$8,354,044	$3,775,000	$3,775,000	($4,579,044)	(54.81%)
89	Employee Benefits	202,883,174	234,804,884	253,480,612	264,334,806	264,074,511	10,593,899	4.18%
	Total Nondepartmental	**$203,910,663**	**$240,820,644**	**$261,834,656**	**$268,109,806**	**$267,849,511**	**$6,014,855**	**2.30%**
Total General Fund Direct Expenditures		**$1,161,435,687**	**$1,193,609,511**	**$1,257,276,305**	**$1,236,754,914**	**$1,236,415,028**	**($20,861,277)**	**(1.66%)**

[1] As part of the FY 2011 Adopted Budget Plan, the Board of Supervisors approved the creation of the Department of Code Compliance to create an adaptable, accountable, multi-code enforcement organization that responds effectively towards building and sustaining communities. Included in the *FY 2010 Carryover Review* was the reallocation of funding to this new agency from the Code Enforcement Strike Team, primarily budgeted in Land Development Services; the majority of the Zoning Enforcement function in the Department of Planning and Zoning; and partial funding from the Environmental Health Division of the Health Department.

[2] As part of the FY 2011 Adopted Budget Plan, all activity in Agency 50, Community and Recreation Services, and Agency 69, Systems Management for Human Services, was moved to Agency 79, Department of Neighborhood and Community Services, as part of a major consolidation initiative to maximize operational efficiencies, redesign access and delivery of services, and strengthen neighborhood and community capacity.

FY 2012
ADOPTED BUDGET PLAN

General Fund Revenue Overview

This section includes:

SUMMARY OF GENERAL FUND REVENUE

Category	FY 2010 Actual	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Over the FY 2012 Advertised Budget Plan Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	$2,115,971,076	$2,015,748,709	$2,076,449,884	$2,035,455,407	($40,994,477)	-1.97%
Personal Property Taxes - Current and Delinquent[1]	507,485,566	499,324,993	517,587,911	518,132,388	544,477	0.11%
Other Local Taxes	460,148,029	484,667,630	486,643,993	488,212,410	1,568,417	0.32%
Permits, Fees and Regulatory Licenses	28,665,677	29,888,461	27,921,065	30,152,648	2,231,583	7.99%
Fines and Forfeitures	14,942,650	16,868,801	16,868,801	16,868,801	0	0.00%
Revenue from Use of Money/Property	21,816,673	21,492,015	16,711,665	16,711,665	0	0.00%
Charges for Services	62,980,797	63,228,869	64,789,101	64,161,281	(627,820)	-0.97%
Revenue from the Commonwealth and Federal Governments[1]	132,658,846	130,487,187	125,178,562	125,178,562	0	0.00%
Recovered Costs/ Other Revenue	5,940,194	8,193,764	8,202,074	12,079,289	3,877,215	47.27%
Total Revenue	**$3,350,609,508**	**$3,269,900,429**	**$3,340,353,056**	**$3,306,952,451**	**($33,400,605)**	**-1.00%**
Transfers In	12,122,151	8,059,238	7,478,258	6,901,043	(577,215)	-7.72%
Total Receipts	**$3,362,731,659**	**$3,277,959,667**	**$3,347,831,314**	**$3,313,853,494**	**($33,977,820)**	**-1.01%**

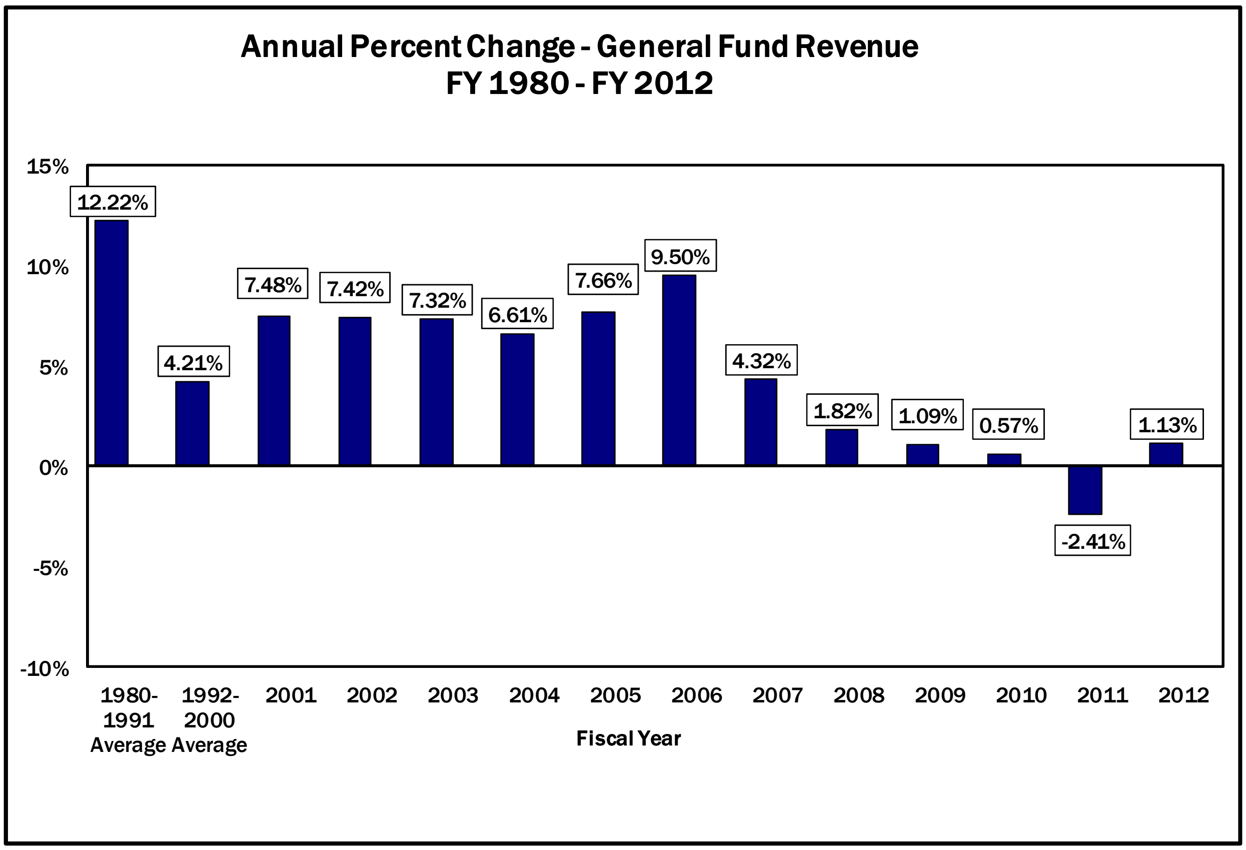
[1] The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

As reflected in the preceding table, FY 2012 General Fund revenues are projected to be $3,306,952,451, a decrease of $33,400,605, or 1.0 percent, from the FY 2012 Advertised Budget Plan. The net decrease is primarily the result of a $41.0 million decrease in current Real Estate Taxes based on the adopted Real Estate Tax rate of $1.07 per $100 of assessed value, which is a decrease of 2 cents from the proposed rate of $1.09 per $100 of assessed value. In addition, Charges for Services are expected to decrease a net $0.6 million as a result of modest adjustments in several categories. Partially offsetting these decreases are increases of $2.2 million in Permits, Fees, and Regulatory Licenses as a result of adopted adjustments of fees charged by the Land Development Services and Zoning Filing fees; $1.6 million in Other Local Taxes, which is consistent with adjustments made during the *FY 2011 Third Quarter Review* to reflect higher than anticipated Sales Tax receipts; and $3.9 million in Recovered Costs, which was previously shown as a Transfer in from Fund 090, Public School Operating.

Incorporating Transfers In, FY 2012 General Fund receipts are anticipated to be $3,313,853,494. Transfers In to the General Fund reflect a net decrease of $0.6 million. A Transfer In of $3.9 million that was shown in the FY 2012 Advertised Budget Plan from Fund 090, Public School Operating, for support of school health functions provided by the Fairfax County Health Department and reimbursed by the state, is now shown as a recovered cost in General Fund revenue for no net impact. The Transfer In from Fund 105, Cable Communications increased from $3.6 million in the FY 2012 Advertised Budget Plan to $6.9 million.

General Fund Revenue Overview

The following chart shows 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 an average annual rate of only 4.2 percent. Higher growth rates ranging from 6.6 percent to 7.7 percent were experienced during the period from FY 2001 to FY 2005. General Fund revenue rose 9.5 percent in FY 2006 due to the strong overall economy – the real estate market, business spending, and a nearly 160 percent increase in interest on investments. Revenue growth moderated in FY 2007 to 4.3 percent as the housing market experienced an abrupt turnaround and decelerated further to 1.8 percent in FY 2008, 1.1 percent in FY 2009, and 0.6 percent in FY 2010. Based on current projections, FY 2011 revenue is anticipated to drop 2.4 percent. This decline is predominantly due to a decrease in Real Estate Tax revenue, resulting from a decline in assessments, partially offset with an increase in the Real Estate Tax rate from $1.04 to $1.09 per $100 of assessed value. Due to an increase in the FY 2012 Real Estate Tax assessments, the adopted decrease in the General Fund Real Estate Tax rate from $1.09 to $1.07 per $100 of assessed value, and projected modest growth in other revenue categories, FY 2012 revenue is expected to increase 1.1 percent over the *FY 2011 Revised Budget Plan* estimate.



Economic Indicators

The longest recession since the Great Depression officially ended in June 2009. However, after an 18-month contraction, the expansion has not been as strong as previous economic recoveries. The national economy expanded at a rate of 2.9 percent in calendar year 2010 and is expected to grow between 3.0 and 3.5 percent in 2011. The unemployment rate fell to 8.8 percent in March 2011, the lowest rate since April 2009. Nonfarm employment rose by 216,000 jobs, the sixth consecutive monthly increase. Pent-up demand drove the consumer during the 2010 holiday season with retail sales, excluding vehicle purchases, rising at a rate of 5.9 percent in 2010. Retail sales continued to rise at a strong pace in the first quarter of 2011. This is good news, as consumer spending accounts for 70 percent of the U.S. economy.

Whether consumer spending continues to rise at a brisk pace is uncertain. Consumer Confidence improved in April 2011 but remains weak and inflation has picked up. Gasoline prices, which are currently over $4.00 a gallon, may also reduce consumer spending. Concerns continue for a national double dip in housing, as the Case-Shiller home price index for the nation posted a 3.3 percent drop in February 2011 from a year earlier. The Washington Metropolitan Area was the only market to show a year-over-year gain, with annual growth of 2.7 percent.

Other economic indicators also show a stronger recovery on the local level. Moody's Analytics estimates that Gross County Product (GCP), adjusted for inflation, rose at a rate of 2.7 percent in 2010. After reaching a record high of 5.5 percent in February 2010, the County's unemployment rate dropped to 4.5 percent in March 2011. The current unemployment rate equates to approximately 27,800 unemployed residents. The unemployment rate is expected to decline further as initial claims for unemployment have fallen over 25 percent during the first three weeks of April 2011.

Based on information from the Bureau of Labor Statistics, the Northern Virginia area lost 40,600 jobs from peak employment in April 2008 to its trough in February 2010. Since then, the Northern Virginia area has experienced job growth for 12 straight months. In March 2011, there were 15,000 more jobs than in March 2010.

Housing Market

While fewer homes sold in 2010, sales prices rose. Based on final information from the Metropolitan Regional Information System (MRIS), the number of homes sold fell 9.2 percent from 15,307 to 13,894. However, the average price of homes sold during the year rose 9.6 percent, after dropping 6.3 percent in 2009. The number of net foreclosures rose in 2010. As of December 2010, the number of properties owned by the mortgage lender totaled 842, a 5.8 percent increase from the 796 in December 2009. Serious mortgage delinquencies have declined, which may slow the increase in foreclosures. As of the fourth quarter of 2010, 1.6 percent of prime loans and 13.3 percent of subprime loans were 90 or more days past due, compared to 2.1 percent and 17.5 percent, respectively, in the third quarter of 2010.

Nonresidential Market

The direct office vacancy rate at year-end 2010 decreased for the first time since 2006 to 13.3 percent, down from a 16-year high of 13.9 percent at the end of 2009. Including sublet space, the overall office vacancy rate was 15.3 percent, down from 16.4 percent. Office space in the County at the close of 2010 totaled 113.2 million square feet. Lease rates stabilized countywide during 2010. The larger office markets experienced increases in lease rates for higher-end office properties. The incentives that landlords offered tenants during the last half of 2009 and the first half of 2010 were not as prevalent during the last half of the year. Packages were still available but only to larger tenants or tenants willing to sign long-term lease agreements. No new speculative developments broke ground in 2010.

In 2011, the trend seems to be leaning towards cautious optimism. According to the Fairfax County Economic Development Authority (EDA), demand for office space hit an all-time high in 2010 with absorption topping 13.5 million square feet. Signs indicate that the vacancy rate will continue to decrease through 2011. Distressed commercial office sales were minimal through 2010 and cash-rich investors are poised to take advantage of a new round of commercial investment in 2011, if the increased sales activity in 2010 is any indication. Some new speculative office space may be developed during the second half of this year, as developers have positioned a number of properties to break ground as demand increases.

Revenue

Current and Delinquent Real Estate Tax revenue comprises nearly 62 percent of total County General Fund revenues. FY 2012 Real Estate property values were established as of January 1, 2011 and reflect market activity through calendar year 2010. The Real Estate Tax base is projected to increase 3.27 percent in FY 2012, and is made up of a 2.67 percent increase in total equalization (reassessment of existing residential and nonresidential properties), and an increase of 0.60 percent for new construction.

The FY 2011 and FY 2012 General Fund revenue estimates discussed in this section are based on a review of Fairfax County economic indicators, actual FY 2010 receipts, and FY 2011 year-to-date collection trends. Forecasts of economic activity in the County are provided by Moody's Analytics and a variety of national economic forecasts are considered. Based on analysis of projected trends, revenue categories are expected to experience little growth through FY 2012.

MAJOR REVENUE SOURCES

The following major revenue categories discussed in this section comprise 97.6 percent of total FY 2012 General Fund revenue. Unless otherwise indicated, comparative data are presented relative to the FY 2012 Advertised 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."

					Change from the FY 2012 Advertised Budget Plan	
Category	FY 2010 Actual	FY 2011 Revised Budget Plan[1]	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease)	Percent Change
Real Estate Tax - Current	$2,105,601,756	$2,006,056,795	$2,066,757,970	$2,025,763,493	($40,994,477)	-1.98%
Personal Property Tax Current[1]	495,954,205	489,014,740	508,294,323	508,838,800	544,477	0.11%
Paid Locally	284,640,261	277,700,796	296,980,379	297,524,856	544,477	0.18%
Reimbursed by Commonwealth	211,313,944	211,313,944	211,313,944	211,313,944	0	0.00%
Local Sales Tax	149,547,338	150,174,905	148,606,488	150,174,905	1,568,417	1.06%
Recordation/Deed of Conveyance Taxes	24,864,943	25,728,543	25,373,488	25,373,488	0	0.00%
Gas & Electric Utility Taxes	45,090,887	45,574,004	46,029,744	46,029,744	0	0.00%
Communications Sales Tax	52,075,447	52,312,013	52,312,013	52,312,013	0	0.00%
Vehicle License Fee	0	27,000,000	27,270,000	27,270,000	0	0.00%
Business, Professional and Occupational License Tax-Current	138,542,613	138,542,613	141,313,465	141,313,465	0	0.00%
Transient Occupancy Tax	17,815,686	18,097,701	18,459,655	18,459,655	0	0.00%
Permits, Fees and Regulatory Licenses	28,665,677	29,888,461	27,921,065	30,152,648	2,231,583	7.99%
Investment Interest	16,792,303	17,601,597	12,747,824	12,747,824	0	0.00%
Charges for Services	62,980,797	63,228,869	64,789,101	64,161,281	(627,820)	-0.97%
Revenue from the Commonwealth and Federal Governments[1]	132,658,846	130,487,187	125,178,562	125,178,562	0	0.00%
Total Major Revenue Sources	**$3,270,590,498**	**$3,193,707,428**	**$3,265,053,698**	**$3,227,775,878**	**($37,277,820)**	**-1.14%**

[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.

REAL ESTATE TAX-CURRENT

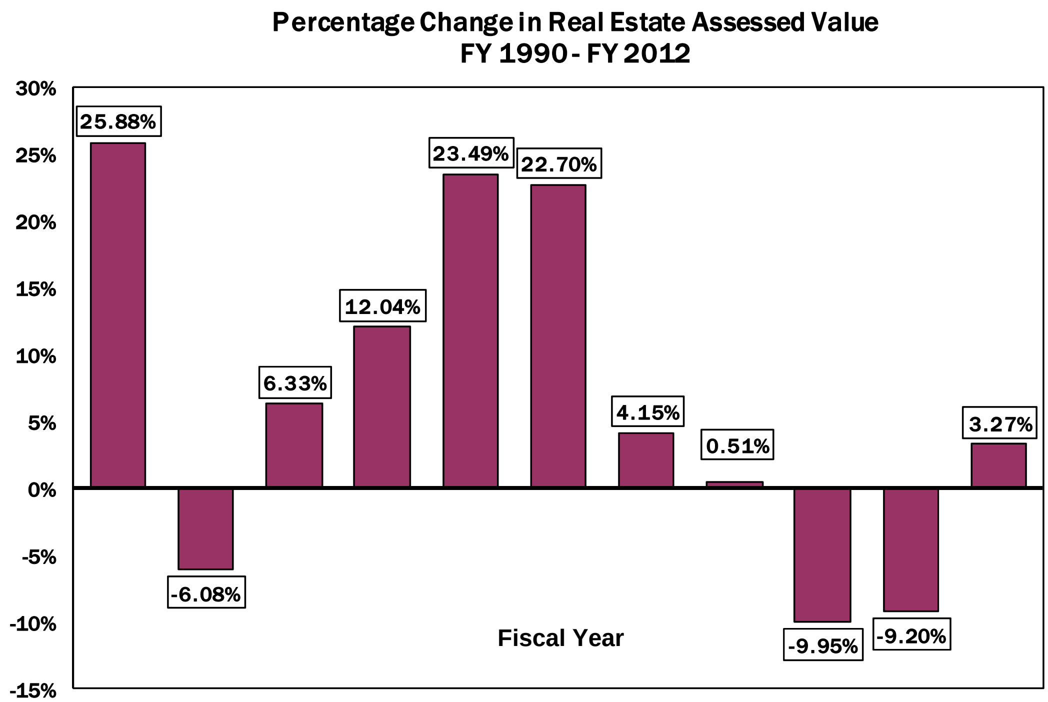
FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$2,105,601,756	$2,006,056,795	$2,066,757,970	$2,025,763,493	($40,994,477)	-2.0%

The FY 2012 Adopted Budget Plan estimate for Current Real Estate Taxes is $2,025,763,493 and represents a decrease of $40,994,477, or 2.0 percent, from the FY 2012 Advertised Budget Plan. The decrease is primarily due to the adoption of a 2-cent decrease in the Real Estate Tax rate from $1.09 to $1.07 per $100 of assessed value, which reduced Real Estate revenue by $38.1 million. In addition, revenue was decreased $3.5 million for the estimated impact of the amendment to the Virginia Constitution, which provides for full property tax exemption for veterans or their surviving spouse if the veteran had a 100 percent permanent and total disability related to military service. Partially offsetting these decreases is an increase of $0.6 million, which represents Covanta Fairfax, Inc.'s Real Estate Tax liability for the I-95 Energy/Resource Recovery Facility. Previously, this liability and associated expenditures in Fund 112, Energy/Resource Recovery Facility, were recognized during the Carryover Review process. At the recommendation of the Auditor to the Board of Supervisors, this liability will now be reflected during the annual budget development.

The FY 2012 value of assessed real property represents an increase of 3.27 percent, as compared to the FY 2011 Real Estate Land Book, and is comprised of an increase in equalization of 2.67 percent and an increase of 0.60 percent associated with growth. The FY 2012 figures reflected in this document are based on final assessments for Tax Year 2011 (FY 2012), which were established as of January 1, 2011. In addition to the revenue shown in the table above, the projected value of one-half penny on the Real Estate Tax rate ($9.65 million) is allocated to The Penny for Affordable Housing Fund. Throughout FY 2012, 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 FY 2012 **Main Assessment Book Value** is $193,918,874,000 and represents an increase of $6,138,797,090, or 3.27 percent, over the FY 2011 main assessment book value of $187,780,076,910. FY 2012 marks the first year in which the main assessment book value increased, after the significant decreases experienced in the previous two years. However, FY 2012 main book assessments remain below FY 2007 levels, and are down $35.8 billion, or 15.6 percent, from FY 2009 peak values. Following a 25.88 percent increase in FY 1990, the assessment base rose 16.8 percent in FY 1991, but then declined 0.96 percent in FY 1992. Assessments continued to fall in FY 1993 and FY 1994 at rates of 6.08 percent and 1.38 percent, respectively. 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 2007, the assessment base experienced double digit advances. Deceleration began in FY 2008, when the assessment base rose just 4.25 percent, and continued in FY 2009 with a modest increase of 0.51 percent. Following the financial crisis and a general decline in economic conditions, the FY 2010 assessment base declined 9.95 percent, which was the largest drop on record since at least 1962. The assessment base decreased for a second consecutive year in FY 2011, declining 9.2 percent.

The following chart shows changes in the County's assessed value base in FY 1990, FY 1993, FY 2000, and from FY 2005 to FY 2012.



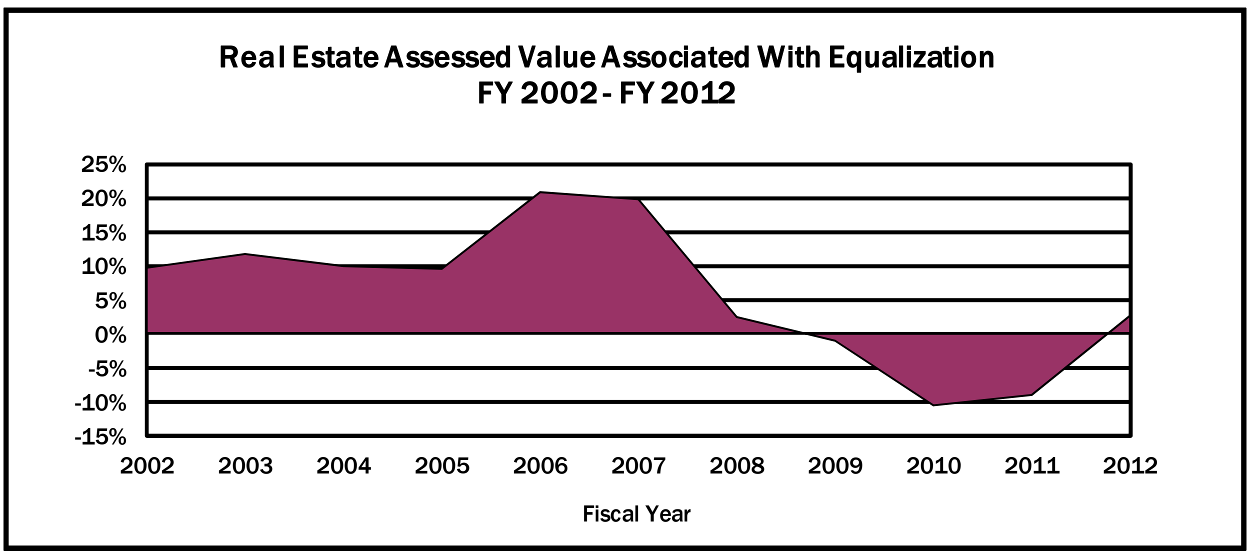
	1990	1993	2000	2005	2006	2007	2008	2009	2010	2011	2012
Equalization	18.27%	-6.48%	2.96%	9.54%	20.80%	19.76%	2.47%	-1.02%	-10.52%	-8.98%	2.67%
Res	19.01	-3.74	0.77	11.29	23.09	20.57	-0.33	-3.38	-12.55	-5.56	2.34
NonRes	16.54	-13.22	9.24	3.74	12.74	16.64	13.57	7.00	- 4.51	-18.29	3.73
Growth	7.61	0.40	3.37	2.50	2.69	2.94	1.68	1.53	0.57	-0.22	0.60
	25.88%	-6.08%	6.33%	12.04%	23.49%	22.70%	4.15%	0.51%	-9.95%	-9.20%	3.27%

The overall change in the assessment base is comprised of **equalization** and **normal growth.** For reporting purposes, individual properties are identified as being in either the equalization category or the growth category, but not both. Equalization properties are those whose values change due to market fluctuations. Growth is a category of properties whose value changes are also influenced by new construction, remodeling or rezonings. Once growth factors are identified, *the entire property value* is shown in the growth category, even though the property is also influenced by equalization. The FY 2012 assessment base reflects a total equalization increase of 2.67 percent and an increase of 0.60 percent associated with the growth component. As a result of changes in equalization and growth, the residential portion of the total assessment base decreased from 76.15 percent in FY 2011 to 75.74 percent in FY 2012. The table below reflects changes in the Real Estate Tax assessment base from FY 2006 through FY 2012.

Main Real Estate Assessment Book Value and Changes
(in millions)

Assessed Base Change Due To:	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Equalization	**$30,124.7**	**$35,328.9**	**$5,410.2**	**($2,332.0)**	**($24,171.5)**	**($18,570.1)**	**$5,015.3**
% Change	20.80%	19.76%	2.47%	-1.02%	-10.52%	-8.98%	2.67%
Residential	23.09%	20.57%	-0.33%	-3.38%	-12.55%	-5.56%	2.34%
Nonresidential	12.74%	16.64%	13.57%	7.00%	-4.51%	-18.29%	3.73%
Normal Growth	**$3,889.0**	**$5,258.1**	**$3,683.6**	**$3,502.6**	**$1,309.6**	**($457.9)**	**$1,123.5**
% Change	2.69%	2.94%	1.68%	1.53%	0.57%	-0.22%	0.60%
Residential	2.62%	3.01%	1.00%	0.77%	0.51%	0.12%	0.37%
Nonresidential	2.93%	2.67%	4.38%	4.11%	0.74%	-1.16%	1.31%
Total Change	**$34,013.7**	**$40,587.0**	**$9,093.8**	**$1,170.6**	**($22,861.9)**	**($19,028.0)**	**$6,138.8**
% Change	23.49%	22.70%	4.15%	0.51%	-9.95%	-9.20%	3.27%
Total Book	$178,818.4	$219,405.4	$228,499.2	$229,669.8	$206,808.0	$187,780.1	$193,918.9

Equalization, or reassessment of existing residential and nonresidential property, represents an increase in value of $5,015,308,270, or 2.67 percent, in FY 2012. Both residential and nonresidential property values rose in FY 2012. After falling four consecutive years, existing residential properties increased in FY 2012, reflecting a stabilization of the residential housing market that began in calendar year 2010. While the number of homes sold decreased in calendar year 2010, median and average home sale prices increased. Changes in the assessment base as a result of equalization are shown in the following graph.



Residential equalization rose at double digit rates from FY 2002 through FY 2007 due to high demand but a limited supply of housing. Strong job growth, the easy availability of credit and profit-led speculation contributed to price appreciation in the local housing market. In FY 2008, FY 2009, FY 2010, and FY 2011, overall residential equalization declined 0.33 percent, 3.38 percent, 12.55 percent, and 5.56 percent, respectively, as the inventory of homes for sale grew and home prices fell in the County, as they did throughout the Northern Virginia area. In FY 2012, the majority of residential properties in the County will receive a modest increase in value. 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.

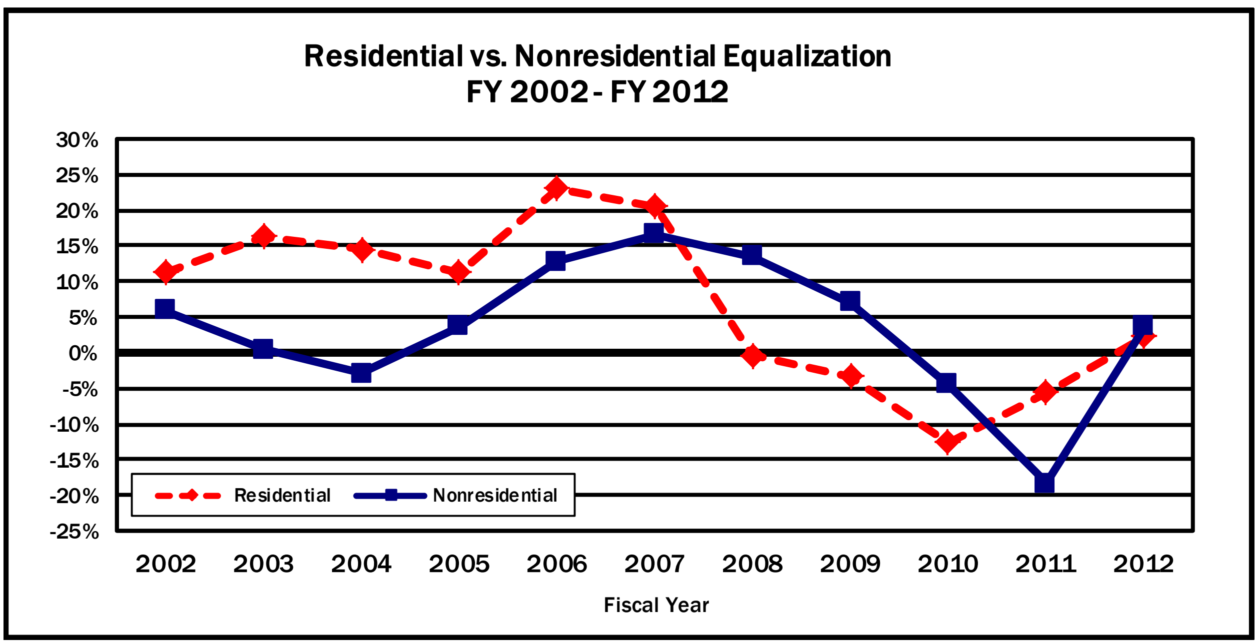
Overall, single family property values increased 2.10 percent in FY 2012. The value of single family homes has the most impact on the total residential base because they represent over 72 percent of the total. The value of condominium properties increased 2.53 percent in FY 2012, while that of townhouse properties rose 3.73 percent. Changes in residential equalization by housing type since FY 2007 are shown in the following table. 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 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Single Family (72.5%)	20.37%	-0.43%	-3.12%	-11.34%	-5.50%	2.10%
Townhouse/Duplex (18.8%)	22.69%	0.64%	-4.96%	-16.06%	-4.44%	3.73%
Condominiums (7.9%)	25.97%	-2.23%	-4.54%	-19.51%	-10.45%	2.53%
Vacant Land (0.6%)	25.44%	3.86%	7.66%	-7.08%	-6.68%	-3.50%
Other (0.2%)[1]	9.67%	2.97%	6.46%	-4.99%	-3.60%	2.69%
Total Residential Equalization (100%)	**20.57%**	**-0.33%**	**-3.38%**	**-12.55%**	**-5.56%**	**2.34%**

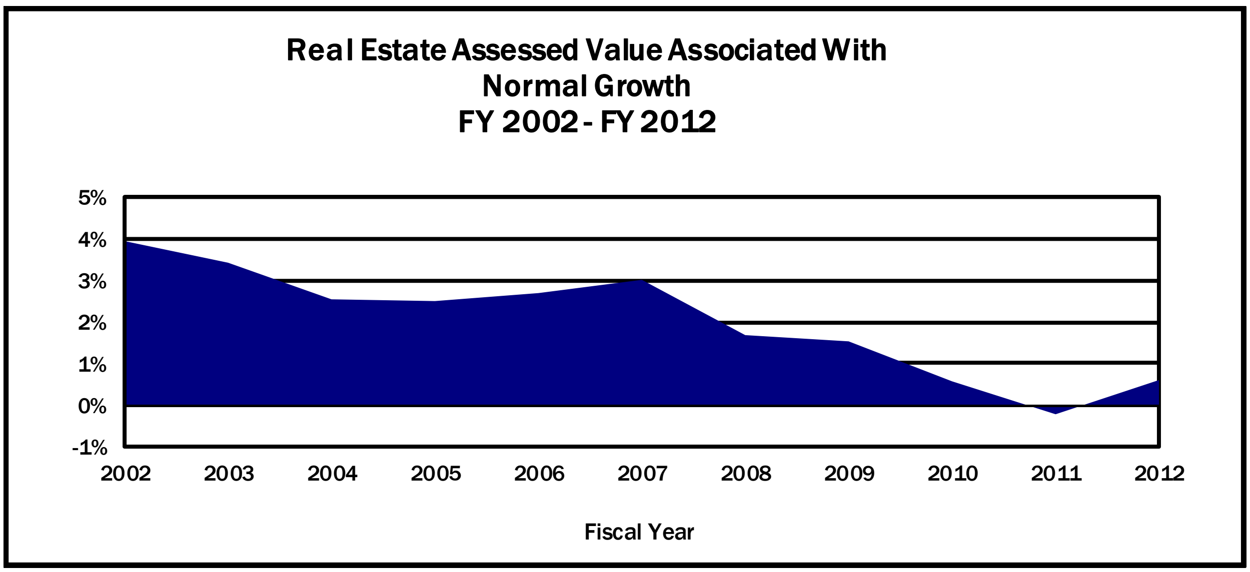
[1] Includes, for example, affordable dwelling units, recreational use properties, and agricultural and forestal land use properties.

As a result of the increase in residential equalization, the mean assessed value of all residential property in the County is $443,551. This is an increase of $10,142 over the FY 2011 value of $433,409. At the adopted Real Estate tax rate of $1.07 per $100 of assessed value, the typical residential annual tax bill will rise, on average, $21.84 in FY 2012 to $4,746.00.



After experiencing a record decline of 18.29 percent in FY 2011, **nonresidential equalization** increased 3.73 percent in FY 2012. Much of this increase was the result of multi-family apartment properties, which make up nearly 20 percent of the nonresidential base. Apartment values rose 14.54 percent, reflecting strong rental income and high occupancy rates. Hotel properties also experienced double digit growth in FY 2012 at 11.35 percent. Office Elevator properties (mid- and high-rises), the largest component of the nonresidential tax base (36.2 percent), experienced a modest rise of 1.88 percent after falling over 24 percent in FY 2011. During the past year, lease rates stabilized and office vacancy rates declined. The direct office vacancy rate as of year-end 2010 decreased for the first time since 2006 to 13.3 percent, down from a 16-year high of 13.9 at the end of 2009. Including sublet space, the overall office vacancy rate was 15.3 percent, down from 16.4 percent at year-end 2009. Nonresidential equalization changes by category since FY 2007 are presented in the following table.

The **Growth** component increased the FY 2012 assessment base by $1,123,488,820, or 0.60 percent, over the FY 2011 assessment book value. New construction increased the residential property base by 0.37 percent and nonresidential properties by 1.31 percent.



In addition to the final equalization and normal growth adjustments in the Main Assessment Book, the following projected adjustments were made to the FY 2012 Real Estate Tax revenue estimate:

Additional Assessments expected to be included in the new Real Estate base total $290.9 million and include both prorated assessments and additional supplemental assessments. Prorated assessments are supplemental assessments that include assessments which are made during the year for new construction that is completed subsequent to finalizing the original assessment book. 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 $1,152.8 million in FY 2012, resulting in a reduction in levy of $12.3 million.

Tax Relief for the Elderly and Disabled is projected to reduce the Real Estate assessment base in FY 2012 by $2,942.0 million. The reduction in tax levy due to the Tax Relief program is approximately $31.5 million at the adopted tax rate of $1.07 per $100 of assessed value. In FY 2012, the income limits of the Tax Relief program provide 100 percent exemption for elderly and disabled taxpayers with incomes up to $52,000; 50 percent exemption for eligible applicants with income between $52,001 and $62,000; and 25 percent exemption if income is between $62,001 and $72,000. The allowable asset limit in FY 2012 is $340,000 for all ranges of tax relief. In addition, as a result of an amendment to the Virginia Constitution, beginning in FY 2012, veterans who have a 100 percent permanent and total disability related to military service, or their surviving spouse, are eligible for full Real Estate Tax relief regardless of income or assets. The table below shows FY 2012 income and asset thresholds for the Tax Relief Program for the Elderly and Disabled.

FY 2012
Real Estate Tax Relief for the Elderly and Disabled

Elderly and Disabled	Up to $52,000	$340,000	100%
	Over $52,000 to $62,000		50%
	Over $62,000 to $72,000		25%
100% Disabled Veterans or Surving Spouse	No Limit	No Limit	100%

The FY 2012 local assessment base of $190,114,895,966 is derived from the main assessment book and subsequent adjustments discussed above. From this local assessment base, a local tax levy of $2,034,229,386 is calculated using the adopted tax rate of $1.07 per $100 of assessed value. Based on an expected local collection rate of 99.61 percent, revenue from local assessments is estimated to be $2,026,295,891. In FY 2012, every 0.01 percentage point change in the collection rate on the locally assessed Real Estate Tax levy yields a revenue change of $0.2 million, while every penny on the tax rate yields $19.3 million in revenue.

Added to the local assessment base is an estimated $852,112,360 in assessed value for Public Service Corporations (PSC) property. Using a rate of $1.07 per $100 of assessed value, the tax levy on PSC property is $9,117,602. The collection rate on PSC property is expected to be 100.0 percent.

General Fund Revenue Overview

FY 2012 Estimated Real Estate Assessments and Tax Levy

	Assessed Value	FY 2012 Tax Levy at $1.07/$100 of Assessed Value
FY 2011 Real Estate Book	$187,780,076,910	$2,009,246,823
FY 2012 Equalization	5,015,308,270	53,663,798
FY 2012 Growth	1,123,488,820	12,021,330
TOTAL FY 2012 REAL ESTATE BOOK	**$193,918,874,000**	**$2,074,931,951**
Exonerations	($959,262,762)	($10,264,112)
Certificates	(21,551,533)	(230,601)
Tax Abatements	(171,998,378)	(1,840,383)
Subtotal Exonerations	($1,152,812,673)	($12,335,096)
Supplemental Assessments	$290,878,310	$3,112,398
Tax Relief	($2,942,043,671)	($31,479,867)
Local Assessments	**$190,114,895,966**	**$2,034,229,386**
Public Service Corporation	$852,112,360	$9,117,602
TOTAL	**$190,967,008,326**	**$2,043,346,988**

The total assessment base, including Public Service Corporations, is $190,967,008,326, with a total tax levy of $2,043,346,988 at the tax rate of $1.07 per $100 of assessed value. Estimated FY 2012 revenue from the Real Estate Tax, including receipts from Public Service Corporations, totals $2,035,413,493 at the tax rate of $1.07 per $100 of assessed value. Of this amount, the value of one-half cent on the Real Estate Tax rate, $9,650,000, has been directed to Fund 319, The Penny for Affordable Housing Fund. Total General Fund revenue from the Real Estate Tax is $2,025,763,493, which reflects an overall collection rate of 99.61 percent. The total collection rates experienced in this category since FY 1997 are shown in the following table:

Real Estate Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
1997	99.56%	2005	99.62%
1998	99.54%	2006	99.62%
1999	99.50%	2007	99.64%
2000	99.63%	2008	99.66%
2001	99.53%	2009	99.66%
2002	99.65%	2010	99.71%
2003	99.67%	2011 (estimated)	99.61%
2004	99.61%	2012 (estimated)[1]	99.61%

[1] In FY 2012, every 0.1 percentage point change in the collection rate yields a revenue change of $2,034,229.

The Commercial/Industrial percentage of the County's FY 2012 Real Estate Tax base is 19.64 percent, a slight decrease of 0.06 percentage points from the FY 2011 level of 19.70 percent. The Commercial/Industrial percentage is based on Virginia land use codes and includes all nonresidential property except multi-family rental apartments, which make up 4.62 percent of the County's Real Estate Tax base in FY 2012, up from 4.15 percent in FY 2011. Multi-family rental apartments experienced a double digit increase in value in FY 2012, while other nonresidential property rose at more moderate rates or decreased slightly, resulting in an overall decrease in the Commercial/Industrial percentage. Fairfax County's historical Commercial/Industrial percentages are detailed in the following table:

Commercial/Industrial Percentages

Fiscal Year	Percentage	Fiscal Year	Percentage
1997	19.56%	2005	18.20%
1998	20.47%	2006	17.36%
1999	21.84%	2007	17.22%
2000	24.32%	2008	19.23%
2001	25.37%	2009	21.06%
2002	24.84%	2010	22.67%
2003	21.97%	2011	19.70%
2004	19.14%	2012	19.64%

PERSONAL PROPERTY TAX-CURRENT

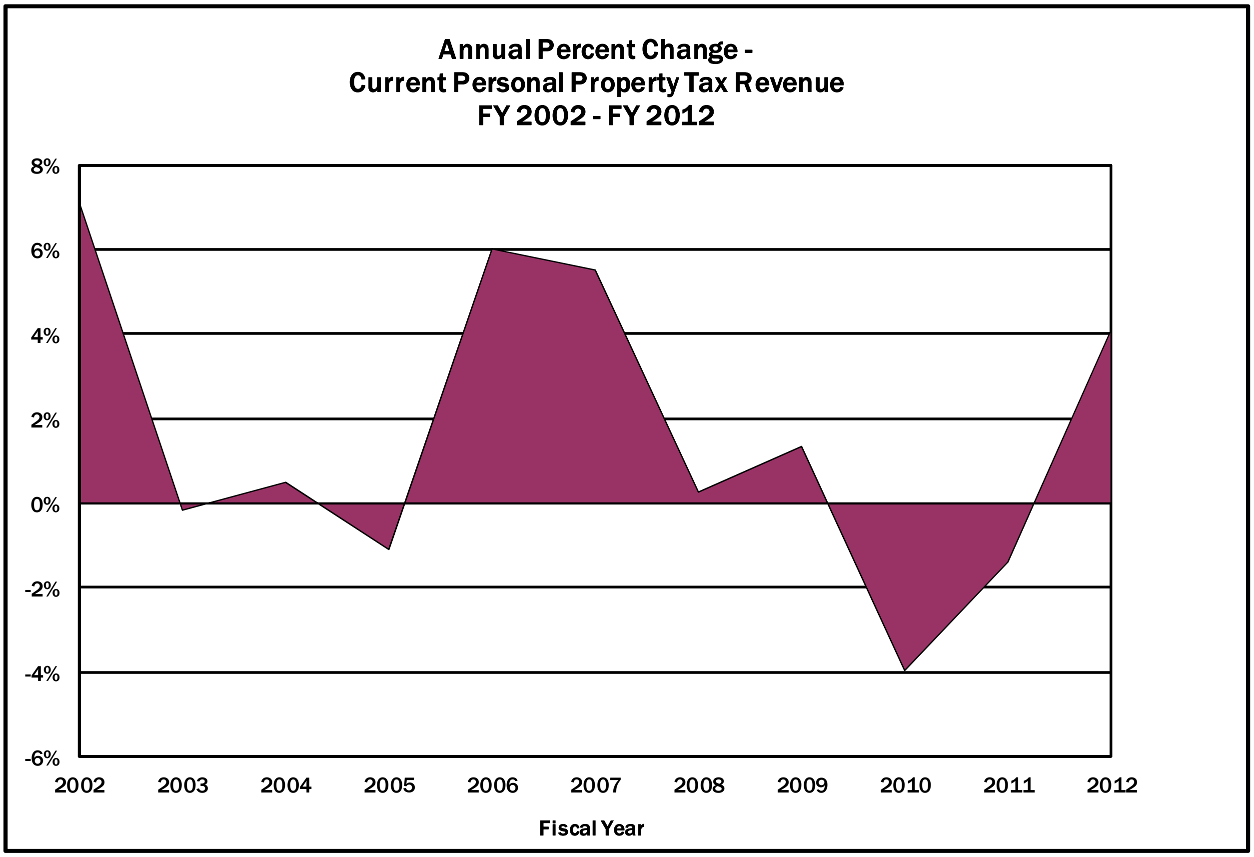
	FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
Assessed & Paid Locally	$256,269,887	$256,515,002	$269,539,042	$268,943,572	($595,470)	-0.2%
Public Service Corp.	$28,370,374	$21,185,794	$27,441,337	$28,581,284	1,139,947	4.2%
Reimbursed by State	211,313,944	211,313,944	211,313,944	211,313,944	0	0.0%
Total	$495,954,205	$489,014,740	$508,294,323	$508,838,800	$544,477	0.1%

The FY 2012 Adopted Budget Plan estimate for Personal Property Tax revenue of $508,838,800 represents a net increase of $544,477, or 0.1 percent, over the FY 2012 Advertised Budget Plan. Of this increase, $1.1 million represents Covanta Fairfax, Inc.'s Real Estate Tax liability for the I-95 Energy/Resource Recovery Facility. Previously, this liability and associated expenditures in Fund 112, Energy/Resource recovery Facility, were recognized during the Carryover Review process. At the recommendation of the Auditor to the Board of Supervisors, this liability will now be reflected during the annual budget development. This increase is partially offset with a revenue decrease of $0.5 million resulting from the adoption of a 2-cent decrease in the Real Estate Tax rate, which is levied on mobile homes and non-vehicle Public Service Corporation properties. In addition, revenue declines $0.1 million based on the adoption of a 1-cent Personal Property tax rate for one vehicle owned by a fully disabled veteran.

The Personal Property Tax on vehicles represents nearly 71 percent of the total assessment base in FY 2012. The vehicle component is comprised of two parts, that which is paid 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 reduces the Personal Property Tax paid 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 Commonwealth's lower than anticipated General Fund revenue growth, the reimbursement rate remained at 70 percent in FY 2003 through FY 2006. The 2004 General Assembly approved legislation that capped statewide Personal Property Tax reimbursements at $950 million in FY 2007 and beyond. Fairfax County's allocation has been set at $211.3 million based on the County's share of statewide tax year 2005 collections. Each year County staff must determine the reimbursement percentage based on the County's fixed reimbursement from the state and an estimate of the number and value of vehicles that will be eligible for tax relief. As the number and value of vehicles in the County vary, the percentage attributed to the state will vary. Based on a County staff analysis, the effective state reimbursement percentage was 66.67 percent, 67.0 percent, and 68.5 percent in FY 2007, FY 2008 and FY 2009, respectively. The reimbursement percentage was set at 70.0 percent in both FY 2010 and FY 2011. The FY 2012 reimbursement percentage has been set at 68.0 percent.

Total Personal Property Tax revenue increased 7.1 percent in FY 2002, before it dropped a slight 0.2 percent in FY 2003 and rose just 0.5 percent in FY 2004. These rates were due to the stalled economy coupled with an enhanced computer depreciation schedule that reduced business levy each year. In FY 2005, Personal Property Tax revenue fell 1.1 percent from the FY 2004 level as a result of faster depreciation of vehicles and a decrease in the business levy due to reduced equipment purchases. FY 2006 Personal Property recovered and receipts grew 6.0 percent. Average vehicle levy rose a robust 8.4 percent due to strong new car purchases. In FY 2007, Personal Property receipts increased 5.5 percent due in part to the change in the method of receiving the state's share of the tax. FY 2007 was the first year that the state's share of the Personal Property Tax was capped at $211.3 million. One hundred percent of these funds are received in scheduled installments and reimbursement is no longer linked to the payment by the individual taxpayer. Prior to the cap, the state's share was only reimbursed to the County after the bill had been paid by the taxpayer. FY 2008 Personal Property receipts rose a slight 0.3 percent as a result of a decrease in vehicle volume and levy as the economy began to decline during the year. In FY 2009, Personal Property Tax receipts increased 1.3 percent, primarily due to an increase in average vehicle levy. FY 2010 Personal Property Tax receipts decreased 4.0 percent mainly as a result of a decline in the average vehicle levy reflecting the downturn in the economy in calendar year 2009. FY 2011 Personal Property Tax receipts are anticipated to decrease 1.4 percent due to a decrease in the business volume and average business levy, coupled with a decrease in the Public Service Corporations (PSC) property revenue due to a potential refund of $7.4 million for a statewide appeal of PSC assessments over a multi-year period. Personal Property Taxes paid on property owned by Public Service Corporations (PSC) is assessed by the state for all localities. Without this refund, the FY 2011 Personal Property Tax estimate would be essentially level with FY 2010. Annual percentage changes in total Personal Property Tax revenues are shown in the following graph.



Personal Property Tax revenue is projected to increase 4.1 percent in FY 2012. Absent the refund discussed above, growth in FY 2012 would be 2.5 percent. The vehicle component, which comprises almost 71 percent of total Personal Property levy, is expected to increase 3.8 percent. Total vehicle volume is forecast to increase a modest 0.3 percent in FY 2012. New vehicles may make up a larger portion of the total, as the Virginia Automobile Dealers Association reported that new model vehicle registrations in Fairfax County increased 19.5 percent in 2010. Because more new vehicles are being purchased and existing vehicles' depreciation has moderated, the average vehicle levy is expected to increase 4.3 percent based on an analysis of vehicles in the County valued with information from the National Automobile Dealers' Association (NADA). Changes in vehicle volume and average vehicle levy since FY 2002 are shown in the following table.

Personal Property Vehicles

Fiscal Year	% Change in Vehicle Volume	Average Vehicle Levy	% Change in Average Levy
FY 2002	2.3%	$369	2.8%
FY 2003	3.0%	$372	0.8%
FY 2004	-0.7%	$389	4.6%
FY 2005	1.4%	$379	-2.6%
FY 2006	-0.9%	$411	8.4%
FY 2007	-0.6%	$431	4.9%
FY 2008	-0.1%	$424	-1.6%
FY 2009	0.8%	$434	2.4%
FY 2010	0.1%	$387	-10.8%
FY 2011 (est.)	0.9%	$397	2.6%
FY 2012 (est.)	0.3%	$414	4.3%

Business Personal Property is primarily comprised of assessments on furniture, fixtures and computer equipment. Due to the current economic climate, existing businesses are not anticipated to significantly increase purchases of new equipment; therefore, business levy is projected to remain at the FY 2011 level in FY 2012.

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 studies by an outside firm, the computer depreciation schedule has not been adjusted since FY 2004. 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.

Computer Depreciation Schedules
Percent of Original Purchase Price Taxed

Year of Acquisition	FY 1998	FY 1999	FY 2000	FY 2001 and FY 2002	FY 2003	FY 2004 through FY 2012
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 a tax rate of $1.07 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.

FY 2012 Estimated Personal Property Assessments and Tax Levy

Category	FY 2012 Assessed Value	Tax Rate (per $100)	FY 2012 Tax Levy	Percent of Total Levy
Vehicles				
Privately Owned	$8,535,825,349	$4.57	$322,244,084	62.6%
Business Owned	424,536,186	4.57	15,805,426	3.1%
Leased	783,495,373	4.57	26,432,872	5.1%
Subtotal	$9,743,856,908		$364,482,382	70.8%
Business Personal Property				
Furniture and Fixtures	$1,825,309,047	$4.57	$83,352,475	16.2%
Computer Equipment	694,244,262	4.57	31,721,920	6.2%
Machinery and Tools	76,560,282	4.57	3,498,805	0.7%
Research and Development	10,566,864	4.57	482,906	0.1%
Subtotal	$2,606,680,455		$119,056,106	23.2%
Public Service Corporations				
Equalized	$2,584,314,396	$1.07	$27,652,164	5.4%
Vehicles	9,589,147	4.57	438,224	0.1%
Subtotal	$2,593,903,543		$28,090,388	5.5%
Other				
Mobile Homes	$20,765,488	$1.07	$222,191	0.0%
Other (Trailers, Misc.)	16,811,015	4.57	590,514	0.1%
Subtotal	$37,576,503		$812,705	0.1%
Penalty for Late Filing			$2,531,947	0.4%
TOTAL	**$14,982,017,409**		**$514,973,528**	**100.0%**

FY 2012 Personal Property Tax assessments including Public Service Corporations are $14,982,017,409, with a total tax levy of $514,973,528. Personal Property Tax revenue collections are projected to be $508,838,800, of which $211.3 million will be reimbursed from the state. The collection rate associated with the taxpayer's share is estimated to be 97.8 percent. Total collection rates experienced in this category since FY 1997 are shown in the following table:

Personal Property Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
1997	97.3%	2005	97.9%
1998	97.3%	2006	98.1%
1999	97.3%	2007	98.3%
2000	97.3%	2008	98.0%
2001	97.1%	2009	97.9%
2002	96.3%	2010	97.8%
2003	96.8%	2011 (estimated)	97.8%
2004	96.9%	2012 (estimated)[1]	97.8%

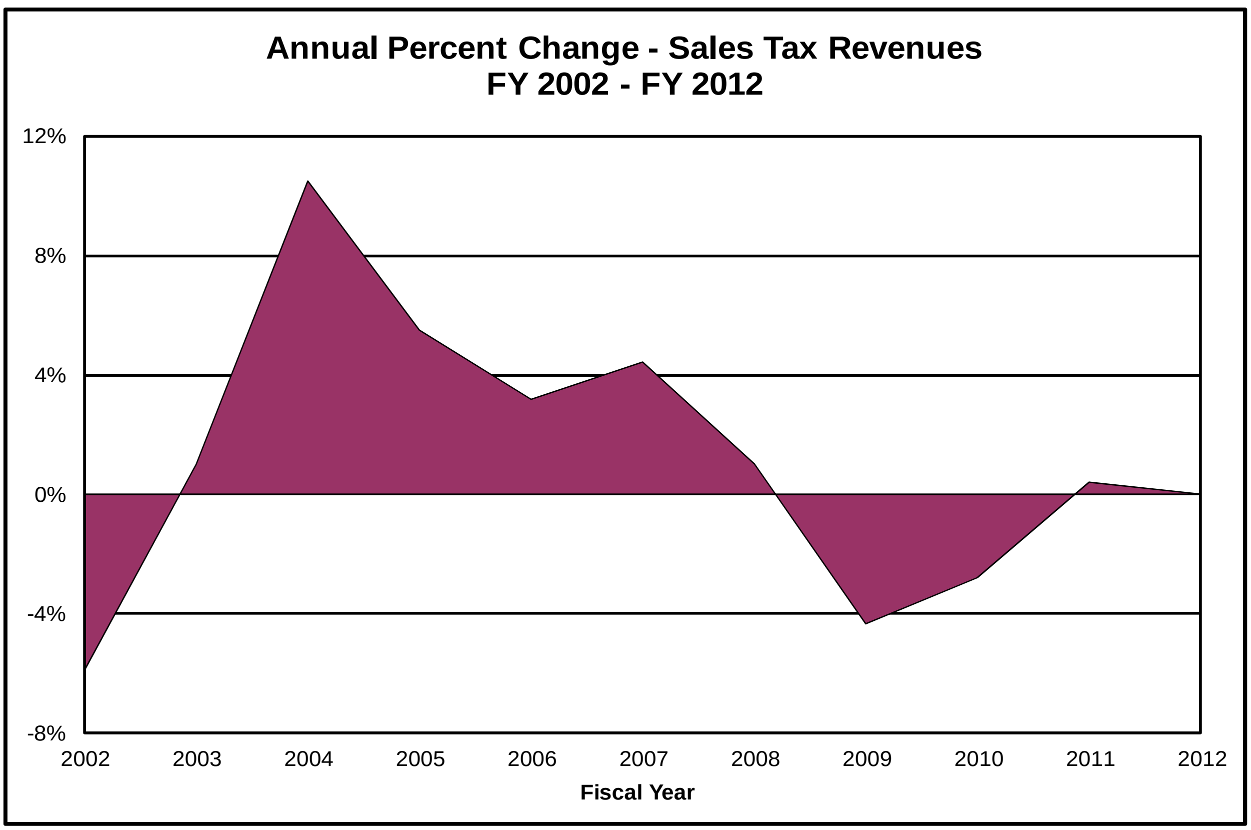
[1] Each 0.1 percentage point change in the collection rate on the local tax levy will impact revenues by approximately $0.3 million, and each penny on the tax rate yields a revenue change of $1.1 million.

General Fund Revenue Overview

LOCAL SALES TAX

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$149,547,338	$150,174,905	$148,606,488	$150,174,905	$1,568,417	1.1%

The FY 2012 Adopted Budget Plan estimate for Sales Tax receipts is $150,174,905 and reflects an increase of 1.1 percent over the FY 2012 Advertised Budget Plan and no change from the *FY 2011 Revised Budget Plan*. The chart below illustrates that the level of Sales Tax receipts has varied with economic conditions. From FY 2005 through FY 2007, Sales Tax Receipts experienced moderate growth, increasing at an average annual rate of 4.4 percent. The national recession began in December 2007 and FY 2008 Sales Tax revenue rose just 1.0 percent, followed by a decline of 4.4 percent in FY 2009. This was the first decline since FY 2002 and only the third decrease in over 30 years. While the national recession was reported to have reached its trough in December 2009, job losses continued and Sales Tax collections fell 2.8 percent in FY 2010. Consumer spending rebounded during the winter of 2010 and the FY 2011 estimate for Sales Tax receipts was increased $1.6 million during the *FY 2011 Third Quarter Review* based on collections through February 2011, representing retail sales through December 2010, which were up 1.5 percent. Growth in Sales Tax receipts has accelerated further since February, with year-to-date growth through May up 2.8 percent. During the FY 2012 Add-On Review process, the FY 2012 estimate for Sales Tax receipts was increased $1.6 million to the FY 2011 estimated level. The FY 2012 estimate will be reviewed during the fall of 2011 once several months of actual collections have been received.



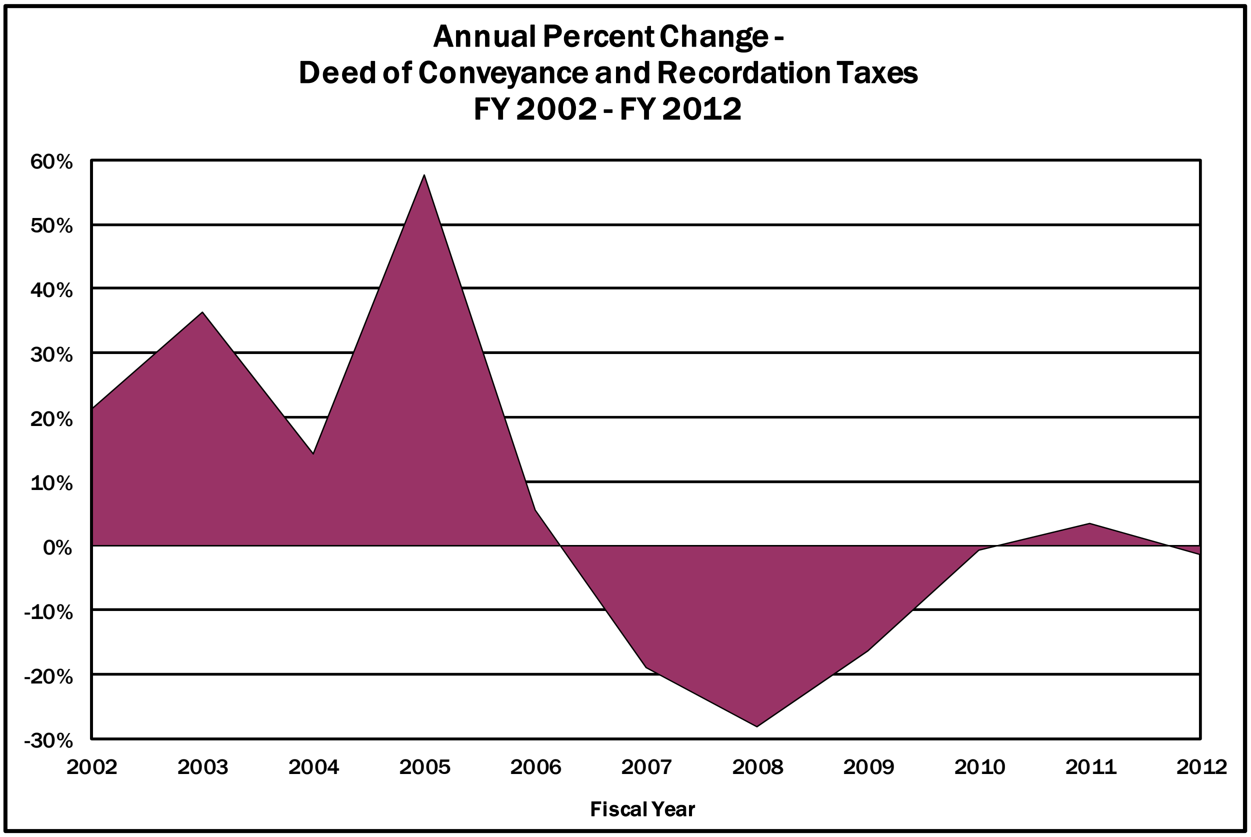
RECORDATION/DEED OF CONVEYANCE TAXES

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$24,864,943	$25,728,543	$25,373,488	$25,373,488	$0	0.0%

The FY 2012 Adopted Budget Plan estimate for Recordation and Deed of Conveyance Taxes is $25,373,488 and reflects no change from the FY 2012 Advertised Budget Plan and a decrease of 1.4 percent from the *FY 2011 Revised Budget Plan*. The FY 2012 estimate is comprised of $20,758,376 in Recordation Tax revenues and $4,615,112 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 Taxes. Home values and interest rate projections are used in an econometric model that assists in developing estimates for these categories.

Between FY 2002 and FY 2005, receipts from Recordation and Deed of Conveyance Taxes increased considerably due to strong home sales and rising home prices. Increased mortgage refinancing due to low mortgage rates also enhanced Recordation collections. During this period, revenues from Recordation and Deed of Conveyance Taxes increased at average annual rates of 37.8 percent and 25.5 percent, respectively. In FY 2006, as the number of home sales declined and prices stabilized, these categories began to moderate and rose a combined 5.6 percent. Due to the housing slump in recent years, revenue decreased a combined 18.9 percent in FY 2007, 28.1 percent in FY 2008, 16.4 percent in FY 2009, and a slight 0.7 percent in FY 2010.

Based on year-to-date collections, which have been trending higher primarily due to increased mortgage refinancing activity, the FY 2011 estimate for Recordation Taxes was revised upward during the *FY 2011 Third Quarter Review*. Based on the expectation that mortgage refinancings will slow once interest rates start rising, FY 2012 revenue from Deed of Conveyance and Recordation Tax is expected to decrease 1.4 percent from the projected FY 2011 level.



Note: In FY 2005, the Recordation Tax was increased from $0.05 per $100 of value to $0.0833 per $100 of value.

CONSUMER UTILITY TAXES - GAS AND ELECTRIC

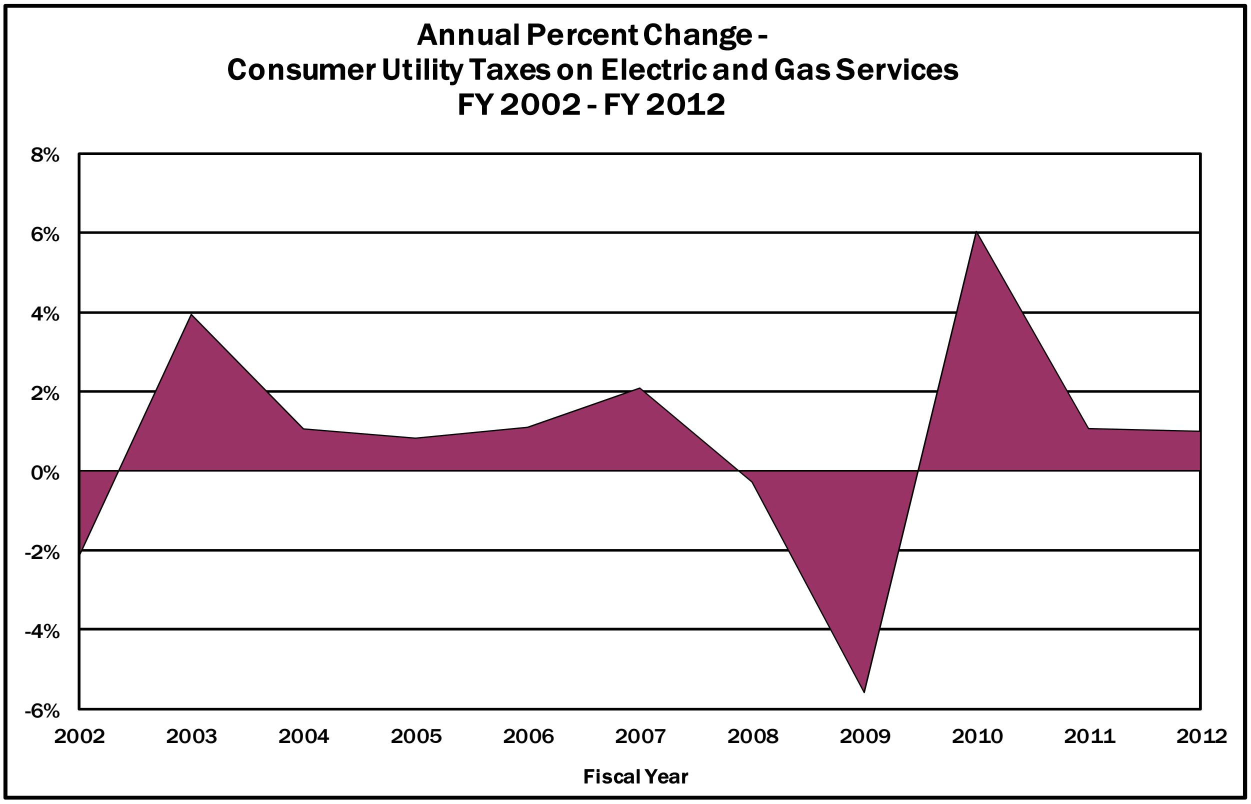
FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$45,090,887	$45,574,004	$46,029,744	$46,029,744	$0	0.0%

The FY 2012 Adopted Budget Plan estimate for Consumer Utility Taxes on gas and electric services of $46,029,744 represents no change from the FY 2012 Advertised Budget Plan and an increase of 1.0 percent over the *FY 2011 Revised Budget Plan.* The FY 2012 estimate is comprised of $36,361,498 in taxes on electric service and $9,668,246 in taxes on gas service. County residents and businesses are subject to Consumer Utility Taxes based on their consumption of electricity and gas services. Tax rates by customer class are shown in the table below.

CONSUMER UTILITY TAXES ON ELECTRICITY AND NATURAL GAS

ELECTRICITY		NATURAL GAS	
Electric Power Customer Class	Monthly Tax FY 2001 - FY 2012	Natural Gas Customer Class	Monthly Tax FY 2001 - FY 2012
Residential	$0.00605 per kWh	**Residential**	$0.05259 per CCF
Minimum	+$0.56 per bill	Minimum	+$0.56 per bill
Maximum	$4.00 per bill	Maximum	$4.00 per bill
Master Metered	$0.00323 per kWh	**Master Metered Apartments**	$0.01192 per CCF
Minimum	+$0.56 / dwelling unit	Minimum	+$0.56 / dwelling unit
Maximum	$4.00 / dwelling unit	Maximum	$4.00 / dwelling unit
Commercial	$0.00594 per kWh	**Nonresidential**	$0.04794 per CCF
Minimum	+ $1.15 per bill	Minimum	+ $0.845 per bill
Maximum	$1,000 per bill	Maximum	$300 per bill
Industrial	$0.00707 per kWh	**Nonresidential Interruptible**	$0.00563 per CCF
Minimum	+$1.15 per bill	Minimum	+$4.50 per meter
Maximum	$1,000 per bill	Maximum	$300 per meter

Revenue from Consumer Utility Taxes on gas and electric services from FY 2002 to FY 2008 grew at an average annual rate of 1.4 percent. Receipts in FY 2009 fell 5.6 percent, while receipts in FY 2010 increased 6.0 percent due to an adjustment to align receipts in the proper fiscal year. Absent the adjustment, FY 2010 receipts were essentially level with FY 2008 collections. The FY 2011 estimate reflects an increase of 1.1 percent over FY 2010 receipts. The FY 2012 estimate for a 1.0 percent increase is based on historical collection trends.



COMMUNICATIONS SALES AND USE TAX

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$52,075,447	$52,312,013	$52,312,013	$52,312,013	$0	0.0%

The FY 2012 Adopted Budget Plan estimate for the Communications Sales and Use Tax of $52,312,013 represents no change from the FY 2012 Advertised Budget Plan. This statewide tax was first implemented in January 2007, after the 2006 Virginia General Assembly session approved legislation that changed the way in which taxes are levied on communications services. Based on this legislation, local taxes on land line and wireless telephone services were replaced with a 5 percent statewide Communication Sales and Use Tax. In addition to the communications services previously taxed, the 5 percent Communication Sales and Use Tax applies to satellite television and radio services, internet calling and long-distance telephone charges. As part of this legislation, local E-911 fees were repealed and replaced with a statewide $0.75 per line fee. These rates were meant to provide revenue neutrality with FY 2006 receipts. All communications taxes are remitted to the state for distribution to localities based on the locality's share of total statewide FY 2006 collections of these taxes. Based on analysis by the Virginia Auditor of Public Accounts, Fairfax County's share has been set at 18.93 percent.

Since its inception, this statewide tax has been fraught with errors in under-reporting by some providers and over-collection by others. The Commonwealth found that revenue during FY 2007 was lower than anticipated due to errors in reporting the tax by two large communications providers which resulted in an under-collection of the statewide tax during FY 2007 and part of FY 2008. These providers remitted back taxes and corrected the errors in FY 2008. In FY 2009, the Virginia Department of Taxation verified that taxes totaling $21.3 million statewide had been collected by service providers from entities that should have been tax exempt. Therefore, refunds were made over four months spanning FY 2009 and FY 2010. Fairfax County's share of the refunds was $4.0 million. Due in part to the refunds, Fairfax County's receipts fell 3.9 percent in FY 2009 and another 3.2 percent in FY 2010. The FY 2011 estimate represents a modest 0.5 percent increase over FY 2010 receipts and FY 2012 revenue is expected to remain at the FY 2011 level.

VEHICLE REGISTRATION LICENSE FEE

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$0	$27,000,000	$27,270,000	$27,270,000	$0	0.0%

The FY 2012 Adopted Budget Plan estimate for the Vehicle Registration Fee of $27,270,000 represents no change from the FY 2012 Advertised Budget Plan and a 1.0 percent increase over the *FY 2011 Revised Budget Plan*. Fairfax County levies the fee at the maximum rates allowed by the Commonwealth which are $33 for passenger vehicles that weigh 4,000 pounds or less and $38 on passenger vehicles that weight more than 4,000 pounds. In addition, fees are $18 for motorcycles and $25 for buses used for transportation to and from church. The County does not require the display of a decal on the vehicle.

Payment of Vehicle Registration License Fees is linked to the payment of Personal Property Taxes on October 5 each year. Vehicles owned by persons who qualify for property tax relief and vehicles owned by disabled veterans, members of volunteer fire departments and auxiliary police officers are tax exempt.

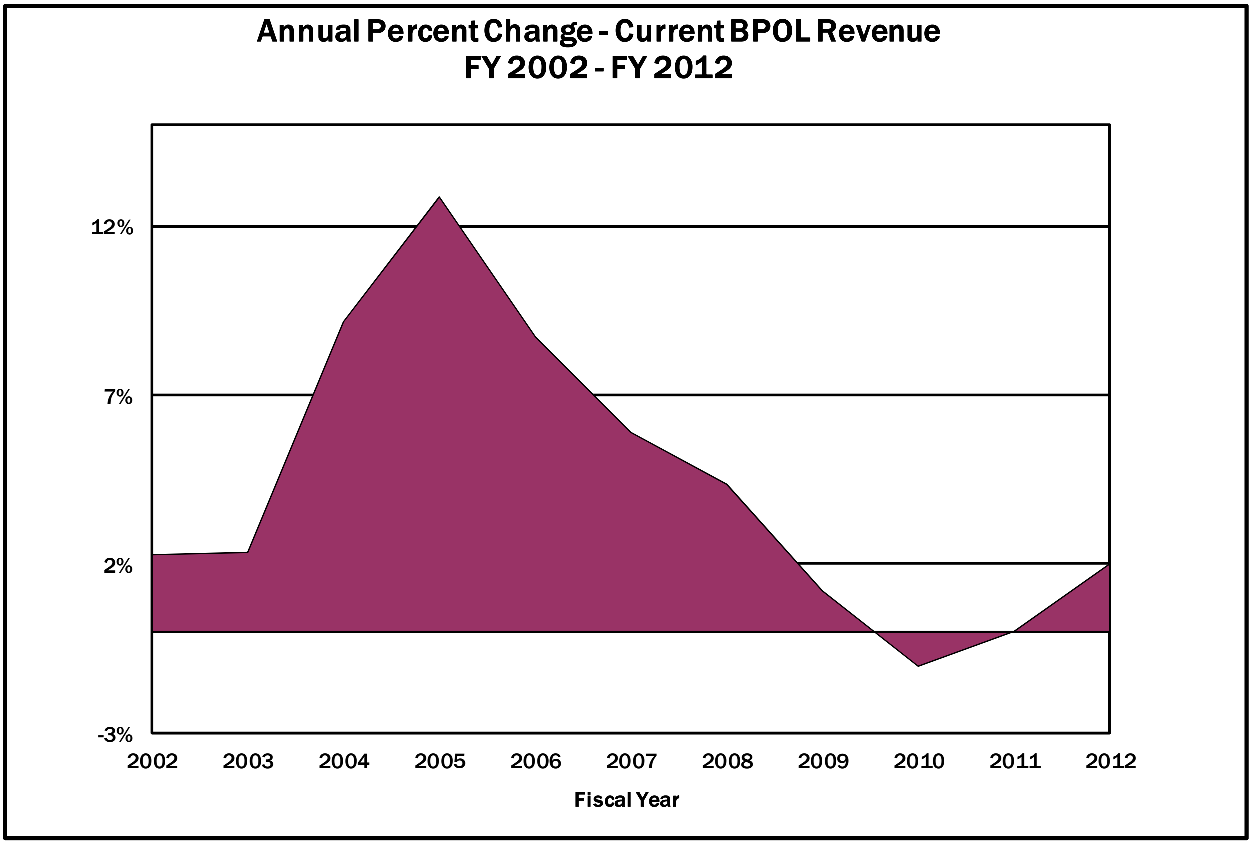
BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$138,542,613	$138,542,613	$141,313,465	$141,313,465	$0	0.0%

The FY 2012 Adopted Budget Plan estimate for Business, Professional and Occupational License Taxes (BPOL) is $141,313,465, representing no change from the FY 2012 Advertised Budget Plan and a 2.0 percent increase over the *FY 2011 Revised Budget Plan*.

As shown in the chart below, BPOL receipts experienced healthy growth in FY 2004 through FY 2006, averaging 10.2 percent per year. This strong growth reflected increases in federal government procurement spending, as well as the robust housing market. Growth in BPOL receipts moderated to 5.9 percent and 4.4 percent in FY 2007 and FY 2008, respectively. In FY 2009, BPOL receipts were up just 1.2 percent over FY 2008. This modest rate of growth reflected the downturn in the local economy late in 2008. In FY 2010, BPOL receipts, which were based on the gross receipts of businesses in calendar year 2009, fell 1.0 percent. Revenue from the Business Service Occupations and Consultants, which together represent over 46 percent of total BPOL receipts, fell 0.4 percent in FY 2010. The Retail category, which represents over 17 percent of total BPOL receipts, fell 4.6 percent in FY 2010. The Professional Occupations category, which includes physicians and attorneys, makes up nearly 12 percent of total BPOL revenue and experienced 0.6 percent growth in FY 2010. Due to a relatively stable real estate market in calendar year 2009, the Real Estate Broker category (0.9 percent of total BPOL) increased 5.0 in

FY 2010. After declining 55.0 percent in FY 2009, the Builders and Developers component (0.2 percent of total BPOL) rebounded with growth of 6.2 percent in FY 2010.



Since County businesses file and pay their BPOL taxes simultaneously on March 1 each year based on their gross receipts during the previous calendar year, little actual data was available at the *FY 2011 Third Quarter Review* in order to revise the FY 2011 estimate. Based on initial tax year 2010 BPOL returns, however, FY 2011 receipts are anticipated to be higher than originally projected. No change has been made to the FY 2012 estimate at this time in order to evaluate final FY 2011 year-end BPOL receipts. Any necessary FY 2012 adjustment will be included in an upcoming budget review.

TRANSIENT OCCUPANCY TAX

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$17,815,686	$18,097,701	$18,459,655	$18,459,655	$0	0.0%

The FY 2012 Adopted Budget Plan estimate for Transient Occupancy Tax of $18,459,655 represents no change from the FY 2012 Advertised Budget Plan and a 2.0 percent increase over the *FY 2011 Revised Budget Plan.* Transient Occupancy Taxes are charged as part of a hotel bill and remitted by the hotel to the County. Prior to FY 2005, the Transient Occupancy Tax rate was 2 percent, the maximum allowed by state law. Legislation enacted by the 2004 Virginia General Assembly permitted the Board of Supervisors to levy an additional 2.0 percent Transient Occupancy Tax beginning in FY 2005. A portion, 25 percent, of the additional 2.0 percent must be appropriated to a nonprofit convention and visitors' bureau located in the County. The remaining 75 percent must be used by the County to promote tourism. Transient Occupancy Tax receipts are expected to increase 1.6 percent in FY 2011 and 2.0 percent in FY 2012.

PERMITS, FEES AND REGULATORY LICENSES

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$28,665,677	$29,888,461	$27,921,065	$30,152,648	$2,231,583	8.0%

The FY 2012 Adopted Budget Plan estimate for Permits, Fees and Regulatory Licenses of $30,152,648 reflects an increase of $2.2 million, or 8.0 percent, over the FY 2012 Advertised Budget Plan. Of this increase, $2.0 million reflects an increase in revenue from fees charged by Land Development Services (LDS) for building permits and inspection services, which is consistent with an adjustment made during the *FY 2011 Third Quarter Review* to reflect higher than anticipated receipts based on permitting activity year-to-date. Construction activity is expected to be fairly stable over the two fiscal years and as a result, the base adjustment reflects no increase over FY 2011 levels. In addition, an across-the-board increase in rates was approved for these fees in order to account for increased costs for providing services based primarily on the complexity of the review process. The fee increase is projected to generate an additional $560,000 in FY 2012 and assumes an average increase in most fees of 3.1 percent. The FY 2012 estimate for LDS fees is $20,543,309, which represents an increase of 2.8 percent over FY 2011 receipts.

A rate increase was also approved for various zoning fees, which is projected to generate an additional $73,160 in FY 2012, for a total of $2,433,187. This FY 2012 level represents an increase of 3.1 percent over FY 2011.

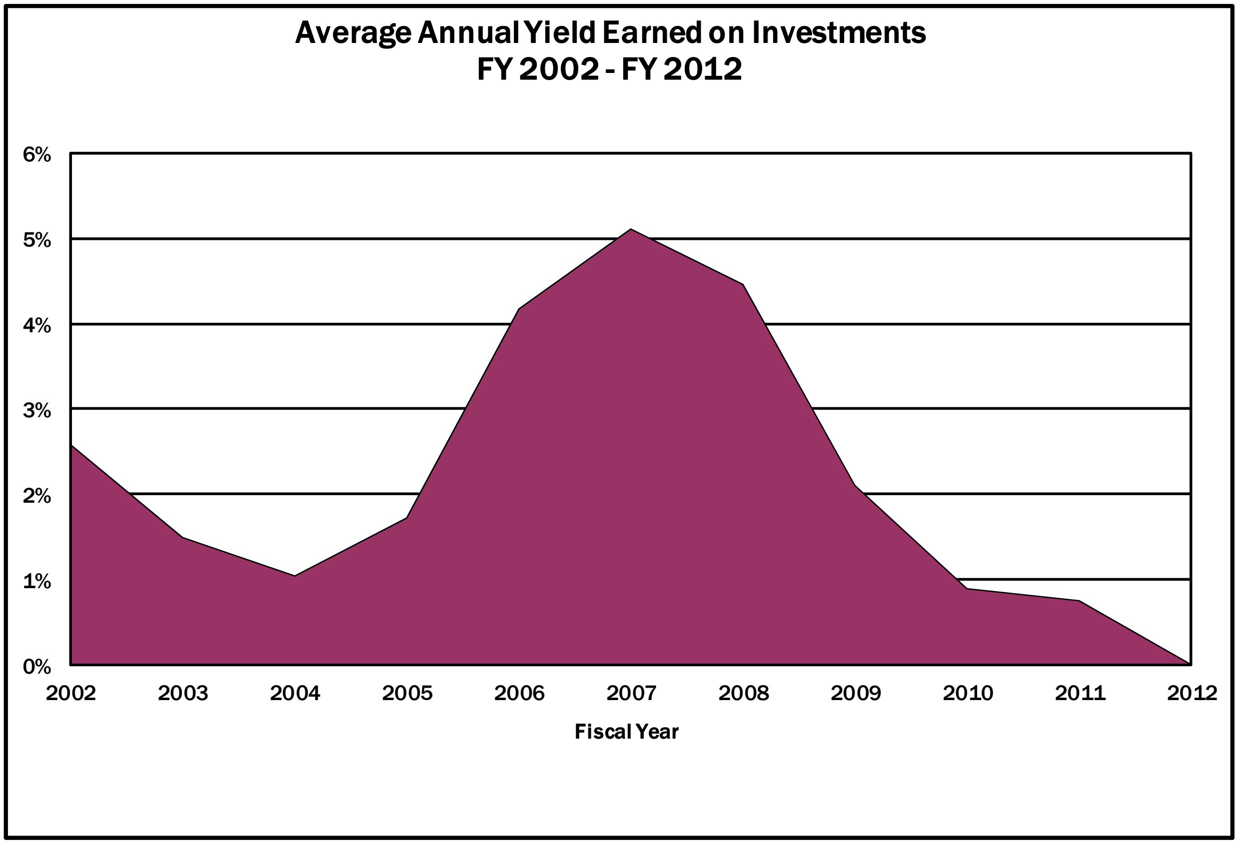
Offsetting these increases is a reduction in revenue of $0.4 million. During the 2011 General Assembly session, the annual food establishment fee charged by the Health Department was lowered from $285 to the FY 2008 level of $40. This action results in a revenue loss to the County of $0.4 million.

INVESTMENT INTEREST

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$16,792,303	$17,601,597	$12,747,824	$12,747,824	$0	0.0%

The FY 2012 Adopted Budget Plan estimate is $12,747,824 and reflects no change from the FY 2012 Advertised Budget Plan and a decline of 27.6 percent from the *FY 2011 Revised Budget Plan*. The decrease from FY 2011 is due to a decline in the anticipated yield earned on the County's investment portfolio. 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. From 2001 to 2004, the Federal Reserve reduced interest rates from 6.5 percent to 1.0 percent in order to stimulate economic growth. During this period, revenue from Investment Interest fell from $56.3 million in FY 2001 to $14.8 million in FY 2004. From June 2004 through June 2006, the Federal Reserve increased rates by a quarter point at each of its meetings in an effort to stem inflation. The federal funds rate reached 5.25 percent in June 2006. As a result of higher rates, the annual average yield on County investments was 5.1 percent in FY 2007, and revenue from Interest on Investments was a record high of $92.1 million. In FY 2008, the County's portfolio generated $78.2 million for the General Fund, with an average annual yield of 4.46 percent. The federal funds rate has remained unchanged since the end of 2008, when it was set at 0.0 to 0.25 percent, its lowest in history. The yield earned in FY 2009 was 2.1 percent and General Fund revenue from Investment Interest was $36.5 million. In FY 2010, the County's portfolio generated $16.8 million for the General Fund, with an average annual yield of 0.89 percent.



The FY 2011 estimate for Interest on Investments is $17.6 million based on a projected annual yield of 0.79 percent. The FY 2012 Adopted Budget Plan estimate for Investment Interest of $12.7 million is based on a projected average yield of 0.60 percent, a portfolio size of $2,634,404,728 and a General Fund percentage of 69.8 percent. 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 estimated to be $15.8 million in FY 2012.

CHARGES FOR SERVICES

FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
$62,980,797	$63,228,869	$64,789,101	$64,161,281	($627,820)	-1.0%

The FY 2012 Adopted Budget Plan estimate for Charges for Services revenue is $64,161,281, a decrease of $0.6 million, or 1.0 percent, from the FY 2012 Advertised Budget Plan. This decrease is the result of a net reduction in School Age Child Care (SACC) Fees, partially offset with an increase in expected Emergency Medical Service (EMS) Transport fees. The FY 2012 Adopted Budget Plan estimate for SACC Fees is $31.8 million, a $1.2 million decrease from the FY 2012 Advertised Budget Plan. SACC Fees are projected to decline $1.7 million due to the expansion of full day kindergarten to all Fairfax County elementary schools, which will be partially offset with a projected increase of $0.5 million based on higher delinquent collections and the implementation of a 10.0 percent late fee. EMS Fee revenue is expected to increase $0.6 million as a result of enhanced insurance claim processing.

REVENUE FROM THE COMMONWEALTH/FEDERAL GOVERNMENT[1]

	FY 2010 Actual	FY 2011 Revised	FY 2012 Advertised	FY 2012 Adopted	Increase/ (Decrease)	Percent Change
Baseline Funding including State approved reductions	$132,658,846	$130,794,423	$128,178,562	$127,493,644	($684,918)	-0.5%
Reserve for State Cuts	0	(307,236)	(3,000,000)	(2,315,082)	684,918	-22.8%
Net Funding	$132,658,846	$130,487,187	$125,178,562	$125,178,562	$0	0.0%

[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 2012 Adopted Budget Plan estimate for Revenue from the Commonwealth and Federal Government of $125,178,562 represents no change from the FY 2012 Advertised Budget Plan. The FY 2012 Advertised Budget Plan included an anticipated loss in state revenue of $10.6 million. This included approved reductions from the 2010 General Assembly and a $3.0 million reserve for additional potential cuts. During the 2011 General Assembly session, additional reductions were made to programs such as the Child Care Assistance and Referral program and the Comprehensive Services Act, while funding was partially restored for HB 599, Law Enforcement Funding and the Juvenile Community Crime Control Act. These changes resulted in a net reduction of $8.3 million in state revenue categories, $2.3 million less than anticipated. This $2.3 million has been held in reserve for potential reductions that could occur during FY 2012. Reductions in the Commonwealth's approved FY 2011- FY 2012 Budget have been allocated to the appropriate programs and are included in the baseline funding shown above. Also included in the baseline funding is a $4.5 million reduction for the County's share of a $60 million statewide reduction. This so called "flexible" cut requires localities to choose the funding stream in which to make the reduction or to remit payment to the state.

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FY 2012

ADOPTED BUDGET PLAN

General Fund Disbursement Overview

This section includes:

SUMMARY OF GENERAL FUND DIRECT EXPENDITURES

Category	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over/(From) Revised	Percent Increase/ (Decrease)
Positions/ Staff Years	9,407/9,249.79	9,242/9086.06	9,542/9,397.31	9,549/9,402.06	9,549/9,404.31	7.0/7.0	.07%/.07%
Personnel Services	$673,673,855	$665,948,300	$664,129,083	$672,933,597	$672,679,006	$8,549,923	1.29%
Operating Expenses	327,820,172	339,317,773	383,940,741	345,298,612	345,473,612	(38,467,129)	(10.02%)
Recovered Costs	(42,620,871)	(45,283,240)	(44,388,600)	(44,628,451)	(44,628,451)	(239,851)	0.54%
Capital Equipment	792,415	0	2,614,215	0	0	(2,614,215)	(100.00%)
Fringe Benefits	201,770,116	233,626,678	250,980,866	263,151,156	262,890,861	11,909,995	4.75%
Total Direct Expenditures	$1,161,435,687	$1,193,609,511	$1,257,276,305	$1,236,754,914	$1,236,415,028	($20,861,277)	(1.66%)

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. Additional information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

The FY 2012 Adopted Budget Plan direct expenditure level of $1,236,415,028 represents a decrease of $20,861,277 or 1.66 percent from the *FY 2011 Revised Budget Plan* direct expenditure level of $1,257,276,305. The FY 2012 funding level reflects an increase of $42,805,517, or 3.59 percent, over the FY 2011 Adopted Budget Plan direct expenditure level of $1,193,609,511.

Personnel Services

In FY 2012, funding for Personnel Services totals $672,679,006, an increase of $8,549,923, or 1.29 percent, over the *FY 2011 Revised Budget Plan* funding level of $664,129,083. Personnel Services increased $6,730,706, or 1.01 percent, over the FY 2011 Adopted Budget Plan funding level of $665,948,300. The net FY 2012 position increase is 7 positions in General Fund agencies and 39 positions for all funds. For agency-level detail, the FY 2012 Adopted Personnel Services by Agency chart in the Overview Volume under the Financial, Statistical and Summary Tables tab breaks out Personnel Services funding by each agency. The changes for each category of Personnel Services expenditures are provided as follows:

- **Regular Salary** funding (net of Position Turnover) of $622,437,517 reflects a net increase of $15,313,247, or 2.52 percent over the FY 2011 Adopted Budget Plan. Of this amount, $7.1 million is the portion of funding that is Regular Salaries associated with a change in the treatment of some grants required as a result of the replacement of the County's Legacy computer system, whereby costs that can no longer be classified as grants are now allocated in the General Fund. Another $5.5 million increase in Regular Salaries results from the reallocation of funding from limited term salaries as a result of the FY 2011 conversion of 297 General Fund limited term positions to Merit Regular status as a result of recent federal regulations related to health care and other federal tax requirements. There is a corresponding reduction in limited term salaries noted below. The net cost to the General Fund of the limited term conversion as approved by the Board of Supervisors in September 2010 is $4.0 million in additional fringe benefit costs. Some other adjustments are totally offset by additional State revenue, including an increase in Department of Family Services associated with staffing requirements for sustained and significant increases in the public assistance caseloads, and an increase in the Health Department establishing 12/12.0 SYE new public health nurse positions, consistent with the recommendations of the School Health Study and Ten Year Strategic Plan on supporting student health needs. FY 2012 adjustments also are required as a result of actions taken at the *FY 2010 Carryover Review*, including increases to fund positions supporting workload associated with the Tyson Plan Amendments, the Police and Fire World Games, and County COOP activities to develop the capacity to plan, respond, and recover from a natural or man-made disaster. Total regular salary increases are offset by budget reductions, requiring agencies to maintain higher positions vacancy levels in order to balance the FY 2012 budget. In addition, no pay for performance awards or market rate adjustments are included in FY 2012, as these programs were suspended in FY 2010 and have not yet been reinstated. It is also noted that there has been a decrease of $1.8 million in the Department of Family Services in the FY 2012 Adopted Budget Plan, and an additional $0.4 million in fringe benefits due to savings in School-Age Child Care (SACC) realized from the implementation of full day kindergarten by the Fairfax County Public Schools. The expenditure decrease is partially offset by a decrease of $1.7 million in SACC revenue for a total net savings to the County of $500,000.

- **Limited Term** position funding (temporary and part-time employees) reflects a decrease of $5,766,562, or 33.21 percent, from the FY 2011 Adopted Budget Plan. This reduction is primarily due to the conversion of limited term positions to Merit Regular status, as noted above.

- **Overtime Pay** funding reflects a decrease of $2,815,979, or 7.62 percent, from the FY 2011 Adopted Budget Plan level, primarily due to a decrease in unscheduled overtime for the Police Department and for the Fire and Rescue Department, as part of budget reductions.

- **Position adjustments** in the FY 2012 Adopted Budget Plan reflect a net increase of 7/7.0 SYE General Fund positions. The total General Fund position count is 9,549/9,404.31 SYE. The increase in the General Fund is the result of:

  - An increase of 12/12.0 SYE positions in the Health Department to provide additional public health nurse positions in support of the School Health program. The position expansion supports implementation of the recommendations of the School Health Study and Ten Year Strategic Plan to support the increasing health needs of students enrolled in Fairfax County Public Schools.

  - This increase is partially offset by a transfer of 5/5.0 SYE positions to Fund 105, Cable Communications, for positions appropriately aligned with that funding source. Positions include the transfer of 1/1.0 SYE position supporting financial services from the General Fund Department of Cable and Consumer Services, and the transfer of 4/4.0 SYE positions that provide technology support and logistics for Conference Center Services from the Facilities Management Department.

Fringe Benefits

In FY 2012, funding for Fringe Benefits totals $262,890,861, an increase of $11,909,995, or 4.75 percent, over the *FY 2011 Revised Budget Plan* level of $250,980,866 and an increase of $29,264,183 or 12.53 percent, over the FY 2011 Adopted Budget Plan level of $233,626,678 primarily due to the following:

- FY 2012 employer contributions to the retirement systems total $134,644,491, an increase of $18,201,708, or 15.6 percent, over the FY 2011 Adopted Budget Plan. An increase of $15,350,937 is based on projected increases in the employer contribution rates, primarily due to investment losses resulting from the global financial and economic crisis that began in FY 2009. An increase of $1,359,940 is based on the conversion of limited term positions to merit regular status, and an increase of $744,085 is due to the movement of funding previously classified as grants to the General Fund. An additional increase of $129,339 is based on adjustments to reflect the inclusion of new positions, while a reduction of $97,153 is due to anticipated savings in the School-Age Child Care program. The remaining increase of $714,560 is based on year-to-date FY 2011 experience.

- Health Insurance premiums total $78,026,822, an increase of $9,816,817, or 14.4 percent, over the FY 2011 Adopted Budget Plan. An increase of $3,646,515 reflects the impact of projected premium increases of 10.0 percent for all health insurance plans, effective January 1, 2012. An increase of $923,098 is based on the conversion of limited term positions to merit regular status, and an increase of $505,070 is due to the movement of funding previously classified as grants to the General Fund. An additional increase of $87,792 is based on adjustments to reflect the inclusion of new positions, while a reduction of $65,945 is due to anticipated savings in the School-Age Child Care program. The remaining increase of $4,720,287 represents the full-year impact of January 2011 premium adjustments and increases based on year-to-date FY 2011 experience.

- Social Security contributions total $43,173,424, an increase of $472,513, or 1.1 percent, over the FY 2011 Adopted Budget Plan. An increase of $604,857 is based on the conversion of limited term positions to merit regular status, and an increase of $330,945 is due to the movement of funding previously classified as grants to the General Fund. An additional increase of $57,526 is based on adjustments to reflect the inclusion of new positions, while an increase of $152,934 is associated with the Advanced Life Support (ALS) Incumbent School in the Fire and Rescue Department. These increases are partially offset by a decrease of $243,211 due to anticipated savings in the School-Age Child Care program and a decrease of $430,538 primarily attributable to anticipated savings based on year-to-date FY 2011 experience.

Operating Expenses

Operating Expenses total $345,473,612, a decrease of $38,467,129, or 10.02 percent, from the *FY 2011 Revised Budget Plan* funding level of $383,940,741. Operating Expenses increased by $6,155,839, or 1.81 percent, over the FY 2011 Adopted Budget Plan funding level of $339,317,773. Major adjustments from the FY 2011 Adopted Budget Plan are as follows:

- A net increase of $3,832,888 in the categories of Welfare Expenses and Subsidies, primarily in the Department of Family Services. An increase, partially offset by revenue associated with the Comprehensive Services Act (CSA) program, will support the Department of Family Services implementation of the System of Care initiative to support Intensive Care Coordination, the Family Partnership Program, and enhanced Utilization Review for families and youth. Other increases include a contract rate increase for the providers of mandated and non-mandated services; and an increase for the Child Care Assistance and Referral Program, which is fully funded by additional resources from the state as part of the 2008-2010 Biennium Budget bill and by an increase in federal and state revenue to provide services to the mandated population.

- A net increase of $2,054,426 in general Operating Expenses, primarily to accurately reflect state revenue dedicated to the School Health Program as a County expenditure. Funding of $1.9 million will be appropriated to the Health Department for this purpose. A total of $3.9 million in additional state funding supports these costs and the addition of the School Health positions noted above.

Capital Equipment

There is no Capital Equipment funding included for General Fund agencies in the FY 2012 Adopted Budget Plan, compared with the *FY 2011 Revised Budget Plan* funding level of $2,614,215 and the FY 2011 Adopted Budget Plan level of $0. The minimal level of funding included in FY 2011 is associated with the replacement of existing equipment that has outlived its useful life and is not cost effective to repair. Based on budget reductions, replacement of existing equipment and the purchase of new equipment will continue to be deferred.

Recovered Costs

Recovered Costs total $44,628,451, an increase of $239,851, or 0.54 percent, over the *FY 2011 Revised Budget Plan* level of $44,388,600. Recovered Costs decrease $654,789, or 1.45 percent, from the FY 2011 Adopted Budget Plan level of $45,283,240, primarily due to adjustments in lease costs reimbursed to the Department of Facilities Management by other County agencies. Lower lease costs have been renegotiated for some lease renewals.

SUMMARY OF GENERAL FUND TRANSFERS

The FY 2012 Transfers Out from the General Fund total $2,141,064,356, a decrease of $3,720,427 or 0.17 percent, from the *FY 2011 Revised Budget Plan* Transfers Out of $2,144,784,783. These transfers support programs and activities that reflect the Board of Supervisors' priorities. The greatest share of the County budget is dedicated to Fairfax County Public Schools (FCPS). The percentage of total General Fund Disbursements dedicated to Public School Operating and School Debt Service is 52.5 percent in FY 2012.

Major adjustments, as well as linkages with strategic objectives, are summarized below.

	Increase/ (Decrease) Over FY 2011 Revised
Fund 603, OPEB Trust Fund	$6,100,000
Fund 309, Metro Operations and Construction	3,888,445
Fund 106, Fairfax-Falls Church Community Services Board	2,598,219
Fund 303, County Construction	2,526,508
Fund 100, County Transit Systems	2,463,435
Fund 102, Federal/State Grant Fund	1,336,851
Funds 200 and 201, Consolidated Debt Service	975,403
Fund 312, Public Safety Construction	242,595
Fund 119, Contributory Fund	124,637
Fund 307, Pedestrian Walkway Improvements	100,000
Fund 090, Public School Operating	(755,755)
Fund 112, Energy/Resource Recovery Facility	(1,745,506)
Fund 501, County Insurance Fund	(1,870,000)
Fund 103, Aging Grants and Programs	(2,961,489)
Fund 317, Capital Renewal Construction	(3,000,000)
Fund 104, Information Technology	(13,743,770)
Total	**($3,720,427)**

Fund 603, OPEB Trust Fund

The total FY 2012 General Fund transfer to Fund 603, OPEB Trust Fund, is $20,000,000, an increase of $6,100,000 over the *FY 2011 Revised Budget Plan* transfer of $13,900,000. Fund 603 is used to fund the costs of other post-employment benefits (OPEBs) and reduce the County's unfunded actuarial accrued liability under Governmental Accounting Standards Board (GASB) Statement No. 45. An initial reserve that was established as part of the *FY 2005 Carryover Review* created a net OPEB asset, which reduced the impact of the annual required contribution (ARC) on the General Fund transfer in the years following the implementation of GASB 45. However, it is anticipated that the net OPEB asset will be fully exhausted with the funding of the FY 2011 ARC. In accordance with the County's policy to maintain a net OPEB asset, the General Fund transfer must be increased to fully fund the ARC each year. Detailed information on the OPEB Trust Fund can be found in the Fund 603, OPEB Trust Fund, narrative in Volume 2 of the FY 2012 Adopted Budget Plan.

Fund 309, Metro Operations and Construction

The total FY 2012 General Fund transfer to Fund 309, Metro Operations and Construction, is $11,298,296, an increase of $3,888,445, over the *FY 2011 Revised Budget Plan* transfer of $7,409,851. This transfer level is based on preliminary funding requirements projected by WMATA staff in fall 2010, requiring an increase of 7 percent in the local jurisdiction subsidy level. FY 2012 funding also supports a Metro prior year audit adjustment.

Fund 106, Fairfax-Falls Church Community Services Board

The FY 2012 transfer to Fund 106, Fairfax-Falls Church Community Services Board, is $95,725,326, an increase of $2,598,219, or 2.79 percent, over the *FY 2011 Revised Budget Plan* transfer of $93,127,107. The net increase is primarily associated with providing support to 56 of the 88 special education graduates of Fairfax County Public Schools turning 22 years of age who are eligible for day support and employment services who currently do not have a funding source for such services, the expansion of the Medical Detoxification program and the establishment of 4/4.0 SYE positions to maintain the Diversion to Detoxification program, a supplemental pay increase for Public Health Psychiatrists and Doctors based on analysis conducted by the Department of Human Resources, a 3 percent contract rate adjustment for providers of contracted services, an increase to offer employees the option of receiving health benefits to comply with recently altered federal health care regulations, offset by reductions and revenue enhancements utilized to balance the FY 2012 budget.

Fund 303, County Construction

The FY 2012 General Fund transfer to Fund 303, County Construction, is $14,919,369 an increase of $2,526,508 or 20.39 percent, over the *FY 2011 Revised Budget Plan* transfer of $12,392,861 with FY 2012 funding limited to only the most critical priority projects.

Fund 100, County Transit Systems

The FY 2012 transfer to Fund 100, County Transit Systems, supporting the FAIRFAX CONNECTOR and Virginia Railway Express (VRE) subsidy, is $34,455,482, an increase of $2,463,435, or 7.70 percent, over the *FY 2011 Revised Budget Plan* transfer. This increase is required to expand bus services in the Fort Belvoir area to support population growth resulting from the federal Base Realignment and Closure (BRAC) plan. The General Fund increase also supports the relocation of bus services to a new Reston East Park & Ride, since the former site was permanently closed in April 2011 to allow for the construction of the Wiehle Ave. metro station. It should be noted that General Fund support for this fund is used in combination with commercial and industrial tax revenue for transportation, and State Aid held on behalf of the County at the Northern Virginia Transportation Commission (NVTC), to support costs not fully covered by CONNECTOR fare revenue.

Fund 102, Federal/State Grant Fund

The FY 2012 transfer to Fund 102, Federal/State Grant Fund, is $4,250,852, an increase of $1,336,851 or 45.88 percent over the *FY 2011 Revised Budget Plan* total of $2,914,001, as a result of an increase in Local Cash Match requirements in FY 2012. The transfer reflects the anticipated Local Cash Match needed to maximize the County's ability to leverage Federal and State grant funding. The increase in Local Cash Match requirements is due primarily to the consolidation of Fund 103, Aging Grants and Programs into Fund 102, Federal/State Grant Fund. This is offset by a decrease in Local Cash Match requirements due to the transfer of the Department of Family Services grants to the General Fund. These adjustments are necessary to support the implementation of the County's new integrated finance, budget, purchasing and human resources computer system in July 2011.

Fund 200 and 201, Consolidated Debt Service

The total FY 2012 General Fund transfer to Fund 200 and 201, Consolidated Debt Service, is $282,844,428, an increase of $975,403 or 0.35 percent, over the *FY 2011 Revised Budget Plan* transfer of $281,869,025. This increase is primarily attributable to scheduled requirements for existing debt service.

Fund 312, Public Safety Construction

The FY 2012 transfer to Fund 312, Public Safety Construction, is $242,595. This funding is required to complete construction associated with the renovation of the fourth courtroom in the original portion of the Jennings Judicial Center. This courtroom requires improved lighting; ductwork realignment; millwork refinishing, and new wall, floor and ceiling finishes; ADA compliance upgrades, and technology upgrades to remain operational. Funding to complete the remaining 22 courtrooms will be required in future years.

Fund 119, Contributory Fund

The FY 2012 transfer to Fund 119, Contributory Fund, is $12,162,942, an increase of $124,637, or 1.04 percent, over the *FY 2011 Revised Budget Plan* transfer of $12,038,305. More detail on the Contributory Fund follows the General Fund Disbursement Overview.

Fund 307, Pedestrian Walkway Improvements

The total FY 2012 General Fund transfer to Fund 307, Pedestrian Walkway Improvements, is $100,000. This funding is included to meet emergency and critical maintenance requirements for County trails, sidewalks and pedestrian bridges.

Fund 090, Public School Operating

The FY 2012 transfer to Fund 090, Public School Operating, is $1,610,834,722, a decrease of $755,755, or 0.05 percent, from the *FY 2011 Revised Budget Plan* transfer of $1,611,590,477. The decrease is the result of the elimination of one time funding of $1.3 million for the Priority School Initiative approved as part of the *FY 2010 Carryover Review,* partially offset by an increase of $0.5 million as a result of savings from the elimination of the Kindergarten School Age Child Care (SACC) program, which will no longer be necessary with the implementation of full-day kindergarten in all Fairfax County Public Schools. The greatest share of the County budget is dedicated to Fairfax County Public Schools (FCPS). The percentage of total General Fund Disbursements dedicated to Public School Operating and School Debt Service is 52.5 percent in FY 2012.

Fund 112, Energy/Resource Recovery Facility

There is no transfer to Fund 112, Energy/Resource Recovery Facility (E/RRF), in FY 2012, reflecting a decrease of $1,745,506 from the *FY 2011 Revised Budget Plan* transfer. The General Fund transfer in FY 2011 was 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. (CFI) has changed from tax exempt to taxable status. In FY 2011 and previous years, an adjustment was made at the Carryover Review to reflect the cost of the tax payment and the reimbursement of the payment by the County General Fund. Beginning in FY 2012, the cost will be funded by the E/RRF.

Fund 501, County Insurance Fund

The FY 2012 transfer to Fund 501, County Insurance Fund, is $21,017,317, a decrease of $1,870,000, or 8.17 percent, from the *FY 2011 Revised Budget Plan* transfer of $22,887,317. This decrease is primarily associated with one-time increases during the *FY 2011 Third Quarter Review,* including increased costs in Workers' Compensation due to significant hospitalization costs, increased Self Insurance costs due to an approved settlement and legal costs incurred for outside counsel defending the County in litigation.

Fund 103, Aging Grants and Programs

There is no FY 2012 transfer to Fund 103, Aging Grants and Programs. In July 2011, the County is implementing an integrated finance, budget, purchasing and human resources computer system. As a result, grant funding associated with Fund 103, Aging Grants and Programs is being consolidated into Fund 102, Federal/State Grants Fund. In addition, funding previously classified as a grant in Fund 103, Aging Grants and Programs that no longer meets the grant definition of the new computer system will be transferred to Agency 67, Department of Family Services or Agency 79, Department of Neighborhood and Community Services in the General Fund. Corresponding adjustments have been made in Fund 102, Federal/State Grant Fund, Agency 67, Department of Family Services, and Agency 79, Department of Neighborhood and Community Services for no net impact. It is anticipated that remaining FY 2011 funding and associated positions will be transferred as part of the *FY 2011 Carryover Review*.

Fund 317, Capital Renewal Construction

The FY 2012 transfer to Fund 317, Capital Renewal Construction, is $0, reflecting a decrease of $3,000,000 from the *FY 2011 Revised Budget Plan* transfer. As part of the FY 2011 Adopted Budget Plan, the Board of Supervisors approved a 3-year plan of short-term borrowing. FY 2012 funding in the amount of $15 million is the second appropriation for capital renewal projects supported by short-term borrowing. In FY 2011, $5 million was appropriated and in FY 2013 another $15 million is anticipated for a total of $35 million. Eliminating this $35 million backlog will allow for a more preventative and proactive maintenance program, increase the life cycle of County buildings and enable the renewal program to reach a fairly consistent level of annual funding requirements. FY 2012 funding will provide for the entire category F (urgent/safety related, or endangering life and/or property) projects and one Category D project. Specific projects supported by this funding level are detailed in the Fund 317, Capital Renewal Construction narrative in Volume 2 of the FY 2012 Adopted Budget Plan.

Fund 104, Information Technology

The FY 2012 transfer to Fund 104, Information Technology, is $5,281,579, a decrease of $13,743,770, or 72.24 percent, from the *FY 2011 Revised Budget Plan* transfer of $19,025,349. Detailed information on the Information Technology program may be found in the Fund 104, Information Technology narrative in Volume 2 of the FY 2012 Adopted Budget Plan.

Summary of Contributory Agencies

Fund 119, Contributory Fund, was established in FY 2001 to reflect General Fund support for agencies or organizations that receive County contributions. FY 2012 funding totals $12,212,942 and reflects an increase of $174,637 or 1.45 percent over the FY 2011 Adopted Budget Plan funding level of $12,038,305. The required Transfer In from the General Fund is $12,162,942. Individual contributions are described in detail in the narrative of Fund 119, Contributory Fund, in Volume 2 of the FY 2012 Adopted 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 funding for the various contributory organizations.

Fairfax County	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
Legislative-Executive Functions/Central Service Agencies:					
Alliance for Innovation	$6,000	$6,000	$6,000	$6,000	$6,000
Dulles Area Transportation Association	9,000	9,000	9,000	9,000	9,000
Metropolitan Washington Council of Governments	889,662	883,745	883,745	889,890	889,890
National Association of Counties	19,049	19,049	19,049	19,049	19,049
Northern Virginia Regional Commission	557,111	564,382	564,382	568,534	568,534
Northern Virginia Transportation Commission	179,609	186,288	186,288	174,499	174,499
Virginia Association of Counties	223,810	227,208	227,208	227,208	227,208
Virginia Institute of Government	20,000	20,000	20,000	20,000	20,000
Washington Airports Task Force	34,425	32,704	32,704	50,000	50,000
Subtotal Legislative-Executive	**$1,938,666**	**$1,948,376**	**$1,948,376**	**$1,964,180**	**$1,964,180**
Public Safety:					
NOVARIS	$10,118	$9,577	$9,577	$14,677	$14,677
Partnership For Youth	42,500	40,375	40,375	40,375	40,375
Subtotal Public Safety	**$52,618**	**$49,952**	**$49,952**	**$55,052**	**$55,052**
Health and Welfare:					
GMU Law and Mental Illness Clinic	$51,678	$51,678	$51,678	$0	$0
Health Systems Agency of Northern Virginia	86,750	86,750	86,750	86,750	86,750
Medical Care for Children	166,000	237,000	237,000	237,000	237,000
Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence	1,753,592	1,847,761	1,847,761	2,165,918	2,165,918
Volunteer Fairfax	305,247	305,247	305,247	305,247	305,247
Subtotal Health and Welfare	**$2,363,267**	**$2,528,436**	**$2,528,436**	**$2,794,915**	**$2,794,915**

Fund 119
Summary of Contributory Agencies

Fairfax County	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
Parks, Recreation and Cultural:					
Arts Council of Fairfax County	$191,257	$181,694	$181,694	$231,694	$231,694
Arts Council of Fairfax County - Arts Groups Grants	102,000	96,900	96,900	96,900	96,900
Challenge Grant Funding Pool for the Arts	467,500	444,125	444,125	444,125	444,125
Dulles Air and Space Museum	150,000	100,000	100,000	100,000	100,000
Fairfax Symphony Orchestra	248,455	236,032	236,032	236,032	236,032
Fort Belvoir Army Museum	150,000	100,000	100,000	100,000	100,000
Lorton Arts Foundation	1,000,000	1,000,000	1,000,000	750,000	750,000
Northern Virginia Regional Park Authority	2,083,723	1,979,537	1,979,537	1,979,537	1,979,537
Reston Historic Trust	17,000	16,150	16,150	16,150	16,150
Town of Herndon	0	0	0	40,000	40,000
Town of Vienna Teen Center	34,000	32,300	32,300	32,300	32,300
Wolf Trap Foundation for the Performing Arts	106,250	100,938	100,938	100,938	100,938
Subtotal Parks, Recreation & Cultural	**$4,550,185**	**$4,287,676**	**$4,287,676**	**$4,127,676**	**$4,127,676**
Community Development:					
Architectural Review Board	$2,975	$2,826	$2,826	$2,826	$2,826
Center for Chesapeake Communities	30,600	29,070	29,070	29,070	29,070
Commission for Women	6,916	6,916	6,916	6,916	6,916
Convention and Visitors Corporation	2,538,837	2,378,965	2,378,965	2,426,544	2,426,544
Earth Sangha	17,000	16,150	16,150	16,150	16,150
Fairfax County History Commission	22,119	21,013	21,013	21,013	21,013
Fairfax ReLeaf	44,200	41,990	41,990	41,990	41,990
Greater Reston Incubator	25,500	24,225	24,225	24,225	24,225
Northern Virginia Community College	91,110	90,181	90,181	89,856	89,856
Northern Virginia Conservation Trust	239,740	227,753	227,753	227,753	227,753
Northern Virginia Soil and Water Conservation Distric	421,990	0	0	0	0
Occoquan Watershed Monitoring Program	112,559	0	0	0	0
OpenDoor Housing Fund	31,776	31,776	31,776	31,776	31,776
Southeast Fairfax Development Corporation	192,968	183,320	183,320	183,320	183,320
VPI/UVA Education Center	50,000	50,000	50,000	50,000	50,000
Women's Center of Northern Virginia	28,445	27,023	27,023	27,023	27,023
Subtotal Community Development	**$3,856,735**	**$3,131,208**	**$3,131,208**	**$3,178,462**	**$3,178,462**
Nondepartmental:					
Fairfax Public Law Library	$92,657	$92,657	$92,657	$92,657	$92,657
Subtotal Nondepartmental	**$92,657**	**$92,657**	**$92,657**	**$92,657**	**$92,657**
Total County Contributions	**$12,854,128**	**$12,038,305**	**$12,038,305**	**$12,212,942**	**$12,212,942**

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ADOPTED BUDGET PLAN

Other Funds Overview

This section includes:

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 $6,974,471,699 (excluding the General Fund) and total revenues of $3,037,303,568. The revenues are a decrease of $1,064,113,029 or 25.95 percent from the *FY 2011 Revised Budget Plan* and an increase of $92,487,619 or 3.14 percent over the FY 2011 Adopted Budget Plan. It should be noted that the decrease from the *FY 2011 Revised Budget Plan* is primarily the result of the carryover of authorized but unissued bonds for capital construction projects, sewer bond construction, and anticipated grant revenues rather than the result of changes in the revenue stream for Other Funds. The increase in revenues over the FY 2011 Adopted Budget Plan is due primarily to increased County and FCPS retirement fund-related revenues. 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 2012 Adopted Budget Plan. Also, the FY 2012 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 2012 expenditures for Other Funds total $4,863,838,570 (excluding General Fund direct expenditures), and reflect a decrease of $1,842,396,807 or 27.47 percent from the *FY 2011 Revised Budget Plan* funding level of $6,706,235,377. 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 adjustments in FY 2011, expenditures decrease $47,263,886 or 0.96 percent from the FY 2011 Adopted Budget Plan total of $4,911,102,456.

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 2012 Adopted Budget. In addition, information on Housing and Community Development Programs can be found in the Housing Program Overview. 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 2012 Adopted 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. In FY 2012, Special Revenue Fund expenditures total $2,936,233,562, a decrease of $564,432,868 or 16.12 percent from the *FY 2011 Revised Budget Plan* funding level of $3,500,666,430. Excluding adjustments in FY 2011, expenditures increase $30,156,233 or 1.04 percent over the FY 2011 Adopted Budget Plan level of $2,906,077,329. 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 2012 Adopted Budget Plan.

Fund 100, County Transit Systems: FY 2012 funding of $98.0 million is included for this fund. This amount includes $77.0 million for FAIRFAX CONNECTOR routes, $12.5 million in one-time funding for the acquisition of 25 new expansion buses for future beltway HOT Lanes, and $3.6 million for WMATA reimbursable facility and fuel costs at the West Ox Bus Operations Center. The remaining $4.9 million is for the Virginia Railway Express (VRE).

County expenditures are funded through a combination of bus fare revenue, General Fund support, commercial and industrial tax funding and one-time State Aid balances. The General Fund transfer of $34.5 million is a $2.5 million increase over the FY 2011 Adopted Budget Plan. This increase is required to expand bus services in the Fort Belvoir area to support population growth resulting from the federal Base Realignment and Closure (BRAC) plan. The General Fund increase also supports the relocation of bus services to a new Reston East Park & Ride, since the former site was permanently closed in April 2011 to allow for the construction of the Wiehle Ave. metro station. The commercial and tax revenue transfer of $19.5 million, available from the 11 cent commercial and industrial tax for transportation, is an increase of nearly $4.0 million over the FY 2011 Adopted Budget Plan. This dedicated revenue provides continued support for routes originating from the West Ox Bus Operations Center, continued support for increased frequencies on overcrowded priority bus routes initially funded in FY 2010, and new funding for system service enhancements. New services include an additional route servicing Tysons to Dulles Airport, improved frequency of routes in the Richmond Highway corridor, and improved frequency between Franconia Road and Rolling Valley. One-time State Aid balances, held on behalf of the County by the Northern Virginia Transportation Commission (NVTC), will support the purchase costs of 25 buses for future beltway HOT Lanes. It is necessary to place buses on order at least 18 months prior to the initiation of any service. All FY 2012 transit expansions are consistent with the most critical service requirements, as identified in the Transit Development Study.

The operation and maintenance costs associated with the Virginia Railway Express (VRE) commuter rail system are funded from a combination of ridership revenues (which accrue directly to VRE), state contributions and contributions from the participating and contributing local jurisdictions. The FY 2012 Fairfax County subsidy to VRE is funded at $4.9 million, the same level as the subsidy that was provided in FY 2011.

Fund 102, Federal/State Grant Fund: In July 2011, the County is implementing an integrated finance, budget, purchasing and human resources computer system. As a result, some Department of Family Services funding previously classified as a grant in Fund 102, Federal/State Grant Fund no longer meets the grant definition of the new computer system and thus needs to be transferred to the General Fund. Additionally, grant funding associated with Fund 103, Aging Grants and Programs is being consolidated into Fund 102, Federal/State Grants Fund. It is anticipated that remaining FY 2011 funding and associated positions will be transferred as part of the *FY 2011 Carryover Review*. Corresponding adjustments have been made in Agency 67, Department of Family Services and Fund 103, Aging Grants and Programs, for no net impact to the County.

Fund 103, Aging Grants and Programs: As discussed above in Fund 102, Federal/State Grant Fund, the implementation of the new integrated computer system will result in grant funding associated with Fund 103, Aging Grants and Programs being consolidated into Fund 102, Federal/State Grants Fund. In addition, funding previously classified as a grant in Fund 103, Aging Grants and Programs that no longer meets the grant definition of the new computer system will be transferred to Agency 67, Department of Family Services or Agency 79, Department of Neighborhood and Community Services in the General Fund. A corresponding adjustment of $5,595,684 has been made in Fund 102, Federal/State Grant, an adjustment of $1,315,212 in Agency 67, Department of Family Services, and an adjustment of $344,547 in Agency 79, Department of Neighborhood and Community Services for no net impact. Additionally, it is anticipated that positions associated with the funding moved to the General Fund will be transferred as part of the *FY 2011 Carryover Review*; therefore, funding of $318,094 has been moved to Agency 89, Employee Benefits to address the anticipated costs associated with Fringe Benefits. Remaining FY 2011 funding will also be transferred as part of the *FY 2011 Carryover Review*.

Fund 104, Information Technology: In FY 2012, funding of $9.25 million, which includes a General Fund transfer of $5.28 million, a transfer from Fund 105, Cable Communications of $3.67 million, and interest income of $0.30 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 new and continuing initiatives with the need for securing and strengthening the County's technology infrastructure. Funded projects will support initiatives in general County services, public safety, human services and enterprise technology security and infrastructure. In accordance with the FY 2012 Budget Guidelines funding requests for Fund 104 IT projects were limited to IT projects requiring a funding increment to meet project milestones, contractual obligations, and security and infrastructure requirements for enterprise-wide IT systems.

Fund 105, Cable Communications: FY 2012 expenditures for this fund total $10.95 million, a decrease of $5.43 million, or 33.2 percent, from the *FY 2011 Revised Budget Plan.* This decrease is primarily a result of the one-time carryover of $4.16 million from FY 2010 for unexpended funds related to the design and implementation of the I-Net. The I-Net is comprised of more than 4,000 kilometers of fiber linking over 400 County and Fairfax County Public Schools (FCPS) locations. The Communications Policy and Regulation Division within Fund 105 will continue to support the construction of new I-Net sites and efforts to migrate video, high-speed data, and voice services to the I-Net in designated County and FCPS facilities.

Fund 106, Fairfax-Falls Church Community Services Board (CSB): FY 2012 expenditures for this fund total $146.3 million, and are funded by a Fairfax County transfer of $95.7 million, as well as funds from the state, the federal government, the cities of Fairfax and Falls Church and client fees. Included in FY 2012 is funding of $1.1 million for the establishment of six Intensive Community Treatment teams to provide intensive, community-based, case management and outreach services to persons with serious mental illness and/or substance use disorders; $1.0 million for contract rate adjustments; $0.7 million for the conversion of positions to a status that allows employees the option of receiving health benefits in order to comply with recently altered federal health care regulations; $0.6 million for services provided to special education graduates of Fairfax County Public Schools turning 22 years of age who are eligible for day support and employment services who currently do not have a funding source for such services; $0.6 million for the expansion of the Medical Detoxification program and the establishment of 4/4.0 SYE positions to maintain the Diversion to Detoxification program; and $0.6 million for a supplemental pay increase necessary to attract, and retain medical personnel based on analysis conducted by the Department of Human Resources. Also included are expenditure reductions of $0.6 million and revenue enhancements of $0.6 million to address the projected FY 2012 budget shortfall.

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 under the special revenue fund structure.

Combined expenditures of $100,241,846 are required to meet financial and operational requirements for waste collection and disposal programs in FY 2012. See the Solid Waste Management Program narrative in Volume 2, Capital Construction and Other Operating Funds of the FY 2012 Adopted Budget Plan for more details. Highlights by fund are as follows:

Fund 108, Leaf Collection, provides funding for collection service to approximately 25,000 household units within 37 approved leaf districts on three different occasions throughout the year.

- **Fund 108, Leaf Collection:** Funding in the amount of $2.4 million is included for this fund to provide for the collection of leaves within Fairfax County's leaf collection districts. 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.

- **Fund 109, Refuse Collection and Recycling Operations:** Funding in the amount of $20.2 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 2012, the household refuse collection fee will remain at the FY 2011 level of $345 per household unit.

- **Fund 110, Refuse Disposal:** Funding in the amount of $51.2 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 FY 2012 system disposal fee will remain at $60 per ton, the same as the FY 2011 rate; and a contractual disposal rate will be negotiated with private waste haulers and is anticipated to be $53.00 per ton, a decrease of $2.00 per ton from the FY 2011 rate.

Aerial photo of the County's Energy Resource and Recovery Facility

- **Fund 112, Energy Resource and Recovery Facility (E/RRF)**: Funding of just under $18.1 million is included for this fund to provide the management of the contract for the I-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 from the sale of electricity are used to partially offset the cost of the disposal fee, which will remain at $29 per ton in FY 2012, the same as the FY 2011 Revised level.

- **Fund 114, I-95 Refuse Disposal:** Funding in the amount of $8.2 million is included for this fund, which is responsible for the overall operation of the I-95 Landfill, which is a multi-jurisdiction 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 is proposed to increase to $15.50 per ton, an increase of $2.00 per ton over the FY 2011 level, ensuring that sufficient funds are available for capital projects and post-closure care reserves.

Fund 111, Reston Community Center: FY 2012 expenditures for this fund total $7.7 million primarily supported by revenues from a special property tax collected on all residential and commercial properties within Small District 5. The Small District 5 tax rate has remained constant at $0.047 per $100 of assessed property value since FY 2006. Reston Community Center (RCC) also collects internal revenues generated by program registration fees, theatre box office receipts, gate admissions and facility rental fees. These activity fees are set at a level substantially below the actual costs of programming and operations since Small District 5 property owners have already contributed tax revenues to fund RCC. FY 2012 personnel and operating expenditures increase approximately $0.4 million primarily associated with 3/3.0 SYE new positions for the expanded Lake Anne facility. The expansion provides RCC Lake Anne with an additional 4,471 square feet or 52.7 percent more space, bringing the entire lease premises at the Lake Anne facility to 12,959 square feet.

Fund 116, Integrated Pest Management Program, provides resources for the County to treat an estimated 5,000 acres to combat gypsy moths and cankerworms.

Fund 116, Integrated Pest Management Program: FY 2012 funding of $3.0 million is included for this fund. This funding level includes $1.1 million for the Forest Pest Program to prevent or suppress the spread of gypsy moth caterpillars, cankerworms, emerald ash borers, and hemlock woolly adelgid in the County. It also provides for new monitoring and outreach activities to the program's suppression plan for two additional tree diseases (Thousand Cankers Disease of Black Walnut and Sudden Oak Death) and an additional insect (Asian Longhorned Beetle) with significant potential for tree mortality and defoliation should they be introduced and take hold in Fairfax County. This funding level also includes $2.0 million to provide for the Disease-Carrying Insects Program to include treatment and public educational activities for the prevention of West Nile virus and the surveillance of tick-borne diseases, including the initiation of a Four Poster Pilot Study aimed at reducing tick infestation on the County deer population. 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 2012 is 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 2012, there will be approximately $11.1 million available for the Consolidated Community Funding Pool process, of which approximately $9.0 million will be transferred from the General Fund to Fund 118, Consolidated Community Funding Pool, and approximately $2.1 million, will be utilized from 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 2012 funding level is $12.2 million. Details of the organizations funded can be found in Volume 2, Special Revenue Funds, of the FY 2012 Adopted Budget Plan.

Fund 120, E-911: In FY 2012, total expenditures of $37.2 million are supported by a General Fund transfer of $14.1 million, Communications Sales and Use Tax Fees of $18.1 million, Wireless E-911 State Reimbursement of $4.0 million, interest earnings of $0.1 million, City of Fairfax dispatch reimbursement of $0.2 million, and the use of $0.7 million in available balance. These funds will support Department of Public Safety Communications (DPSC) operations and Public Safety Information Technology Projects.

Of the total expenditures, $32.6 million will support DPSC operations. The DPSC is designated as the primary 9-1-1 Public Safety Answering Point (PSAP) for all 9-1-1 calls originating within Fairfax County as well as the city and towns therein. DPSC's mission is to provide and maintain highly professional and responsive 9-1-1 emergency and non-emergency communication services to citizens that live, work in and visit Fairfax County on a daily basis and to the Fairfax County Police, Fire and Rescue, and Sheriff departments in a collaborative and supportive work environment that utilizes highly trained and qualified staff. The remaining $4.6 million in expenditures will support information technology projects to replace and upgrade the Public Safety Communications Network and its component systems. These projects are critical to the County's public safety emergency communications capabilities. Information on the projects funded in FY 2012 can be found in Volume 2, Special Revenue Funds, of the FY 2012 Adopted Budget Plan.

Fund 121, Dulles Rail Phase I Transportation Improvement District: The Dulles Rail Phase I Transportation Improvement District cost is estimated to cost $2.64 billion and is being financed by the federal government, the Commonwealth of Virginia, Fairfax County, and revenue from the Dulles Toll Road (DTR). In March 2009, the Federal Transit Administration executed a Full funding Grant Agreement with Metropolitan Washington Airports Authority (MWAA) for $900 million for Phase 1 of the project. Fairfax County's share of Phase 1, or approximately $400 million, is being financed from the Phase I Tax District; the remaining funding for Phase 1 is a combination of state and DTR funds.

Fund 124, County and Regional Transportation Projects: Fund 124, County and Regional Transportation Projects, supports the County's implementation of new transportation projects and services funded by the commercial and industrial real estate tax rate for transportation. Funding reflected in Fund 124 is available on an annual basis, as a result of the General Assembly's April 4, 2007 passage of the Transportation Funding and Reform Act of 2007 (HB 3202). The County's current commercial real estate tax for transportation is set at 11 cents remains unchanged in FY 2012. It is estimated that the current rate will generate approximately $42.0 million in annual transportation revenue to support $19.5 million for transit transferred to Fund 100, County Transit Systems, $18.9 million for capital projects, and $3.6 million in operating costs. Fund 124 funded projects are periodically updated for consistency with a transportation funding list approved by the Board of Supervisors. The transfer of $19.5 million to Fund 100, County Transit Systems, provides continued support for West Ox Division rush hour and midday service, the operational costs of service on priority overcrowded routes (routes 171, 401/402, and 950) which were expanded in FY 2010, and support of Transit Development Plan expansions of bus service hour's at all three operating divisions.

Fund 125, Stormwater Services FY 2012 funding of $28.8 million total is included for this fund, supporting $11.8 million for staff and operational costs and $17.0 million for capital project implementation and infrastructure reinvestment, regulatory requirements, dam safety, and contributory funding requirements. Funding support is provided through a service district levy, which was increased from $0.010 to $0.015 per $100 of assessed value as part of the FY 2011 Adopted Budget Plan and remains at the same level in FY 2012. The service district was created in 2010 to support stormwater services equal to one penny of the tax rate (or approximately $20 million annually) and program staff and operating costs that had previously been funded by the General Fund. It created a dedicated funding source for both capital and operating requirements. The previous FY 2011 increase in the service district tax rate was based on increased enforcement by the Environmental Protection Agency (EPA) and the state to ensure the necessary advancement of stormwater programs and reinvestment in storm drainage systems. The County is currently operating under an extension of the existing Municipal Separate Storm Sewer System (MS4) discharge permit that expired in FY 2007. Negotiations between the Commonwealth of Virginia and Fairfax County, as well as negotiations between the state and many surrounding local communities, continue as several issues related to permit compliance are defined and established. It is anticipated that Fairfax County will soon be under new and increased regulatory requirements as a result of these negotiations. In addition, recent nutrient loading restrictions related to the Chesapeake Bay requirements are anticipated to impact the regulatory and operational programs within the Stormwater program.

Complete details of all Special Revenue Funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2012 Adopted Budget Plan. Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview Volume.

DEBT SERVICE FUNDS

The Consolidated Debt Service Fund accounts for the general obligation bond debt service of the County as well as general obligation bond debt for the Fairfax County Public Schools (FCPS). In addition, debt service expenditures are included for the Economic Development Authority Lease Revenue bonds associated with County government and School facilities and payments for Fairfax County Redevelopment and Housing Authority (FCRHA) Lease Revenue bonds. Revenues for the debt service funds are derived principally from a transfer from the General Fund. It should be noted that debt service on sewer revenue bonds is reflected in the Enterprise Funds. FY 2012 Debt Service expenditures total $287,850,034. Complete details of the Consolidated County and Schools Debt Service Fund are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2012 Adopted 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 (WWM), 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.

The County's wastewater treatment plant serves an estimated 364,500 households with public sewer service to help maintain a safe and caring community.

FY 2012 Enterprise Funds expenditures for sewer operation and maintenance and sewer debt service total $175,116,693, a decrease of $238,274,109, or 57.64 percent from the *FY 2011 Revised Budget Plan* total of $413,390,802 primarily due to a Sewer Revenue Bond sale taking place in FY 2011 in support of capital project requirements including enhanced nutrient removal upgrades, replacement and rehabilitation of sewer line projects and system improvements at wastewater treatment facilities.

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 2012 Adopted 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 2012 Internal Service expenditures total $625,735,776, a decrease of $1,746,405 or 0.28 percent from the *FY 2011 Revised Budget Plan* level of $627,482,181. Excluding adjustments in FY 2011, expenditures increased $19,318,647 or 3.19 percent over the FY 2011 Adopted Budget Plan total of $606,417,129. The increase over the Adopted Budget is primarily due to increases in County and Schools employee health insurance benefits paid due to projected increases in claims expenses and participation trends and in increase in the County's self insurance fund due to an increase in costs associated with Worker's Compensation and other self-insurance coverage. County funds with significant adjustments are as follows:

Fund 501, County Insurance Fund: Fund 501 is utilized to meet the County's casualty obligations, liability exposures, and Worker's Compensation requirements. FY 2012 funding of $21,777,676 reflects an increase of $5,397,958 over the FY 2011 Adopted Budget Plan level of $16,379,718, primarily due to an increase in costs associated with Worker's Compensation and other self-insurance coverage.

Fund 503, Department of Vehicle Services: FY 2012 funding of $69,398,301 reflects a decrease of $168,946 from the FY 2011 Adopted Budget Plan total of $ 69,567,247. This slight decrease is due to lower capital expenditures for fire apparatus replacement, ambulance replacement, and FASTRAN bus replacement based on existing replacement schedules, partially offset by higher gallons and price per gallon estimates for fuel as well as higher operating costs such as oil, parts, and tires. This funding level will support an agency per-gallon price of $2.40 in FY 2012 and due to recent fund price increases additional funds are likely to be required at a future quarterly review. It should be noted that County contracts allow for significant per gallon savings compared to prices charged by private providers.

The County owns numerous "light fleet" vehicles which are energy efficient.

Fund 504, Document Services: In FY 2012, the expenditure total of $6,050,787 remains unchanged from the FY 2011 Adopted Budget Plan. This fund, managed by the Department of Information Technology, operates the print shop as well as the authorized fleet of large and mid-size Multi-Functional Digital Devices (MFDDs) that are used throughout County government for copying, printing, faxing, and scanning. MFDDs are installed in buildings across the County and are linked to individual workstations via the County's enterprise network. A General Fund transfer of $2.4 million supports the equipment lease for the County's MFDDs, while all direct labor and material costs associated with print shop services, as well as an equipment replacement reserve fee, are recovered from customer agencies.

Fund 505, Technology Infrastructure Services: Fund 505 provides funding to support the underlying technology foundation supporting information systems and communications for Fairfax County Government. FY 2012 funding of $29,483,564 reflects an increase of $1,323,416 or 4.7 percent over the FY 2011 Adopted Budget Plan total of $28,160,148. This increase primarily supports annual SAP software license and Oracle database license maintenance starting in FY 2012. The SAP software, which resides on an Oracle database, is the backbone of the Fairfax County Unified System (FOCUS) which will be replacing the existing legacy County and School financial, procurement and human resources applications. Now that initial licenses have been purchased, it is standard in the technology industry for the customer to pay an annual amount to support basic operational maintenance such as normal product fixes and corrections, product updates, and access to the manufacturer support center.

Fund 506, Health Benefits Fund: FY 2012 funding of $129,853,306 reflects an increase of $3,106,434, or 2.5 percent, over the FY 2011 Adopted Budget Plan. This increase is primarily attributable to the appropriation of fund balance to the Premium Stabilization Reserve. Any balances above the funding equivalent to two months of claims set aside in the Unreserved Ending Balance are appropriated to the Premium Stabilization Reserve to provide the fund flexibility in managing unanticipated increases in claims. The remaining increase is due to health insurance requirements including administrative expenses and Incurred But Not Reported (IBNR) claims, offset by a projected decrease in benefits paid. In CY 2011, the County's health insurance program was revised to consolidate plans similar in design and implement a new lower cost option. In addition, all plans were changed to offer eligible preventive care services on a zero-cost basis. This change is expected to help stem the cost of coverage for participants while also providing early intervention for chronic conditions or illness. As with many employers nationwide, the County has experienced considerable fluctuations in medical costs. After significant increases in claims expenses at the beginning of the decade, cost growth was moderate (at or below 5 percent) in FY 2005 and FY 2006, but has fluctuated within a range of 10-12 percent since FY 2007. As a result of continuing increases in cost growth, it is projected that the County will raise premiums by 10 percent for all plans, effective January 1, 2012 for the final six months of FY 2012. It should be noted that these premium increases are budgetary projections only; final premium decisions will be made in the fall of 2011 based on updated experience. Premium decisions will be based on the impact to employees and retirees, the actual claims experience of each plan, the maintenance of adequate reserves, and the impact on the County's GASB 45 liability.

Complete details of the Internal Service funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2012 Adopted Budget Plan and in the Fairfax County School Board's FY 2012 Adopted 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, as well as county and schools trust funds to pre-fund other post-employment benefits. The Agency funds are 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; and Fund 716, Mosaic Community Development Authority (CDA) which was created at the *FY 2011 Third Quarter Review* to provide an accounting structure for revenue collections and anticipated bond proceeds from the sale of CDA bonds for the Mosaic redevelopment project located in the Merrifield area.

FY 2012 Trust and Agency funds combined expenditures total $591,402,197, a decrease of $76,811,725 or 11.50 percent from the *FY 2011 Revised Budget Plan* funding level of $668,213,922. This decrease is primarily associated with the creation of the new Fund 716, Mosaic District Community Development Authority noted above. Excluding adjustments in FY 2011, combined Trust and Agency funds expenditures increase $21,729,485, or 3.81 percent, over the FY 2011 Adopted Budget Plan level of $569,672,712. The increase in FY 2012 is primarily due to increases in the four existing retirement funds and OPEB Trust Fund resulting from a higher number of retirees and higher individual payment levels.

Complete details of the Trust and Agency funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2012 Adopted Budget Plan. In addition, details of the Educational Employees Retirement Fund and the Public School OPEB Trust Fund may be found in the Fairfax County School Board's FY 2012 Adopted Budget. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview Volume.

FY 2012

ADOPTED BUDGET PLAN

Capital Projects Overview

This section includes:

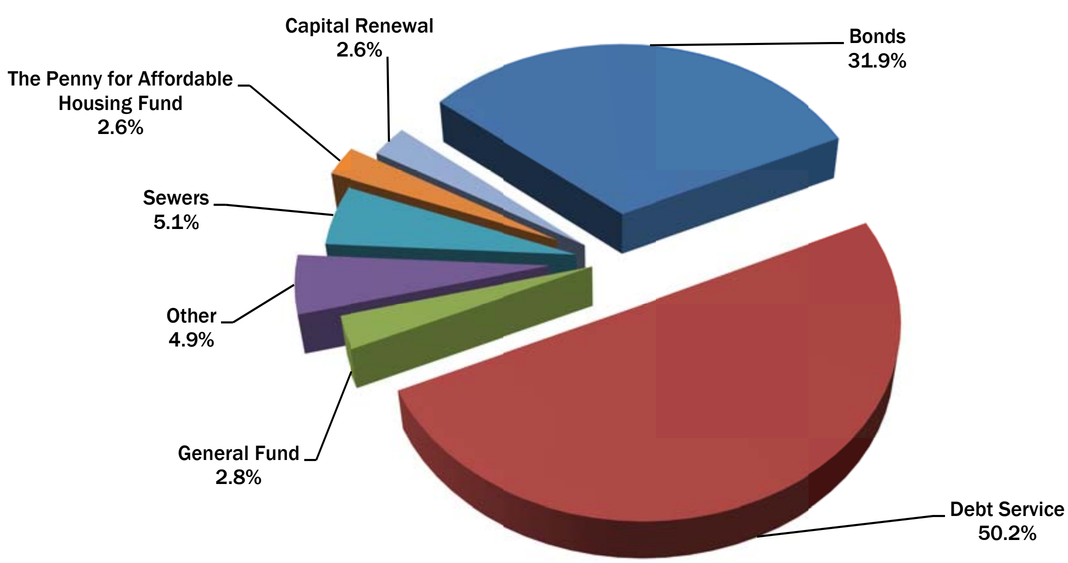
Summary of Capital Construction Program

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, stormwater management, athletic field maintenance 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 $573,308,891 is included in FY 2012 for the County's Capital Construction Program. Of this amount, $287,850,034 is included for debt service and $285,458,857 is included for capital expenditures. The source of funding for capital expenditures includes: $15,776,964 from the General Fund; $15,000,000 in Short Term Borrowing for Capital Renewal; $182,773,000 in General Obligation Bonds; $29,000,000 in sewer system revenues; $14,668,400 in Real Estate revenues supporting the Affordable Housing Program; and $28,240,493 in financing from various other sources. Other sources of financing include, but are not limited to, transfers from other funds, pro rata share deposits, short-term borrowing, user fees, developer contributions and payments.

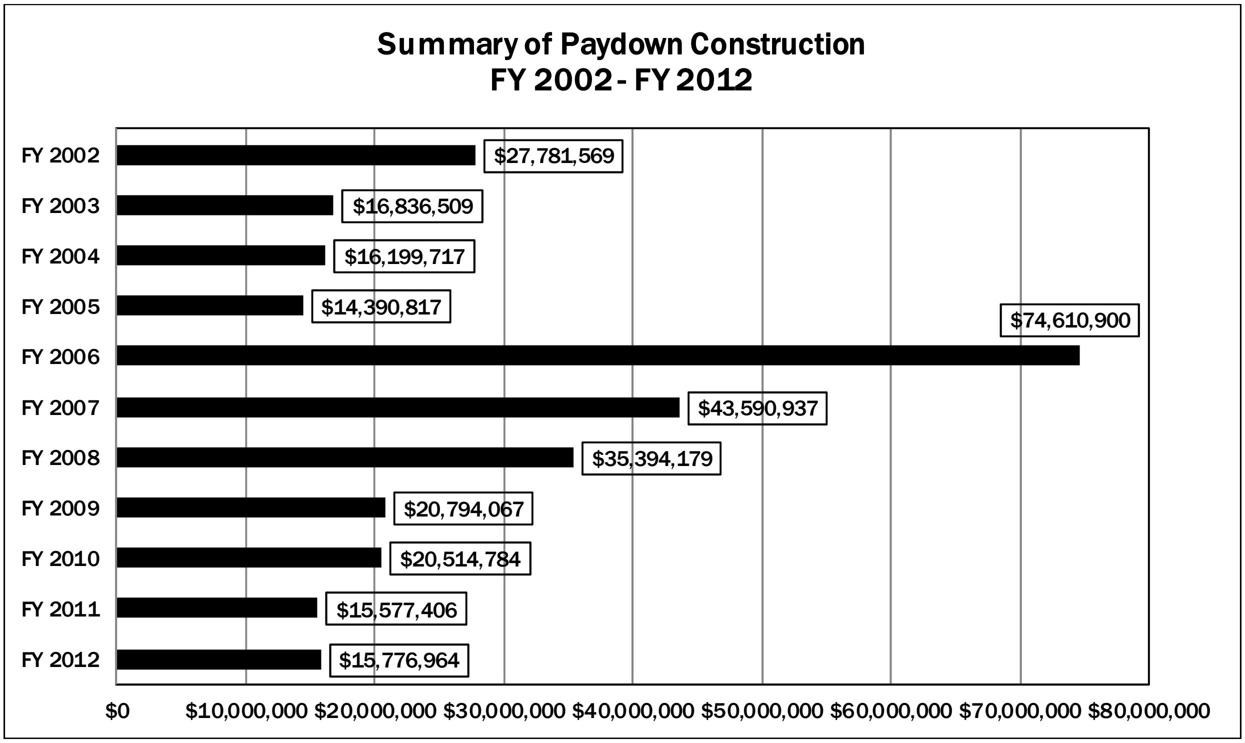
FY 2012 Capital Construction Program



TOTAL CAPITAL PROGRAM = $573,308,891

Capital Paydown Program

In FY 2012, an amount of $15,776,964 has been included for the Capital Paydown Program. This level of support reflects a slight increase of $199,558 over the FY 2011 Adopted Budget Plan level of $15,577,406. General Fund support for the capital program is reviewed critically on a project by project basis and funding is provided for only the most essential maintenance projects and legally obligated commitments. In recent years the paydown construction program had been constrained based on budget limitations. The FY 2012 Adopted Budget Plan paydown program of $16 million represents 0.47 percent of General Fund disbursements.



This graph depicts the level of paydown funding between FY 2002 and FY 2012. Paydown funding between FY 2003 and FY 2005 remained at a fairly consistent annual level; however, the program grew substantially in FY 2006. This dramatic increase was attributed to several major projects that were supplemented with General Fund dollars including the McConnell Public Safety and Transportation Operations Center (MPSTOC). In addition, the approximate value of a penny of assessed real estate values, was transferred from the General Fund to both the "Penny for Affordable Housing," Fund and the Stormwater Management Fund in FY 2006. The Affordable Housing fund is now funded directly by revenue from the Real Estate tax and the Stormwater Fund is now funded by a special service district. This change allows the paydown program to more accurately reflect General Fund dollars dedicated to the County's capital construction program. Specifics of the Paydown Program include:

ADA Compliance

In May and June 2007, the United States Department of Justice (DOJ) conducted an audit of the County government facilities and programs to determine compliance with the Americans with Disabilities Act (ADA) which requires accessibility to facilities and programs for individuals with disabilities. DOJ has been conducting audits of various governments and private facilities across the country for the past decade. The audit of Fairfax County was part of this national audit program, and was not a result of any specific complaints in the County. The DOJ presented the County with the audit results in August 2009. The audit covered 78 buildings in the County and listed approximately 2,100 violations as well as approximately ten program areas which needed improvement in order comply with the ADA. These violations ranged from updating emergency management procedures, web-based services, and general communication procedures, to improving access to buildings, parking garages, restrooms and elevators. Identified violations have been categorized by color: easy, inexpensive (green); more timely and costly (yellow); and difficult, time consuming, and/or expensive (red). Total funding of $2,171,700 has been provided in FY 2012 to begin to address both annual requirements and the violations identified by the DOJ.

- ♦ An amount of $600,000 will provide for annual requirements estimated at $300,000 for continued retrofits at the Lake Fairfax Park camp office and bath house. The remaining $300,000 has been included to begin to address Department of Justice (DOJ) audit findings. FY 2012 funding will provide for the mitigation of violations categorized as "green" or "yellow" within Park Authority facilities and programs. Park Authority violations categorized as "red" are estimated to require an additional $4 million to mitigate. This funding will be required in future years.

- ♦ Funding in the amount of $1,571,700 will provide for the mitigation of violations categorized as "green" and "yellow" within 33 County-owned facilities. County violations categorized as "red" are estimated to require an additional $6.8 million to mitigate. This funding will be required in future years.

Athletic Field Maintenance and Sports Projects

FY 2012 funding in the amount of $5,747,535 has been included for the athletic field maintenance and sports program. This level of funding is supported by a General Fund transfer of $4,647,535 and revenue generated from the Athletic Services Fee in the amount of $1,100,000. Of the Athletic Services Fee total, $250,000 will be dedicated to maintenance of school athletic fields, $350,000 will be dedicated to the synthetic turf field development, $150,000 will be dedicated to a new turf field replacement program, $275,000 will be dedicated to custodial support for indoor sports organizations and $75,000 will partially fund the Youth Sports Scholarship Program.

Specific funding levels in FY 2012 include:

- ♦ Two projects support maintenance efforts at Fairfax County Public School (FCPS) fields, totaling $1,722,535. An amount of $722,535 supports general maintenance including mowing at 505 athletic fields (approximately 176 school sites). This effort is supported entirely by the General Fund and is managed by the Park Authority. An additional amount of $1,000,000 is also dedicated to maintenance of school athletic fields to supplement general maintenance and directly applies revenue generated by the Athletic Services Fee to the athletic field maintenance program. This program provides twice weekly infield preparation on elementary, middle and high school game fields (110 fields); pre- or post-season infield renovations (200 fields); mowing on high school fields after June 1st (55 fields); and annual maintenance of irrigation systems (65 fields). All field maintenance is coordinated between the Park Authority and the Department of Neighborhood and Community Services. Of the total funding, an amount of $250,000 is included for this program based on the FY 2012 projection of revenue generated from the Athletic Services Fee and $1,472,535 is supported by the General Fund.

An amount of $350,000 is included to support the development of synthetic turf fields. Fields are chosen through a review process based on the need in the community, projected community use and the field location and amenities. Synthetic turf fields improve the capacity, safety, playability, and availability of existing athletic fields. Artificial fields offer a cost effective way of increasing capacity on fields at existing parks and schools. This effort is coordinated between the Park Authority and the Department of Neighborhood and Community Services and funding is provided from revenue generated from the Athletic Services Fee. In addition, on November 7, 2006, the voters approved a $25 million Park Bond Referendum of which $10 million was earmarked to fund the conversion of up to 12 fields from natural turf to synthetic turf. Funding of $500,000 had been dedicated to this program annually; however, in FY 2012 Athletic Services Fee revenue funding of $150,000 has been redirected in order to establish a turf field replacement program.

- An amount of $500,000 is included to establish a new turf field replacement program. Funding of $150,000 is supported by the Athletic Services Fee revenue and $350,000 is supported by the General Fund. There are currently 32 operational turf fields throughout the County. The oldest field was built in September 2003 and is over 8 years old. Generally the useful life of a turf fields is 8 to 10 years, with replacement costs estimated at approximately $400,000 per field. Turf fields have proven to be much easier to maintain and are superior to grass surfaces in terms of playability and safety. There are over 100,000 youth and adults that participate annually on rectangular fields that benefit from turf fields. If turf fields are not replaced when needed, they would need to be closed due to safety reasons. In FY 2012 the replacement program has been initiated at the $500,000 level; however, based on the age and number of turf fields, a contribution of approximately $1.0 million annually would be required to fully fund the replacement program. The FY 2012 level will allow the County to begin to plan for the gradual replacement of turf fields as they reach the end of their useful life, without a significant disruption in service.

- An amount of $275,000 is included for custodial support for indoor gyms used by sports organizations. The use of FCPS indoor facilities on the weekend requires FCPS to schedule a school system employee to open and close the facility. Revenue generated from the Athletic Services Fee is used to provide payment for FCPS staff, eliminating the need for indoor sports organizations to pay the hourly rate previously charged. This project is entirely supported by revenue generated from the Athletic Services Fee and is managed by the Department of Neighborhood and Community Services.

- An amount of $2,500,000 is included for athletic field maintenance efforts, athletic field lighting and irrigation on 287 Park Authority athletic fields of which 99 are lighted and 132 are irrigated. The fields are used by 174,000 users and 200 user groups. This effort is supported entirely by the General Fund and is managed by the Park Authority.

- An amount of $200,000 is included to continue the replacement and upgrading of Fairfax County Public Schools (FCPS) athletic field lighting systems at middle and high schools used by many County organizations. Prior to FY 2010, two separate projects existed to fund FCPS athletic field lighting; one for boys' athletic fields and one for girls' softball fields. The Department of Neighborhood and Community Services combined the two field lighting projects to allow for an improved prioritization and implementation process for field lighting projects throughout the County. Funding supports a replacement and repair schedule, as well as improvements to bring existing lighting systems up to new standards. The school system's Office of Design and Construction Services ensures lighting standards are maintained and FCPS annually prioritizes funding for field lighting. FY 2012 funding supports replacement and repair projects for existing lighting systems only. This project is supported entirely by the General Fund and coordinated by Department of Neighborhood and Community Services.

- An amount of $50,000 is included for routine maintenance of girls' softball field amenities on select Fairfax County Public School sites. These amenities, such as dugouts, fencing and irrigation systems, were added or constructed by the County based on recommendations from the citizen-led Action Plan Review Team (APRT) in order to reduce disparities in the quality of fields assigned to boys' baseball and girls' softball organizations. Routine maintenance is necessary both to maintain equity and to ensure safety. For five years, funding of $200,000 was provided to support Girls' Fast Pitch Field Maintenance improvements to various girls' softball fields throughout the County as requested by the Fairfax Athletic Inequities Reform (FAIR). Funding for the Girls' Fast Pitch Maintenance project ended in FY 2004. FY 2012 funding will provide maintenance to the improvements and amenities previously made to girls' softball fields. This project is supported entirely by the General Fund and coordinated by Department of Neighborhood and Community Services.

- An amount of $150,000 is included for the Youth Sports Scholarship Program. The Youth Sports Scholarship Program provides support to youth from low-income families who want to participate in community-based sports programs. In FY 2010, youth sports scholarship recipients totaled 2,894. Of the total funding, an amount of $75,000 is included for this program based on the FY 2012 projection of revenue generated from the Athletic Services Fee, and $75,000 is supported by the General Fund.

Park Maintenance Projects

FY 2012 funding in the amount of $1,882,076 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: rental properties, historic properties, nature centers, 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. Without significant reinvestment in building and grounds, older facilities can fall into a state of ever decreasing condition and functionality, resulting in increased maintenance and repair costs in the future. Preventative and repair work is required for roof replacement and repair, HVAC, electrical and lighting systems, fire alarm systems and security systems. Funding is essential to the maintenance and repair of building stabilization, including capital renewal of over 537,000 square feet of buildings. Maintenance is also required on over 580 pieces of grounds equipment.

Specific funding levels in FY 2012 include:

- An amount of $425,000 for general park maintenance at non-revenue supported Park facilities. These maintenance requirements include major non-recurring repairs and stabilization of new properties, as well as repairs/replacements and improvements to roofs, electrical and lighting systems, sprinklers, HVAC systems, and the replacement of security and fire alarm systems. In FY 2012, funding is included to: stabilize and protect the Silo at Turner Farm ($150,000); replace aged security systems at various sites throughout the County ($75,000); repair and replace roofs at prioritized picnic shelters, nature centers and maintenance shops ($100,000); and stabilize and repair the roof at the Grist Mill Barn ($100,000).

- An amount of $987,076 to fund annual requirements for Parks grounds maintenance at non-revenue supported parks. At present, responsibilities include the care for a total park acreage of over 24,000 acres of land, with 417 park site locations, maintenance and repair of tennis courts, basketball courts, trails, picnic areas and picnic shelters, playgrounds, bridges, parking lots and roadways, and stormwater ponds.

- An amount of $470,000 to provide corrective and preventive maintenance for over 537,000 square feet at non-revenue supported Park Authority structures and buildings. These repairs include the replacement of broken windows and doors, equipment repairs and the scheduled inspection and maintenance of HVAC, plumbing, electrical, security and fire alarm systems. This funding is critical in order to prevent the costly deterioration of facilities due to lack of maintenance.

On-Going Development Efforts

FY 2012 funding in the amount of $2,977,454 has been included for costs related to on-going development efforts throughout the County. Of this amount, $200,000 is supported by a transfer from Fund 105, Cable Communications, $300,000 is supported by developer bonds, and $2,477,454 is supported by the General Fund. Specific FY 2012 projects include:

- Funding in the amount of $442,595 is included to support construction associated with the renovation of a fourth courtroom in the original portion of the Jennings Judicial Center. Of this amount, $242,595 is funded by the General Fund and $200,000 is transferred from Fund 105, Cable Communications to support wiring, cabling and other technology costs associated with courtroom technology. Of the 26 courtrooms in the Jennings Building, renovations are complete on three courtrooms, with a fourth courtroom having completed the design phase only. These courtrooms require improved lighting, ductwork realignment, ADA compliance updates, and technology upgrades to remain operational. Courtroom technology improvements will support integrated and mobile evidence presentation, real time court reporting, wireless access, electronic way finding, video conferencing and video arraignment, improving efficiencies and facilitation of court process and services. Funding to complete the remaining 22 courtrooms will be required in future years.

- Funding of $1,559,859 is included to address only the most critical aspects of property management at the Laurel Hill property. 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. Of the amount funded in FY 2012, $1,262,739 will fund the Facilities Management Department's security, maintenance services, grounds maintenance and support staff. The remaining $297,120 will fund Park Authority critical maintenance activities and support staff.

- An amount of $100,000 is included for the Emergency Directives Program. The Emergency Directives Program was established to provide for abatement services of both emergency and non-emergency directives related to health and safety violations, grass mowing violations, and graffiti removal directives. The funds are used to perform corrective maintenance for code violations under Chapter 46, and Chapter 119, of the Fairfax County Code, in which cited property owners fail to correct. There are several factors contributing to the recent increase in abatement services such as, development of new abatement requirements, and a significant increase in property foreclosures within the County.

- An amount of $100,000 is included to meet emergency and critical maintenance requirements for County trails, sidewalks and pedestrian bridges. On-going critical maintenance includes, but is not limited to, the correction of safety and hazardous conditions such as the deterioration of trail surfaces, the replacement and/or repair of guardrails and handrails, and the rehabilitation of pedestrian bridges.

- An amount of $75,000 is included to support the maintenance and establishment of geodetic survey control points for the geographic information system (GIS). This project also supports the development and maintenance of an interactive, GIS-based website which will provide convenient and cost effective monumentation information to the County's land development customers.

- Funding of $600,000 to support the Developer Default program. This project is necessitated by economic conditions surrounding the construction industry that result in some developers not completing required public facilities, including acceptance of roads by the state, walkways and storm drainage improvements. Land Development Services (LDS) will identify projects for resolution in FY 2012, as well as respond to requests to prepare composite cost estimates to complete existing developer default projects. Total FY 2012 funding is supported by $300,000 in projected developer default revenue, and $300,000 in General Fund monies.

- Funding of $100,000 to support the Emergency Road Repairs program and the Road Maintenance program, which were combined in FY 2010. Staff will prioritize funding for projects including emergency safety and road repairs to County-owned service drives and County-owned stub streets which are currently not accepted by the Virginia Department of Transportation (VDOT) into the state highway system for maintenance and other on-going road maintenance work. On-going road maintenance includes, but is not limited to, pothole repair, drive surface overlays, sidewalk and curb repairs, traffic and pedestrian signage, hazardous tree removal, grading, snow and ice control, replacement of substandard materials, patching of existing travelways, minor ditching and stabilization of shoulders, slopes and drainage facilities.

Obligations and Payments

FY 2012 funding in the amount of $3,418,199 has been included for costs related to annual contributions and contractual obligations.

- Funding of $1,013,489 is included for the annual payment associated with the Salona property based on the Board of Supervisors' approval of the purchase of this conservation easement on September 26, 2005. The total cost of the property is $18.2 million with payments scheduled through FY 2026.

- Funding of $750,000 is included for the County's annual contribution to offset school operating and overhead costs associated with School-Age Child Care (SACC) Centers.

- Funding of $1,554,710 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. Since FY 2006, the County contribution had remained unchanged at $1.00 per capita; however, in FY 2011 the funding level was raised to $1.25 per capita and in FY 2012 the level of support is recommended to be $1.50 per capita. The County contribution has been increased in both FY 2011 and FY 2012 due to the unprecedented 12 percent growth in the NVCC student enrollment and the corresponding capital program requirements. The NVCC currently serves over 72,000 students surpassing all previous expectations of growth and capital planning. It is estimated that the NVCC serves an average of 20 percent of each high school graduating class in addition to increased support for local workers seeking new skills in a tough job market. The NVCC capital plan has recently been adjusted to keep pace with this accelerated enrollment and it is anticipated that capital contributions from the partners will be adjusted gradually to avoid a major commitment from supporting jurisdictions in any given year. It is projected that the per capita support from the NVCC partners could reach $2.50 per capita in the next six years. The NVCC has indicated that every dollar contributed to the capital program leverages $29 in state funds back to Northern Virginia. The $1.50 rate is applied to the population figure provided by the Weldon Cooper Center.

- Funding of $100,000 is included to support payments to developers for interest earned on conservation bond deposits. The County requires developers to contribute funds to ensure the conservation of existing natural resources. Upon satisfactory completion of projects, the developer is refunded the deposit with interest. This estimate is based on actual experience in the past several years.

Revitalization Initiatives

FY 2012 funding in the amount of $1,095,000 has been included for on-going developer default and road maintenance projects. This funding is supported entirely by the General Fund. Specific funding levels include:

- An amount of $190,000 is included for revitalization initiatives within the Office for Community Revitalization and Reinvestment including marketing materials for countywide revitalization activities, consultant services and training. In FY 2012, funding is anticipated to support consultant expenses specifically in the Reston and Tyson's areas.

- An amount of $390,000 is included to continue certain non-routine maintenance in five major commercial revitalization areas (Annandale, Route 1, Springfield, McLean and Baileys Crossroads). This funding provides for: fixing benches and furniture, signs that are broken; fixing broken brick pavers; pruning trees and replacing dead trees; and maintaining appropriate site distances (trimming) on a priority basis. This funding partially supports the maintenance effort and does not fully fund the program. Funding for routine maintenance such as: mulching, fertilizing, broadleaf and weed control, edging, crack weed control, pest control, annual or perennial plantings, leaf removal in the fall, litter collection and removal of trash cans will be prioritized.

- An amount of $515,000 will support current program needs, staffing and other activities associated with countywide residential improvement and repair projects within the Department of Housing and Community Development.

Environmental Initiatives

Funding of $85,000 is included to provide funding for initiatives that directly support the Board of Supervisors' Environmental Agenda. The Environmental Excellence 20-year Vision Plan (Environmental Agenda) includes six topic areas: Growth and Land Use; Air Quality and Transportation; Water Quality; Solid Waste; Parks, Trails and Open Space; and Environmental Stewardship. FY 2012 funding of $15,000 provides for continued outreach efforts for air quality awareness in order to fulfill the County's commitment to the State Implementation Plan (SIP) for Clean Air Partners. Funding will support continued outreach efforts to educate residents, employees and businesses to take voluntary actions that will improve the air quality in the region, as well as to collaborate with Clean Air Partners in their efforts to raise awareness of air pollution and continue the County's participation as a business sponsor in their media campaign. In addition, funding of $70,000 provides for the Invasive Plant Removal Program. The Park Authority manages this volunteer program, as well as other invasive removal initiatives. These programs restore hundreds of acres of important natural areas, protect tree canopy, and reach thousands of volunteers. Currently 44 trained volunteer leaders have committed to four work-days per year at 36 sites. Over 15,000 volunteer hours have been contributed since the Invasive Plant Removal Program's inception in 2005. It should be noted that, an amount of $87,210 has also been provided in Fund 119, Contributory Fund to continue partnering with three non-profit agencies to support tree planting efforts throughout the County.

FY 2012 PAYDOWN PROJECTS

	Project	FY 2012 Adopted
ADA Compliance		
(009406)	ADA Compliance - Countywide	$1,571,700
(009416)	ADA Compliance - Park Authority	600,000
Subtotal		**$2,171,700**
Athletic Field Maintenance and Sports Projects		
(005006)	Parks Maintenance at FCPS Athletic Fields	$722,535
(005009)	Athletic Field Maintenance (Park Fields)	2,500,000
(005012)	Athletic Services Fee-Field Maintenance	750,000
(005016)	Athletic Field Lighting Requirements	200,000
(005017)	Athletic Services Fee-Turf Field Replacement	350,000
(005020)	APRT-Amenity Maintenance	50,000
(005021)	Athletic Fields-Sports Scholarships	75,000
Subtotal		**$4,647,535**
Park Maintenance Projects		
(009417)	Park Authority - General Maintenance	$425,000
(009442)	Park Authority - Grounds Maintenance	987,076
(009443)	Park Authority - Facility Maintenance	470,000
Subtotal		**$1,882,076**
On-Going Development Efforts		
(009223)	Jennings Courtroom Renovations	$242,595
(009444)	Laurel Hill Development	1,559,859
(ED0001)	Emergency Directives Program	100,000
(U00005)	Survey Control Network Moumentation	75,000
(002200)	Emergency Maintenance of Existing Trails	100,000
(U00060)	Developer Defaults	300,000
(V00002)	Emergency Road Repair	100,000
Subtotal		**$2,477,454**
Obligations and Payments		
(007012)	School-Age Child Care (SACC)	$750,000
(008043)	Northern Virginia Community College	1,554,710
(009494)	Salona Property	1,013,489
(009998)	Payments of Interest on Conservation Bonds	100,000
Subtotal		**$3,418,199**
Revitalization Initiatives		
(009422)	Maintenance-Commercial Revitalization Program	$390,000
(009800)	Revitalization Initiatives	190,000
(014272)	Community Improvement Program Costs	515,000
Subtotal		**$1,095,000**
Environmental Initiatives		
(009700)	Environmental Initiatives	$85,000
Subtotal		**$85,000**
TOTAL PAYDOWN PROGRAM		**$15,776,964**

Short-Term Borrowing Program for County Capital Renewal

Capital renewal supports 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. In FY 2012, the County will have a projected facility inventory of over 8.5 million square feet of space which requires 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 increase.

Each year, the Facilities Management Department (FMD) prioritizes and classifies capital renewal projects into five categories. Projects are classified as Category F: urgent/safety related, or endangering life and/or property; Category D: critical systems beyond their useful life or in danger of possible failure; Category C: life-cycle repairs/replacements where repairs are no longer cost effective; Category B: repairs needed for improvements if funding is available; and Category A: good condition.

For several years staff has identified an estimated requirement of $22 to $26 million in capital renewal investment annually for the current building inventory. In September 2009, it was estimated that a backlog of approximately $35 million in capital renewal projects existed. In order to address this backlog and to plan for a more sustainable and reasonable annual funding level, as part of the FY 2011 Adopted Budget Plan, the Board of Supervisors approved a 3-year plan of short-term borrowing. FY 2012 is the second appropriation for capital renewal projects supported by short-term borrowing. In FY 2011, $5 million was appropriated and in FY 2013 another $15 million is anticipated for a total of $35 million. Eliminating this $35 million backlog will allow for a more preventative and proactive maintenance program, increase the life cycle of County buildings, and enable the renewal program to reach a fairly consistent level of annual funding requirements. Borrowing will be based on actual project completion schedules and cash flow requirements and will be achieved through the establishment of a variable rate line of credit in order to take advantage of very low short-term interest rates. The payback of both principle and interest on the short-term borrowing program will be provided by the General Fund in the County's debt service fund. Short-term borrowing for capital renewal is included in the debt capacity estimates in the Capital Improvement Program (CIP) and can be accommodated within established debt limits for General Fund supported debt.

FY 2012 funding in the amount of $15,000,000 has been included for County capital renewal projects. Specific funding levels in FY 2012 include:

- Funding of $5,570,000 will provide for the planned replacement of HVAC and electrical repairs at prioritized County facilities, based on the severity of problems including overloaded systems, fire hazards, and costly repairs. Projects include: $4,000,000 to replace antiquated HVAC system components at the Old Courthouse which was built in the 1800's. The last HVAC replacement was in 1990 and the system is now beyond its useful life. It is consistently at risk of failure and is requiring increased maintenance efforts due to age and stress on the system. Replacement components include chillers, air handlers, cooling towers and steam boilers which will all need to be replaced and upgraded to meet current code requirements. The Old Courthouse is currently undergoing other renewal efforts which are supported by $6.5 million in General Obligation bonds approved as part of the 2006 Public Safety Bond Referendum. This renewal work is focused on the structural envelop of the building, including securing the foundation to alleviate water damage, repairing and upgrading the masonry around the perimeter of the building and renovating existing space in order to house the County's historic archives. The building has been experiencing leaking, moisture accumulation, and mold issues which can compromise the foundation and structural frame. This work is expected to be completed in the next two years and additional repairs such as additional electrical work, replacement of the generator and security systems will be required in future years. Funding of $900,000 is provided to replace the electrical distribution system and the uninterruptible power source (UPS) that protects backup Emergency-911 equipment, including the Computer Aided Dispatch system, and other computers and data centers at the 51 year old Pine Ridge facility. The Pine Ridge facility houses the critical Emergency-911 back-up center, and several Police Department operations such as the Police Motorized Division, SWAT team and other tactical teams. The UPS system protects mission critical computer systems in the event of a power surge or failure and enables the systems to keep running, avoiding disruptions in service. The UPS system is able to assume immediate power during power outages by maintaining operations until backup generators are activated. Funding of $450,000 is included to replace HVAC system components at the 17 year old New Beginnings facility, and funding of $35,000 is included to replace the air handling unit which regulates air conditioning at the 18 year old Herndon Library. All of these repairs have been classified as safety risks in need of imminent repairs or critical systems beyond their useful life and in risk of failure. In addition, repairs at these two sites are no longer cost effective. Lastly, funding is provided for replacement batteries to support the UPS systems at two critical facilities. UPS systems are battery operated and in general, the life expectancy of the batteries is 3 to 5 years. Often, frequent system disruptions, power surge events and prolonged battery usage, can result in more frequent battery replacement. FY 2012 includes the planned replacement of batteries at the Jennings Courthouse in the amount of $60,000 and the McConnell Public Safety and Transportation Operations Center (MPSTOC) in the amount of $125,000.

- Funding of $1,350,000 will provide for the planned replacement of emergency generators at mission critical County facilities that have outlived their useful life of 25 years. Generators are critical to the mission and operation of County facilities by providing backup power when power outages occur. Generators are maintained at police stations, fire stations and other operationally critical County facilities. Funding of $1,350,000 includes: $700,000 for replacement of two generators at the 51 year old Pine Ridge facility, $500,000 for replacement of the 21 year old system at the Jermantown Garage; and $150,000 for replacement of the 22 year old Chantilly Fire Station generator. Generators are critical at these facilities due to potential power outages and a disruption in critical operations for staff and the public. In general, these systems last 25 years, but replacement requirements can vary based on wear and tear, frequency of repair requirements, and other signs of imminent failure.

- Funding in the amount of $2,375,000 will provide for planned elevator/escalator replacement and upgrades for systems that have outlived their useful life and are experiencing frequent breakdowns. Funding includes $2,000,000 to address escalator replacement at the 19 year old Jennings Courthouse which is experiencing significant increases in maintenance resulting from a fracture in the escalator track and a large gap between the step and side panel. The escalator is requiring frequent repairs and causing a disruption in service and severe safety concerns for patrons of the Courthouse. In addition $300,000 is required to support design work for elevator replacement at the 19 year old Pennino and Herrity Buildings; and $75,000 is required for the Herrity and Pennino Garage elevators which are both used by employees and the public and could create safety concerns for patrons. Both elevator and escalator replacements will satisfy all current code requirements and provide for the safety of users. Construction funding for upgrades and replacement at the Pennino and Herrity campus will be required once design work is complete.

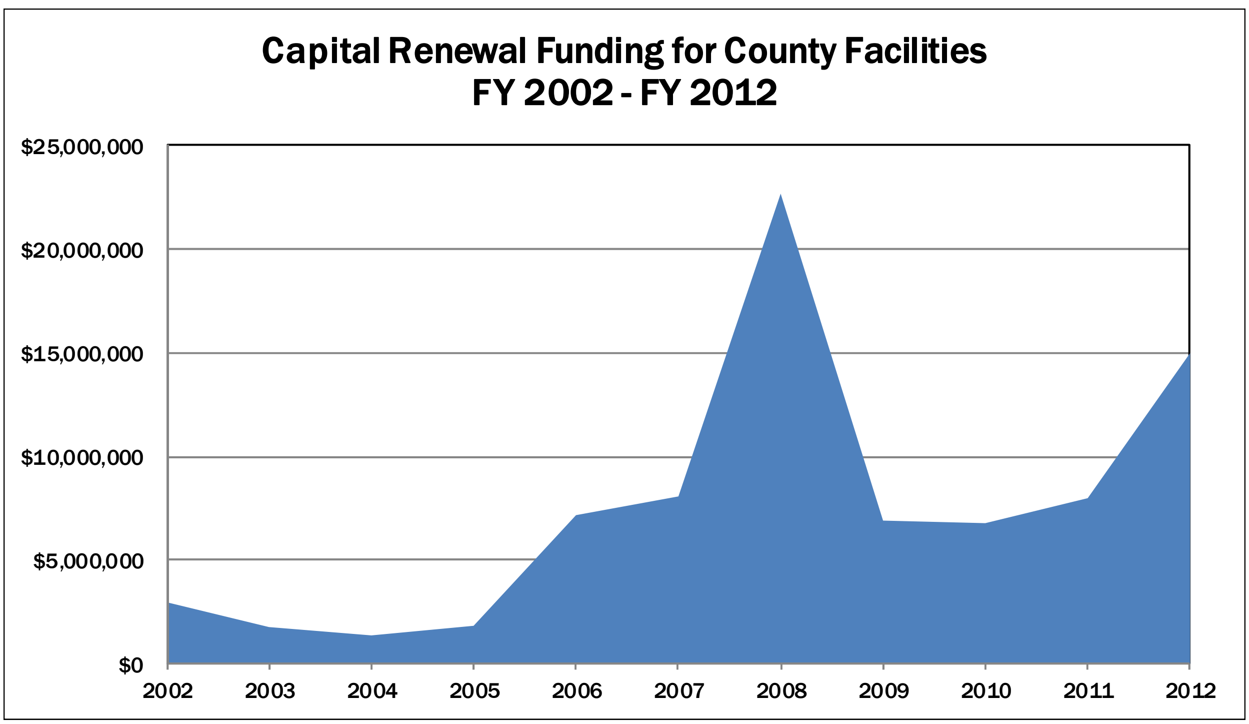
- Funding in the amount of $1,185,000 is included for the planned replacement of obsolete and aged fire alarm systems at the following County facilities: Pine Ridge, Clifton Fire Station, Sherwood Library, Mason Government Center, Whitman Annex, Lorton Library, Franconia Government Center and the Old Jail portion of the Historic Courthouse.

- An amount of $1,095,000 provides for the planned replacement or repair of facility roofs and waterproofing systems in County buildings. Maintenance and repairs are required to stop rapid deterioration and damage due to water penetration. As roofs age, repairs are no longer cost effective and replacement is required. Roofs at County facilities range in warranty periods from 10 to 20 years. The warranties on all of the roofs slated for replacement in FY 2012 have expired. Funding is included for roof repairs and replacement including: $250,000 for the 22 year old Gum Springs Community Center, $150,000 for the 13 year old Woodlawn Fire Station, $150,000 for the 23 year old George Mason Library, $150,000 for the 23 year old Baileys Community Center, $120,000 for the 17 year old Sherwood Library, $100,000 for the 24 year old McLean Fire Station, $100,000 for the 51 year old Penn Dawn Fire Station; and $75,000 for the 11 year old roof at the Alban Garage. In general, roof replacement is required every 20 years; however, leaking and damage caused by water infiltration to facilities can require more immediate attention.

- Funding is included for the planned repair and maintenance of facility parking lots and garages throughout the County. Funding of $660,000 is included for re-paving and repairs to three parking lots. Funding of $350,000 is required to repave the Jermantown Department of Vehicle Services (DVS) Garage based on rapid deterioration of the asphalt. This DVS garage is a heavy traffic facility supporting large volumes of public safety vehicles, trucks and maintenance vehicles entering and exiting the facility daily. With such a large volume of vehicle traffic, the asphalt is deteriorating more rapidly. In addition, repaving and replacement of parking lots and concrete ramps is required at the Pohick Fire Station in the amount of $160,000; and the McLean Fire Station in the amount of $150,000. Parking lots at fire stations tend to deteriorate more rapidly based on the frequent use of heavy apparatus vehicles. In general paving will last 15 years; however, heavy vehicle use, temperature changes, water penetration, chemicals used for snow removal, and fuel leaks from vehicles under repair can cause the asphalt to deteriorate more rapidly.

- Funding of $2,765,000 provides for emergency repairs, minor renovations, and critical upgrading at 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 abatement, and other non-recurring construction and repair projects. In FY 2012, funding in the amount of $1,500,000 is included for critical work at the 60 year old Willston Center including repairs and renovation of restrooms, plumbing fixtures and flooring. The Willston Center building was constructed in the 1950s as an elementary school with much of the original fixtures and systems still in place. The Willston Center is a multi-cultural center offering drop-in recreational programs designed for elementary school children during the spring, summer and winter breaks; an adult education center; a computer learning center; and other community center programs. The restrooms used by both employees and the public currently do not have hot water available and are in extreme need of repairs. This amount also includes the removal of the original floor tiles in the restrooms which have been determined to contain asbestos. Staff and patrons will need to be temporarily relocated while the asbestos mitigation process takes place. FY 2012 funding will provide for a complete restoration of all restrooms in the building to prevent further deterioration, leakage and potential health and safety concerns. In addition, funding in the amount of $700,000 is included to provide sealant and caulking throughout the entire Government Center parking garage (P1 and P2) as well as install new hood grates which provide for exhaust discharge and protect against water infiltration into the garage. During heavy rain events, flooding occurs in the garage which deteriorates the concrete surfaces and imminent repairs are needed. Funding in the amount of $350,000 is also included to recaulk all windows and expansion joints at the Adult Detention Center facility. Much of the original caulking has failed and water continues to leak into the building presenting an imminent safety hazard. Lastly, $215,000 is included to conduct a facility assessment at approximately 40 County facilities to specifically identify future capital renewal needs. The last facility assessment was conducted in 2004 on 92 selected facilities (approximately 4.2 million square feet of space), representative of the oldest facilities at the time. 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 estimated. These 92 facilities represent approximately 50 percent of the current inventory. Additional facility assessment funding will allow inspectors to evaluate major building systems, identify cost estimates associated with repair and replacement and plan for future renewal requirements. The study will include approximately 40 of the remaining facilities not evaluated in 2004 which are now aging and require a comprehensive review.

The following chart depicts capital renewal funding between FY 2002 and FY 2012, including roof repairs, HVAC replacement, carpet replacement, parking lot and garage repairs, fire alarm system replacements, generator replacement, emergency building repairs, as well as bond funding specifically dedicated for renewal efforts. The increase shown in FY 2006 is primarily attributed to $5 million in bond funding for capital renewal included for human services and juvenile facilities. Capital renewal funding for County facilities continued to increase in FY 2008 with the passage of the fall 2006 Public Safety Bond Referendum where voters approved $14 million in bond funding for Public Safety and Court Facility capital renewal projects. The County continues to supplement the General Fund supported capital renewal program by increasing bond referendum amounts associated with specific purposes as appropriate. The FY 2012 funding level represents a significant increase based on the proposed short-term borrowing plan.



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 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 8.7 percent, and net debt as a percentage of market value at 1.06 percent as of June 30, 2010.

Continual monitoring and adjustments to the County's CIP have been necessary, as economic conditions have changed. The FY 2012 - 2016 Capital Improvement Program (With Future Years to 2021) was released concurrently with the FY 2012 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 support 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 2012, an amount of $182,773,000 is included in General Obligation Bond funding. Of this amount, $155,000,000 is budgeted in Fund 390, Public School Construction, $24,773,000 is included in Fund 309, Metro Operations and Construction, to support the 106-mile Metrorail System, as well as maintain and/or acquire facilities, equipment, railcars and buses, and $3,000,000 has been included for the County capital contribution to the Northern Virginia Regional Park Authority (NVRPA).

Stormwater Management Program

The Stormwater Management Program is essential to protect public safety, preserve property values and support environmental mandates, such as those aimed at protecting the Chesapeake Bay and the water quality of other local waterways. Projects include: repairs to stormwater infrastructure, measures to improve water quality, such as stream stabilization, rehabilitation and safety upgrades of dams, repair and replacement of underground pipe systems, surface channels, structural flood proofing and Best Management Practices (BMP) site retrofits. This funding also supports development of watershed master plans, increased public outreach efforts, and stormwater monitoring activities.

As part of the FY 2010 Adopted Budget Plan, a special service district was created to support the Stormwater Management Program, as authorized by the Code of Virginia Ann. Sections 15.2-2400. The service district levy was increased from $0.010 to $0.015 per $100 of assessed real estate value as part of the FY 2011 Adopted Budget Plan. Since FY 2006, the Board of Supervisors had dedicated the value of one penny of the real estate tax, or approximately $20 million annually to stormwater capital projects. In FY 2009, due to budget constraints, staff and operating costs began to be charged to the stormwater penny fund, resulting in an approximate 50 percent reduction in funding for capital project support. The service district was created in FY 2010 to provide a dedicated funding source for both operating and capital project requirements. In FY 2011 the Board of Supervisors approved an increase in the levy from $0.010 to $0.015 based on increased enforcement by the Environmental Protection Agency (EPA) and the state to ensure that stormwater programs advance and do not backslide in implementation and provide funding to begin reinvestment for existing storm drainage systems. The County is currently operating under an extension of the existing MS4 discharge permit that expired in FY 2007. Negotiations between the Commonwealth of Virginia and Fairfax County, as well as negotiations between the state and many surrounding local communities, continue as several issues related to permit compliance are defined and established. The difficult and challenging permit negotiation process has spanned several years as the exact permit requirements are being developed and refined. It is anticipated that Fairfax County will soon be under new and increased regulatory requirements as a result of these permit negotiations. In addition, recent nutrient loading restrictions related to the Chesapeake Bay requirements are anticipated to impact the regulatory and operational programs within the Stormwater program. The FY 2012 levy of $0.015 will generate $28.8 million, supporting $11.8 million for staff and operational costs, and $17 million for capital project implementation and infrastructure reinvestment, regulatory requirements, dam safety, and contributory funding requirements. This dedicated capital funding support will allow the County to implement capital projects in a more efficient manner to meet state and EPA stormwater requirements.

The Penny for Affordable Housing Fund

The Penny for Affordable Housing Fund was established in FY 2006 and is designed to serve as a readily available local source with the flexibility to address emerging local affordable housing needs. For fiscal years 2006 through 2009, the Board of Supervisors dedicated revenue commensurate with the value of one cent from the Real Estate tax rate to the Preservation of Affordable Housing, a major County priority. In FY 2010, the Board of Supervisors reduced The Penny for Affordable Housing Fund by 50 percent to reallocate funding for critical human services and public safety program restorations in order to balance the FY 2010 budget. From FY 2006 through FY 2011, the fund has provided a total of $104.9 million for affordable housing in Fairfax County. In FY 2012, an amount of $14,668,400, comprised of $9,650,000 in Real Estate Tax Revenue and $5,018,400 in operating revenue from Wedgewood as well as other sources as needed, is allocated for Affordable/Workforce Housing projects.

As of May 2011, a total of 2,436 affordable units have been preserved for both homeownership and rental purposes in a variety of large and small projects. Of that number, 252 units are preserved as affordable housing for periods of five years or less, and 2,184 units are preserved for 20 years or longer. A variety of funding sources were used to preserve these units; however, Fund 319 funds were critical for the preservation efforts associated with five large multifamily complexes that were purchased by private nonprofits and which represent a significant portion of the units preserved: 216 units in Madison Ridge in Centreville (Sully District), 148 units in Hollybrooke II and III in the Seven Corners area of Falls Church (Mason District), 90 units in Sunset Park Apartments in Falls Church (Mason District), 319 units in Janna Lee Villages in the Hybla Valley area (Lee District) and 105 units in Coralain Gardens located on Arlington Boulevard (Route 50) in Falls Church (Mason District). Fund 319 was also instrumental in preserving two large complexes: 180 units at the Crescent apartment complex in Reston (Hunter Mill District) and 672 units at the Wedgewood apartment complex in Annandale (Braddock District). These projects were purchased by the County and are being managed by the Fairfax County Redevelopment and Housing Authority as part of the low- and moderate-income rental program. Without the availability of Fund 319, both of these apartment complexes may have been lost as affordable housing.

Wastewater Management System

The Fairfax County Wastewater Management Program is operated, maintained, and managed within the Department of Public Works and Environmental Services (DPWES), and includes nearly 3,380 miles of sewer lines, 65 pumping stations, and 54 flow metering stations, covering approximately 234 square miles of the County's 407-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 67 million gallons per day (MGD) of flow. 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 158 MGD.

The Chesapeake Bay water quality program requires reductions in the amount of nutrient pollutants. In December 2004, the state notified the County that the renewal of County's National Pollutant Discharge Elimination System (NPDES) permit would include a requirement that nutrient removal be performed at the "Limits of Technology." Current technology allows for discharge limits of less than 3.0 milligrams per liter for nitrogen and 0.1 milligrams per liter for phosphorus. The County has a nitrogen discharge requirement of 7.0 milligrams per liter. A phased approach has been under way to renovate and upgrade current plant facilities to accommodate new more stringent nutrient discharge requirements. Total funding of $29,000,000 in FY 2012 will provide for the County's share of design and construction costs associated with the required rehabilitation of Noman M. Cole, Jr. Pollution Control plant and annual capital requirements associated with pump station renovations, sewer extension projects and the repair, replacement and renovation of various aging sewer lines.

Other Financing

The remaining funding of $28,240,493 supports various other projects financed by revenues associated with the McLean and Reston Community Centers, housing trust fund revenues, FCPS Parent Teachers Association contributions, anticipated developer default bond revenue, revenue generated from the Athletic Services Fee, and refuse disposal revenue.

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 cost of operating new or expanded facilities or infrastructure is included in the fiscal year the facility becomes operational. However, in some cases, like the construction of the expanded and renovated Courthouse, the operating impact may be absorbed gradually over several years. For example, costs associated with loose and systems furniture, moving expenses, providing for additional security and staffing, renovating existing courtrooms, implementing new courtroom technology, and setting up an Operations and Maintenance satellite shop with staff dedicated to the courthouse facility are all costs that can be phased in over time, thus spreading the operating impact over a number of years, rather than concentrating costs in the fiscal year the facility opens.

Capital projects can affect future operating budgets either positively or negatively due to an increase or decrease in maintenance costs, or by providing capacity for new programs or services. Such impacts vary widely from project to project and, as such, are evaluated individually. Operating costs resulting from the completion of a capital project differ greatly depending on the type of capital project and construction delays. A new facility for example, will often require additional staff, an increase in utility costs, and increases in custodial, security and maintenance contracts. Conversely, a capital project that renovates an existing facility may reduce operating expenditures due to a decrease in necessary maintenance costs. For example, funding HVAC and electrical system repair or replacement projects has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing critical system repairs. The same is true for projects such as fire alarms, emergency generators, and carpet replacement, as well as roof repairs. Investing in aging and deteriorating building systems and components can alleviate the need for future expenditures, often resulting in significant cost avoidance. Additionally, if a system failure should occur, there is the potential that a County facility must shut down, suspending services to citizens and disrupting County business. The County's emphasis on capital renewal and preventative maintenance works to ensure these kinds of interruptions are avoided.

The opening of new County facilities results in the widest range of operating costs. For example, equipment and furniture, a book buy, additional staff, and an increase in utility costs may all be necessary to prepare for the opening of a new library or extensive library renovation. These costs are estimated as the project is developed and included in the appropriate agency budget in the year the facility becomes operational. In the FY 2012 timeframe, a limited number of new facilities will be completed which will not require additional operating funds. The following list represents major new facilities which will open during FY 2012 and beyond.

New, Renovated, or Expanded County Facilities in FY 2012

Facility	Fiscal Year Completion	Additional Positions	Estimated Net Operating Costs
FY 2012 New, Renovated, or Expanded Facilities			
Great Falls Fire Station Expansion	FY 2012	0/0.0 SYE	$0
Dolley Madison Library Expansion	FY 2012	0/0.0 SYE	$0
Total FY 2012 Costs		**0/0.0 SYE**	**$0**

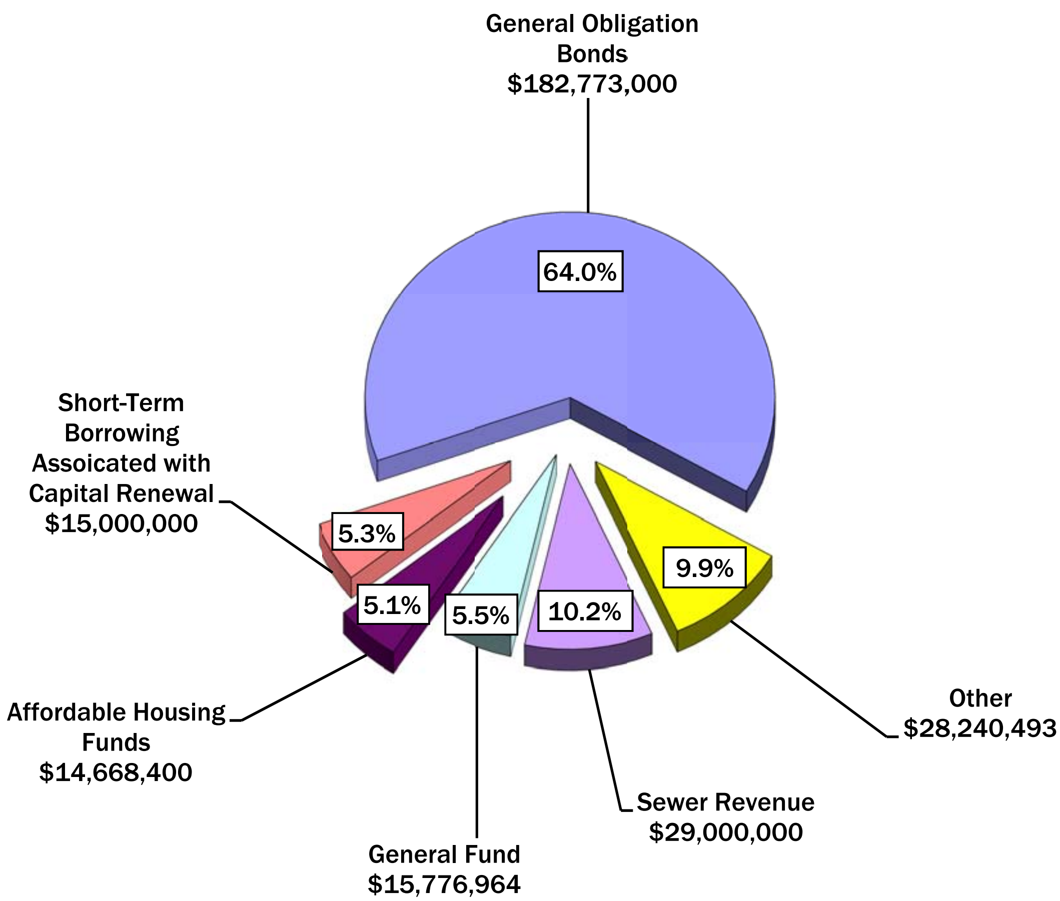
The following facilities are scheduled to open in upcoming years and may require additional staffing and operating costs. Requests for funding will be reviewed as part of the development of the annual budget in the year the facility opens.

Facility	Fiscal Year Completion
Fair Oaks Police Station Renovation/Expansion	FY 2013
West Ox Animal Shelter Renovation/Expansion	FY 2013
Newington DVS Facility	FY 2013
Wolf Trap Fire Station	FY 2013
Providence Community Center	FY 2013
Wiehle Ave Parking Garage	FY 2014
Fire and Rescue Training Academy Renovation	FY 2014
McLean Police Station Renovation/Expansion	FY 2015
Mid-County Human Services Center (Woodburn)	FY 2015
Reston Police Station Renovation/Expansion	TBD
Herndon Fire Station	TBD
East County Human Services Center	TBD
Public Safety Headquarters	TBD
Baileys Cross Roads Fire Station	TBD
Woodrow Wilson Community Library	TBD

Summary of FY 2012 Capital Construction Program

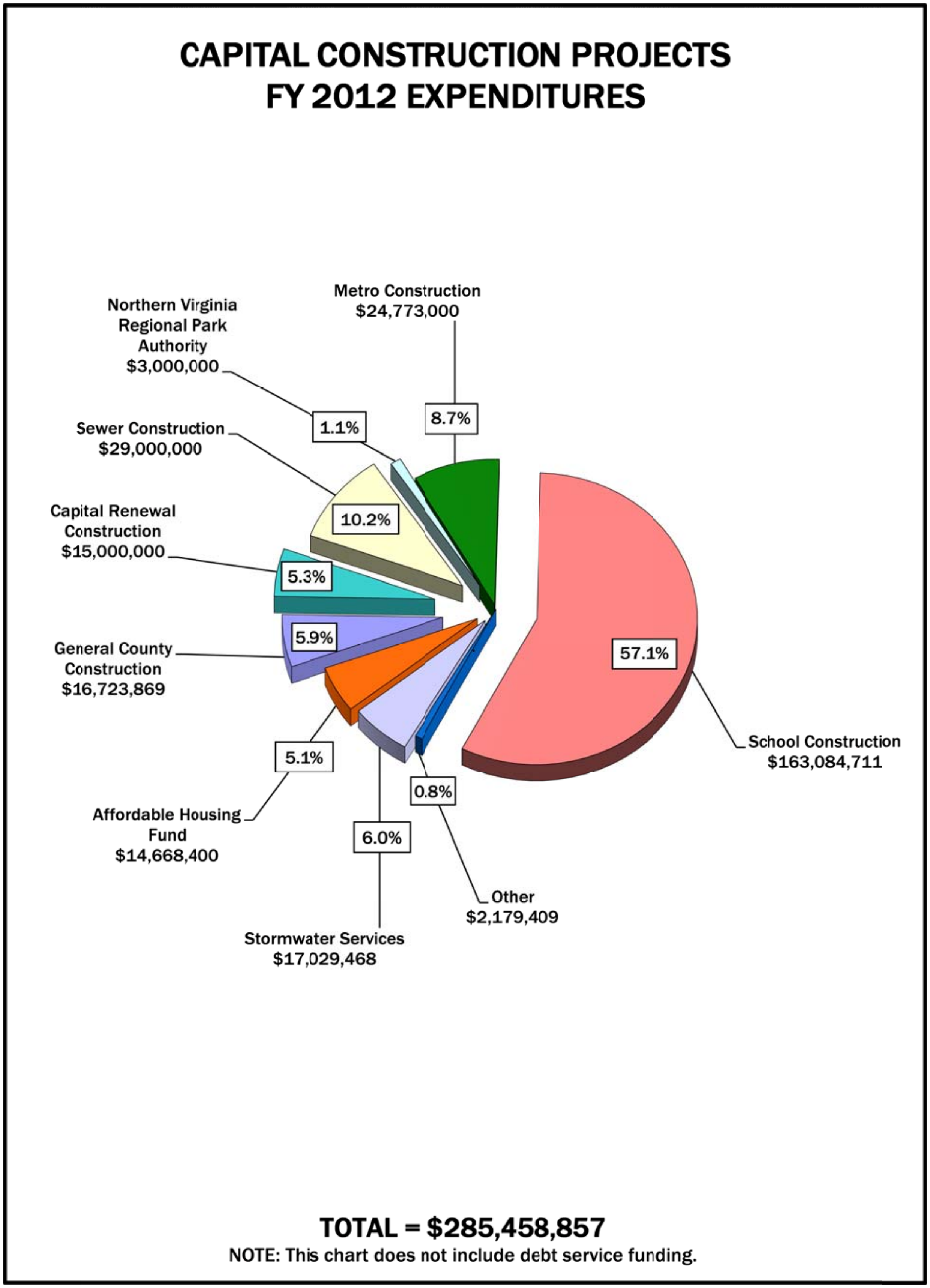
Major segments of the County's FY 2012 Capital Construction Program are presented in several pie charts that follow to visually demonstrate the FY 2012 funding sources for capital expenditures. Capital construction expenditures by fund are shown in the Summary Schedule of FY 2012 Funded Capital Projects. In addition, details of all projects funded in FY 2012 have been included in this section. For additional information, see the Capital Project Funds section of the Capital Construction and Other Operating Funds in Volume 2. Detailed information concerning capital projects in Fund 390, Public School Construction, can be found in the FY 2012 School Board's Adopted Budget.

CAPITAL CONSTRUCTION PROJECTS FY 2012 SOURCE OF FUNDS

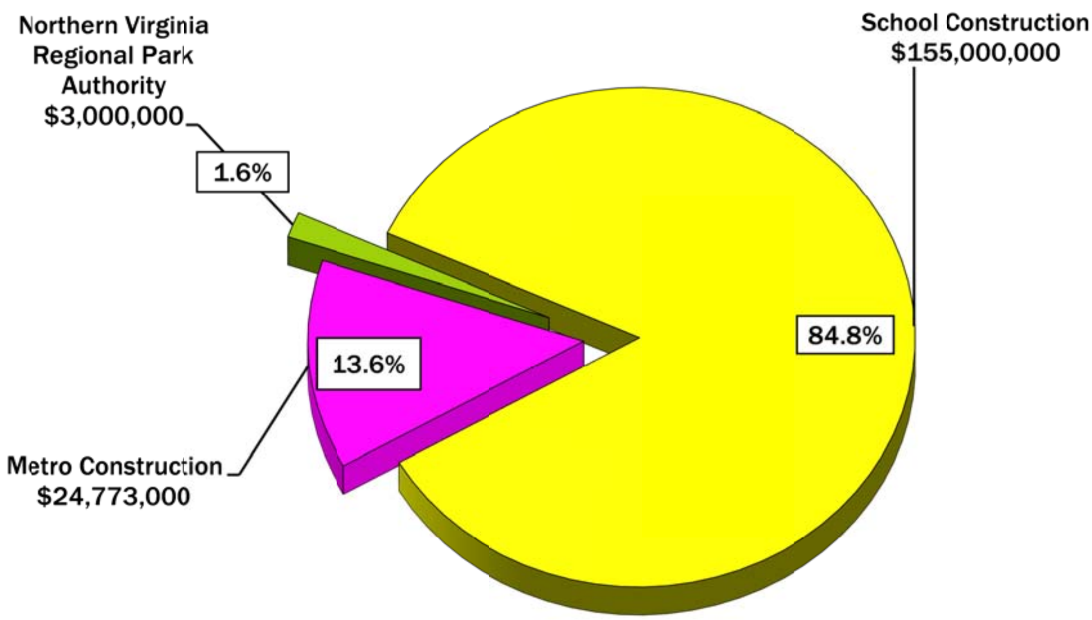


TOTAL = $285,458,857

NOTE: This chart does not include debt service funding.


CAPITAL CONSTRUCTION PROJECTS
FY 2012 EXPENDITURES
Metro Construction $24,773,000
8.7%
Northern Virginia Regional Park Authority $3,000,000
1.1%
Sewer Construction $29,000,000
10.2%
Capital Renewal Construction $15,000,000
5.3%
General County Construction $16,723,869
5.9%
Affordable Housing Fund $14,668,400
5.1%
Stormwater Services $17,029,468
6.0%
Other $2,179,409
0.8%
School Construction $163,084,711
57.1%
TOTAL = $285,458,857
NOTE: This chart does not include debt service funding.

GENERAL OBLIGATION BOND FINANCED CAPITAL PROJECTS FY 2012 EXPENDITURES



TOTAL = $182,773,000

SUMMARY SCHEDULE OF FY 2012 FUNDED CAPITAL PROJECTS

Fund/Title	EXPENDITURES FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	FY 2012 FINANCING General Obligation Bonds[1]	General Fund	Federal/ State Aid	Other[2]
SPECIAL REVENUE FUNDS [3]									
109 Refuse Collection	$47,895	$100,000	$782,579	$100,000	$100,000	$0	$0	$0	$100,000
110 Refuse Disposal	351,564	0	4,177,078	0	0	0	0	0	0
111 Reston Community Center	393,123	750,000	2,578,444	98,000	98,000	0	0	0	98,000
113 McLean Community Center	176,738	263,500	789,359	575,000	575,000	0	0	0	575,000
114 I-95 Refuse Disposal	54,462	0	13,984,145	0	0	0	0	0	0
125 Stormwater Services[4]	1,026,663	16,613,024	20,207,998	17,029,468	17,029,468	0	0	0	17,029,468
144 Housing Trust Fund	2,177,035	840,000	4,235,632	348,814	348,814	0	0	0	348,814
Subtotal	**$4,227,480**	**$18,566,524**	**$46,755,235**	**$18,151,282**	**$18,151,282**	**$0**	**$0**	**$0**	**$18,151,282**
DEBT SERVICE FUNDS									
200/201 Consolidated Debt Service	$279,346,291	$287,575,052	$298,986,562	$287,850,034	$287,850,034	$0	$282,844,428	$0	$5,005,606
Subtotal	**$279,346,291**	**$287,575,052**	**$298,986,562**	**$287,850,034**	**$287,850,034**	**$0**	**$282,844,428**	**$0**	**$5,005,606**
CAPITAL PROJECTS FUNDS									
301 Contributed Roadway Improvement Fund	$2,501,789	$0	$41,453,288	$0	$0	$0	$0	$0	$0
302 Library Construction	12,186,248	0	18,758,661	0	0	0	0	0	0
303 County Construction	20,585,441	13,462,406	46,144,454	16,723,869	16,723,869	0	14,919,369	0	1,804,500
306 Northern Virginia Regional Park Authority	2,700,000	2,700,000	2,700,000	3,000,000	3,000,000	3,000,000	0	0	0
307 Pedestrian Walkway Improvements	956,268	0	4,030,357	100,000	100,000	0	100,000	0	0
309 Metro Operations and Construction[5]	19,956,354	22,692,000	16,471,000	24,773,000	24,773,000	24,773,000	0	0	0
311 County Bond Construction	9,115,509	0	78,529,272	0	0	0	0	0	0
312 Public Safety Construction	17,953,228	0	121,714,044	750,000	442,595	0	242,595	0	200,000
315 Commercial Revitalization Program	478,697	0	4,098,234	0	0	0	0	0	0
316 Pro Rata Share Drainage Construction	4,506,173	0	10,404,336	0	0	0	0	0	0
317 Capital Renewal Construction	5,205,382	8,000,000	40,519,520	15,000,000	15,000,000	0	0	0	15,000,000
340 Housing Assistance Program	1,074,560	515,000	8,355,876	515,000	515,000	0	515,000	0	0
370 Park Authority Bond Construction	19,220,896	0	62,736,313	0	0	0	0	0	0
390 Public School Construction	109,570,133	165,582,149	575,242,805	163,084,711	163,084,711	155,000,000	0	0	8,084,711
Subtotal	**$226,010,678**	**$212,951,555**	**$1,031,158,160**	**$223,946,580**	**$223,639,175**	**$182,773,000**	**$15,776,964**	**$0**	**$25,089,211**

SUMMARY SCHEDULE OF FY 2012 FUNDED CAPITAL PROJECTS

Fund/Title	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	General Obligation Bonds[1]	General Fund	Federal/ State Aid	Other[2]
	EXPENDITURES					FY 2012 FINANCING			
Real Estate Tax Revenue									
318 Stormwater Management Program[6]	$8,535,124	$0	$16,913,243	$0	$0	$0	$0	$0	$0
319 The Penny for Affordable Housing Fund	18,186,529	13,458,400	19,864,899	14,668,400	14,668,400	0	0	0	14,668,400
Subtotal	**$26,721,653**	**$13,458,400**	**$36,778,142**	**$14,668,400**	**$14,668,400**	**$0**	**$0**	**$0**	**$14,668,400**
ENTERPRISE FUNDS									
402 Sewer Bond Extension and Improvements	$16,746,437	$24,500,000	$50,723,363	$29,000,000	$29,000,000	$0	$0	$0	$29,000,000
408 Sewer Bond Construction	49,999,131	140,294,000	228,100,596	0	0	0	0	0	0
Subtotal	**$66,745,568**	**$164,794,000**	**$278,823,959**	**$29,000,000**	**$29,000,000**	**$0**	**$0**	**$0**	**$29,000,000**
TOTAL	**$603,051,670**	**$697,345,531**	**$1,692,502,058**	**$573,616,296**	**$573,308,891**	**$182,773,000**	**$298,621,392**	**$0**	**$91,914,499**

[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, special revenue funds, short term borrowing, and fund balances.

[3] Reflects the capital construction portion of total expenditures.

[4] As part of the FY 2010 Adopted Budget Plan, a new service district was created to support stormwater management operating and capital requirements, as authorized by Code of Virginia Ann. sections 15.2-2400.

[5] Reflects capital construction portion of Metro expenses net of State Aid.

[6] Since FY 2010 stormwater capital projects have been funded in Fund 125, Stormwater Services.

Details: Paydown Program
(General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 303, County Construction			
005006	Parks Maintenance of FCPS Fields (Countywide)	Continuing	$722,535
Funding is included to support general maintenance at designated FCPS athletic fields, including mowing at 505 athletic fields (approximately 176 school sites). This program was established in an effort to maintain consistent standards among school and park athletic fields, improve playing conditions and safety standards and increase user satisfaction. This effort is managed by the Park Authority; however, all field maintenance is coordinated between the Park Authority and the Department of Neighborhood and Community Services.			
005009	Athletic Field Maintenance (Countywide)	Continuing	$2,500,000
Funding is included for athletic field maintenance efforts, athletic field lighting and irrigation on 287 Park Authority athletic fields of which 99 are lighted and 132 are irrigated. The fields are used by 174,000 users and 200 user groups. This effort is supported entirely by the General Fund and is managed by the Park Authority.			
005012	Athletic Services Fee-Field Maintenance (Countywide)	Continuing	$750,000
Funding is included to supplement general maintenance of school athletic fields and directly apply revenue generated by the Athletic Services Fee to the athletic field maintenance program. In addition to General Fund support of $750,000, an amount of $250,000 is included for this program based on the FY 2012 revenue projection of the Athletic Services Fee. This program provides twice weekly infield preparation on elementary, middle and high school game fields (110 fields); pre- or post-season infield renovations (200 fields); mowing on high school fields after June 1st (55 fields); and annual maintenance of irrigation systems (65 fields). All field maintenance is coordinated between the Park Authority and the Department of Neighborhood and Community Services. The total funding for this program in FY 2012 is $1,000,000.			
005016	FCPS Athletic Field Lighting Requirements (Countywide)	Continuing	$200,000
Funding is included to continue the replacement and upgrading of Fairfax County Public Schools (FCPS) athletic field lighting systems at middle and high schools used by many County organizations. Prior to FY 2010, two separate projects existed to fund FCPS athletic field lighting; one for boys' athletic fields and one for girls' softball fields. The Department of Neighborhood and Community Services combined the two field lighting projects to allow for an improved prioritization and implementation process for field lighting projects throughout the County. Funding supports a replacement and repair schedule, as well as improvements to bring existing lighting systems up to new standards. The school system's Office of Design and Construction Services ensures lighting standards are maintained and FCPS annually prioritizes funding for field lighting. FY 2012 funding supports replacement and repair projects for existing lighting systems only. This project is supported entirely by the General Fund and coordinated by the Department of Neighborhood and Community Services.			

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
005017	Athletic Services Fee-Turf Field Replacement (Countywide)	Continuing	$350,000
Funding is included to establish a new turf field replacement program. Funding of $150,000 is supported by the athletic services fee revenue and $350,000 is supported by the General Fund. There are currently 32 operational turf fields throughout the County. The oldest field was built in September 2003 and is over 8 years old. Generally the useful life of a turf fields is 8 to 10 years, with replacement costs estimated at approximately $400,000 per field. Turf fields have proven to be much easier to maintain and are superior to grass surfaces in terms of playability and safety. There are over 100,000 youth and adults that participate annually on rectangular fields that benefit from turf fields. If turf fields are not replaced when needed, they would need to be closed due to safety reasons. In FY 2012 the replacement program has been initiated at the $500,000 level; however, based on the age and number of turf fields, a contribution of approximately $1.0 million annually would be required to fully fund the replacement program. The FY 2012 level will allow the County to begin to plan for the gradual replacement of turf fields as they reach the end of their useful life, without a significant disruption in service.			
005020	APRT-Amenity Maintenance (Countywide)	Continuing	$50,000
Funding is included for routine maintenance of girl's softball field amenities on select Fairfax County Public School sites. These amenities, such as dugouts, fencing and irrigation systems, were added or constructed by the County based on recommendations by the citizen-led Action Plan Review Team (APRT) in order to reduce disparities in the quality of fields assigned to boys' baseball and girls' softball organizations. Routine maintenance is necessary both to maintain equity and to ensure safety. For five years, funding of $200,000 was provided to support Girls' Fast Pitch Field Maintenance improvements to various girls' softball fields throughout the County as requested by the Fairfax Athletic Inequities Reform (FAIR). Funding for the Girls' Fast Pitch Field Maintenance Project ended in FY 2004. FY 2012 funding will provide maintenance to the improvements and amenities previously made to girls' softball fields. This project is supported entirely by the General Fund and coordinated by the Department of Neighborhood and Community Services.			
005021	Athletic Fields-Sports Scholarships (Countywide)	Continuing	$75,000
Funding is included for the Youth Sports Scholarship Program. The Youth Sports Scholarship program provides support to youth from low-income families who want to participate in community-based sports programs. In FY 2010, youth sports scholarship recipients totaled 2,894. Of the total funding, an amount of $75,000 is included for this program based on the FY 2012 projection of revenue generated from the Athletic Services Fee, and $75,000 is supported by the General Fund.			
007012	SACC Contribution (Countywide)	Continuing	$750,000
Funding is included for the annual County contribution to help offset school operating and overhead costs associated with School-Age Child Care (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.			

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
008043	Northern Virginia Community College (Countywide)	Continuing	$1,554,710
Funding is included for the annual County 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. Since FY 2006, the County contribution has remained unchanged at $1.00 per capita; however, in FY 2011 the funding level was raised to $1.25 per capita and in FY 2012 the level of support is recommended to be $1.50 per capita. The County contribution has been increased in both FY 2011 and FY 2012 due to the unprecedented 12 percent growth in the NVCC student enrollment and the corresponding capital program requirements. The NVCC currently serves over 72,000 students surpassing all previous expectations of growth and capital planning. It is estimated that the NVCC serves an average of 20 percent of each high school graduating class in addition to increased support for local workers seeking new skills in a tough job market. The NVCC capital plan has recently been adjusted to keep pace with this accelerated enrollment and it is anticipated that capital contributions from the partners will be adjusted gradually to avoid a major commitment from supporting jurisdictions in any given year. It is projected that the per capita support from the NVCC partners could reach $2.50 per capita in the next six years. The NVCC has indicated that every dollar contributed to the capital program leverages $29 in state funds back to Northern Virginia. The $1.50 rate is applied to the population figure provided by the Weldon Cooper Center.			
009406	ADA Compliance (Countywide)	Continuing	$1,571,700
Funding is included to begin to address Department of Justice (DOJ) audit findings. In May and June 2007, the United States Department of Justice conducted an audit of the County government facilities and programs to determine compliance with the Americans with Disabilities Act (ADA) which requires accessibility to facilities and programs for individuals with disabilities. DOJ has been conducting audits of various governments and private facilities across the country for the past decade. The audit of Fairfax County was part of this national audit program, and was not a result of any specific complaints in the County. The DOJ presented the County with the audit results in August 2009. The audit covered 78 buildings in the County and listed approximately 2,100 violations as well as approximately 10 program areas which needed improvement in order comply with the ADA. These violations ranged from updating emergency management procedures, web-based services, and general communication procedures, to improving access to buildings, parking garages, restrooms and elevators. Identified violations have been categorized by color: easy, inexpensive (green); more timely and costly (yellow); and difficult, time consuming, and/or expensive (red). The FY 2012 funding will provide for the mitigation of violations categorized as “green” and “yellow” within 33 County-owned facilities. County violations categorized as “red” are estimated to require an additional $6.8 million to mitigate. This funding will be required in future years. It should be noted that funding for violations associated with Park Authority buildings and facilities has also been included in FY 2012.			

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
009416	Parks-ADA Compliance (Countywide)	Continuing	$600,000
An amount of $600,000 to address requirements associated with ADA compliance at Park facilities. FY 2012 funding will provide for annual requirements estimated at $300,000 for continued retrofits at the Lake Fairfax Park camp office and bath house. In addition, an amount of $300,000 has been included to begin to address Department of Justice (DOJ) audit findings. In May and June 2007, the United States Department of Justice conducted an audit of the County government facilities and programs to determine compliance with the Americans with Disabilities Act (ADA) which requires accessibility to facilities and programs for individuals with disabilities. DOJ has been conducting audits of various governments and private facilities across the country for the past decade. The audit of Fairfax County was part of this national audit program, and was not a result of any specific complaints in the County. The DOJ presented the County with the audit results in August 2009. The audit covered 78 buildings in the County and listed approximately 2,100 violations as well as approximately 10 program areas which needed improvement in order comply with the ADA. These violations ranged from updating emergency management procedures, web-based services, and general communication procedures, to improving access to buildings, parking garages, restrooms and elevators. Identified violations have been categorized by color: easy, inexpensive (green); more timely and costly (yellow); and difficult, time consuming, and/or expensive (red). FY 2012 funding will provide for the mitigation of violations categorized as "green" or "yellow" within Park Authority facilities and programs. Park Authority violations categorized as "red" are estimated to require an additional $4 million to mitigate. This funding will be required in future years. It should be noted that funding for violations associated with County owned buildings and facilities has also been included in FY 2012.			
009417	Parks-General Maintenance (Countywide)	Continuing	$425,000
Funding is included for general park maintenance at non-revenue generating Park Authority facilities. These maintenance requirements include major non-recurring repairs and stabilization of new properties, as well as repairs/replacements and improvements to roofs, electrical and lighting systems, sprinklers, HVAC systems, and the replacement of security and fire alarm systems. In FY 2012, funding is included to: stabilize and protect the Silo at Turner Farm ($150,000); replace aged security systems at various sites throughout the County ($75,000); repair and replace roofs at prioritized picnic shelters, nature centers and maintenance shops ($100,000); and stabilize and repair the roof at the Grist mill barn ($100,000).			
009422	Maintenance-CRP (Countywide)	Continuing	$390,000
Funding of $390,000 is included to continue certain non-routine maintenance in five major commercial revitalization areas (Annandale, Route 1, Springfield, McLean and Baileys Crossroads). This funding provides for: fixing benches and furniture, signs that are broken; fixing broken brick pavers; pruning trees and replacing dead trees; and maintaining appropriate site distances (trimming) on a priority basis. This funding partially supports the maintenance effort and does not fully fund the program. Funding for routine maintenance such as: mulching, fertilizing, broadleaf and weed control, edging, crack weed control, pest control, annual or perennial plantings, leaf removal in the fall, litter collection and removal of trash cans will be prioritized.			

Details: Paydown Program
(General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
009442	Parks-Ground Maintenance (Countywide)	Continuing	$987,076
Funding is included to support annual requirements for Parks grounds maintenance at non-revenue supported parks. At the present, responsibilities include the care for a total park acreage of over 24,000 acres of land, with 417 park site locations, maintenance and repair of tennis courts, basketball courts, trails, picnic areas and picnic shelters, playgrounds, bridges, parking lots and roadways, and stormwater ponds.			
009443	Parks-Facilities Maintenance (Countywide)	Continuing	$470,000
Funding is included to provide corrective and preventive maintenance for over 537,000 square feet at non-revenue supported Park Authority structures and buildings. These repairs include the replacement of broken windows and doors, equipment repairs and the scheduled inspection and maintenance of HVAC, plumbing, electrical, security and fire alarm systems. This funding is critical in order to prevent the costly deterioration of facilities due to lack of maintenance.			
009444	Laurel Hill (Mount Vernon)	Continuing	$1,559,859
Funding is included to address only the most critical aspects of property management at the Laurel Hill property. 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. Of the amount funded in FY 2012, $1,262,739 will fund the Facilities Management Department's security, maintenance services, grounds maintenance and support staff. The remaining $297,120 will fund Park Authority critical maintenance activities and support staff.			
009494	Salona Property (Dranesville)	Continuing	$1,013,489
Funding is included for the annual payment associated with the Salona property based on the Board of Supervisors' approval of the purchase of a conservation easement associated with the Salona property on September 26, 2005. The total cost of the property is $18.2 million with payments scheduled through FY 2026.			

Details: Paydown Program
(General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
009700	Environmental Agenda Initiatives (Countywide)	Continuing	$85,000
Funding is included to provide for initiatives that directly support the Board of Supervisors' Environmental Agenda. The Environmental Excellence 20-year Vision Plan (Environmental Agenda) includes six topic areas: Growth and Land Use; Air Quality and Transportation; Water Quality; Solid Waste; Parks, Trails and Open Space; and Environmental Stewardship. FY 2012 funding of $15,000 provides for continued outreach efforts and air quality awareness in order to fulfill the County's commitment to the State Implementation Plan (SIP) for Clean Air Partners. Funding will support outreach efforts to educate residents, employees and businesses to take voluntary actions that will improve the air quality in the region, as well as to collaborate with Clean Air Partners in their efforts to raise awareness of air pollution and continue the County's participation as a business sponsor in their media campaign. Funding of $70,000 is also included to continue the Invasive Plant Removal Program. The Park Authority manages this volunteer program, as well as other invasive removal initiatives. These programs restore hundreds of acres of important natural areas, protect tree canopy, and reach thousands of volunteers. Currently 44 trained volunteer leaders have committed to four work-days per year at 36 sites. Over 15,000 volunteer hours have been contributed since the Invasive Plant Removal Program's inception in 2005. Lastly, it should be noted that an amount of $87,210 has been provided in Fund 119, Contributory Fund to continue partnering with three non-profit agencies to support tree planting efforts throughout the County.			
009800	Revitalization Initiatives (Countywide)	Continuing	$190,000
Funding is included for revitalization initiatives within the Office for Community Revitalization and Reinvestment including marketing materials for countywide revitalization activities, consultant services and training. In FY 2012, funding is anticipated to support consultant expenses specifically in the Reston and Tyson's areas.			
009998	Payments of Interest on Conservation Bonds (Countywide)	Continuing	$100,000
Funding is included to support payments to developers for interest earned on conservation bond deposits. The County requires developers to contribute funds to ensure the conservation of existing natural resources. Upon satisfactory completion of the projects, the developer is refunded the deposit with interest. This estimate is based on actual experience in the past several years.			
ED0001	Emergency Directives Program (Countywide)	Continuing	$100,000
Funding is included for the Emergency Directives Program. The Emergency Directives Program was established to provide for abatement services of both emergency and non-emergency directives related to health and safety violations, grass mowing violations, and graffiti removal directives. The funds are used to perform corrective maintenance for code violations under Chapter 46, and Chapter 119, of the Fairfax County Code, in which cited property owners fail to correct. There are several factors contributing to the recent increase in abatement services such as, development of new abatement requirements, and a significant increase in property foreclosures within the County.			

Details: Paydown Program
(General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
U00005	Survey Control Network Monumentation (Countywide)	Continuing	$75,000
Funding is included to support the maintenance and establishment of geodetic survey control points for the geographic information system (GIS). This project also supports the development and maintenance of an interactive, GIS-based website which will provide convenient and cost effective monumentation information to the County's land development customers.			
U00060	Developer Defaults (Countywide)	Continuing	$300,000
Funding is included to support the Developer Default program. This project is necessitated by economic conditions surrounding the construction industry that result in some developers not completing required public facilities, including acceptance of roads by the state, walkways and storm drainage improvements. Land Development Services (LDS) will identify projects for resolution in FY 2012, as well as respond to requests to prepare composite cost estimates to complete specific developer default projects. Total FY 2012 funding in the amount of $600,000 is included for developer default projects of which $300,000 is projected in developer default revenue, and $300,000 is supported by the General Fund.			
V00002	Emergency Road Repairs (Countywide)	Continuing	$100,000
Funding is included to support the Emergency Road Repairs program and the Road Maintenance program, which were combined in FY 2010. Staff will prioritize funding for projects including emergency safety and road repairs to County-owned service drives and County-owned stub streets which are currently not accepted by the Virginia Department of Transportation (VDOT) into the state highway system for maintenance and other on-going road maintenance work. On-going road maintenance includes, but is not limited to, pothole repair, drive surface overlays, sidewalk and curb repairs, traffic and pedestrian signage, hazardous tree removal, grading, snow and ice control, replacement of substandard materials, patching of existing travelways, minor ditching and stabilization of shoulders, slopes and drainage facilities.			
Total, Fund 303		**Continuing**	**$14,919,369**
Fund 307, Pedestrian Walkway Improvements			
002200	Emergency Maintenance of Existing Trails (Countywide)	Continuing	$100,000
Funding supports emergency and critical maintenance of existing trails, sidewalks and pedestrian bridges. On-going critical maintenance includes, but is not limited to, the correction of safety and hazardous conditions such as the deterioration of trail surfaces, the replacement and/or repair of guardrails and handrails, and the rehabilitation of pedestrian bridges.			
Total, Fund 307		**Continuing**	**$100,000**

Details: Paydown Program
(General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 312, Public Safety Construction			
009223	Jennings Courtroom Renovations (Providence)	$3,222,595	$242,595
An amount of $442,595 is included to support the construction associated with the renovation of a fourth courtroom in the original portion of the Jennings Judicial Center. Of the total funding, an amount of $242,595 is funded by the General Fund and $200,000 is transferred from Fund 105, Cable Communications to support wiring, cabling and other technology costs associated with courtroom technology. Of the 26 courtrooms in the Jennings Building, renovations are complete on three courtrooms, with a fourth courtroom having completed the design phase only. These courtrooms require improved lighting, ductwork realignment, ADA compliance updates, and technology upgrades to remain operational. Courtroom technology improvements will support integrated and mobile evidence presentation, real time court reporting, wireless access, electronic way finding, video conferencing and video arraignment, improving efficiencies and facilitation of court process and services. Funding to complete the remaining 22 courtrooms will be required in future years.			
Total, Fund 312		**$3,222,595**	**$242,595**
Fund 340, Housing Assistance Program			
014272	Community Improvement Program Costs (Countywide)	$2,060,000	$515,000
An amount of $515,000 is included for current program needs, staffing and other activities associated with countywide residential improvement and repair projects within the Department of Housing and Community Development.			
Total, Fund 340		**$2,060,000**	**$515,000**

TOTAL PAYDOWN (GENERAL FUND) $15,776,964

Details: Real Estate Tax Revenue

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 319, The Penny for Affordable Housing Fund			
014196	Affordable/Workforce Housing Projects (Countywide)	Continuing	$675,000
Funding supports the preservation of affordable housing.			
014239	Crescent Apartments (Hunter Mill)	$72,024,180	$3,900,000
Funding is included for the annual debt service payment associated with the Crescent Apartment complex that was acquired in FY 2006.			
014268	Wedgewood (Braddock)	$37,191,250	$5,775,000
Funding is included for the annual debt service payment associated with the Wedgewood Apartment Complex.			
014277	Bridging Affordability Program (Countywide)	Continuing	$4,318,400
Funding is included to provide housing assistance to 48 homeless families and individuals and 364 households on the County's affordable housing waiting lists.			
Total, Fund 319		**$109,215,430**	**$14,668,400**

TOTAL REAL ESTATE TAX REVENUE **$14,668,400**

Details: General Obligation Bonds

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 306, Northern Virginia Regional Park Authority			
NA	County Contribution (Countywide)	Continuing	$3,000,000
Funding is included to support 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 2012 represents the fourth of four years of County contributions associated with $12.0 million approval as part of the fall 2008 referendum. It will allow the NVRPA to continue to address needed capital infrastructure improvements.			
Total, Fund 306		**Continuing**	**$3,000,000**
Fund 309, Metro Operations and Construction			
NA	NA	Continuing	$24,773,000
General Obligation Bond funding to support the 106-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars and buses.			
Total, Fund 309		**Continuing**	**$24,773,000**
Fund 390, Public School Construction			
NA	NA	Continuing	$155,000,000
Funding is included for various school construction projects financed by General Obligation Bonds. For details, see the FY 2012 School Board's Adopted Budget.			
Total, Fund 390		**Continuing**	**$155,000,000**

TOTAL GENERAL OBLIGATION BONDS **$182,773,000**

Details: Wastewater Management System

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 402, Sewer Construction Improvements			
I00353	Pumping Stations (Countywide)	$12,440,586	$5,000,000
Funding supports the renovation of pumping stations within the Wastewater Management Program. FY 2012 funding supports the replacement of back-up power generators and additional funding for repair, renovation, and replacement of pumping station equipment. This funding will also ensure proper operations in the wastewater conveyance during power outages.			
L00117	Dogue Creek Rehab/Replacement (Mount Vernon)	Continuing	$4,300,000
Funding is included for the replacement of the Dogue Creek Force Main. The Dogue Creek Force Main is approximately 4,350 linear feet of 36-inch trunk line. FY 2012 funding provides for the replacement of back-up power generators and funds repair, renovation and replacement of pumping station equipment.			
X00903	Replacement and Transmission Programmed Rehabilitation (Countywide)	Continuing	$14,400,000
Funding is provided for the systematic rehabilitation of the County's more than 3,380 miles of sanitary sewer lines. Rehabilitation options include techniques/products such as slip-lining, instituform, and fold and form performed by outside contractors. Funding of $14,400,000 provides for the recurring repair, replacement and renovation of 20 miles of sewer lines using predominantly “no dig” technologies.			
X00912	Replacement and Renewal-Treatment (Mount Vernon)	Continuing	$5,300,000
Funding is included for the replacement of equipment and facilities at the Noman M. Cole, Jr. Pollution Control Plant to maintain efficient operations and meet permit requirements. Funding supports upgrades to the following: clarifier mechanisms and tankage, wastewater and sludge pumps, motors and pump drives, motor control centers, chemical feed systems, HVAC systems, building and incinerator upgrades, and the Supervisory Control and Data Acquisition (SCADA) system.			
Total, Fund 402		**$12,440,586**	**$29,000,000**

TOTAL WASTEWATER MANAGEMENT SYSTEM **$29,000,000**

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 109, Refuse Collection			
109001	Newington Facility Enhancements (Mount Vernon)	$1,818,038	$100,000
Funding for improvements and necessary maintenance of the Newington facility which includes the repair and replacement of the HVAC system, boilers and air handlers.			
Total, Fund 109		**$1,818,038**	**$100,000**
Fund 111, Reston Community Center			
003717	Reston Community Center Facility Renovations (Hunter Mill)	$7,107,462	$98,000
Funding is included to seal the Reston Community Center Hunters' Woods facility roof to create a watertight coating and enhance the environmental "go green" impact allowing roof surface reflectivity.			
Total, Fund 111		**$7,107,462**	**$98,000**
Fund 113, McLean Community Center			
003601	McLean Community Center Improvements (Dranesville)	$3,649,159	$575,000
Funding supports of $215,000 for the Scene Shop ladder and office, and the heating, ventilation and air conditioning (HVAC) in the theatre balcony; and capital replacements of $360,000 for MCC carpeting, parking lot paving, theatre seats and HVAC in the sound and lights box office booths.			
Total, Fund 113		**$3,649,159**	**$575,000**
Fund 125, Stormwater Services			
DC0800	Kingstowne Monitoring Program (Lee)	$300,000	$300,000
Funding to support monitoring and maintenance requirements associated with the Kingstowne environmental program. This program was established by the Board of Supervisors in June 1985 and is intended to continue until completion of the Kingstowne Development. In FY 2002, the program was expanded to include the water quality monitoring requirements of the U.S. Army Corps of Engineers for the development of the South Van Dorn Street extension.			
FX0100	Project Implementation Program (Countywide)	$10,082,405	$4,893,808
Funding to continue the implementation of the 30 watershed master plans within Fairfax County. Implementation of these master plans include the design and construction of watershed specific projects within various watersheds throughout the County; the emergency watershed project which supports the correction of unexpected emergency drainage problems; and engineering studies and construction to alleviate flooding problems of a recurring or emergency nature that arise during the fiscal year. The project implementation program ensures that the most current design and construction standards are adhered to, and coordinates with property owners, stakeholders, and regulators on project design and construction requirements.			

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
FX0400	Dam Safety Program (Countywide)	$5,400,000	$2,700,000
Funding will enable the County to meet state permit requirements, and to support assessment and monitoring of dams, and associated dam repair activities. In FY 2012, the Dam Safety Program will continue to focus on obtaining and maintaining the six-year maintenance and operating certificates on all state regulated dams in the County. Based on recent revisions in federal and state dam safety standards, this program includes the oversight and funding of required critical upgrades of dams and emergency spillways to four of the six high hazard flood control facilities maintained under the PL566 Dam Maintenance Program.			
FX0500	Stormwater Management Facility (Countywide)	$3,000,000	$1,000,000
Funding supports a comprehensive engineering and inspection assessment of the public and private stormwater management infrastructure as required under the County's MS4 mandated stormwater facility inspection cycles. The Stormwater Management Facility Program provides annual inspections and assessments of a projected 1,510 publicly maintained stormwater management ponds and 3,750 privately maintained stormwater management ponds in FY 2012. This program provides enhanced outreach efforts for owners of privately maintained stormwater facilities, to provide useful facility operations and maintenance guidance for these facilities.			
FX0600	Infrastructure Reinvestment Program (Countywide)	$12,189,229	$4,893,808
Funding supports a comprehensive inspection, design, and contract administration program to rehabilitate, upgrade, and replace dilapidated County storm drainage infrastructure as well as the development of Geographic Information System (GIS) layers for the stormwater management program. The infrastructure reinvestment program provides inventory inspection and assessment services for repair and rehabilitation of the 1,586 miles of piped conveyance systems and 42,800 stormwater drainage structures. The storm drainage program is on a five-year "physical walk" surface inspection cycle, and a 20-year internal system assessment cycle to inspect the conveyance system with closed circuit TV for functionality and integrity. This program also funds the development of GIS layers which are providing critical asset management support to the stormwater program asset and work flow management system.			
FX0700	Stormwater Regulatory Program (Countywide)	$5,700,000	$2,700,000
Funding supports requirements associated with the Municipal Separate Storm Sewer System (MS4) regulatory requirements. Increased MS4 requirements are expected to increase inspection cycles and monitoring efforts, and enhance restrictions for total maximum daily loads of harmful nutrients entering the streams and rivers within the County. Funding for this program is specific to permit administration, public outreach programs, stormwater facility inspections and assessment, and stormwater monitoring programs. The County's Stormwater regulatory program also includes the Fairfax County Public Schools (FCPS) MS4 permit requirements. Consolidation efforts continue to focus on updating the inventory of the School's stormwater management facilities, inspection of the facilities, and initiation of joint County/School programs for required permit compliance services.			

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
SP0001	Northern Virginia Soil and Water Conservation District Contribution (Mount Vernon)	Continuing	$429,293
Funding supports the County's contribution to the Northern Virginia Soil and Water Conservation District (NVSWCD). 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. NVSWCD has consistently been able to create partnerships and leverage state, federal and private resources to benefit natural resources protection in Fairfax County.			
SP0002	Occoquan Monitoring Contribution (Mount Vernon)	Continuing	$112,559
Funding supports the County's contribution to the Occoquan Watershed Monitoring Program (OWMP) and the Occoquan Watershed Monitoring Laboratory (OWML) which were established to ensure that water quality is monitored and protected in the Occoquan Watershed. Given the many diverse uses of the land and water resources in the Occoquan Watershed (agriculture, urban residential development, commercial, and industrial activity, water supply, and wastewater disposal), the OWMP provides a critical role as the unbiased interpreter of basin water quality information.			
Total, Fund 125		**$36,671,634**	**$17,029,468**
Fund 144, Housing Trust Fund			
013906	Undesignated Project (Countywide)	Continuing	$48,814
Funding is included for the undesignated project for reallocation to specific projects when identified and approved by both the Fairfax County Redevelopment and Housing Authority (FCRHA) and Board of Supervisors during FY 2012.			
014116	Affordable Housing Partnership Program (AHPP) Tier III (Countywide)	Continuing	$200,000
Funding is included as a planning factor for project feasibility studies by non-profits and for-profits as approved by the Board of Supervisors.			
014191	Rehabilitation of Fairfax County Redevelopment and Housing Authority (FCRHA) Properties (Countywide)	Continuing	$100,000
Funding is included as a planning factor to rehabilitate FCRHA non-public housing, residential properties in order to maintain to property safety and neighborhood and quality of life standards.			
Total, Fund 144		**Continuing**	**$348,814**

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 303, County Construction			
005012	Athletic Services Fee-Field Maintenance (Countywide)	Continuing	$250,000
Funding is included to supplement general maintenance of school athletic fields and directly apply revenue generated by the Athletic Services Fee to the athletic field maintenance program. In addition to General Fund support of $750,000, an amount of $250,000 is included for this program based on the FY 2012 revenue projection of the Athletic Services Fee. This program provides twice weekly infield preparation on elementary, middle and high school game fields (110 fields); pre- or post-season infield renovations (200 fields); mowing on high school fields after June 1st (55 fields); and annual maintenance of irrigation systems (65 fields). All field maintenance is coordinated between the Park Authority and the Department of Neighborhood and Community Services. The total funding for this program in FY 2012 is $1,000,000.			
005013	Athletic Services Fee-Turf Field Development (Countywide)	Continuing	$350,000
Funding is included to support the development of synthetic turf fields. Fields are chosen through a review process based on the need in the community, projected community use and the field location and amenities. Synthetic turf fields improve the capacity, safety, playability, and availability of existing athletic fields. Artificial fields offer a cost effective way of increasing capacity on fields at existing parks and schools. This effort is coordinated between the Park Authority and the Department of Neighborhood and Community Services and funding is provided from revenue generated from the Athletic Services Fee. In addition, on November 7, 2006, the voters approved a $25 million Park Bond Referendum of which $10 million was earmarked to fund the conversion of up to 12 fields from natural turf to synthetic turf. Funding of $500,000 had been dedicated to this program annually; however, in FY 2012 athletic services fee revenue funding of $150,000 has been redirected in order to establish a turf field replacement program.			
005017	Athletic Services Fee-Turf Field Replacement (Countywide)	Continuing	$150,000
Funding is included to establish a new turf field replacement program. Funding of $150,000 is supported by the athletic services fee revenue and $350,000 is supported by the General Fund. There are currently 32 operational turf fields throughout the County. The oldest field was built in September 2003 and is over 8 years old. Generally the useful life of a turf fields is 8 to 10 years, with replacement costs estimated at approximately $400,000 per field. Turf fields have proven to be much easier to maintain and are superior to grass surfaces in terms of playability and safety. There are over 100,000 youth and adults that participate annually on rectangular fields that benefit from turf fields. If turf fields are not replaced when needed, they would need to be closed due to safety reasons. In FY 2012 the replacement program has been initiated at the $500,000 level; however, based on the age and number of turf fields, a contribution of approximately $1.0 million annually would be required to fully fund the replacement program. The FY 2012 level will allow the County to begin to plan for the gradual replacement of turf fields as they reach the end of their useful life, without a significant disruption in service.			

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
005014	Athletic Services Fee-Custodial Support (Countywide)	Continuing	$275,000
Funding is included for custodial support of indoor gyms used by sports organizations. The use of FCPS indoor facilities on the weekend requires FCPS to schedule a school system employee to open and close the facility. Revenue generated from the Athletic Services Fee has been used to provide payment for FCPS staff, eliminating the need for indoor sports organizations to pay the hourly rate previously charged. This project is entirely supported by revenue generated from the Athletic Services Fee and managed by the Department of Neighborhood and Community Services.			
U00060	Developer Defaults (Countywide)	Continuing	$300,000
Funding is included to support the Developer Default program. This project is necessitated by economic conditions surrounding the construction industry that result in some developers not completing required public facilities, including acceptance of roads by the state, walkways and storm drainage improvements. Land Development Services (LDS) will identify projects for resolution in FY 2012, as well as respond to requests to prepare composite cost estimates to complete specific developer default projects. Total FY 2012 funding in the amount of $600,000 is included for developer default projects of which $300,000 is projected in developer default revenue, and $300,000 is supported by the General Fund.			
005021	Athletic Field-Sports Scholarships (Countywide)	Continuing	$75,000
Funding is included for the Youth Sports Scholarship Program. The Youth Sports Scholarship program provides support to youth from low-income families who want to participate in community-based sports programs. In FY 2010, youth sports scholarship recipients totaled 2,894. Of the total funding, an amount of $75,000 is included for this program based on the FY 2012 projection of revenue generated from the Athletic Services Fee, and $75,000 is supported by the General Fund.			
009432	Telecommunication and Network Connections (Countywide)	Continuing	$404,500
Funding is transferred from Fund 105, Cable Communications to support wiring, cabling, fiber and communication interconnection equipment associated with phone and data systems at new or expanded facilities scheduled to open in FY 2013. Funding for the wiring and cables must be in place prior to the opening of the facilities based on the building and renovation schedules. The facilities include: Providence Community Center, West Ox Animal Shelter, I-66 Workers Facility, Fair Oaks Police Station and Newington Garage Expansion.			
Total, Fund 303		**Continuing**	**$1,804,500**

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 312, Public Safety Construction			
009223	Jennings Courtroom Renovations (Providence)	$3,222,595	$200,000
An amount of $442,595 is included to complete construction associated with the renovation of a fourth courtroom in the original portion of the Jennings Judicial Center. Of the total funding, an amount of $242,595 is funded by the General Fund and $200,000 is transferred from Fund 105, Cable Communications to support wiring, cabling and other technology costs associated with courtroom technology. Of the 26 courtrooms in the Jennings Building, renovations are complete on three courtrooms, with a fourth courtroom having completed the design phase only. These courtrooms require improved lighting, ductwork realignment, ADA compliance updates, and technology upgrades to remain operational. Courtroom technology improvements will support integrated and mobile evidence presentation, real time court reporting, wireless access, electronic way finding, video conferencing and video arraignment, improving efficiencies and facilitation of court process and services. Funding to complete the remaining 22 courtrooms will be required in future years.			
Total, Fund 312		**$3,222,595**	**$200,000**
Fund 390, Public School Construction			
NA	NA	Continuing	$8,084,711
Funding is included for various school construction projects financed from a state construction grant, Parent Teachers Association/Parent Teacher Organization receipts, and transfers from Fund 090, Public School Operating Fund. For details, see the FY 2012 School Board's Adopted Budget.			
Total, Fund 390		**Continuing**	**$8,084,711**

TOTAL OTHER FINANCING **$28,240,493**

Details: Short-Term Borrowing Associated with Capital Renewal

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
Fund 317, Capital Renewal			
003099	Emergency Building Repairs (Countywide)	Continuing	$2,765,000

Funding provides for planned emergency repairs, minor renovations, and critical 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 abatement, and other non-recurring construction and repair projects. A total of $2,765,000 is included in FY 2012.

Funding in the amount of $1,500,000 is included for critical work at the 60 year old Willston Center including repairs and renovation of restrooms, plumbing fixtures and flooring. The Willston Center building was constructed in the 1950s as an elementary school with much of the original fixtures and systems still in place. The Willston Center is a multi-cultural center offering drop-in recreational programs designed for elementary school children during the spring, summer and winter breaks; an adult education center; a computer learning center; and other community center programs. The restrooms used by both employees and the public currently do not have hot water available and are in extreme need of repairs. This amount also includes the removal of the original floor tiles in the restrooms which have been determined to contain asbestos. Staff and patrons will need to be temporarily relocated while the asbestos mitigation process takes place. FY 2012 funding will provide for a complete restoration of all restrooms in the building to prevent further deterioration, leakage and potential health and safety concerns.

In addition, funding in the amount of $700,000 is included to provide sealant and caulking throughout the entire Government Center parking garage (P1 and P2) as well as install new hood grates which provide for exhaust discharge and protect against water infiltration into the garage. During heavy rain events, flooding occurs in the garage which deteriorates the concrete surfaces and imminent repairs are needed. Funding in the amount of $350,000 is also included to recaulk all windows and expansion joints at the Adult Detention Center facility. Much of the original caulking has failed and water continues to leak into the building presenting an imminent safety hazard.

Lastly, $215,000 is included to conduct a facility assessment at approximately 40 County facilities to specifically identify future capital renewal needs. The last facility assessment was conducted in 2004 on 92 selected facilities (approximately 4.2 million square feet of space), representative of the oldest facilities at the time. 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 estimated. These 92 facilities represent approximately 50 percent of the current inventory. Additional facility assessment funding will allow inspectors to evaluate major building systems, identify cost estimates associated with repair and replacement and plan for future renewal requirements. The study will include approximately 40 of the remaining facilities not evaluated in 2004 which are now aging and require a comprehensive review.

Details: Short-Term Borrowing Associated with Capital Renewal

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
003100	Fire Alarm Systems (Countywide)	Continuing	$1,185,000
Funding is included for the planned replacement of fire alarm systems throughout the County. Fire alarm systems are replaced based on age and difficulty in obtaining replacement parts and service. FY 2012 funding in the amount of $1,185,000 is included for the replacement of the obsolete and aged fire alarm systems at the following County facilities: Pine Ridge, Clifton Fire Station, Sherwood Library, Mason Government Center, Whitman Annex, Lorton Library, Franconia Government Center and the Old Jail portion of the Historic Courthouse.			
009132	Roof Repairs and Waterproofing (Countywide)	Continuing	$1,095,000
Funding is included for the planned replacement or repair of facility roofs and waterproofing systems in County buildings. Maintenance and repairs are required to stop rapid deterioration and damage due to water penetration. As roofs age, repairs are no longer cost effective and replacement is required. Roofs at County facilities range in warranty periods from 10 to 20 years. The warranties on all of the roofs slated for replacement in FY 2012 have expired. In FY 2012, funding in the amount of $1,095,000 is included for roof repairs and replacement including: $250,000 for the 22 year old Gum Springs Community Center, $150,000 for the 13 year old Woodlawn Fire Station, $150,000 for the 23 year old George Mason Library, $150,000 for the 23 year old Baileys Community Center, $120,000 for the 17 year old Sherwood Library, $100,000 for the 24 year old McLean Fire Station, $100,000 for the 51 year old Penn Dawn Fire Station; and $75,000 for the 11 year old roof at the Alban Garage. In general, roof replacement is required every 20 years; however, leaking and damage caused by water infiltration to facilities can require more immediate attention.			
009136	Parking Lot and Garage Repairs (Countywide)	Continuing	$660,000
Funding is included for the planned repair and maintenance of facility parking lots and garages throughout the County. In FY 2012, funding of $660,000 is included for re-paving and repairs to three parking lots. Funding of $350,000 is required to repave the Jermantown Department of Vehicle Services (DVS) Garage based on rapid deterioration of the asphalt. This DVS garage is a heavy traffic facility supporting large volumes of public safety vehicles, trucks and maintenance vehicles entering and exiting the facility daily. With such a large volume of vehicle traffic, the asphalt is deteriorating more rapidly. In addition, repaving and replacement of parking lots and concrete ramps is required at the Pohick Fire Station in the amount of $160,000; and the McLean Fire Station in the amount of $150,000. Parking lots at fire stations tend to deteriorate more rapidly based on the frequent use of heavy apparatus vehicles. In general paving will last 15 years; however, heavy vehicle use, temperature changes, water penetration, chemicals used for snow removal, and fuel leaks from vehicles under repair can cause the asphalt to deteriorate more rapidly.			

Details: Short-Term Borrowing Associated with Capital Renewal

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
009151	HVAC/Electrical Systems (Countywide)	Continuing	$5,570,000

Funding is included for the planned replacement of HVAC systems at prioritized County facilities, based on the severity of problems including overloaded systems, fire hazards, and costly repairs. FY 2012 funding of $5,570,000 will provide for HVAC replacement and electrical repairs at a variety of County facilities. In general, the useful life of HVAC/Electrical systems is 20 years; however, some systems fail earlier due to wear and tear, and often emergency repairs are costly based on difficulty obtaining parts and additional code requirements.

Funding of $4,000,000 is included to replace antiquated HVAC system components at the Old Courthouse which was built in the 1800's. The last HVAC replacement was in 1990 and the system is now beyond its useful life. It is consistently at risk of failure and is requiring increased maintenance efforts due to age and stress on the system. Replacement components include chillers, air handlers, cooling towers and steam boilers which will all need to be replaced and upgraded to meet current code requirements. The Old Courthouse is currently undergoing other renewal efforts which are supported by $6.5 million in General Obligation bonds approved as part of the 2006 Public Safety Bond Referendum. This renewal work is focused on the structural envelop of the building, including securing the foundation to alleviate water damage, repairing and upgrading the masonry around the perimeter of the building and renovating existing space in order to house the County's historic archives. The building has been experiencing leaking, moisture accumulation, and mold issues which can compromise the foundation and structural frame. This work is expected to be completed in the next two years and additional repairs such as additional electrical work, replacement of the generator and security systems will be required in future years.

Funding of $900,000 is provided to replace the electrical distribution system and the uninterruptible power source (UPS) that protects Emergency-911 equipment, including the Computer Aided Dispatch system, and other computers and data centers at the 51 year old Pine Ridge facility. The Pine Ridge facility houses the critical Emergency-911 back-up center, and several Police Department operations such as the Police Motorized Division, SWAT team and other tactical teams. The UPS system protects mission critical computer systems in the event of a power surge or failure and enables the systems to keep running, avoiding disruptions in service. The UPS system is able to assume immediate power during power outages by maintaining operations until backup generators are activated.

Funding of $450,000 is included to replace HVAC system components at the 17 year old New Beginnings facility, and funding of $35,000 is included to replace the air handling unit which regulates air conditioning at the 18 year old Herndon Library. All of these repairs have been classified as safety risks in need of imminent repairs or critical systems beyond their useful life and in risk of failure. In addition, repairs at these two sites are no longer cost effective.

Lastly, funding is provided for replacement batteries to support the UPS systems at two critical facilities. The UPS system protects mission critical computer systems in the event of a power surge or failure and enables the systems to keep running, avoiding disruptions in service. UPS systems are battery operated and in general, the life expectancy of the batteries is 3 to 5 years. Often, frequent system disruptions, power surge events and prolonged battery usage, can result in more frequent battery replacement. FY 2012 includes the planned replacement of batteries at the Jennings Courthouse

Details: Short-Term Borrowing Associated with Capital Renewal

Project Number	Project Name (District)	Total Project Estimate	FY 2012 Funded
in the amount of $60,000 and the McConnell Public Safety and Transportation Operations Center in the amount of $125,000.			
009431	Emergency Generator Replacement (Countywide)	Continuing	$1,350,000
Funding is included for the planned replacement of emergency generators at mission critical County facilities that have outlived their useful life of 25 years. Generators are critical to the mission and operation of County facilities by providing backup power when power outages occur. Generators are maintained at police stations, fire stations and other operationally critical County facilities. FY 2012 funding of $1,350,000 includes: $700,000 for replacement of two generators at the 51 year old Pine Ridge facility $500,000 for replacement of the 21 year old system at the Jermantown Garage; and $150,000 for replacement of the 22 year old Chantilly Fire Station generator. Generators are critical at these facilities due to potential power outages and a disruption in critical operations for staff and the public. In general, these systems last 25 years, but replacement requirements can vary based on wear and tear, frequency of repair requirements, and other signs of imminent failure.			
009600	Elevator/Escalator Replacement (Countywide)	Continuing	$2,375,000
Funding is included for planned elevator or escalator replacement and upgrades for systems that have outlived their useful life and are experiencing frequent breakdowns. FY 2012 funding in the amount of $2,375,000 includes funding of $2,000,000 to address escalator replacement at the 19 year old Jennings Courthouse which is experiencing significant increases in maintenance resulting from a fracture in the escalator track and a large gap between the step and side panel. The escalator is requiring frequent repairs and causing a disruption in service and severe safety concerns for patrons of the Courthouse. In addition $300,000 is required to support design work for elevator replacement at the 19 year old Pennino and Herrity Buildings; and $75,000 is required for the Herrity and Pennino Garage elevators which are both used by employees and the public and could create safety concerns for patrons. Both elevator and escalator replacements will satisfy all current code requirements and provide for the safety of users. Construction funding for upgrades and replacement at the Pennino and Herrity campus will be required once design work is complete.			
Total, Fund 317		**Continuing**	**$15,000,000**

TOTAL SHORT-TERM BORROWING ASSOCIATED WITH CAPITAL RENEWAL **$15,000,000**

FY 2012

ADOPTED BUDGET PLAN

Trends and Demographics

This section includes:

HOUSEHOLD TAX ANALYSES

The following analyses illustrate the impact of selected County taxes on the "typical" household from FY 2006 to FY 2012. This period provides five years of actual data, estimates for FY 2011 based on year-to-date experience, and projections for FY 2012. Historical dollar amounts are converted to FY 2012 dollar equivalents for comparison purposes using the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore area. While the Washington metropolitan area experienced average annual inflation of 4.3 percent from FY 2006 to FY 2008, slight deflation occurred in FY 2009 due to the economic downturn. Moderate inflation returned in 2010 and is expected to continue in FY 2011, as evidenced by the 2.3 percent increase reported for the area in January 2011. Projections for inflation in FY 2011 and FY 2012 are based on a forecast of 2.0 percent in FY 2011 and 2.5 percent in FY 2012 using the January 2011 issue of the *Blue Chip Financial Forecasts*, and adjusting for a somewhat higher rate of inflation that has occurred in the Washington area, compared nationally.

HOUSEHOLD TAXATION TRENDS: SELECTED CATEGORIES FY 2006 - FY 2012

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. The Real Estate Tax analysis includes the adopted FY 2012 Real Estate tax rate of $1.07 per $100 of assessed value. 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.

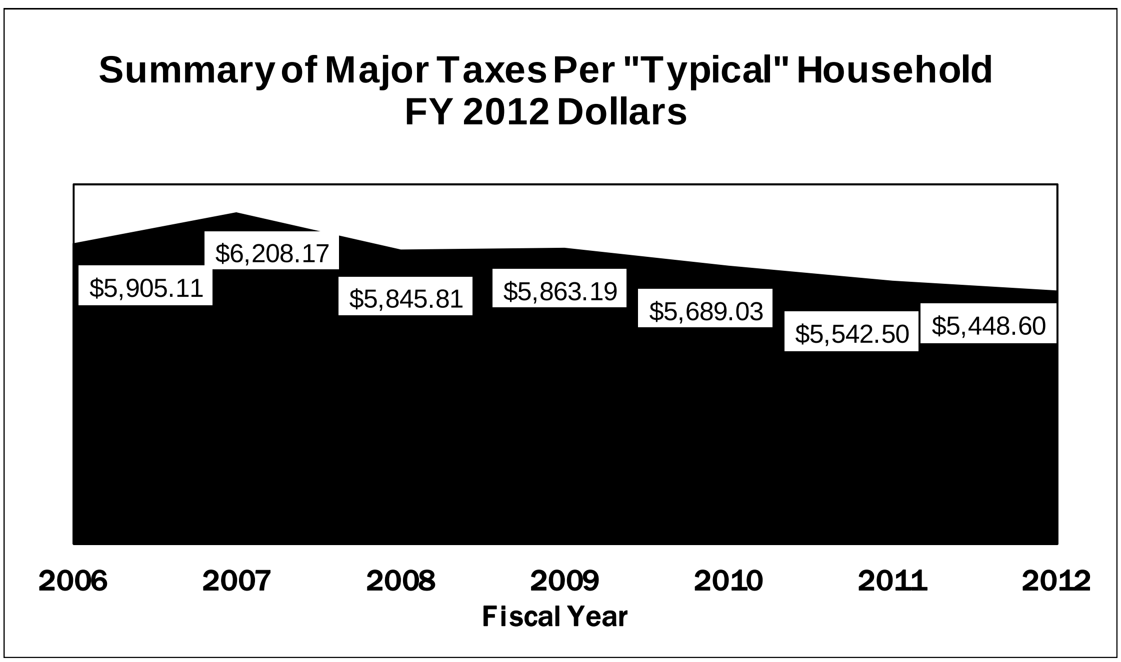
In FY 2012, selected County General Fund taxes are projected to remain relatively stable, when compared to FY 2011, after adjusting for inflation. The "typical" household in Fairfax County is projected to pay $5,448.60, $93.90 less than in FY 2011, after adjusting for inflation. From FY 2006 to FY 2012, the inflation adjusted County taxes paid by the "typical" household have declined $456.51. Note that taxes paid in FY 2006 through FY 2012 reflect the Commonwealth's Personal Property Tax Relief Act, which reduces an individual's Personal Property Tax liability on vehicles valued up to $20,000 (see the section entitled "Personal Property Tax per Typical Household" for more information.)

Summary of Major Taxes Per "Typical" Household

	Number of Households	Real Estate Tax in FY 2012 Dollars	Personal Property Tax in FY 2012 Dollars[1]	Sales Tax in FY 2012 Dollars	Consumer Utility Tax in FY 2012 Dollars	Total Taxes in FY 2012 Dollars[1]
FY 2006	378,990	$5,094.37	$288.65	$456.99	$65.10	$5,905.11
FY 2007	381,227	$5,353.44	$328.53	$461.36	$64.84	$6,208.17
FY 2008	381,686	$5,043.54	$301.54	$440.29	$60.44	$5,845.81
FY 2009	384,400	$5,094.08	$289.15	$422.02	$57.94	$5,863.19
FY 2010	386,400	$4,978.82	$245.53	$404.64	$60.04	$5,689.03
FY 2011[2]	388,600	$4,842.26	$245.14	$395.83	$59.27	$5,542.50
FY 2012[2]	390,900	$4,746.00	$260.65	$383.90	$58.05	$5,448.60

[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 2005 through FY 2006 include a 70.0 percent reduction. Due to the Commonwealth capping the Personal Property Tax Relief program's reimbursement to localities, the reductions were 66.67 percent in FY 2007, 67.0 percent in FY 2008, 68.5 percent in FY 2009, and 70.0 percent in FY 2010 and FY 2011. The FY 2012 reduction has been set at 68.0 percent. The difference in revenue will be paid to the County by the Commonwealth.

[2] Estimated.



Real Estate Tax
Per "Typical" Household

	Mean Assessed Value of Residential Property	Tax Rate per $100	Tax per Household	Tax per Household in FY 2012 Dollars
FY 2006	$448,491	$1.00	$4,484.91	$5,094.37
FY 2007	$544,541	$0.89	$4,846.41	$5,353.44
FY 2008	$542,409	$0.89	$4,827.44	$5,043.54
FY 2009	$525,132	$0.92	$4,831.21	$5,094.08
FY 2010	$457,898	$1.04	$4,762.14	$4,978.82
FY 2011[1]	$433,409	$1.09	$4,724.16	$4,842.26
FY 2012[1]	$443,551	$1.07	$4,746.00	$4,746.00

[1] Estimated.

As shown in the preceding table, Real Estate Taxes per "typical" household are projected to increase $21.84 between FY 2011 and FY 2012 to $4,746.00, not adjusting for inflation. This increase is the result of the 2.34 percent increase in the mean assessed value of residential properties within the County due to the stabilizing real estate market, partially offset with the adopted 2-cent decrease in the FY 2012 General Fund Real Estate Tax rate to $1.07 per $100 of assessed value.

Since FY 2006, Real Estate Taxes have increased $261.09, or an average annual increase of 0.9 percent per year, not adjusting for inflation. Adjusted for inflation, Real Estate Taxes per "typical" household are $348.37 less than in FY 2006, an average annual decrease of 1.2 percent.

Personal Property Tax
Per "Typical" Household

	Personal Property Taxes Attributed to Individuals	Number of Households	Tax per Household	Tax per Household in FY 2012 Dollars	After PPTRA: Adjusted Tax per Household[1]	After PPTRA: Adjusted Tax per Household in FY 2012 Dollars[1]
FY 2006	$321,026,237	378,990	$847.06	$962.17	$254.12	$288.65
FY 2007	$340,181,270	381,227	$892.33	$985.69	$297.41	$328.53
FY 2008	$333,823,546	381,686	$874.60	$913.75	$288.62	$301.54
FY 2009	$334,648,575	384,400	$870.57	$917.94	$274.23	$289.15
FY 2010	$302,475,782	386,400	$782.80	$818.42	$234.84	$245.53
FY 2011[2]	$309,795,467	388,600	$797.21	$817.14	$239.16	$245.14
FY 2012[2]	$318,403,200	390,900	$814.54	$814.54	$260.65	$260.65

[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 2005 through FY 2006 include a 70.0 percent reduction. Due to the Commonwealth capping the Personal Property Tax Relief program's reimbursement to localities, the reductions were 66.67 percent in FY 2007, 67.0 percent in FY 2008, 68.5 percent in FY 2009, and 70.0 percent in FY 2010 and FY 2011. The FY 2012 reduction has been set at 68.0 percent. 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. Personal Property Taxes paid reflect the Commonwealth of Virginia's Personal Property Tax Relief Act (PPTRA), which reduced an individual's Personal Property Tax payment by 70.0 percent in FY 2005 through FY 2006. Beginning in FY 2007, statewide reimbursements were capped at $950 million with each locality receiving a percentage allocation from this fixed amount determined by the locality's share of statewide tax year 2005 collections. Each year, County staff must determine the reimbursement percentage based on the County's fixed reimbursement of $211.3 million and an estimate of the number and value of vehicles that will be eligible for tax relief. As the number and value of vehicles in the County vary, the percentage attributed to the state will fluctuate. Based on a County staff analysis, the effective state reimbursement percentage was 66.67 percent in FY 2007, 67.00 percent in FY 2008, 68.50 percent in FY 2009, and 70.0 percent in FY 2010 and FY 2011. The FY 2012 reimbursement percentage has been set at 68.0 percent.

The tax per household analysis shown above 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. Personal Property Taxes per "typical" household are projected to increase $21.49 between FY 2011 and FY 2012 to $260.65 based on a 68.00 percent state share. The FY 2012 Personal Property Tax per "typical" household is $6.53 more than what was paid in FY 2006, not adjusting for inflation. When adjustments are made for inflation, the "typical" household is projected to pay $28.00 less in FY 2012 than FY 2006. There have been no changes to the Personal Property Tax rate of $4.57 per $100 of assessed value for individuals during the FY 2006 to FY 2012 period, except for mobile homes and boats, which are taxed at the prevailing Real Estate Tax rate each fiscal year.

Vehicle Registration Fee

The FY 2012 Adopted Budget Plan also includes an annual Vehicle Registration Fee on motor vehicles. The fee is levied at $33 for passenger vehicles that weigh 4,000 pounds or less and $38 on passenger vehicles that weigh more than 4,000 pounds. The fee for motorcycles is $18. This fee was levied prior to FY 2007 at $25 for all passenger vehicles regardless of weight and at $18 for motorcycles.

Sales Tax
Per "Typical" Household

	Total Sales Tax	Number of Households	Tax per Household	Tax per Household in FY 2012 Dollars
FY 2006	$152,475,529	378,990	$402.32	$456.99
FY 2007	$159,224,006	381,227	$417.66	$461.36
FY 2008	$160,855,221	381,686	$421.43	$440.29
FY 2009	$153,852,596	384,400	$400.24	$422.02
FY 2010	$149,547,338	386,400	$387.03	$404.64
FY 2011[1]	$150,067,655	388,600	$386.18	$395.83
FY 2012[1]	$150,067,655	390,900	$383.90	$383.90

[1] Estimated.

As shown in the table above, FY 2012 Sales Tax paid per household is estimated to be $383.90 or $18.42 less than FY 2006, not adjusting for inflation. This represents an average annual decrease of 0.8 percent since FY 2006. Adjusting for inflation, Sales Tax paid per household has decreased $73.09 during the same period, representing an average annual decrease of 2.9 percent.

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 segment 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 hub in the region, the contribution of non-residents to the County's Sales Tax revenues will continue to expand.

Consumer Utility Taxes - Gas & Electric Per "Typical" Household

	Utility Taxes Paid by Residential Consumers	Number of Households	Tax per Household	Tax per Household in FY 2012 Dollars
FY 2006	$21,718,201	378,990	$57.31	$65.10
FY 2007	$22,376,664	381,227	$58.70	$64.84
FY 2008	$22,081,309	381,686	$57.85	$60.44
FY 2009	$21,124,481	384,400	$54.95	$57.94
FY 2010	$22,192,306	386,400	$57.43	$60.04
FY 2011[1]	$22,468,578	388,600	$57.82	$59.27
FY 2012[1]	$22,693,264	390,900	$58.05	$58.05

[1] Estimated.

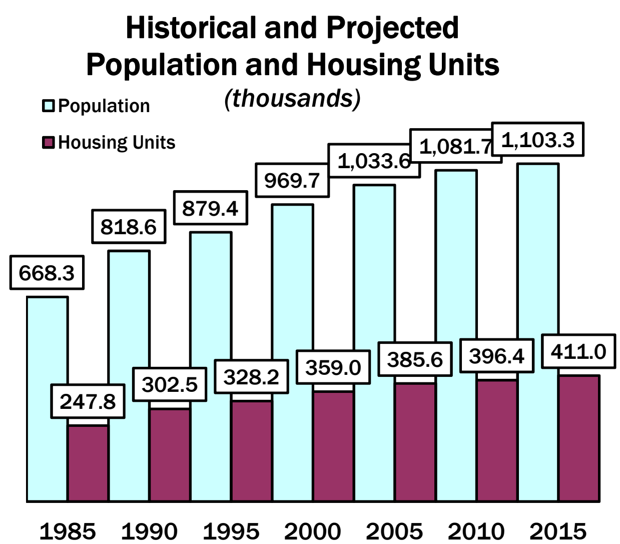
Based on data from the utility companies, it is estimated that residential consumers pay approximately 43.0 percent of the Electric Taxes and 73.0 percent of the Gas Taxes received by the County. Utility Taxes per household have remained relatively stable from FY 2006 through FY 2012. In FY 2012, the "typical" household will pay an estimated $58.05 in Consumer Utility Taxes, a modest $0.74 more than in FY 2006, without adjusting for inflation. From FY 2006 to FY 2012, the "typical" household has experienced an average annual decrease of 1.9 percent, or $7.05 over the period, adjusted for inflation.

DEMOGRAPHIC TRENDS

Demographic trends strongly influence Fairfax County's budget. Changing demographics or population characteristics affect both the cost 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. Where possible, charts have been updated to include recently released information regarding Fairfax County's population from the 2010 Census. However, at this time, not all detailed data are available.

Population and Housing

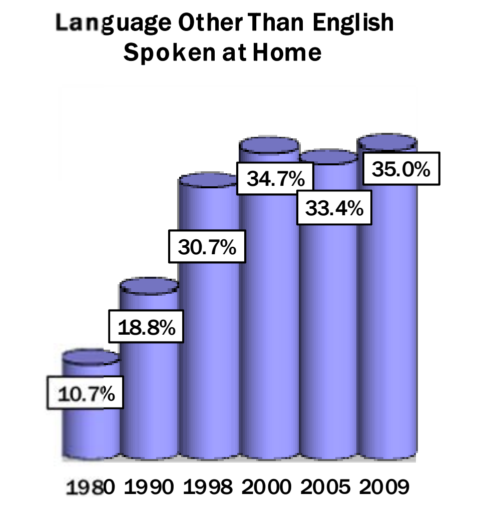
Some of the strongest demographic influences on Fairfax County expenditures and revenues are those associated with the growth in total population and housing units. During the 1980s, the County went through a period of notable population growth, adding over 220,000 residents. Growth moderated during the 1990s and the County's population expanded by 150,000 residents. Even though population growth in the 1990s was not as brisk as in 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. The County's population growth has continued to decelerate, adding 112,000 residents between 2000 and 2010. Based on the 2010 U.S. Decennial data, Fairfax County had a population of 1,081,726 residents in 2010. Between 2010 and 2015, the population of Fairfax County is expected to increase over 21,500 residents to 1,103,253.



Sources: 2010 U.S. Decennial Census; Fairfax County Department of Neighborhood and Community Services.

From 1980 to 1990, the number of housing units in Fairfax County rose at a faster rate (40 percent) than population (37 percent). This was due to the construction boom of the 1980s. Between 1990 and 2000, housing units grew 18.7 percent, just slightly above population growth of 18.5 percent. From 2000 to 2010, this trend reversed, with population growth at 11.5 percent, surpassing housing unit growth of 10.4 percent. From 2010 to 2015, population and housing units are anticipated to grow 2.0 percent and 3.7 percent, respectively. 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.

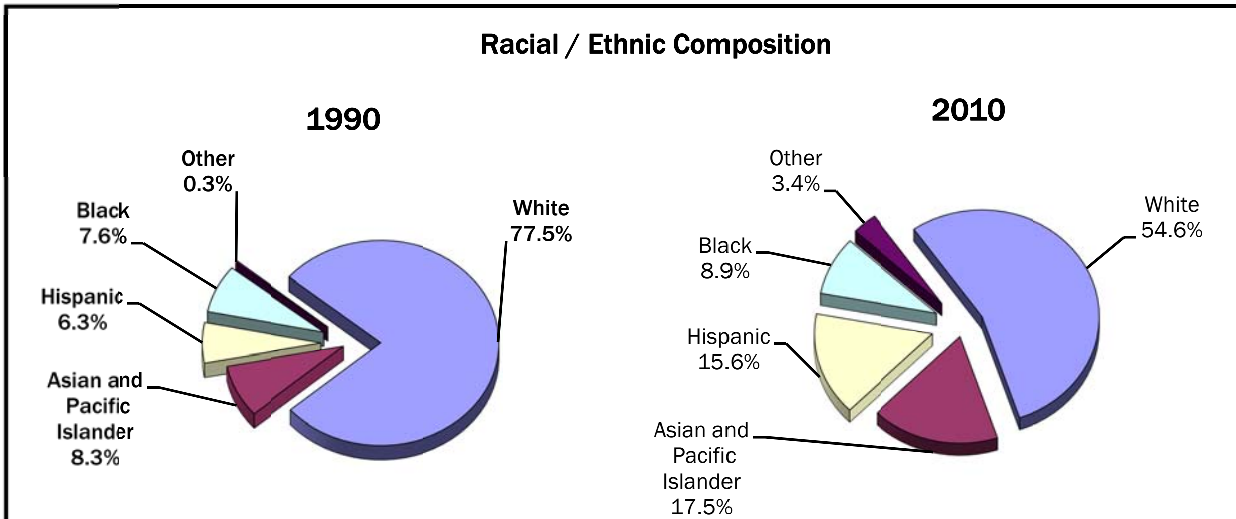
Cultural Diversity



Sources: 1980 and 1990 U.S. Decennial Censuses; 1998 Household Survey; 2000 Fairfax-Falls Church Community Assessment Survey; 2005 and 2009 American Community Surveys.

Fairfax County's population is rich in diversity. As of 2009, the number of persons, age five years and older, speaking a language other than English at home is estimated to be over 336,000 residents. This represents over a third of the County's population. In 1980, less than 11 percent of residents age five years or older spoke a language other than English at home. This percentage rose to nearly 19 percent in 1990. By 2000, it was 34.7 percent. The most frequently spoken languages other than English include Spanish, Korean, Vietnamese and Chinese.

These language trends affect many County programs. For example, the Fairfax County Public Schools have experienced rapid growth in English for Speakers of Other Languages (ESOL) programs. Between FY 2000 and FY 2010, total public school membership increased 11.6 percent, while ESOL enrollment grew approximately 41.7 percent. Also, general government services such as the courts, police, fire and emergency medical services, as well as human service programs and tax related programs are impacted by the County's cultural and language diversity. The County continues to develop various means to effectively communicate with residents for whom English is not their native language.



Sources: 1990 and 2010 U.S. Decennial Censuses.

In 1990, racial and ethnic minorities comprised less than a quarter of Fairfax County's population. In 2010, over 45 percent of County's population consisted of ethnic minorities. The two fastest growing groups are Hispanics and Asians and Pacific Islanders, which have both more than doubled their share of the County's population between 1990 and 2010. These two minority groups are anticipated to remain the County's most rapidly expanding racial or ethnic groups during the next five years. As the County's population continues to become more diverse, the number of persons speaking a language other than English at home is anticipated to continue to grow and impact a wide range of services provided by the County.

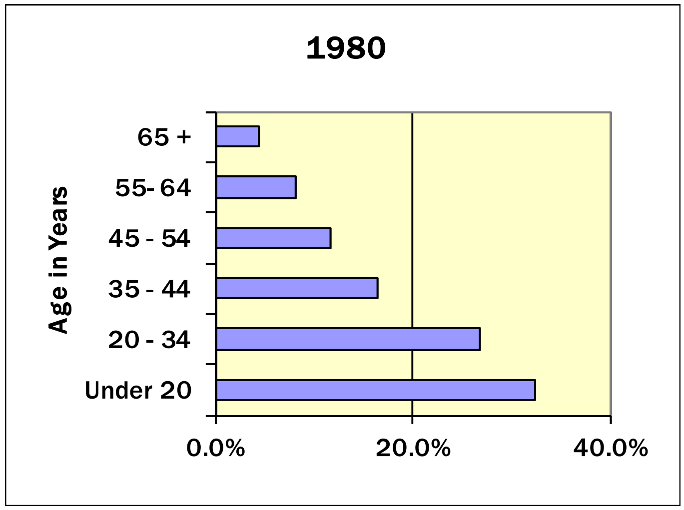
Population Age Distribution

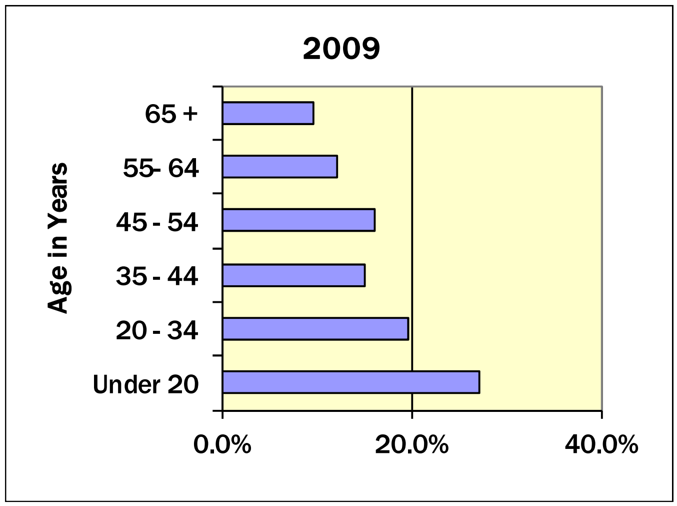
Fairfax County's population has grown steadily older since 1980. Between 1980 and 2009, the percentage of children age 19 years and younger became a smaller proportion of the total population, dropping from 32.4 percent to 27.3 percent in 2009. This trend is anticipated to continue through 2015, with the percentage of those 19 years old and younger falling to 25.8 percent

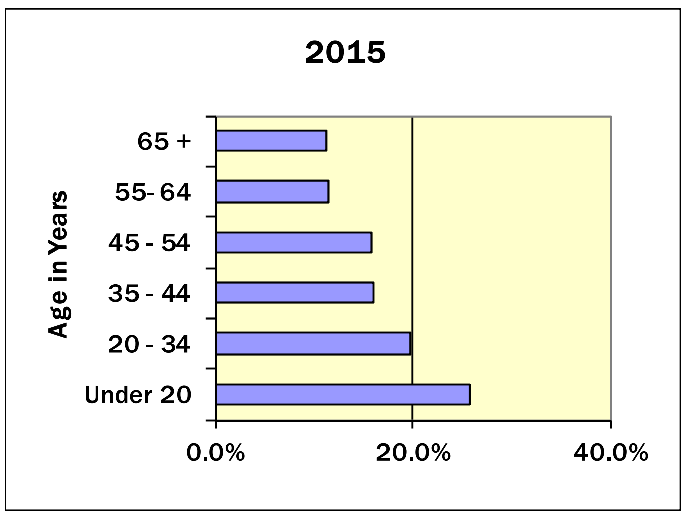
The number of adults age 45 to 54 years expanded rapidly between 1980 and 2009, as the first "baby boomers" began to enter into their fifties. This age group's sharp growth trend will begin to reverse between 2009 and 2015, as the final "baby boomers" enter this age group and the oldest of the "baby boom" generation move to the next age group.

Between 1980 and 2009, the seniors' population, those age 65 years and older, more than doubled in size and was the fastest growing segment of County residents. This age group is expected to continue increasing in size, with its share of the population reaching 11.2 percent by 2015.

The age distribution of Fairfax County's population greatly impacts 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 growing number of persons age 65 years and older will influence expenditures for programs such as adult day care, senior centers, and health care.







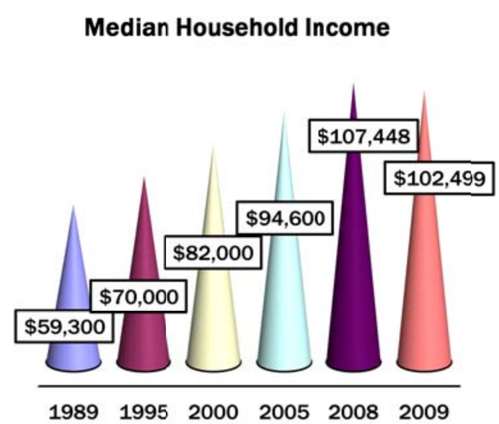
Sources: **1980 U.S. Decennial Census, 2009 American Community Survey and 2015 Fairfax County Department of Systems Management for Human Services estimate.**

Public safety programs also are impacted 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.

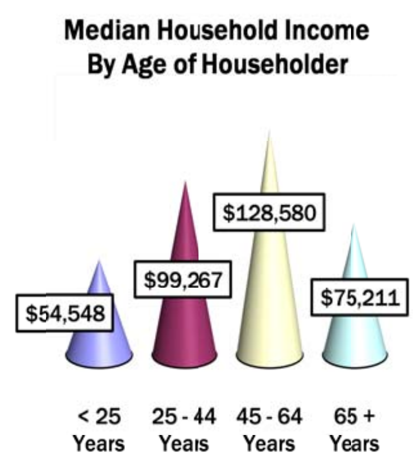
Household Income

The median household income in Fairfax County was $102,499 in 2009, the second highest in the nation for counties with a population of 250,000 or more after neighboring Loudoun County. Fairfax County's 2009 median household income decreased 4.6 percent from 2008. Consequently, households in Fairfax County had lower discretionary income to spend or save. Since 1989, median household income in the County has risen at a rate of 2.8 percent per year.

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



Sources: 1980 and 1990 U.S. Decennial Censuses; 1998 Household Survey; 2000 Fairfax-Falls Church Community Assessment Survey; 2005 and 2009 American Community Surveys.



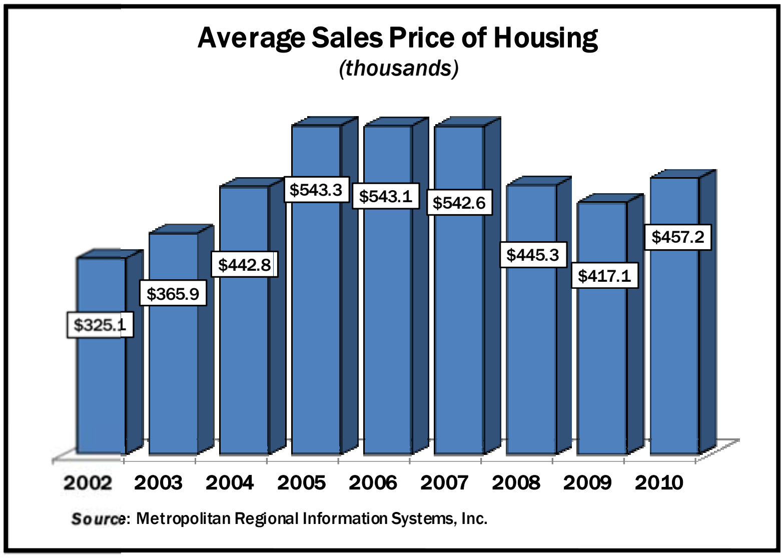
Source: 2009 American Community Survey.

Incomes peak among persons aged 45 to 64 years, who are in their prime earning years. As the number of households headed by this age group is projected to shrink during the next 10 years, various tax revenues may be impacted. Sales Tax revenues, for instance, may experience more modest growth. The median income for heads of households between the ages of 45 and 64 was $128,580 in 2009.

The median household income of people age 65 or older drops to $75,211. A population containing a larger number of seniors, age 65 and older, will put downward pressure on tax revenues. These senior households are typically on a fixed income and have less discretionary money to spend. In addition, persons in this age group own fewer motor vehicles and may qualify for Real Estate Tax Relief.

ECONOMIC TRENDS

Average Sales Price of Housing

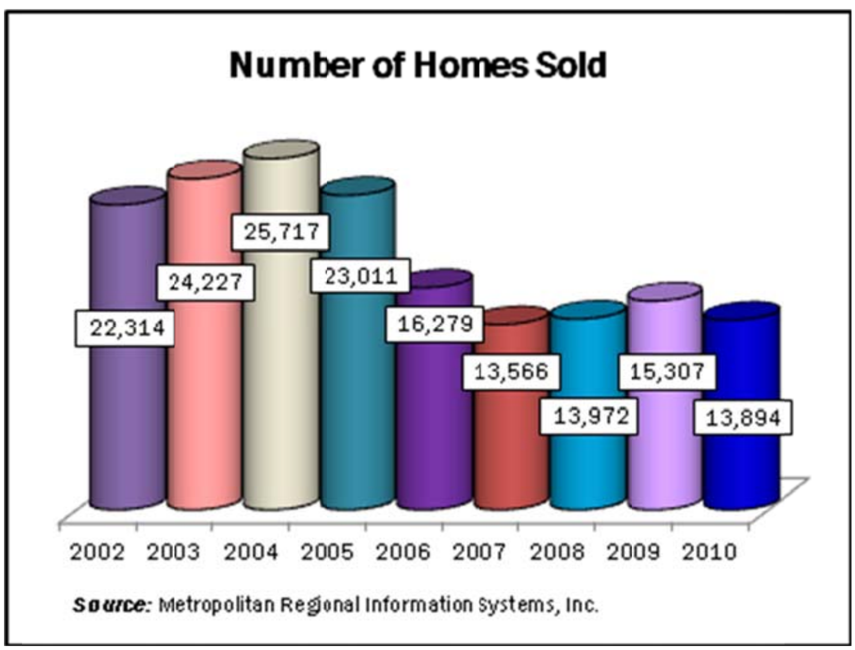


Based on final data from the Metropolitan Regional Information Systems, Inc. (MRIS), the average sales price for all types of homes sold in Fairfax County increased 9.6 percent from $417,111 in 2009 to $457,174 in 2010. This marks the first year in which the average sales price of homes sold increased, after three consecutive years of declining home values in the County. The stagnant sales price encountered in 2006 signaled a rapid turnaround from the double-digit increases in sales price appreciation experienced during the preceding five years. In 2005, the average sales price for housing in Fairfax County was more than 67 percent higher than the average sales price of a home sold in 2002.

In FY 2012, Real Estate Tax revenue is projected to comprise more than 62 percent of all General Fund Revenues and residential properties make up the majority of the value of the Real Estate Tax base. As a result, the changes in the residential housing market have a very significant impact on Fairfax County's revenues.

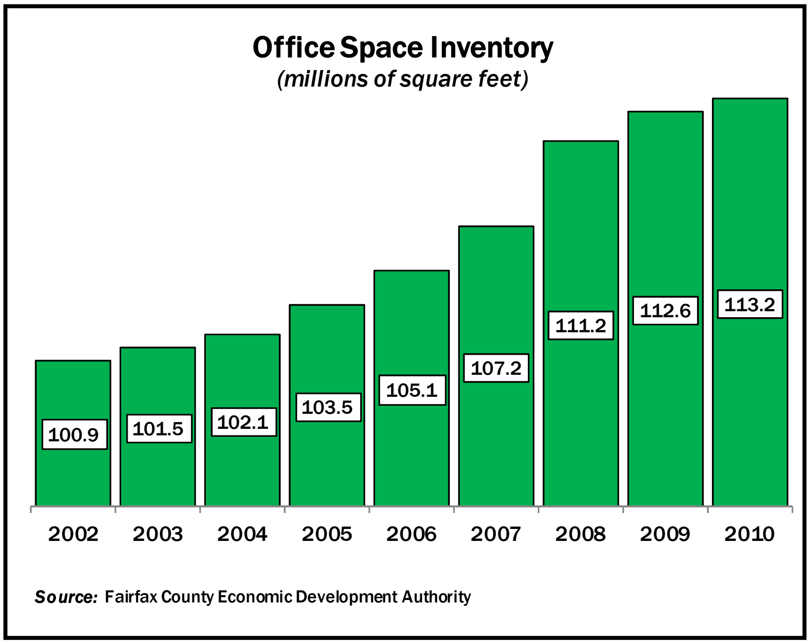
Homes Sold in Fairfax County

After increasing in 2009, the number of homes sold in Fairfax County declined in 2010. Based on final data from MRIS, the number of homes sold in 2010 was 13,894, a 9.2 percent decrease from the 15,307 sold in 2009. From 2002 through 2004, the number of homes sold increased annually and peaked in 2004, when 25,717 homes were sold. In 2010, 46.0 percent fewer homes were sold than in 2004.



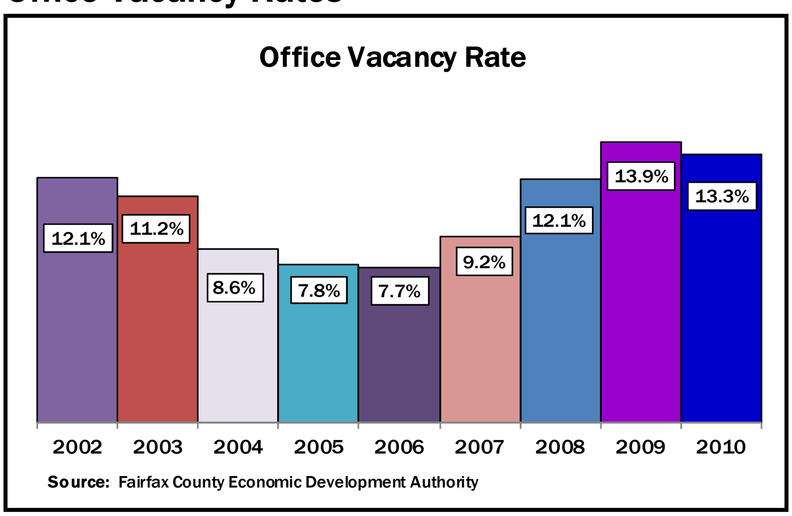
Based on data from the Metropolitan Regional Information Systems Inc., the average days on the market for active residential real estate listings in Fairfax County was 50 days for all of 2010 – 21 days faster than the 2009 level of 71 days.

Office Space Inventory



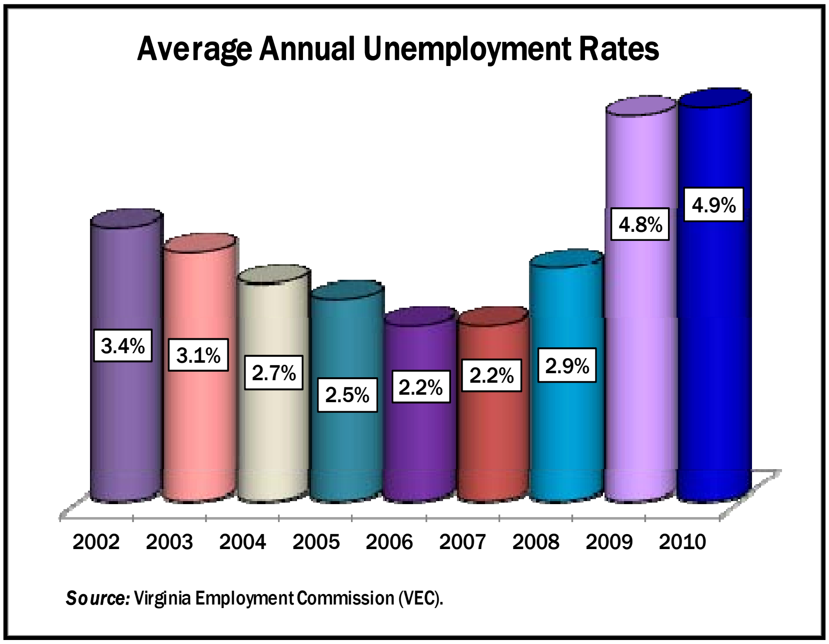
The amount and value of nonresidential space in Fairfax County has a significant impact on revenues and expenditures. Business activity has an effect on Real Estate Taxes, business Personal Property Tax revenues and Business, Professional and Occupational License (BPOL) revenues. Business expansion also influences expenditures for water and sewer services, transportation improvements, police and fire services, and refuse disposal. The largest component of non-residential space in the County is office space. Since 2002, the total inventory of office space in Fairfax County has risen 12.3 million square feet to 113.2 million square feet at the close of 2010. The worldwide financial crisis experienced at the end of 2008 and the lack of available credit slowed down new office development. According to the Economic Development Authority, however, distressed commercial office sales were minimal through 2010 and cash-rich investors are poised to take advantage of a new round of commercial investment in 2011, if the increased sales activity in 2010 is any indication. Some new speculative office space may be developed during the second half of 2011, as developers have positioned a number of properties to break ground as demand increases.

Office Vacancy Rates

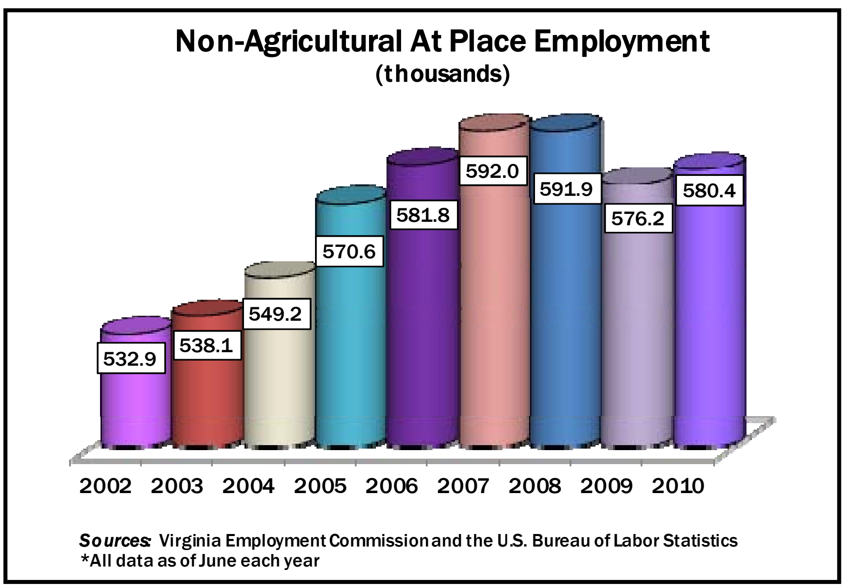


In 2002, the office vacancy rate almost doubled to 12.1 percent, up from 6.4 in 2001, as a result of the economic slow-down, particularly in the technology sector. Since the peak in 2002, office vacancy rates gradually improved through 2006. However, at the end of 2007, the office vacancy rate increased to 9.2 percent. This trend continued and accelerated in 2008, with the office vacancy rate rising to 12.1 percent. By year-end 2009, the direct office vacancy rate increased to 13.9 percent, the highest on record since 1992. Including sublet space, the office vacancy rate was 16.4 percent, up from 14.5 percent at year-end 2008 and the highest on record since 2003. As of year-end 2010, the vacancy rate declined to 13.3 percent, while the overall office vacancy rate (including sublet space) decreased to 15.3 percent. Lease rates stabilized countywide during 2010. The larger office markets experienced increases in lease rates for higher-end office properties. The incentives that landlords offered tenants during the last half of 2009 and the first half of 2010 were not as prevalent during the last half of the year. Packages were still available but only to larger tenants or tenants willing to sign long-term lease agreements. No new speculative developments broke ground in 2010.

Employment



Unemployment rates show the strength of the Fairfax County economy by indicating how many Fairfax County residents are actively seeking but are unable to obtain employment. During the last decade, residents of Fairfax County have experienced low unemployment rates even during economic recessions. The annual unemployment rate rose in 2002 to 3.4 percent due to the effects of the September 11 attacks and a decline in the technology sector. As the economy improved and the availability of jobs grew -- mainly driven by an increase in federal procurement -- the unemployment rate dropped in 2003 and 2004. The rate continued to fall through 2007. Due to the economic downturn, the average unemployment rate in 2008 increased to 2.9 percent. Job losses accelerated in 2009 as indicated by the average unemployment rate of 4.8 percent. In 2010, the unemployment rate rose again, albeit slightly, to 4.9 percent. In the last three recessions, the unemployment rate never exceeded 4.0 percent.



At place employment serves as a gauge of the number of jobs created by businesses located in Fairfax County. Growth in both employment and the number of businesses generate increased tax revenues and additional expenditures for Fairfax County. According to data from the Bureau of Labor Statistics, the number of jobs in Fairfax County expanded at a rate of over 5.0 percent per year from 1998 to 2001. However, when the economy slowed, the number of jobs fell in 2002 and 2003 a total of 15,100. Employment growth rebounded in 2004 and rose 2.0 percent, or 11,150 jobs. Job growth peaked in 2005 with an increase of 21,500 net new jobs, a 3.9 percent increase. Job growth slowed to rates of 2.0 percent and 1.8 percent in 2006 and 2007, respectively, and was essentially flat in 2008. Due to the recession, the number of jobs fell 2.7 percent in 2009. As of June 2010, the estimated number of non-agricultural jobs in the County totals 580,357. This represents an increase of approximately 4,200 jobs over 2009, or 0.7 percent.

FY 2012

ADOPTED BUDGET PLAN

Financial Forecast

This section includes:

Financial Forecast Summary

The following forecast provides preliminary revenue and disbursement projections for FY 2013 through FY 2015. The forecast assumes no change in the General Fund Real Estate Tax rate of $1.07 per $100 of assessed value. Economic assumptions used to develop the forecast are detailed below. It should be noted that FY 2013 property values will be based on calendar year 2011 real estate market activity. Since limited actual data is available, this forecast will be updated throughout the year to help guide the development of the FY 2013 budget. This forecast projects that County General Fund revenue will increase 3.00 percent in FY 2013, 3.23 percent in FY 2014 and 3.39 percent in FY 2015.

Revenue Forecast

Economic Indicators and Assumptions

Economic projections for the national and local economies were reviewed from a variety of sources in the development of these revenue estimates, such as the *Blue Chip Financial Forecasts* that incorporates economic projections from a panel of approximately 50 forecasters, Kiplinger, Global Insight, and the National Association of Realtors. For forecasts of the state and Northern Virginia economies, staff reviewed information from Chmura Economics & Analytics and George Mason University's Center for Regional Analysis. Projections specific to Fairfax County are obtained from Moody's Analytics.

The national economy expanded at a rate of 2.9 percent in calendar year 2010 and is expected to grow between 3.0 and 3.5 percent in 2011. This, however, is not enough to make a significant dent in the national unemployment rate, which is currently at 8.8 percent. Pent-up demand drove the consumer during the 2010 holiday season and with retail sales, excluding vehicle purchases, rising at a rate of 5.9 percent in 2010. Retail sales continued at a strong pace in the first quarter of 2011.

Economic indicators also show improving economic conditions on local level. Moody's Analytics estimates that Gross County Product (GCP), adjusted for inflation, rose at a rate of 2.7 percent in 2010. The County's unemployment rate fell in March to 4.5 percent from 4.6 percent in February. The March unemployment rate equates to approximately 27,300 unemployed residents. The County's unemployment rate is expected to decline further as initial claims for unemployment have fallen over 25 percent during the first three weeks of April 2011.

Northern Virginia has experienced job growth in each of the last 12 months and, in March 2011 there were 15,000 more jobs than in March 2010. George Mason University's Center for Regional Analysis projects job growth in Northern Virginia of approximately 22,000 per year throughout the forecast period. Forecasts from Moody's Analytics show job growth of about 13,000 per year for Fairfax County alone.

Residential Housing Market

While fewer homes sold in 2010, sales prices rose. Based on final information from the Metropolitan Regional Information System (MRIS), the number of homes sold fell 9.2 percent from 15,307 to 13,894. However, the average price of homes sold during the year rose 9.6 percent, after dropping 6.3 percent in 2009. The MRIS data is impacted by the mix of homes sold. The Case-Shiller home price index for the Washington Metropolitan region recorded a 2.7 percent increase in April 2011, the only market to show a year-over-year gain. This index tracks sales prices of the same homes over time and therefore eliminates changes due to a difference in the mix of homes sold. Based on the Case-Shiller index, home prices in the metro area have posted 15 consecutive months of positive annual growth rates beginning in December 2009. Another positive sign for the residential market is a continuing decline in mortgage delinquencies. The percent of loans that were seriously delinquent in the fourth quarter of 2010 declined for the second consecutive quarter. As of the fourth quarter of 2010, 1.6 percent of prime loans and 13.3 percent of subprime loans were 90 or more days past due compared to 2.1 percent and 17.5 percent, respectively in the third quarter of 2010.

During the housing slump, the mean assessed value of residential property fell over 20 percent from its peak value in FY 2007 through FY 2011. In FY 2012, residential assessments rose 2.34 percent, the first increase in five years. A continuation of this trend is anticipated for the forecast period, with increases of 2.35 percent in FY 2013, 2.70 percent in FY 2014 and 3.00 percent in FY 2015. These rates are still below the average annual increase of 4.6 percent that was achieved from FY 1985 through FY 2001, prior to the double digit increases experienced from FY 2002 through FY 2007.

Nonresidential Real Estate

After experiencing a record decline of 18.29 percent in FY 2011, nonresidential real estate values rebounded, rising 3.73 percent. Much of this increase was the result of multi-family apartment properties, which make up nearly 20 percent of the nonresidential base. Apartment values rose 14.54 percent, reflecting strong rental income and rising occupancy rates. Hotel properties also experienced double digit growth in FY 2012 at 11.35 percent. Office Elevator properties (mid- and high-rises), the largest component of the nonresidential tax base, experienced a modest rise of 1.88 percent after falling over 24 percent in FY 2011. During the past year, lease rates stabilized and office vacancy rates declined. The direct office vacancy rate as of year-end 2010 decreased to 13.3 percent, down from a 16-year high of 13.9 percent at the end of 2009. Including sublet space, the overall office vacancy rate was 15.3 percent, down from 16.4 percent. Office space in the County at the end of 2010 totaled 113.2 million and absorption of space reached an all time high of 13.5 million square feet. Office vacancy rates are expected to continue to decline during 2011, as the demand for office space continues to rise with employment gains. During the forecast period, the values of all types of nonresidential values are projected to rise at a moderate pace, with an overall increase of 3.75 percent in FY 2013 and 4.00 percent increases in FY 2014 and FY 2015.

New Construction

The Real Estate Tax base will also be impacted by new construction in the County. Residential building permits issued, an indicator of future construction, rose 11 percent from July through December 2010 compared to the same period of 2009. Residential construction is projected to be slim during the forecast period, with a slight acceleration in FY 2013, partly due to construction in the Tysons Corner area. Office construction has already slowed. Only two new projects totally 175,000 square feet are scheduled to deliver in 2011. The extension of Metrorail to Dulles will impact new construction around Metro stations beginning with FY 2013 assessments. Based on current activity, new construction is projected to add 0.65 percent to the overall real estate base in FY 2013. In FY 2014 and FY 2015, values are expected to rise 0.75 each year as a result of construction activity.

Total Real Estate

In FY 2012, the total Real Estate Tax base rose 3.27 percent, the first increase in three years. Both residential and nonresidential property values increased. Based on the assumptions above, the total Real Estate Tax base is expected to continue to rise at a similar 3.35 percent rate in FY 2013, with modest increases in both residential and nonresidential property values.

Personal Property Taxes

Current Personal Property Tax revenue, which represents over 15 percent of total General Fund revenue, is anticipated to experience an increase of 4.1 percent in FY 2012 as a result of an increase of 4.5 percent in vehicle levy, partially due to an increase in new vehicle purchases. Based on information from the Virginia Automobile Dealers Association, new model vehicle registration in Fairfax County rose 19.5 percent in calendar year 2010. Increases are anticipated to moderate and Personal Property Taxes are expected to grow 2.5 percent in each of the forecast years, FY 2013 through FY 2015.

Other Major Revenue Categories

Sales tax receipts are projected to rise a slight 0.4 percent in FY 2011 and remain level in FY 2012. Discretionary consumer spending over the coming year is expected to be impacted by high gasoline prices. As the economy continues to improve and gas prices stabilize, an up-tick in consumer spending is expected and Sales Tax receipts are projected to grow 3.0 percent in each year during the forecast period. This is lower than historical expansion trends as consumers are expected to restrain credit spending until household debt levels are reduced. In addition, the share of Internet sales, which is often not taxed, is anticipated to continue to rise. Business, Professional and Occupational License (BPOL) revenue is projected to rise 2.0 percent in FY 2012. As job growth accelerates due to improvements in the economy, BPOL is expected to rise 3.5 percent in FY 2013 through FY 2015. Recordation and Deed of Conveyance revenues, which are paid for recording deeds, are anticipated to rise 1.0 percent during the forecast period due to modest projected increases in home sales and mortgage refinancings.

Construction activity is expected to remain fairly constant in FY 2012 with Building and Permit fee revenue rising 0.9 percent as a result of a fee increase effective July 1, 2011. Construction activity and revenue are forecasted to rise a modest 1.0 percent in FY 2013 through FY 2015. Other permits, licenses, and user fees are also expected to experience modest growth throughout the forecast period.

Revenue from Interest on Investments is highly dependent on Federal Reserve actions. The federal funds rate has remained unchanged since the end of 2008, when it was set at 0.0 to 0.25 percent, its lowest in history. The Fed's statement in April 2011 that interest rates would not be raised for an "extended period" indicates that interest rates will hold for several more months. The average annual yield on County investments is anticipated to be 0.60 percent in FY 2012. Modest increases of 25 basis points per year are anticipated throughout the forecast period.

Due to budget shortfalls since FY 2009, the Commonwealth of Virginia has significantly reduced funding to localities. Funding in FY 2009 and FY 2010 to Fairfax County has been reduced $17.0 million, including cuts to state reimbursable salaries, HB599 Law Enforcement Funding and a $3.9 million "flexible" cut each year, which required the County to choose the funding stream in which to make the reduction or to remit payment to the state. The state's FY 2010 – FY 2012 Biennium Budget includes a "flexible" cut in FY 2011 and FY 2012 of $4.5 million and reductions of $8.0 million over the two fiscal years. For purposes of this forecast, funding from the Commonwealth has been held at the FY 2012 level through FY 2015. Revenue from the federal government is also expected to remain even with FY 2012 throughout the forecast period. Since the majority of the revenue from the federal government represents reimbursements associated with expenditure requirements, any additional increase in revenue is expected to be more than offset with expenditure increases.

Based on the assumptions and estimates detailed above, General Fund revenues are projected to experience moderate increases of 3.00 percent, 3.23 percent and 3.39 percent from FY 2013 through FY 2015, respectively. Revenue growth rates for individual categories are shown in the following table:

PROJECTED REVENUE GROWTH RATES

Category	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Real Estate Tax - Assessment Base	-9.20%	3.27%	3.35%	3.75%	4.00%
Equalization	-8.98%	2.67%	2.70%	3.00%	3.25%
Residential	-5.56%	2.34%	2.35%	2.70%	3.00%
Nonresidential	-18.29%	3.73%	3.75%	4.00%	4.00%
Normal Growth	-0.22%	0.60%	0.65%	0.75%	0.75%
Personal Property Tax - Current[1]	-1.40%	4.05%	2.50%	2.50%	2.50%
Local Sales Tax	0.42%	0.00%	3.00%	3.00%	3.00%
Business, Professional and Occupational, License (BPOL) Taxes	0.00%	2.00%	3.50%	3.50%	3.50%
Recordation/Deed of Conveyance	3.47%	-1.38%	1.00%	1.00%	1.00%
Interest Rate Earned on Investments	0.79%	0.60%	0.85%	1.10%	1.35%
Building Plan and Permit Fees	4.27%	0.88%	1.00%	1.00%	1.00%
Charges for Services	0.39%	1.47%	1.75%	1.75%	1.75%
State/Federal Revenue[1]	-1.64%	-4.07%	0.00%	0.00%	0.00%
TOTAL REVENUE	**-2.41%**	**1.13%**	**3.00%**	**3.23%**	**3.39%**

[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.

Disbursement Forecast

Under the assumption that annual disbursements in FY 2013 through FY 2015 will remain at the FY 2012 level, coupled with the projected revenue shown above, no shortfalls are projected for the forecast period. However, in order to fund basic requirements including, but not limited to, compensation and benefits, contract inflationary adjustments, fuel, utilities, and debt service, disbursement requirements are forecasted to increase approximately 5 percent each year. In addition, to support requirements for School operations, the transfer to Schools is also projected to increase 5 percent each year. This increase in disbursement requirements, in combination with modest increases in revenue, results in a forecasted FY 2013 shortfall of approximately $140 million. Moreover, with limited revenue growth anticipated over the next few years and funding requirements estimated to rise approximately 5 percent annually, deficits of $208 million in FY 2014 and $275 million in FY 2015 would be projected.

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FY 2012

ADOPTED BUDGET PLAN

Long-Term Financial Policies and Tools

This section includes:

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) during their last evaluation of counties in 2001. 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. For the past 25 years, Fairfax County has earned the Government Finance Officer's (GFOA) Distinguished Budget Presentation Award. Also, Fairfax County has been nationally recognized as a leader in performance measurement, garnering awards such as the International City and County Management Association's (ICMA) Center for Performance Measurement Certificate of Distinction for each fiscal year from 2004 through 2008. In both 2009 and 2010, the County received ICMA's Certificate of Excellence, its newest and highest level of recognition for excellence in performance measurement. In addition, Fairfax County has also received accolades from the Government Finance Officers Association (GFOA) for "Special Performance Measures Recognition" in fiscal years 2004, 2005, 2007, 2008 and 2009.

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 residents 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. For FY 2012, no changes are recommended. In FY 2008, the Board authorized the use of variable rate debt. Variable rate obligations are debt obligations that are quite frequently used for short term or interim debt financing and have an interest rate that is reset periodically, usually for periods of less than one year. Variable rate debt is typically used to take advantage of low short-term rates in anticipation of converting to longer-term fixed rate financing for complex projects or to mitigate the impact of volatile markets. Prior to the

FY 2008 change, the most recent amendment to the *Ten Principles* was in May 2006 reflecting changes in the economy and the market place. Annual bond sale limits were increased from $200 million to $275 million per year. Prior to that update the last amendments occurred in 2002.

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 a commuter rail and construction of government facilities have all been attained in addition to a robust bond construction program. 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. From 1999 through 2009, the County has approved $2.55 billion of new debt at referendum, with $1.81 billion for Schools.

Since 1975, the savings associated with the County having a "triple-A" bond rating is estimated at $350.5 million. Including savings from the various refunding sales, the total benefit to the County exceeds $486.30 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.

The *Ten Principles* full text is as follows:

Ten Principles of Sound Financial Management
April 21, 2008

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.

Ten Principles of Sound Financial Management
April 21, 2008

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.

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 $275 million per year, or $1.375 billion over five years, with a technical limit of $300 million in any given year. Excluded from this cap are refunding bonds, revenue bonds or other non-General Fund supported debt.

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. Use of variable rate debt is authorized in order to increase the County's financial flexibility, provide opportunities for interest rate savings, and help the County manage its balance sheet through better matching of assets and liabilities. Debt policies shall stipulate that variable rate debt is appropriate to use when it achieves a specific objective consistent with the County's overall financial strategies; however, the County must determine if the use of any such debt is appropriate and warranted given the potential benefit, risks, and objectives of the County. The County will not use variable rate debt solely for the purpose of earning arbitrage pending the disbursement of bond proceeds.

Ten Principles of Sound Financial Management
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f. 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 the 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.

Ten Principles of Sound Financial Management
April 21, 2008

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.

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. As of April 27, 2011, Fairfax County is one of only 36 counties in the country with "triple A" bond ratings from all three rating agencies.

As of April 27, 2011 only a limited number 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 36 of the nation's 3,143 counties
- only 8 of the nation's 50 states
- only 36 of the nation's 19,429 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.

BUDGET GUIDANCE FOR FY 2012 AND FY 2013 – April 12, 2011

At a regular meeting of the Board of Supervisors of Fairfax County, Virginia, held in the Board Auditorium of the Fairfax County Government Center on Tuesday, April 12, 2011, the Board approved the following Budget Guidance for FY 2012 and FY 2013:

FY 2013 Budget Development

Forecast

The Board directs the County Executive to provide a financial forecast for FY 2013 by Fall 2011 to assist Board of Supervisors' decision-making as it relates to guidance to the County and the Schools on the strategic priorities and the budgetary support for programs and services in FY 2013. This forecast shall include revenue projections with a focus on the real estate market and disbursement requirements for FY 2013 and the next several years. Special focus should also be given to the longer term capital requirements of the County.

The Board of Supervisors directs the County Executive to prepare an FY 2013 budget proposal that continues to consider the affordability of taxes for our residents and businesses and attempts to keep taxes steady with FY 2012.

County and School Collaboration

During FY 2012, the Board of Supervisors would like to continue the successful pursuit of opportunities for collaborations that can result in efficiencies, reductions and improvements. Some of the areas that we may want to explore are in the areas of security, transportation and human services.

To build on the increased collaboration between the Schools and County resulting from several recent initiatives, including the Community School Linked Services and Promise Neighborhoods pilot projects, the Board directs County staff to work with School staff to develop a process whereby the BOS and the FCPS School Board adopt a shared vision for an integrated service delivery system that creates greater opportunities for academic success and improved well-being for children, youth and families and creates a policy framework that maximizes resources, minimizes duplication and enhances overall effectiveness.

Budget Process

The Board of Supervisors recognizes the hard work of its various district budget committees in providing analysis and recommendations on the FY 2012 budget and directs staff to continue to support these groups during their work on the FY 2013 process. The work of these groups was extremely valuable in assisting the County navigate the FY 2012 budget process as well as the last several years. Individual supervisors have used a variety of approaches in establishing their committees or identifying key budget advisors within their districts, which has greatly enhanced the public input process. In addition, the ability of committee chairs to share their ideas and research with other groups provided for a robust exchange of ideas in the best tradition of citizen involvement in Fairfax County government and the budget process.

BUDGET GUIDANCE FOR FY 2012 AND FY 2013 – April 12, 2011

Fairfax County Public Schools (FCPS)

The Board of Supervisors acknowledges the continued spirit of cooperation and collaboration demonstrated by the FCPS School Board and staff in working through the significant budget challenges during the last several years.

The Board is extremely supportive of the School Board efforts to fully implement Full Day Kindergarten within existing school resources in FY 2012. As we heard overwhelmingly during our meetings on the budget, Full Day Kindergarten is a community issue and clearly the Board of Supervisors would, if it could, approve the expansion of Full Day Kindergarten to all remaining elementary schools in the County. To assist the School Board with funding and re-prioritizing its resources to accomplish implementation of Full Day Kindergarten countywide, the Board of Supervisors will provide the savings from the elimination of the Kindergarten SACC program ($500,000), which will no longer be necessary if all Fairfax County Public Schools have Full Day Kindergarten. In addition the Board of Supervisors has identified additional Cable funding of $641,904 that can be added to the School Budget. More flexibility is identified in the $1.9 million in funding for the School Nurse Health Program that is being returned from the County to the School Budget. Without this action, this $1.9 million would have reverted to the County to offset its existing School Health expenses in the Health Department. Lastly, as a result of the Board Auditor's work, there may be additional flexibility within the Cable programming funds which go to the Schools. To be available, this would require a reprioritization by Schools of this funding.

The Board of Supervisors endorses the County Executive's recommendation that the increased School Bond program of $155 million a year (or $125 million in increased capacity over the 5 year period of the CIP) be maintained.

In addition, during the current budget process, the Schools approached the County with a proposal for accelerating construction projects in order to take advantage of the favorable construction market by using short-term financing alternatives for energy-related improvements. To accomplish this, County staff is directed to work very closely with the FCPS staff to identify short-term financing alternatives for energy improvements which are anticipated to result in significant energy savings. The savings can be used to pay off the short term debt. As a result it is anticipated that the FCPS capital program will gain additional capacity by as much as $30 million.

The Board of Supervisors encourages the Fairfax County School Board to establish an independent auditor position that would report directly to the School Board. The Board of Supervisors has had an independent auditor since the 1990s and their work has saved millions of taxpayer dollars and resulted in more efficient delivery of services.

Available Balances

The Board of Supervisors directs that remaining balances made available at the Carryover and Third Quarter Reviews that are not required to support critical requirements be held in reserve to address FY 2013 budget challenges and requests that the School Board also reserve available balances for FY 2013 requirements. Recognizing that with the slow economic recovery and the budgetary reductions taken by agencies that have reduced their flexibility it is more important than ever that the County maintain adequate reserve funding for unforeseen requirements.

BUDGET GUIDANCE FOR FY 2012 AND FY 2013 – April 12, 2011

County Staff

The Board of Supervisors has a strong and consistent record of meeting our financial obligations relative to retirement. The Fairfax County Retirement Systems are sufficiently funded to meet all benefit payments into the foreseeable future. Even though our systems, as with all systems nationwide, have experienced significant challenges related to the financial crisis in FY 2009, our systems have had exceptional investment returns, with the Employees' system placing first and the Police Officers system placing second in the nation among all corporate, public and endowment plans.

The Board of Supervisors looks forward to reviewing the study on County retirement benefits once completed which will include a comprehensive understanding of the long term liabilities of the retirement system, recommended options for system affordability and benefits and specific programs. In addition, the Board directs that staff include as part of this discussion a review of the concept of a health insurance opt-back-in for retirees, a review of health savings accounts, i.e. Voluntary Employees Beneficiary Associations (VEBAs), and further changes to the employee contribution to Police retirement.

In conjunction with this analysis, the Board directs the County Executive to include at the *FY 2011 Carryover Review* funding for a reduction in the Social Security offset from 30% to 25% for service-connected disability retirees in the Uniformed and Employees' Retirement Systems. The Board also directs the County Executive to take necessary action to seek amendments to the Fairfax County Code reflecting this change. This will continue the previous commitment to reducing the offset for these retirees which we have been unable to fund during the most recent budget difficulties.

Staff is directed to continue to monitor the impact of the reductions in public safety overtime, especially for Police, and report back to the Board any necessary changes or unanticipated impacts that need to be addressed during FY 2012.

Staff is directed to complete its work on changes to the Pay for Performance program for Board approval at an upcoming Personnel Committee meeting so that any funding implications can be included in the FY 2013 budget. The changes already approved by the Board for FY 2013 include the implementation of a single anniversary date for performance reviews for non-public safety employees and endorsement of a revised pay for performance system that will include a market rate adjustment increase and a variable rate increase based on performance. Both of the increases would be dependent on funding availability.

Human Services

In its testimony on the FY 2012 budget, the Human Services Council commended the budget's support of the safety net we have worked so hard to establish and maintain. There were a number of recommendations made by the Council, many of which have been resolved through adjustments to County revenues or included in the Board's budget proposal. In addition, staff has identified FY 2012 resources to continue the homeless youth initiative which was begun using ARRA funding, and the Board directs that this service be considered within the County's homelessness and housing planning processes as well as the funding pool process in the future. Staff is also encouraged to continue working on leveraging County funds with the private sector to maximize the ability of the community to combat homelessness. Finally, in light of potential federal budget reductions to key services to County residents including Head Start and CDBG, staff is directed to monitor and quantify the impacts and identify options for potential offset of these service reductions.

BUDGET GUIDANCE FOR FY 2012 AND FY 2013 – April 12, 2011

Staff is also directed to review funding requirements for the Housing Blueprint for FY 2012 and identify flexibility in Fund 319 generated from program income, savings from the Crescent refinancing and grant opportunities, and report to the Housing Committee at an upcoming meeting so that any necessary funding adjustments may be made at Carryover.

Direct staff to work with our community stakeholders to review the Ending Homelessness Strategic Plan and develop a framework for providing a full continuum of supports that address the root causes of homelessness. The Housing Blueprint and the Preventing and Ending Homelessness Strategic plan are excellent foundations for addressing homelessness and the availability of adequate affordable housing resources, but to ensure positive and sustainable outcomes, we must work to enhance the capacity of our system to provide support services for those most in need. Our strategy must include new housing resources but also the full continuum of housing supports including customized employment services, affordable health care and childcare in an effort to prevent homelessness and end the cycle of chronic homelessness.

SAFER Grant

The Fire Chief is directed to evaluate SAFER Grant funding opportunities to enhance the local fire departments' abilities to comply with staffing, response and operational standards

A Copy Teste:

Nancy Vehrs

Nancy Vehrs,
Clerk to the Board of Supervisors

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. The target balance of 3.0 percent of General Fund disbursements was to 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 and the Fund would retain the interest earnings on this balance, and the retention of interest would continue until the Reserve is fully funded. It should be noted that as a result of Board of Supervisors' approved General Fund transfers along with projected interest earnings, the fund achieved fully funded status in FY 2006 by reaching its target level of 3.0 percent of General Fund disbursements. Based on the projected earnings on the balance in the fund and depending on the average yield for the portfolio, it is anticipated that the fund will remain fully funded by retaining its interest earnings. However, if adjustments to disbursements result in a target level which exceeds the amount of interest projected to be earned by the fund, a General Fund transfer to this fund would be required to maintain the 3.0 percent of disbursements fully funded target level. Conversely, if the amount of interest projected to be earned by the fund exceeds the amount required to maintain fully funded status, Fund 001, General Fund, will retain the additional interest earnings.

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.

The Revenue Stabilization Fund was used for the first time in FY 2009. As a result of available balances at year end, the full reserve has been replenished.

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 outstanding bond series as required by the Sewer System's General Bond Resolution.

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 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 15.2-2507 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 1.0 percent of expenditures. 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 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 1.0 percent of expenditures.

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.

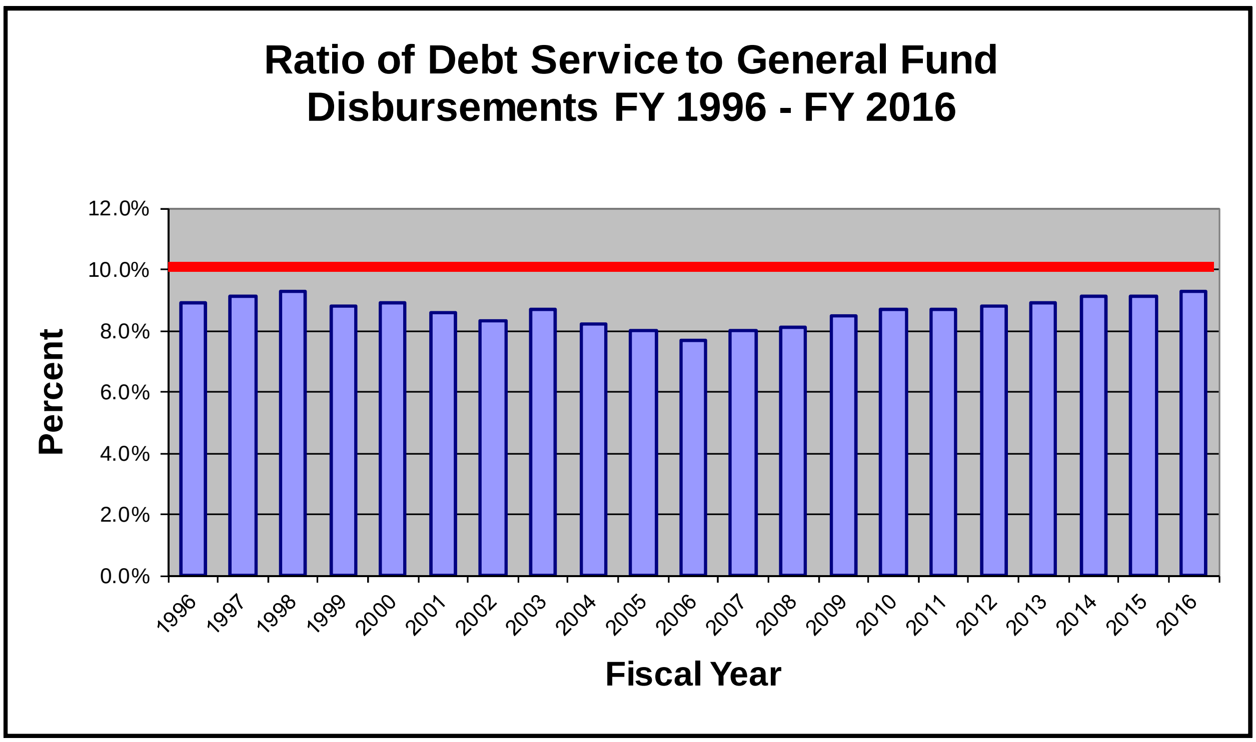
Debt Management/Capital Improvement Planning

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

Fiscal Year Ending	Debt Service Requirements[1]	General Fund Disbursements	Percentage
2008	268,725,268	3,320,946,120	8.1%
2009	285,668,863	3,352,656,206	8.5%
2010	288,850,468	3,308,948,661	8.7%
2011 (est.)	296,223,346	3,402,061,088	8.7%
2012 (est.)	296,987,685	3,377,479,384	8.8%

[1] The amount includes total principal and interest payments on the County's outstanding tax supported debt obligations, including general obligation bonds and other tax supported debt obligations. Source: Fairfax County Department of Management and Budget.



Net Debt as a Percentage of Market Value of Taxable Property

Fiscal Year Ending	Net Bonded Indebtedness[1]	Estimated Market Value[2]	Percentage
2008	2,264,295,513	241,313,000,000	0.94%
2009	2,281,335,444	242,500,000,000	0.94%
2010	2,318,699,150	218,549,000,000	1.06%
2011 (est.)	2,340,933,998	199,503,000,000	1.17%
2012 (est.)	2,434,002,351	206,949,000,000	1.18%

[1] The amount includes outstanding General Obligation Bonds and other tax supported debt obligations as of June 30 in the year shown and is from the Fairfax County Department of Management and Budget.

[2] Source: Fairfax County Department of Tax Administration and the Department of Management and Budget.

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, 2010 was 3.04 percent and has remained less than 4.0 percent since 1981.

The *Ten Principles of Sound Financial Management* establishes 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.

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; and
- 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. On March 18, 2002 the Board of Supervisors adopted a corridor approach to employer contributions. 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 the pre-selected corridor of 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. Additional changes to employer contribution rates may occur 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. It should be noted that, in their budget guidance approved with the adoption of the FY 2010 budget, the Board of Supervisors directed staff to review the requirements placed on the County's retirement systems as a result of the economic downturn. As the County continues to address increasing benefit costs, the volatility of the financial markets and uncertainty about future funding flexibility, the Board felt it was an opportune time to examine and refine a number of policies related to the County's retirement systems, including the corridor funding approach. Staff conducted a comprehensive examination of the current corridor policy and concluded that the corridor approach should be maintained, as it has cushioned the County from dramatic rate increases in the past and is currently providing insulation from the global financial crisis. However, recognizing the difficult economic environment and the impact on investment returns, it is unlikely that the funding ratios for the three systems will increase significantly over the next few years based on the current corridor parameters. Consequently, the corridor will remain at 90-120 percent, as codified in the Fairfax County Code, but every effort will be made to gradually move towards a narrower corridor of 95-105 percent. This solution will allow the County to maintain the flexibility afforded by the current policy with the understanding that increasing contributions to the retirement systems, when feasible from a budgetary perspective, will improve the systems' financial position. At a future date, when the funding ratios of the systems have risen above 95 percent, consideration will be given to formally revising the corridor to 95-105 percent.

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.

Other Post-Employment Benefits (OPEB)

Beginning in FY 2008 the County's financial statements were 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. Currently, the County offers retirees the option of participating in County group health, life insurance, and dental plans. These benefits are offered to retirees at premium rates established using the blended experience of the active and retiree populations. As such, retirees receive an "implicit" benefit, as these premium rates are typically lower than those rates which would be charged by the market. In addition, County retirees receive an explicit benefit through the retiree health benefit subsidy. The County provides monthly subsidy payments to eligible County retirees to help pay for health insurance. The current monthly subsidy, approved in FY 2006, commences at age 55 and varies by length of service. It should be noted that the monthly subsidy is provided to retirees on a discretionary basis, and the Board of Supervisors reserves the right to reduce or eliminate the benefit in the future if the cost of the subsidy becomes prohibitive or an alternative is chosen to aid retirees in meeting their health insurance needs.

GASB 45 requires that the County accrue the cost of 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. The County decided to follow guidance provided by GASB and established an OPEB Trust Fund in FY 2008 to pre-fund the cost of post-employment healthcare and other non-pension benefits. Establishing such a trust fund will allow the County to capture long-term investment returns, make progress towards eliminating the unfunded liability over a 30-year period, and is consistent with the preliminary guidance of the bond rating agencies as it relates to a "triple A" rated jurisdictions response to GASB 45. This methodology mirrors the funding approach used for pension/retirement benefits. As a result, the County is required to make an annual contribution towards the long-term liability. This includes an amount for benefits accrued by active employees during the fiscal year, as well as an additional amount in order to address the unfunded actuarial accrued liability. Progress towards funding the liability will be reported in the County's Comprehensive Annual Financial Report (CAFR) including schedules detailing assets, liabilities and the funding ratio (i.e. how much progress has been made towards funding the outstanding liability).

The actuarial accrued liability will be calculated annually as part of the actuarial valuation and will include adjustments due to benefit enhancements, medical trend experience, and normal growth assumptions. If necessary, adjustments will be made to the annual contribution. Before approving additional benefit enhancements, the County will need to carefully consider not only the impact on the current fiscal year budget, but also the long-term impact on the liability and the annual required contribution.

It should be noted that the Fairfax County Public Schools offer similar benefits to their retirees, which results in a separate OPEB liability. The Schools also created an OPEB Trust Fund, in accordance with guidance provided by GASB, in FY 2008 to begin to address their unfunded liability and pre-fund the cost of other post-employment benefits.

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.

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.

Ten Fundamental Principles of Information Technology (Continued)

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.

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 adopted 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.

The Board of Supervisors has approved Principles of Sound Capital Improvement Planning and Criteria for Recommending Capital Projects which are applied every year in the development of the CIP. 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. The CIP is an integral part of the Adopted Budget Plan and is included on the Budget CD-ROM and on the County's Web site.

In October 2005, Fairfax County adopted revised guidelines for review of unsolicited Public Private Educational Facilities and Infrastructure Act (PPEA) proposals. In FY 2008, project screening criteria as presented in the CIP was approved for determining when an unsolicited PPEA project should be pursued or rejected. It is anticipated that other refinements, including any required legislative updates to the PPEA evaluation and review process will be developed and presented to the Board of Supervisors as needed. As of January 28, 2008, the County will only pursue an unsolicited PPEA project if, based on minimal analysis; the project offers a significant contribution to near term CIP goals, it offers significant savings to the General Fund or a significant positive effect on our debt capacity.

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; and Recordation Tax.

Financial Forecast

A forecast of 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, economic 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.

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:

Strategic Planning – The Balanced Scorecard Approach: The focal point for the framework of the County's current strategic planning process is the Balanced Scorecard initiative. The strategy map and the balanced scorecard comprise the principal elements of the County's "Balanced Scorecard Approach." The focus on the countywide strategic planning process in 2008 centered on the creation by each agency of a "Strategy Map" and a "Balanced Scorecard." The strategy maps are a graphical, cause-and-effect diagram which shows the interdependency of an agency's strategic objectives. It is a framework that helps County agencies translate strategy into operational objectives which drives both organizational behavior and performance. It is an extremely effective management tool that will help agencies align strategy and performance throughout their organizations. The balanced scorecard enables agencies to measure and report on measures in both the financial and non-financial arenas as well as from an internal and external perspective in these four categories: (1) *financial* perspective; (2) *customer* perspective; (3) *internal* processes; and (4) *learning and growth*. By December 2008, most agencies completed both their strategy maps and balanced scorecards. There are also plans for the County to develop both a high-level, countywide strategy map and a balanced scorecard to enable cascading from the broad perspective down to the agency level, thus strengthening the alignment of strategy activities throughout the County.

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. From 2004 through 2008, Fairfax County received the Certificate of Distinction from the International City/County Management Association (ICMA). In both 2009 and 2010, Fairfax County received ICMA's newest and highest recognition for performance measurement, the Certificate of Excellence. In September 2009, Fairfax County also received Special Performance Measures Recognition from the Government Finance Officers Association (GFOA). In addition, Fairfax County has also received accolades from the Government Finance Officers Association (GFOA) for "Special Performance Measures Recognition" in fiscal years 2004, 2005, 2007, 2008 and 2009.

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.

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.

During FY 2007 a further review of County compensation practices, including the pay for performance system, was undertaken. The Board of Supervisors approved changes during their deliberations on the FY 2008 budget. These changes targeted the disconnect between an employee rated as "fully proficient" who received a 1.7 percent pay raise. The previous five rating levels were expanded to seven rating levels in response to focus group feedback that greater rating flexibility was needed in the rating process. The rating labels were also removed. With the exception of the disconnect between "fully proficient" and the 1.7 percent pay increase, the consultant found the County's rating distribution (a basic bell curve but leaning to the higher end of ratings) to be consistent with that of a high performing workforce.

Pay for Performance is being continued; however, in FY 2010, FY 2011 and FY 2012 the program has not been funded given the fiscal environment. Changes to the pay for performance system will be put in place when funding is again available for compensation increases. The revised program will include both a market rate adjustment component and a performance based component. The performance based component is still under development but the existing practice of performance reviews on individual employee anniversary dates will be replaced with a single anniversary date countywide in the fall with all employees receiving the appropriate performance increase at the beginning of the calendar year. The market rate adjustment will continue to be calculated based on an approved formula, but will be applied to all employee groups and pay scales, will be implemented at the beginning of each fiscal year; and be complemented by a pay scale review every 3-5 years to maintain market competitiveness.

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.

In FY 2008, Fairfax County added a Succession Planning component to workforce planning. The Succession Planning process provides managers and supervisors with a framework for effective human resources planning in the face of the dramatic changes anticipated in the workforce over the next five to ten years. It is a method for management to identify and develop key employee competencies, encourage professional development and contribute to employee retention.

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, 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 the Overview Volume.

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FY 2012

ADOPTED BUDGET PLAN

Financial, Statistical and Summary Tables

This section includes:

Note: For information on the FY 2012 Job Classification Plan and the FY 2012 Compensation Plan, please see the County's Department of Human Resources page at http://www.fairfaxcounty.gov/hr/Class/CLASS.HTM.

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 228)

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 231)

Summary of Appropriated Funds

Summary of Appropriated Funds 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 233)

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 234)

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 238)

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 241)

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 244)

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 246)

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 248)

Revenue from the Commonwealth
Summarizes revenues from the Commonwealth of Virginia by fund for the prior, current and upcoming fiscal year. (pages 262)

Revenue from the Federal Government
Summarizes revenues from the Federal government by fund for the prior, current and upcoming fiscal year. (pages 263)

Summary of Expenditures

Personnel Services Summary
Summarizes Personnel Services funding by major expense categories (regular salaries, extra compensation, fringe benefits, etc.) for the General Fund, General Fund Supported funds, and Other Funds. (page 264)

Personnel Services by Agency
Displays Personnel Services funding, organized by fund, program area, and agency or fund. (page 266)

Summary of Employee Benefit Costs by Category
Provides a breakdown of expenditures for all employee benefits by individual category, including health insurance, dental insurance, life insurance, FICA (Social Security), unemployment, workers compensation, language proficiency pay, employee assistance programs and training. (page 269)

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 270)

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 272)

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 273)

Services for Older Adults
Summarizes contributions to services for seniors in General Fund and General Fund Supported agencies. (page 277)

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 284)

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 285)

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 297)

FY 2012 ADOPTED FUND STATEMENT
FUND 001, GENERAL FUND

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2010 Carryover	FY 2011 Third Quarter	Other Actions July - June	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) over Revised
Beginning Balance [1, 2]	**$185,385,547**	**$137,047,282**	**$100,690,378**	**$0**	**$2,539,239**	**$240,276,899**	**$126,297,128**	**$131,175,478**	**($109,101,421)**	**(45.41%)**
Revenue [3]										
Real Property Taxes	$2,115,971,076	$2,009,434,786	$539,768	$0	$5,774,155	$2,015,748,709	$2,076,449,884	$2,035,455,407	$19,706,698	0.98%
Personal Property Taxes [4]	296,171,622	287,310,921	1,205,738	5,413,935	(5,919,545)	288,011,049	306,273,967	306,818,444	18,807,395	6.53%
General Other Local Taxes	460,148,029	474,881,301	0	5,017,853	4,768,476	484,667,630	486,643,993	488,212,410	3,544,780	0.73%
Permit, Fees & Regulatory Licenses	28,665,677	27,719,593	0	2,000,000	168,868	29,888,461	27,921,065	30,152,648	264,187	0.88%
Fines & Forfeitures	14,942,650	16,868,801	0	0	0	16,868,801	16,868,801	16,868,801	0	0.00%
Revenue from Use of Money & Property	21,816,673	18,309,869	0	0	3,182,146	21,492,015	16,711,665	16,711,665	(4,780,350)	(22.24%)
Charges for Services	62,980,797	65,529,312	377,851	0	(2,678,294)	63,228,869	64,789,101	64,161,281	932,412	1.47%
Revenue from the Commonwealth [4]	295,694,307	299,666,641	675,000	4,149,590	1,937,615	306,428,846	301,926,375	301,926,375	(4,502,471)	(1.47%)
Revenue from the Federal Government	48,278,483	29,747,606	0	5,676,567	(51,888)	35,372,285	34,566,131	34,566,131	(806,154)	(2.28%)
Recovered Costs/Other Revenue	5,940,194	8,035,781	0	0	157,983	8,193,764	8,202,074	12,079,289	3,885,525	47.42%
Total Revenue	**$3,350,609,508**	**$3,237,504,611**	**$2,798,357**	**$22,257,945**	**$7,339,516**	**$3,269,900,429**	**$3,340,353,056**	**$3,306,952,451**	**$37,052,022**	**1.13%**
Transfers In										
090 Public School Operating	$0	$0	$0	$0	$0	$0	$3,877,215	$0	$0	-
105 Cable Communications	2,011,708	2,729,399	0	0	0	2,729,399	3,601,043	6,901,043	4,171,644	152.84%
106 Fairfax-Falls Church Community Services Board	0	0	1,329,839	0	0	1,329,839	0	0	(1,329,839)	(100.00%)
311 County Bond Construction	500,000	0	0	0	0	0	0	0	0	-
312 Public Safety Construction	3,000,000	0	0	0	0	0	0	0	0	-
503 Department of Vehicle Services	2,000,000	4,000,000	0	0	0	4,000,000	0	0	(4,000,000)	(100.00%)
505 Technology Infrastructure Services	4,610,443	0	0	0	0	0	0	0	0	-
Total Transfers In	**$12,122,151**	**$6,729,399**	**$1,329,839**	**$0**	**$0**	**$8,059,238**	**$7,478,258**	**$6,901,043**	**($1,158,195)**	**(14.37%)**
Total Available	**$3,548,117,206**	**$3,381,281,292**	**$104,818,574**	**$22,257,945**	**$9,878,755**	**$3,518,236,566**	**$3,474,128,442**	**$3,445,028,972**	**($73,207,594)**	**(2.08%)**
Direct Expenditures										
Personnel Services	$673,673,855	$665,948,300	$1,000,524	($3,528,178)	$708,437	$664,129,083	$672,933,597	$672,679,006	$8,549,923	1.29%
Operating Expenses	327,820,172	339,317,773	47,100,116	688,780	(3,165,928)	383,940,741	345,298,612	345,473,612	(38,467,129)	(10.02%)
Recovered Costs	(42,620,871)	(45,283,240)	0	846,395	48,245	(44,388,600)	(44,628,451)	(44,628,451)	(239,851)	0.54%
Capital Equipment	792,415	0	204,969	0	2,409,246	2,614,215	0	0	(2,614,215)	(100.00%)
Fringe Benefits	201,770,116	233,626,678	17,354,188	0	0	250,980,866	263,151,156	262,890,861	11,909,995	4.75%
Total Direct Expenditures	**$1,161,435,687**	**$1,193,609,511**	**$65,659,797**	**($1,993,003)**	**$0**	**$1,257,276,305**	**$1,236,754,914**	**$1,236,415,028**	**($20,861,277)**	**(1.66%)**

FY 2012 ADOPTED FUND STATEMENT
FUND 001, GENERAL FUND

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2010 Carryover	FY 2011 Third Quarter	Other Actions July - June	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) over Revised
Transfers Out										
002 Revenue Stabilization	$16,213,768	$0	$0	$0	$0	$0	$0	$0	$0	-
090 Public School Operating	1,626,600,722	1,610,334,722	1,255,755	0	0	1,611,590,477	1,610,334,722	1,610,834,722	(755,755)	(0.05%)
100 County Transit Systems	21,562,367	31,992,047	0	0	0	31,992,047	34,455,482	34,455,482	2,463,435	7.70%
102 Federal/State Grant Fund	2,962,420	2,914,001	0	0	0	2,914,001	4,250,852	4,250,852	1,336,851	45.88%
103 Aging Grants & Programs	4,252,824	3,913,560	0	(952,071)	0	2,961,489	0	0	(2,961,489)	(100.00%)
104 Information Technology	13,430,258	3,225,349	10,000,000	5,800,000	0	19,025,349	5,281,579	5,281,579	(13,743,770)	(72.24%)
106 Fairfax-Falls Church Community Services Board	93,615,029	93,337,947	0	(210,840)	0	93,127,107	94,450,326	95,725,326	2,598,219	2.79%
112 Energy Resource Recovery (ERR) Facility	1,722,908	0	1,745,506	0	0	1,745,506	0	0	(1,745,506)	(100.00%)
118 Consolidated Community Funding Pool	8,970,687	8,970,687	0	0	0	8,970,687	8,970,687	8,970,687	0	0.00%
119 Contributory Fund	12,935,440	12,038,305	0	0	0	12,038,305	12,162,942	12,162,942	124,637	1.04%
120 E-911 Fund	10,823,062	14,058,303	0	0	0	14,058,303	14,058,303	14,058,303	0	0.00%
125 Stormwater Services	362,967	0	0	0	0	0	0	0	0	-
141 Elderly Housing Programs	2,033,225	1,989,225	0	0	0	1,989,225	1,989,225	1,989,225	0	0.00%
200 County Debt Service	110,931,895	121,874,490	0	(214,347)	0	121,660,143	119,373,864	119,373,864	(2,286,279)	(1.88%)
201 School Debt Service	163,767,929	160,709,026	0	(500,144)	0	160,208,882	163,470,564	163,470,564	3,261,682	2.04%
303 County Construction	12,109,784	12,062,406	330,455	0	0	12,392,861	14,919,369	14,919,369	2,526,508	20.39%
307 Sidewalk Construction	0	0	0	0	0	0	100,000	100,000	100,000	-
309 Metro Operations & Construction	7,409,851	7,409,851	0	0	0	7,409,851	11,298,296	11,298,296	3,888,445	52.48%
312 Public Safety Construction	800,000	0	0	0	0	0	550,000	242,595	242,595	-
317 Capital Renewal Construction	7,470,000	3,000,000	0	0	0	3,000,000	0	0	(3,000,000)	(100.00%)
340 Housing Assistance Program	515,000	515,000	0	0	0	515,000	515,000	515,000	0	0.00%
501 County Insurance	15,616,251	13,866,251	7,151,066	1,870,000	0	22,887,317	21,017,317	21,017,317	(1,870,000)	(8.17%)
504 Document Services Division	2,398,233	2,398,233	0	0	0	2,398,233	2,398,233	2,398,233	0	0.00%
603 OPEB Trust Fund	9,900,000	9,900,000	0	4,000,000	0	13,900,000	20,000,000	20,000,000	6,100,000	43.88%
Total Transfers Out	**$2,146,404,620**	**$2,114,509,403**	**$20,482,782**	**$9,792,598**	**$0**	**$2,144,784,783**	**$2,139,596,761**	**$2,141,064,356**	**($3,720,427)**	**(0.17%)**
Total Disbursements	**$3,307,840,307**	**$3,308,118,914**	**$86,142,579**	**$7,799,595**	**$0**	**$3,402,061,088**	**$3,376,351,675**	**$3,377,479,384**	**($24,581,704)**	**(0.72%)**

FY 2012 ADOPTED FUND STATEMENT
FUND 001, GENERAL FUND

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2010 Carryover	FY 2011 Third Quarter	Other Actions July - June	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) over Revised
Total Ending Balance	**$240,276,899**	**$73,162,378**	**$18,675,995**	**$14,458,350**	**$9,878,755**	**$116,175,478**	**$97,776,767**	**$67,549,588**	**($48,625,890)**	**(41.86%)**
Less:										
Managed Reserve	$68,006,885	$66,162,378	$1,722,852	$155,992		$68,041,222	$67,527,034	$67,549,588	($491,634)	(0.72%)
FY 2009 Audit Adjustments [5]	728,086								0	-
Balances held in reserve for FY 2011 [6]	12,429,680								0	-
Additional balances held in reserve for FY 2011 [7]	542,445								0	-
FY 2010 Third Quarter Reductions [8]	35,340,186								0	-
Retirement Reserve [9]	20,000,000								0	-
Reserve for State Cuts [10]		7,000,000	(7,000,000)						0	-
Reserve for FY 2011/FY 2012 [11]			23,953,143			23,953,143			(23,953,143)	(100.00%)
FY 2010 Audit Adjustments [1]					2,539,239	2,539,239			(2,539,239)	(100.00%)
Additional FY 2011 Revenue [3]					7,339,516	7,339,516			(7,339,516)	(100.00%)
FY 2011 Third Quarter Reductions [12]				9,580,000		9,580,000			(9,580,000)	(100.00%)
Reserve for Board Consideration [13]				4,722,358		4,722,358			(4,722,358)	(100.00%)
Reserve for Board Consideration [14]							30,249,733		0	-
Total Available	**$103,229,617**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**-**

[1] As a result of FY 2010 audit adjustments, an amount of $2,539,239 was available to be held in reserve in FY 2011 and has been utilized to balance the FY 2012 budget.

[2] The FY 2012 Beginning Balance includes $15,000,000 set aside in reserve in Agency 89, Employee Benefits, at the *FY 2010 Carryover Review* for anticipated increases in the FY 2012 employer contribution rates for Retirement.

[3] Based on revised revenue estimates as of fall 2010, an amount of $7,339,516 was available to be held in reserve in FY 2011 and has been utilized to balance the FY 2012 budget.

[4] Personal Property Taxes of $211,313,944 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.

[5] As a result of FY 2009 audit adjustments, an amount of $728,086 was available to be held in reserve in FY 2010 and was utilized to balance the FY 2011 budget.

[6] As part of the *FY 2009 Carryover Review*, $12,429,680 was identified to be held in reserve for FY 2011 requirements. It should be noted that this reserve was utilized to balance the FY 2011 budget.

[7] As part of the *FY 2010 Third Quarter Review*, an additional amount of $542,445 was set aside and held in reserve for FY 2011 requirements. This balance was the result of decreased Managed Reserve requirements attributable to reductions taken as part of the *FY 2010 Third Quarter Review*. This reserve was utilized to balance the FY 2011 budget.

[8] As part of the *FY 2010 Third Quarter Review*, $35,340,186 in reductions were taken and set aside in reserve for FY 2011 requirements. This amount was assumed in the beginning balance for the FY 2011 Adopted Budget Plan and was utilized to balance the FY 2011 budget.

[9] As part of the *FY 2009 Carryover Review*, $20,000,000 was set aside in reserve in Agency 89, Employee Benefits, for anticipated increases in the FY 2011 employer contribution rates for Retirement. This amount was assumed in the beginning balance for the FY 2011 Adopted Budget Plan and was utilized to balance the FY 2011 budget.

[10] An amount of $7,000,000 was set aside in reserve as part of the FY 2011 Adopted Budget Plan to offset potential reductions in state revenue beyond those accommodated within FY 2011 revenue estimates. As part of the *FY 2010 Carryover Review*, $1,255,755 of this reserve was utilized to fund the Priority Schools Initiative for the Fairfax County Public Schools. The remaining balance was reallocated to a reserve for FY 2011 critical requirements or to address the projected FY 2012 shortfall.

[11] As part of the *FY 2010 Carryover Review*, $23,953,143 was identified to be held in reserve for critical requirements in FY 2011 or to address the projected budget shortfall in FY 2012. It should be noted that this reserve has been utilized to balance the FY 2012 budget.

[12] As part of the *FY 2011 Third Quarter Review*, $9,580,000 in reductions were taken and set aside in reserve. This amount has been utilized to balance the FY 2012 budget.

[13] As part of the *FY 2011 Third Quarter Review*, a balance of $4,722,358 was held in reserve for Board of Supervisors' consideration for the *FY 2011 Third Quarter Review*, the development of the FY 2012 budget, or future year requirements. As part of their budget deliberations, the Board utilized this amount in order to balance the FY 2012 budget.

[14] As part of the FY 2012 Advertised Budget Plan, a balance of $30,349,733 was held in reserve for Board of Supervisors' consideration in the development of the FY 2012 budget. As part of their budget deliberations, the Board utilized this amount in order to balance the FY 2012 budget.

FY 2012 ADOPTED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2010 Carryover	FY 2011 Third Quarter	Other Actions July - June	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Legislative-Executive Functions / Central Services											
01	Board of Supervisors	$4,474,636	$4,876,387	$0	$0	$0	$4,876,387	$4,876,387	$4,876,387	$0	0.00%
02	Office of the County Executive	5,795,101	5,789,394	69,257	0	0	5,858,651	5,989,394	5,989,394	130,743	2.23%
04	Department of Cable and Consumer Services	1,160,620	997,077	111,625	(7,537)	0	1,101,165	910,290	910,290	(190,875)	(17.33%)
06	Department of Finance	8,498,101	8,515,509	254,750	300,000	0	9,070,259	8,515,509	8,515,509	(554,750)	(6.12%)
11	Department of Human Resources	6,439,081	6,983,752	198,500	200,000	0	7,382,252	7,158,752	7,158,752	(223,500)	(3.03%)
12	Department of Purchasing and Supply Management	4,996,947	4,889,371	71,786	(20,000)	0	4,941,157	4,869,371	4,869,371	(71,786)	(1.45%)
13	Office of Public Affairs	1,253,812	1,154,174	98,088	0	0	1,252,262	1,086,384	1,086,384	(165,878)	(13.25%)
15	Office of Elections	2,403,372	2,596,036	421,950	(20,000)	0	2,997,986	3,016,036	3,016,036	18,050	0.60%
17	Office of the County Attorney	5,939,736	5,976,026	304,443	(100,000)	0	6,180,469	6,007,704	6,007,704	(172,765)	(2.80%)
20	Department of Management and Budget	2,795,595	2,720,598	82,209	(10,000)	0	2,792,807	2,710,598	2,710,598	(82,209)	(2.94%)
37	Office of the Financial and Program Auditor	145,001	330,227	2,093	0	0	332,320	330,227	330,227	(2,093)	(0.63%)
41	Civil Service Commission	361,061	529,297	0	(100,000)	0	429,297	429,297	429,297	0	0.00%
57	Department of Tax Administration	21,848,539	21,673,030	415,459	0	0	22,088,489	21,818,030	21,818,030	(270,459)	(1.22%)
70	Department of Information Technology	25,882,692	26,497,804	3,815,103	(135,000)	0	30,177,907	27,916,220	27,916,220	(2,261,687)	(7.49%)
	Total Legislative-Executive Functions / Central Services	**$91,994,294**	**$93,528,682**	**$5,845,263**	**$107,463**	**$0**	**$99,481,408**	**$95,634,199**	**$95,634,199**	**($3,847,209)**	**(3.87%)**
Judicial Administration											
80	Circuit Court and Records	$9,855,991	$10,033,175	$401,102	$0	$0	$10,434,277	$10,033,175	$10,033,175	($401,102)	(3.84%)
82	Office of the Commonwealth's Attorney	2,535,239	2,545,464	0	(20,000)	0	2,525,464	2,525,464	2,525,464	0	0.00%
85	General District Court	2,322,902	2,029,128	205,683	0	0	2,234,811	2,149,128	2,149,128	(85,683)	(3.83%)
91	Office of the Sheriff	16,462,844	17,133,905	612,656	(434,434)	0	17,312,127	16,699,471	16,874,471	(437,656)	(2.53%)
	Total Judicial Administration	**$31,176,976**	**$31,741,672**	**$1,219,441**	**($454,434)**	**$0**	**$32,506,679**	**$31,407,238**	**$31,582,238**	**($924,441)**	**(2.84%)**
Public Safety											
04	Department of Cable and Consumer Services	$928,660	$790,919	$43	($2,463)	$0	$788,499	$788,456	$788,456	($43)	(0.01%)
31	Land Development Services	8,569,181	9,193,297	171,374	0	0	9,364,671	8,356,264	8,356,264	(1,008,407)	(10.77%)
81	Juvenile and Domestic Relations District Court	20,313,862	20,343,367	585,133	(180,000)	0	20,748,500	20,163,367	20,163,367	(585,133)	(2.82%)
90	Police Department	164,661,587	161,513,847	3,545,079	(1,000,000)	0	164,058,926	160,613,847	160,613,847	(3,445,079)	(2.10%)
91	Office of the Sheriff	41,470,229	43,517,287	253,724	(1,065,566)	0	42,705,445	42,451,721	42,451,721	(253,724)	(0.59%)
92	Fire and Rescue Department	164,278,014	160,510,430	5,656,517	(975,000)	0	165,191,947	159,510,430	161,010,430	(4,181,517)	(2.53%)
93	Office of Emergency Management	1,538,552	1,649,744	652,510	(10,000)	0	2,292,254	1,759,744	1,759,744	(532,510)	(23.23%)
97	Department of Code Compliance [1]	0	0	3,900,252	(400,000)	0	3,500,252	3,510,583	3,510,583	10,331	0.30%
	Total Public Safety	**$401,760,085**	**$397,518,891**	**$14,764,632**	**($3,633,029)**	**$0**	**$408,650,494**	**$397,154,412**	**$398,654,412**	**($9,996,082)**	**(2.45%)**
Public Works											
08	Facilities Management Department	$46,994,914	$50,445,185	$1,344,800	($350,000)	$0	$51,439,985	$50,233,926	$50,233,926	($1,206,059)	(2.34%)
25	Business Planning and Support	329,616	350,199	0	0	0	350,199	777,170	777,170	426,971	121.92%
26	Office of Capital Facilities	10,423,284	10,713,365	318,359	0	0	11,031,724	10,859,546	10,859,546	(172,178)	(1.56%)
87	Unclassified Administrative Expenses	4,288,745	3,765,867	611,098	(84,240)	0	4,292,725	3,681,627	3,681,627	(611,098)	(14.24%)
	Total Public Works	**$62,036,559**	**$65,274,616**	**$2,274,257**	**($434,240)**	**$0**	**$67,114,633**	**$65,552,269**	**$65,552,269**	**($1,562,364)**	**(2.33%)**

FY 2012 ADOPTED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2010 Carryover	FY 2011 Third Quarter	Other Actions July - June	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Health and Welfare											
67	Department of Family Services	$190,234,135	$176,884,039	$9,984,884	$6,099,799	$0	$192,968,722	$189,219,345	$187,464,754	($5,503,968)	(2.85%)
68	Department of Administration for Human Services	10,665,601	10,421,592	39,332	460,840	0	10,921,764	10,771,592	10,771,592	(150,172)	(1.37%)
69	Department of Systems Management for Human Services [2]	5,471,136	0	0	0	0	0	0	0	0	--
71	Health Department [2]	46,577,027	48,289,031	2,826,708	(700,000)	0	50,415,739	50,928,317	50,928,317	512,578	1.02%
73	Office to Prevent and End Homelessness	314,291	9,582,532	185,310	470,000	0	10,237,842	10,460,606	10,460,606	222,764	2.18%
79	Department of Neighborhood and Community Services [2]	0	24,973,524	1,287,506	0	0	26,261,030	25,934,861	25,934,861	(326,169)	(1.24%)
	Total Health and Welfare	**$253,262,190**	**$270,150,718**	**$14,323,740**	**$6,330,639**	**$0**	**$290,805,097**	**$287,314,721**	**$285,560,130**	**($5,244,967)**	**(1.80%)**
Parks, Recreation and Libraries											
50	Department of Community and Recreation Services [2]	$18,718,036	$0	$0	$0	$0	$0	$0	$0	$0	--
51	Fairfax County Park Authority	23,103,572	21,621,388	490,832	0	0	22,112,220	21,699,789	21,699,789	(412,431)	(1.87%)
52	Fairfax County Public Library	27,910,295	26,035,911	1,240,380	0	0	27,276,291	26,035,911	26,035,911	(1,240,380)	(4.55%)
	Total Parks, Recreation and Libraries	**$69,731,903**	**$47,657,299**	**$1,731,212**	**$0**	**$0**	**$49,388,511**	**$47,735,700**	**$47,735,700**	**($1,652,811)**	**(3.35%)**
Community Development											
16	Economic Development Authority	$6,797,502	$6,795,506	$0	$0	$0	$6,795,506	$7,045,506	$7,045,506	$250,000	3.68%
31	Land Development Services [1]	13,494,972	14,922,619	(1,381,081)	(1,050,000)	0	12,491,538	12,624,026	12,624,026	132,488	1.06%
35	Department of Planning and Zoning [1]	10,710,814	10,326,041	(754,420)	(10,000)	0	9,561,621	9,271,412	9,271,412	(290,209)	(3.04%)
36	Planning Commission	707,150	664,654	0	0	0	664,654	664,654	664,654	0	0.00%
38	Department of Housing and Community Development	6,585,966	5,928,757	72,003	30,000	0	6,030,760	5,928,757	5,928,757	(102,003)	(1.69%)
39	Office of Human Rights and Equity Programs	1,615,648	1,544,570	0	(10,000)	0	1,534,570	1,534,570	1,534,570	0	0.00%
40	Department of Transportation	7,650,965	6,734,842	3,681,336	0	0	10,416,178	6,777,644	6,777,644	(3,638,534)	(34.93%)
	Total Community Development	**$47,563,017**	**$46,916,989**	**$1,617,838**	**($1,040,000)**	**$0**	**$47,494,827**	**$43,846,569**	**$43,846,569**	**($3,648,258)**	**(7.68%)**
Nondepartmental											
87	Unclassified Administrative Expenses	$1,027,489	$6,015,760	$5,207,686	($2,869,402)	$0	$8,354,044	$3,775,000	$3,775,000	($4,579,044)	(54.81%)
89	Employee Benefits	202,883,174	234,804,884	18,675,728	0	0	253,480,612	264,334,806	264,074,511	10,593,899	4.18%
	Total Nondepartmental	**$203,910,663**	**$240,820,644**	**$23,883,414**	**($2,869,402)**	**$0**	**$261,834,656**	**$268,109,806**	**$267,849,511**	**$6,014,855**	**2.30%**
Total General Fund Direct Expenditures		**$1,161,435,687**	**$1,193,609,511**	**$65,659,797**	**($1,993,003)**	**$0**	**$1,257,276,305**	**$1,236,754,914**	**$1,236,415,028**	**($20,861,277)**	**(1.66%)**

[1] As part of the FY 2011 Adopted Budget Plan, the Board of Supervisors approved the creation of the Department of Code Compliance to create an adaptable, accountable, multi-code enforcement organization that responds effectively towards building and sustaining communities. Included in the *FY 2010 Carryover Review* was the reallocation of funding to this new agency from the Code Enforcement Strike Team, primarily budgeted in Land Development Services; the majority of the Zoning Enforcement function in the Department of Planning and Zoning; and partial funding from the Environmental Health Division of the Health Department.

[2] As part of the FY 2011 Adopted Budget Plan, all activity in Agency 50, Community and Recreation Services, and Agency 69, Systems Management for Human Services, was moved to Agency 79, Department of Neighborhood and Community Services, as part of a major consolidation initiative to maximize operational efficiencies, redesign access and delivery of services, and strengthen neighborhood and community capacity.

FY 2012 ADOPTED SUMMARY OF APPROPRIATED FUNDS BY FUND TYPE

	General Fund Group [1]	Special Revenue Funds [2]	Debt Service Funds	Capital Projects Funds	Enterprise Funds [3]	Internal Service Funds [4,5]	Trust Funds	Agency Funds	Total by Category
Beginning Fund Balance	**$220,002,982**	**$273,655,036**	**$0**	**$23,095**	**$128,073,253**	**$122,674,990**	**$6,339,717,821**	**$6,500,000**	**$7,090,647,177**
Revenues									
Real Property Taxes	$2,035,455,407	$112,342,797	$0	$9,650,000	$0	$0	$0	$0	$2,157,448,204
Personal Property Taxes [6]	306,818,444	0	0	0	0	0	0	0	306,818,444
General Other Local Taxes	488,212,410	18,146,045	0	0	0	0	0	0	506,358,455
Permits, Fees & Regulatory	30,152,648	19,387,370	0	0	0	0	0	0	49,540,018
Fines & Forfeitures	16,868,801	2,455	0	0	0	0	0	0	16,871,256
Revenue from the Use of Money & Property	16,711,665	10,710,688	0	0	1,430,000	4,414,460	575,602,567	0	608,869,380
Charges for Services	64,161,281	188,814,792	0	1,100,000	162,923,500	61,000	0	0	417,060,573
Revenue from the Commonwealth [6]	301,926,375	488,285,882	0	0	0	0	0	0	790,212,257
Revenue from the Federal Government	34,566,131	189,977,243	0	0	0	2,773,827	1,200,000	0	228,517,201
Sale of Bonds	0	0	0	182,773,000	0	0	0	0	182,773,000
Other Revenue	12,079,289	104,073,515	378,770	20,814,400	150,000	540,875,756	391,650,095	9,765,406	1,079,787,231
Total Revenue	**$3,306,952,451**	**$1,131,740,787**	**$378,770**	**$214,337,400**	**$164,503,500**	**$548,125,043**	**$968,452,662**	**$9,765,406**	**$6,344,256,019**
Transfers In	**$6,901,043**	**$1,831,568,065**	**$287,471,264**	**$35,488,471**	**$158,188,584**	**$25,229,653**	**$20,000,000**	**$0**	**$2,364,847,080**
Total Available	**$3,533,856,476**	**$3,236,963,888**	**$287,850,034**	**$249,848,966**	**$450,765,337**	**$696,029,686**	**$7,328,170,483**	**$16,265,406**	**$15,799,750,276**
Expenditures by Category									
Legislative-Executive/Central Services	$95,634,199	$11,215,759	$0	$0	$0	$0	$0	$0	$106,849,958
Education	0	2,334,012,327	0	163,084,711	0	369,172,142	212,301,764	0	3,078,570,944
Judicial Administration	31,582,238	691,100	0	0	0	0	0	0	32,273,338
Public Safety	398,654,412	59,741,007	0	0	0	0	0	0	458,395,419
Public Works	65,552,269	132,065,198	0	0	175,116,693	0	0	0	372,734,160
Health & Welfare	285,560,130	192,639,769	0	0	0	0	0	0	478,199,899
Parks, Recreation & Libraries	47,735,700	17,594,773	0	0	0	0	0	0	65,330,473
Community Development	43,846,569	183,105,972	0	49,149,133	0	0	0	9,765,406	285,867,080
Capital Improvements	0	0	0	35,266,464	0	0	0	0	35,266,464
Debt Service	0	0	287,850,034	0	0	0	0	0	287,850,034
Non-Departmental	267,849,511	5,167,657	0	0	0	256,563,634	369,335,027	0	898,915,829
Total Expenditures	**$1,236,415,028**	**$2,936,233,562**	**$287,850,034**	**$247,500,308**	**$175,116,693**	**$625,735,776**	**$581,636,791**	**$9,765,406**	**$6,100,253,598**
Transfers Out	**$2,141,064,356**	**$62,415,264**	**$0**	**$2,325,563**	**$158,188,584**	**$0**	**$0**	**$0**	**$2,363,993,767**
Total Disbursements	**$3,377,479,384**	**$2,998,648,826**	**$287,850,034**	**$249,825,871**	**$333,305,277**	**$625,735,776**	**$581,636,791**	**$9,765,406**	**$8,464,247,365**
Ending Fund Balance	**$156,377,092**	**$238,315,062**	**$0**	**$23,095**	**$117,460,060**	**$70,293,910**	**$6,746,533,692**	**$6,500,000**	**$7,335,502,911**

[1] **Not reflected are the following adjustments to balance which were carried forward from FY 2011 to FY 2012:**
Fund 001, General Fund, assumes carryover of $15,000,000 set aside at the *FY 2010 Carryover Review* for retirement requirements and $9,580,000 in anticipated reductions to be taken at *FY 2011 Third Quarter Review*.

[2] **Not reflected are the following adjustments to balance which were carried forward from FY 2011 to FY 2012:**
Fund 103, Aging Grants and Programs, assumes ($250,000) in projected available FY 2011 balance to be transferred out of fund as part of the *FY 2011 Carryover Review* due to the elimination of the fund.
Fund 191, Public School Food and Nutrition Services, assumes carryover of General Reserve of $13,591,947
Fund 192, Public School Grants and Self-Supporting Programs, assumes available FY 2011 balance of $1,357,741 and does not reflect a reduction in balance of ($1,208,474) from an anticipated increase in FY 2012 expenditures as a result of the reconciliation of the transfer in from Fund 105, Cable Communications, and the transfer assumed in the School Board's Advertised Budget Plan.
Fund 193, Public School Adult and Community Education, assumes available FY 2010 balance of $86,271

[3] **Not reflected are the following adjustments to balance which were carried forward from FY 2011 to FY 2012:**
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of ($25,000)

[4] **Not reflected are the following adjustments to balance which were carried forward from FY 2011 to FY 2012:**
Fund 590, Public School Insurance, assumes carryover of Allocated Reserves of $4,842,320
Fund 591, Public School Health and Flexible Benefits, claims stabilization reserve of $46,713,537

[5] For presentation purposes, all County Internal Service Funds expenditures are included in the Nondepartmental Category.

[6] 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 2012 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2010 Actual [1]	FY 2011 Adopted Budget Plan [2]	FY 2011 Revised Budget Plan [3]	FY 2012 Advertised Budget Plan [4]	FY 2012 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS							
G00 General Fund Group							
001 General Fund	$3,350,609,508	$3,237,504,611	$3,269,900,429	$3,340,353,056	$3,306,952,451	$37,052,022	1.13%
002 Revenue Stabilization Fund	1,003,509	0	0	0	0	0	-
Total General Fund Group	**$3,351,613,017**	**$3,237,504,611**	**$3,269,900,429**	**$3,340,353,056**	**$3,306,952,451**	**$37,052,022**	**1.13%**
G10 Special Revenue Funds							
090 Public School Operating [6]	$541,974,172	$518,415,974	$577,200,268	$560,152,894	$560,152,894	($17,047,374)	(2.95%)
100 County Transit Systems	31,993,225	32,279,432	33,779,432	40,888,622	40,888,622	7,109,190	21.05%
102 Federal/State Grant Fund	62,382,358	60,046,908	168,749,716	63,567,362	63,567,362	(105,182,354)	(62.33%)
103 Aging Grants & Programs	3,896,303	3,682,087	4,240,088	0	0	(4,240,088)	(100.00%)
104 Information Technology	1,327,275	500,000	1,099,033	300,000	300,000	(799,033)	(72.70%)
105 Cable Communications	18,954,235	16,925,224	16,925,224	19,315,370	19,315,370	2,390,146	14.12%
106 Fairfax-Falls Church Community Services Board	44,073,970	47,220,473	56,506,436	50,402,751	50,402,751	(6,103,685)	(10.80%)
108 Leaf Collection	2,130,526	1,924,086	1,924,086	1,920,354	1,920,354	(3,732)	(0.19%)
109 Refuse Collection and Recycling Operations	21,069,188	20,233,973	20,408,976	20,693,934	20,693,934	284,958	1.40%
110 Refuse Disposal	51,949,722	57,201,639	57,201,639	51,242,247	51,242,247	(5,959,392)	(10.42%)
111 Reston Community Center	7,574,407	7,655,587	7,655,587	7,700,355	7,700,355	44,768	0.58%
112 Energy Resource Recovery (ERR) Facility	30,569,919	34,353,508	32,232,564	32,048,249	32,048,249	(184,315)	(0.57%)
113 McLean Community Center	5,186,500	5,603,955	5,603,955	5,290,432	5,290,432	(313,523)	(5.59%)
114 I-95 Refuse Disposal	6,328,071	6,575,814	6,575,814	6,880,668	6,880,668	304,854	4.64%
115 Burgundy Village Community Center	41,930	57,610	57,610	43,096	43,096	(14,514)	(25.19%)
116 Integrated Pest Management Program	2,152,362	1,814,188	1,814,188	1,752,316	1,752,316	(61,872)	(3.41%)
120 E-911 Fund	22,822,591	23,236,680	22,062,804	22,441,353	22,441,353	378,549	1.72%
121 Dulles Rail Phase I Transportation Improvement District	28,017,357	23,768,271	23,768,271	23,221,610	23,221,610	(546,661)	(2.30%)
122 Dulles Rail Phase II Transportation Improvement District [7]	0	3,597,035	3,597,035	6,719,320	6,719,320	3,122,285	86.80%
124 County & Regional Transportation Projects	50,874,426	43,105,550	93,105,550	42,000,000	42,000,000	(51,105,550)	(54.89%)
125 Stormwater Services	10,170,890	28,000,000	28,000,000	28,800,000	28,800,000	800,000	2.86%
141 Elderly Housing Programs	2,382,600	2,232,945	2,574,180	2,349,439	2,349,439	(224,741)	(8.73%)
142 Community Development Block Grant	7,682,726	5,982,304	16,626,693	6,463,133	6,463,133	(10,163,560)	(61.13%)
143 Homeowner and Business Loan Programs	5,156,875	3,883,825	8,015,978	4,514,316	4,514,316	(3,501,662)	(43.68%)
144 Housing Trust Fund	255,970	840,000	225,000	348,814	348,814	123,814	55.03%
145 HOME Investment Partnerships Grant	1,205,291	2,707,657	9,053,355	2,692,612	2,692,612	(6,360,743)	(70.26%)
191 School Food & Nutrition Services	72,360,775	71,736,004	71,736,005	74,254,586	74,254,586	2,518,581	3.51%
192 School Grants & Self Supporting [6]	53,878,908	54,009,387	66,465,786	45,382,516	45,382,516	(21,083,270)	(31.72%)
193 School Adult & Community Education	8,588,695	9,993,558	10,271,619	10,354,438	10,354,438	82,819	0.81%
Total Special Revenue Funds	**$1,095,001,267**	**$1,087,583,674**	**$1,347,476,892**	**$1,131,740,787**	**$1,131,740,787**	**($215,736,105)**	**(16.01%)**

FY 2012 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2010 Actual [1]	FY 2011 Adopted Budget Plan [2]	FY 2011 Revised Budget Plan [3]	FY 2012 Advertised Budget Plan [4]	FY 2012 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G20 Debt Service Funds							
200/201 Consolidated Debt Service	$2,011,960	$390,000	$390,000	$378,770	$378,770	($11,230)	(2.88%)
G30 Capital Project Funds							
301 Contributed Roadway Improvement Fund	$2,424,194	$110,000	$1,246,893	$110,000	$110,000	($1,136,893)	(91.18%)
302 Library Construction	10,203,514	0	11,380,000	0	0	(11,380,000)	(100.00%)
303 County Construction	3,528,045	1,400,000	12,220,000	1,400,000	1,400,000	(10,820,000)	(88.54%)
304 Transportation Improvements	18,226,117	0	115,369,152	0	0	(115,369,152)	(100.00%)
306 Northern Virginia Regional Park Authority	2,700,000	2,700,000	2,700,000	3,000,000	3,000,000	300,000	11.11%
307 Pedestrian Walkway Improvements	318,207	0	3,321,934	0	0	(3,321,934)	(100.00%)
309 Metro Operations & Construction	56,300,000	22,692,000	14,738,706	24,773,000	24,773,000	10,034,294	68.08%
311 County Bond Construction	13,362,750	0	56,322,435	0	0	(56,322,435)	(100.00%)
312 Public Safety Construction	14,543,503	0	80,843,471	0	0	(80,843,471)	(100.00%)
314 Neighborhood Improvement Program	8,596	5,000	0	5,000	0	0	-
315 Commercial Revitalization Program	1,680	0	4,066,209	0	0	(4,066,209)	(100.00%)
316 Pro Rata Share Drainage Construction	4,506,173	0	10,398,065	0	0	(10,398,065)	(100.00%)
317 Capital Renewal Construction	53,347	5,000,000	14,000,000	15,000,000	15,000,000	1,000,000	7.14%
318 Stormwater Management Program	1,353,979	0	3,513,073	0	0	(3,513,073)	(100.00%)
319 The Penny for Affordable Housing Fund	13,011,075	13,458,400	14,358,400	14,668,400	14,668,400	310,000	2.16%
340 Housing Assistance Program	169,561	0	11,716,438	0	0	(11,716,438)	(100.00%)
370 Park Authority Bond Construction	11,701,090	0	54,835,000	0	0	(54,835,000)	(100.00%)
390 School Construction	158,696,095	155,436,000	470,752,755	155,386,000	155,386,000	(315,366,755)	(66.99%)
Total Capital Project Funds	**$311,107,926**	**$200,801,400**	**$881,782,531**	**$214,342,400**	**$214,337,400**	**($667,445,131)**	**(75.69%)**
TOTAL GOVERNMENTAL FUNDS	**$4,759,734,170**	**$4,526,279,685**	**$5,499,549,852**	**$4,686,815,013**	**$4,653,409,408**	**($846,140,444)**	**(15.39%)**
PROPRIETARY FUNDS							
G40 Enterprise Funds							
400 Sewer Revenue	$138,245,198	$148,015,000	$147,015,000	$164,003,500	$164,003,500	$16,988,500	11.56%
406 Sewer Bond Debt Reserve	0	9,706,000	9,706,000	0	0	(9,706,000)	(100.00%)
408 Sewer Bond Construction	6,531,548	141,294,000	172,318,927	500,000	500,000	(171,818,927)	(99.71%)
Total Enterprise Funds	**$144,776,746**	**$299,015,000**	**$329,039,927**	**$164,503,500**	**$164,503,500**	**($164,536,427)**	**(50.01%)**

FY 2012 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2010 Actual [1]	FY 2011 Adopted Budget Plan [2]	FY 2011 Revised Budget Plan [3]	FY 2012 Advertised Budget Plan [4]	FY 2012 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G50 Internal Service Funds							
501 County Insurance Fund	$902,477	$1,602,667	$895,859	$895,859	$895,859	$0	0.00%
503 Department of Vehicle Services	66,140,578	69,256,977	69,256,977	68,958,686	68,958,686	(298,291)	(0.43%)
504 Document Services Division	3,475,115	3,589,468	3,589,468	3,475,115	3,475,115	(114,353)	(3.19%)
505 Technology Infrastructure Services	26,396,829	26,251,337	26,251,337	27,578,688	27,578,688	1,327,351	5.06%
506 Health Benefits Fund	110,576,961	126,342,690	127,542,690	129,608,596	129,608,596	2,065,906	1.62%
590 School Insurance Fund	12,158,768	12,721,373	12,721,373	14,034,221	14,034,221	1,312,848	10.32%
591 School Health and Flexible Benefits	258,878,268	273,953,171	273,953,172	289,573,878	289,573,878	15,620,706	5.70%
592 School Central Procurement	11,023,393	14,000,000	14,000,000	14,000,000	14,000,000	0	0.00%
Total Internal Service Funds	**$489,552,389**	**$527,717,683**	**$528,210,876**	**$548,125,043**	**$548,125,043**	**$19,914,167**	**3.77%**
TOTAL PROPRIETARY FUNDS	**$634,329,135**	**$826,732,683**	**$857,250,803**	**$712,628,543**	**$712,628,543**	**($144,622,260)**	**(16.87%)**
FIDUCIARY FUNDS							
G60 Trust Funds							
600 Uniformed Employees Retirement Trust Fund	$187,486,472	$135,577,794	$135,577,794	$144,539,401	$144,539,401	$8,961,607	6.61%
601 Fairfax County Employees' Retirement Trust Fund	612,649,463	314,515,389	314,515,389	350,110,336	350,110,336	35,594,947	11.32%
602 Police Retirement Trust Fund	180,506,905	102,462,834	102,462,834	112,581,103	112,581,103	10,118,269	9.88%
603 OPEB Trust Fund	15,199,719	4,276,577	15,134,577	5,199,562	5,199,562	(9,935,015)	(65.64%)
691 Educational Employees' Retirement	324,586,201	222,829,790	293,116,969	316,733,260	316,733,260	23,616,291	8.06%
692 Public School OPEB Trust Fund [6]	29,240,492	39,000,000	48,163,000	39,289,000	39,289,000	(8,874,000)	(18.42%)
Total Trust Funds	**$1,349,669,252**	**$818,662,384**	**$908,970,563**	**$968,452,662**	**$968,452,662**	**$59,482,099**	**6.54%**
G70 Agency Funds							
700 Route 28 Taxing District	$11,534,704	$10,645,808	$10,645,808	$9,765,406	$9,765,406	($880,402)	(8.27%)
716 Mosaic District Community Development Authority [8]	0	0	94,900,000	0	0	(94,900,000)	(100.00%)
Total Agency Funds	**$11,534,704**	**$10,645,808**	**$105,545,808**	**$9,765,406**	**$9,765,406**	**($95,780,402)**	**(90.75%)**
TOTAL FIDUCIARY FUNDS	**$1,361,203,956**	**$829,308,192**	**$1,014,516,371**	**$978,218,068**	**$978,218,068**	**($36,298,303)**	**(3.58%)**
TOTAL APPROPRIATED FUNDS	**$6,755,267,261**	**$6,182,320,560**	**$7,371,317,026**	**$6,377,661,624**	**$6,344,256,019**	**($1,027,061,007)**	**(13.93%)**
Appropriated From (Added to) Surplus	**($1,062,498,787)**	**($169,089,253)**	**$609,591,843**	**($372,349,336)**	**($324,964,076)**	**($934,555,919)**	**(153.31%)**
TOTAL AVAILABLE	**$5,692,768,474**	**$6,013,231,307**	**$7,980,908,869**	**$6,005,312,288**	**$6,019,291,943**	**($1,961,616,926)**	**(24.58%)**
Less: Internal Service Funds	**($489,552,389)**	**($527,717,683)**	**($528,210,876)**	**($548,125,043)**	**($548,125,043)**	**($19,914,167)**	**3.77%**
NET AVAILABLE	**$5,203,216,085**	**$5,485,513,624**	**$7,452,697,993**	**$5,457,187,245**	**$5,471,166,900**	**($1,981,531,093)**	**(26.59%)**

FY 2012 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2010 Actual [1]	FY 2011 Adopted Budget Plan [2]	FY 2011 Revised Budget Plan [3]	FY 2012 Advertised Budget Plan [4]	FY 2012 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised

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," net of any transfers between funds.

[1] **Not reflected are the following adjustments to balance which were carried forward from FY 2009 to FY 2010:**

Fund 191, School Food and Nutrition Services, change in inventory of $177,950
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of ($7,629)
Fund 501, County Insurance, net change in accrued liability of $1,294,983
Fund 590, Public School Insurance, net change in accrued liability of $1,922,678

[2] **Not reflected are the following adjustments to balance which were carried forward from FY 2010 to FY 2011:**

Fund 001, General Fund, assumes carryover of $20,000,000 set aside at the *FY 2009 Carryover Review* for retirement requirements.
Fund 191, Public School Food and Nutrition Services, assumes carryover of General Reserve of $11,281,198
Fund 193, Public School Adult and Community Education, assumes available FY 2010 balance of $558,836
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of ($25,000)
Fund 590, Public School Insurance, assumes carryover of Allocated Reserves of $4,735,027 and additional available FY 2010 balance of $1,656,090
Fund 591, Public School Health and Flexible Benefits, assumes carryover of claims stabilization reserve of $52,446,696

[3] **Not reflected are the following adjustments to balance which were carried forward from FY 2010 to FY 2011:**

Fund 303, County Construction, adjustment of ($18,200,000) based on payment of the County's obligation to the Fairfax County Public Schools for construction of the South County High School through a trust account
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of ($25,000)

[4] **Not reflected are the following adjustments to balance which were carried forward from FY 2011 to FY 2012:**

Fund 001, General Fund, assumes carryover of $15,000,000 set aside at the *FY 2010 Carryover Review* for retirement requirements and $9,580,000 in anticipated reductions to be taken at the *FY 2011 Third Quarter Review*.
Fund 103, Aging Grants and Programs, assumes ($675,269) in projected available FY 2011 balance to be transferred out of fund as part of the *FY 2011 Carryover Review* due to the elimination of the fund.
Fund 191, Public School Food and Nutrition Services, assumes carryover of General Reserve of $13,591,947
Fund 192, Public School Grants and Self-Supporting Programs, assumes available FY 2011 balance of $1,357,741
Fund 193, Public School Adult and Community Education, assumes available FY 2010 balance of $86,271
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of ($25,000)
Fund 590, Public School Insurance, assumes carryover of Allocated Reserves of $4,842,320
Fund 591, Public School Health and Flexible Benefits, claims stabilization reserve of $46,713,537

[5] **Not reflected are the following adjustments to balance which were carried forward from FY 2011 to FY 2012:**

Fund 001, General Fund, assumes carryover of $15,000,000 set aside at the *FY 2010 Carryover Review* for retirement requirements
Fund 103, Aging Grants and Programs, assumes ($250,000) in projected available FY 2011 balance to be transferred out of fund as part of the *FY 2011 Carryover Review* due to the elimination of the fund.
Fund 191, Public School Food and Nutrition Services, assumes carryover of General Reserve of $13,591,947
Fund 192, Public School Grants and Self-Supporting Programs, assumes available FY 2011 balance of $1,357,741 and does not reflect a reduction in balance of ($1,208,474) from an anticipated increase in FY 2012 expenditures as a result of the reconciliation of the transfer in from Fund 105, Cable Communications, and the transfer assumed in the School Board's Advertised Budget Plan.
Fund 193, Public School Adult and Community Education, assumes available FY 2010 balance of $86,271
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of ($25,000)
Fund 590, Public School Insurance, assumes carryover of Allocated Reserves of $4,842,320
Fund 591, Public School Health and Flexible Benefits, claims stabilization reserve of $46,713,537

[6] The *FY 2011 Revised Budget Plan* reflects revenues as contained in the Fairfax County Public Schools (FCPS) *FY 2011 Midyear Review*. Subsequent changes made by the School Board as part of the FCPS *FY 2011 Third Quarter Review* will be reflected at the *FY 2011 Carryover Review*.

[7] As part of the FY 2011 Adopted Budget Plan, Fund 122, Dulles Rail Phase II Transportation Improvement District, was created to separately account for revenue received from the Phase II Dulles Rail Transportation Improvement District.

[8] As part of the *FY 2011 Third Quarter Review,* Fund 716, Mosaic District Community Development Authority, was created to separately account for revenue received from the Mosaic District Community Development Authority.

FY 2012 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2010 Estimate	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS								
G00 General Fund Group								
001 General Fund	$1,253,939,653	$1,161,435,687	$1,193,609,511	$1,257,276,305	$1,236,754,914	$1,236,415,028	($20,861,277)	(1.66%)
G10 Special Revenue Funds								
090 Public School Operating [1]	$2,206,246,417	$2,062,741,349	$2,153,563,115	$2,248,251,991	$2,171,059,534	$2,171,559,534	($76,692,457)	(3.41%)
100 County Transit Systems	98,837,662	67,845,129	81,849,311	101,406,721	98,000,389	98,000,389	(3,406,332)	(3.36%)
102 Federal/State Grant Fund	144,228,345	63,324,919	62,960,909	200,527,310	67,818,214	67,818,214	(132,709,096)	(66.18%)
103 Aging Grants & Programs	11,193,849	7,105,406	7,824,306	10,847,744	0	0	(10,847,744)	(100.00%)
104 Information Technology	57,984,875	20,946,887	5,467,349	59,284,918	11,251,579	9,251,579	(50,033,339)	(84.39%)
105 Cable Communications	15,295,646	8,411,542	9,887,220	16,384,504	10,950,136	10,950,136	(5,434,368)	(33.17%)
106 Fairfax-Falls Church Community Services Board	150,959,539	138,875,521	140,558,420	153,586,823	144,980,981	146,255,981	(7,330,842)	(4.77%)
108 Leaf Collection	2,434,340	2,183,025	2,300,780	2,300,780	2,404,038	2,404,038	103,258	4.49%
109 Refuse Collection and Recycling Operations	23,285,876	19,638,378	19,277,682	20,908,316	20,238,318	20,238,318	(669,998)	(3.20%)
110 Refuse Disposal	66,501,528	49,518,214	55,397,092	61,407,069	51,244,631	51,244,631	(10,162,438)	(16.55%)
111 Reston Community Center	8,519,985	6,973,608	8,006,141	9,850,107	7,748,352	7,748,352	(2,101,755)	(21.34%)
112 Energy Resource Recovery (ERR) Facility	38,071,370	37,501,930	31,975,909	33,779,516	16,443,313	18,143,313	(15,636,203)	(46.29%)
113 McLean Community Center	5,703,976	4,380,058	5,308,040	5,968,797	5,579,357	5,579,357	(389,440)	(6.52%)
114 I-95 Refuse Disposal	24,233,518	8,783,864	8,586,108	23,540,506	8,211,546	8,211,546	(15,328,960)	(65.12%)
115 Burgundy Village Community Center	45,333	25,518	44,065	44,065	44,065	44,065	0	0.00%
116 Integrated Pest Management Program	3,246,904	2,176,637	2,903,352	3,282,472	2,903,352	3,023,352	(259,120)	(7.89%)
118 Consolidated Community Funding Pool	9,266,423	9,082,779	8,970,687	9,154,331	8,970,687	8,970,687	(183,644)	(2.01%)
119 Contributory Fund	12,935,440	12,854,128	12,038,305	12,038,305	12,212,942	12,212,942	174,637	1.45%
120 E-911 Fund	44,831,136	32,620,514	37,245,287	47,068,932	37,245,287	37,245,287	(9,823,645)	(20.87%)
121 Dulles Rail Phase I Transportation Improvement District	52,350,000	22,491,341	13,350,000	66,000,000	25,000,000	25,000,000	(41,000,000)	(62.12%)
122 Dulles Rail Phase II Transportation Improvement District [2]	0	0	500,000	500,000	500,000	500,000	0	0.00%
124 County & Regional Transportation Projects	132,170,111	21,793,172	27,598,338	142,589,301	22,540,528	22,540,528	(120,048,773)	(84.19%)
125 Stormwater Services	15,937,967	11,989,666	28,000,000	31,869,191	28,800,000	28,800,000	(3,069,191)	(9.63%)
141 Elderly Housing Programs	4,546,796	3,536,038	4,186,706	5,201,767	4,159,501	4,159,501	(1,042,266)	(20.04%)
142 Community Development Block Grant	17,887,472	7,576,868	5,982,304	17,122,933	6,463,133	6,463,133	(10,659,800)	(62.25%)
143 Homeowner and Business Loan Programs	8,832,635	5,358,888	3,883,825	8,629,710	4,514,316	4,514,316	(4,115,394)	(47.69%)
144 Housing Trust Fund	6,331,697	2,177,035	840,000	4,235,632	348,814	348,814	(3,886,818)	(91.76%)
145 HOME Investment Partnerships Grant	7,585,726	1,252,918	2,707,657	9,069,673	2,692,612	2,692,612	(6,377,061)	(70.31%)
191 School Food & Nutrition Services	79,679,668	67,366,590	83,017,202	87,778,280	87,846,533	87,846,533	68,253	0.08%
192 School Grants & Self Supporting [3]	100,745,088	69,688,989	70,894,825	96,567,320	63,625,695	63,625,695	(32,941,625)	(34.11%)
193 School Adult & Community Education	11,927,771	9,654,485	10,952,394	11,469,416	10,840,709	10,840,709	(628,707)	(5.48%)
Total Special Revenue Funds	**$3,361,817,093**	**$2,777,875,396**	**$2,906,077,329**	**$3,500,666,430**	**$2,934,638,562**	**$2,936,233,562**	**($564,432,868)**	**(16.12%)**
G20 Debt Service Funds								
200/201 Consolidated Debt Service	$290,207,893	$279,346,291	$287,575,052	$298,986,562	$287,850,034	$287,850,034	($11,136,528)	(3.72%)

FY 2012 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2010 Estimate	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G30 Capital Project Funds								
301 Contributed Roadway Improvement Fund	$45,110,408	$2,501,789	$0	$41,453,288	$0	$0	($41,453,288)	(100.00%)
302 Library Construction	30,949,743	12,186,248	0	18,758,661	0	0	(18,758,661)	(100.00%)
303 County Construction	69,350,292	20,585,441	13,462,406	46,144,454	16,723,869	16,723,869	(29,420,585)	(63.76%)
304 Transportation Improvements	137,913,306	11,490,344	0	124,109,947	0	0	(124,109,947)	(100.00%)
306 Northern Virginia Regional Park Authority	2,700,000	2,700,000	2,700,000	2,700,000	3,000,000	3,000,000	300,000	11.11%
307 Pedestrian Walkway Improvements	4,773,691	956,268	0	4,030,357	100,000	100,000	(3,930,357)	(97.52%)
309 Metro Operations & Construction	29,559,403	27,844,412	28,141,231	21,920,231	33,965,733	33,965,733	12,045,502	54.95%
311 County Bond Construction	80,228,756	9,115,509	0	78,529,272	0	0	(78,529,272)	(100.00%)
312 Public Safety Construction	134,799,432	17,953,228	0	121,714,044	750,000	442,595	(121,271,449)	(99.64%)
314 Neighborhood Improvement Program	148,485	0	0	0	0	0	0	-
315 Commercial Revitalization Program	4,575,251	478,697	0	4,098,234	0	0	(4,098,234)	(100.00%)
316 Pro Rata Share Drainage Construction	14,723,479	4,506,173	0	10,404,336	0	0	(10,404,336)	(100.00%)
317 Capital Renewal Construction	37,671,555	5,205,382	8,000,000	40,519,520	15,000,000	15,000,000	(25,519,520)	(62.98%)
318 Stormwater Management Program	22,085,406	8,535,124	0	16,913,243	0	0	(16,913,243)	(100.00%)
319 The Penny for Affordable Housing Fund	23,461,206	18,186,529	13,458,400	19,864,899	14,668,400	14,668,400	(5,196,499)	(26.16%)
340 Housing Assistance Program	9,014,216	1,074,560	515,000	8,355,876	515,000	515,000	(7,840,876)	(93.84%)
370 Park Authority Bond Construction	81,879,185	19,220,896	0	62,736,313	0	0	(62,736,313)	(100.00%)
390 School Construction	534,378,991	109,570,133	165,582,149	575,242,805	163,084,711	163,084,711	(412,158,094)	(71.65%)
Total Capital Project Funds	**$1,263,322,805**	**$272,110,733**	**$231,859,186**	**$1,197,495,480**	**$247,807,713**	**$247,500,308**	**($949,995,172)**	**(79.33%)**
TOTAL GOVERNMENTAL FUNDS	**$6,169,287,444**	**$4,490,768,107**	**$4,619,121,078**	**$6,254,424,777**	**$4,707,051,223**	**$4,707,998,932**	**($1,546,425,845)**	**(24.73%)**
PROPRIETARY FUNDS								
G40 Enterprise Funds								
401 Sewer Operation and Maintenance	$98,365,426	$82,824,490	$99,968,777	$89,828,572	$93,287,604	$93,287,604	$3,459,032	3.85%
402 Sewer Construction Improvements	42,969,800	16,746,437	24,500,000	50,723,363	29,000,000	29,000,000	(21,723,363)	(42.83%)
403 Sewer Bond Parity Debt Service	10,886,182	13,952,554	19,827,531	19,827,531	26,104,805	26,104,805	6,277,274	31.66%
406 Sewer Bond Debt Reserve	0	0	0	0	0	0		
407 Sewer Bond Subordinate Debt Service	24,333,391	24,279,811	24,910,740	24,910,740	26,724,284	26,724,284	1,813,544	7.28%
408 Sewer Bond Construction	100,705,727	49,999,131	140,294,000	228,100,596	0	0	(228,100,596)	(100.00%)
Total Enterprise Funds	**$277,260,526**	**$187,802,423**	**$309,501,048**	**$413,390,802**	**$175,116,693**	**$175,116,693**	**($238,274,109)**	**(57.64%)**
G50 Internal Service Funds								
501 County Insurance Fund	$18,129,718	$19,409,562	$16,379,718	$22,111,815	$21,777,676	$21,777,676	(334,139)	(1.51%)
503 Department of Vehicle Services	80,066,491	62,988,531	69,567,247	77,875,191	69,398,301	69,398,301	(8,476,890)	(10.89%)
504 Document Services Division	8,495,757	6,034,168	6,050,787	7,640,509	6,050,787	6,050,787	(1,589,722)	(20.81%)
505 Technology Infrastructure Services	26,520,043	23,694,754	28,160,148	30,655,413	29,483,564	29,483,564	(1,171,849)	(3.82%)
506 Health Benefits Fund	123,108,171	111,378,722	126,746,872	133,712,937	129,853,306	129,853,306	(3,859,631)	(2.89%)
590 School Insurance Fund	18,845,206	13,777,401	19,112,490	17,872,964	18,884,727	18,884,727	1,011,763	5.66%
591 School Health and Flexible Benefits	311,799,857	261,189,356	326,399,867	323,613,352	336,287,415	336,287,415	12,674,063	3.92%
592 School Central Procurement	14,000,000	11,284,250	14,000,000	14,000,000	14,000,000	14,000,000	0	0.00%
Total Internal Service Funds	**$600,965,243**	**$509,756,744**	**$606,417,129**	**$627,482,181**	**$625,735,776**	**$625,735,776**	**($1,746,405)**	**(0.28%)**
TOTAL PROPRIETARY FUNDS	**$878,225,769**	**$697,559,167**	**$915,918,177**	**$1,040,872,983**	**$800,852,469**	**$800,852,469**	**($240,020,514)**	**(23.06%)**

FY 2012 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2010 Estimate	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
FIDUCIARY FUNDS								
G60 Trust Funds								
600 Uniformed Employees Retirement Trust Fund	$67,324,901	$63,601,151	$77,763,515	$77,763,515	$79,650,095	$79,650,095	$1,886,580	2.43%
601 Fairfax County Employees' Retirement Trust Fund	201,053,281	182,620,769	213,982,858	213,982,858	220,823,834	220,823,834	6,840,976	3.20%
602 Police Retirement Trust Fund	54,849,822	51,096,135	58,963,783	58,963,783	61,716,542	61,716,542	2,752,759	4.67%
603 OPEB Trust Fund	15,077,881	14,239,001	6,842,229	17,700,229	7,144,556	7,144,556	(10,555,673)	(59.64%)
691 Educational Employees' Retirement	167,775,061	158,339,078	175,427,519	170,034,426	179,749,264	179,749,264	9,714,838	5.71%
692 Public School OPEB Trust Fund	26,010,000	27,198,189	26,047,000	30,723,000	32,552,500	32,552,500	1,829,500	5.95%
Total Trust Funds	**$532,090,946**	**$497,094,323**	**$559,026,904**	**$569,167,811**	**$581,636,791**	**$581,636,791**	**$12,468,980**	**2.19%**
G70 Agency Funds								
700 Route 28 Taxing District	$12,598,694	$11,541,422	$10,645,808	$10,646,111	$9,765,406	$9,765,406	($880,705)	(8.27%)
716 Mosaic District Community Development Authority [4]	0	0	0	88,400,000	0	0	(88,400,000)	(100.00%)
Total Agency Funds	**$12,598,694**	**$11,541,422**	**$10,645,808**	**$99,046,111**	**$9,765,406**	**$9,765,406**	**($89,280,705)**	**(90.14%)**
TOTAL FIDUCIARY FUNDS	**$544,689,640**	**$508,635,745**	**$569,672,712**	**$668,213,922**	**$591,402,197**	**$591,402,197**	**($76,811,725)**	**(11.50%)**
TOTAL APPROPRIATED FUNDS	**$7,592,202,853**	**$5,696,963,019**	**$6,104,711,967**	**$7,963,511,682**	**$6,099,305,889**	**$6,100,253,598**	**($1,863,258,084)**	**(23.40%)**
Less: Internal Service Funds [5]	**($600,965,243)**	**($509,756,744)**	**($606,417,129)**	**($627,482,181)**	**($625,735,776)**	**($625,735,776)**	**$1,746,405**	**(0.28%)**
NET EXPENDITURES	**$6,991,237,610**	**$5,187,206,275**	**$5,498,294,838**	**$7,336,029,501**	**$5,473,570,113**	**$5,474,517,822**	**($1,861,511,679)**	**(25.37%)**

[1] Pending School Board approval, FY 2012 expenditures for Fund 090, Public School Operating, are reduced by $48,302,412 to offset the discrepancy between the proposed Transfer Out from the General Fund and the Superintendent's Proposed Transfer In to Fund 090. Final adjustments will be reflected at the *FY 2011 Carryover Review*.

[2] As part of the FY 2011 Adopted Budget Plan, Fund 122, Dulles Rail Phase II Transportation Improvement District, was created to separately account for revenue received from the Phase II Dulles Rail Transportation Improvement District.

[3] The *FY 2011 Revised Budget Plan* reflects expenditures as contained in the Fairfax County Public Schools (FCPS) *FY 2011 Midyear Review*. Subsequent changes made by the School Board as part of the FCPS *FY 2011 Third Quarter Review* will be reflected at the *FY 2011 Carryover Review*. The FY 2012 Adopted Budget Plan reflects expenditures based on the transfer from Fund 105, Cable Communications, as shown in the FY 2012 Superintendent's Proposed budget. As the adopted transfer was higher than that included in the Superintendent's Proposed budget, the increased expenditures the transfer supports will be reflected at the *FY 2011 Carryover Review*.

[4] As part of the *FY 2011 Third Quarter Review*, Fund 716, Mosaic District Community Development Authority, was created to separately account for revenue received from the Mosaic District Community Development Authority.

[5] Total Appropriated Funds Expenditures are reduced by Internal Service Fund Expenditures, as the amounts are already included.

FY 2012 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	Balance 6/30/09	Balance 6/30/10	Balance 6/30/11	Balance 6/30/12	Appropriated From/ (Added to) Surplus
GOVERNMENTAL FUNDS					
G00 General Fund Group					
001 General Fund	$185,385,547	$240,276,899	$116,175,478	$67,549,588	$48,625,890
002 Revenue Stabilization Fund	86,610,227	103,827,504	103,827,504	103,827,504	0
Total General Fund Group	**$271,995,774**	**$344,104,403**	**$220,002,982**	**$171,377,092**	**$48,625,890**
G10 Special Revenue Funds					
090 Public School Operating	$118,117,827	$189,730,689	$101,811,861	$75,000,000	$26,811,861
100 County Transit Systems	20,469,602	23,678,258	981,250	0	981,250
102 Federal/State Grant Fund	27,073,254	29,093,113	229,520	229,520	0
103 Aging Grants & Programs	2,852,446	3,896,167	250,000	0	250,000
104 Information Technology	42,607,890	37,418,536	0	0	0
105 Cable Communications	18,189,339	21,519,673	13,257,162	4,906,547	8,350,615
106 Fairfax-Falls Church Community Services Board	6,969,641	5,783,119	500,000	372,096	127,904
108 Leaf Collection	3,562,807	3,510,308	3,133,614	2,649,930	483,684
109 Refuse Collection and Recycling Operations	7,128,416	8,559,226	8,059,886	8,515,502	(455,616)
110 Refuse Disposal	11,355,917	13,787,425	9,581,995	9,579,611	2,384
111 Reston Community Center	8,145,369	8,746,168	6,551,648	6,503,651	47,997
112 Energy Resource Recovery (ERR) Facility	26,787,307	21,578,204	21,776,758	35,681,694	(13,904,936)
113 McLean Community Center	11,745,157	12,551,599	12,186,757	11,897,832	288,925
114 I-95 Refuse Disposal	55,631,109	53,175,316	36,210,624	34,879,746	1,330,878
115 Burgundy Village Community Center	241,842	258,254	271,799	270,830	969
116 Integrated Pest Management Program	3,275,153	3,250,878	1,782,594	511,558	1,271,036
118 Consolidated Community Funding Pool	295,736	183,644	0	0	0
119 Contributory Fund	210,569	291,881	291,881	241,881	50,000
120 E-911 Fund	11,037,477	12,062,616	1,114,791	369,160	745,631
121 Dulles Rail Phase I Transportation Improvement District	84,573,977	90,099,993	47,868,264	46,089,874	1,778,390
122 Dulles Rail Phase II Transportation Improvement District [1]	0	0	3,097,035	9,316,355	(6,219,320)
124 County & Regional Transportation Projects	46,777,323	60,351,365	0	0	0
125 Stormwater Services	0	3,869,191	0	0	0
141 Elderly Housing Programs	963,920	1,843,707	1,205,345	1,384,508	(179,163)
142 Community Development Block Grant	390,382	496,240	0	0	0
143 Homeowner and Business Loan Programs	4,078,937	3,876,924	3,263,192	3,263,192	0
144 Housing Trust Fund	6,160,757	4,239,692	229,060	229,060	0
145 HOME Investment Partnerships Grant	63,945	16,318	0	0	0
191 School Food & Nutrition Services	10,870,140	16,042,275	0	0	0
192 School Grants & Self Supporting	5,837,182	13,216,096	0	0	0
193 School Adult & Community Education	904,751	797,797	0	0	0
Total Special Revenue Funds	**$536,318,172**	**$643,924,672**	**$273,655,036**	**$251,892,547**	**$21,762,489**

FY 2012 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	Balance 6/30/09	Balance 6/30/10	Balance 6/30/11	Balance 6/30/12	Appropriated From/ (Added to) Surplus
G20 Debt Service Funds					
200/201 Consolidated Debt Service	$10,334,630	$12,468,562	$0	$0	$0
G30 Capital Project Funds					
301 Contributed Roadway Improvement Fund	$40,503,990	$40,316,395	$0	$0	$0
302 Library Construction	9,361,395	7,378,661	0	0	0
303 County Construction	45,285,464	39,138,093	0	0	0
304 Transportation Improvements	2,005,022	8,740,795	0	0	0
306 Northern Virginia Regional Park Authority	0	0	0	0	0
307 Pedestrian Walkway Improvements	1,346,484	708,423	0	0	0
309 Metro Operations & Construction	(32,252,164)	1,732,294	0	0	0
310 Storm Drainage Bond Construction	0	0	0	0	0
311 County Bond Construction	13,764,278	22,206,837	0	0	0
312 Public Safety Construction	44,980,298	40,870,573	0	0	0
314 Neighborhood Improvement Program	428,896	250,939	0	0	0
315 Commercial Revitalization Program	509,042	32,025	0	0	0
316 Pro Rata Share Drainage Construction	6,271	6,271	0	0	0
317 Capital Renewal Construction	21,201,555	23,519,520	0	0	0
318 Stormwater Management Program	25,906,315	13,400,170	0	0	0
319 The Penny for Affordable Housing Fund	10,681,953	5,506,499	0	0	0
340 Housing Assistance Program	(3,162,227)	(3,852,467)	23,095	23,095	0
370 Park Authority Bond Construction	15,421,119	7,901,313	0	0	0
390 School Construction	36,763,861	94,573,900	0	0	0
Total Capital Project Funds	**$232,751,552**	**$302,430,241**	**$23,095**	**$23,095**	**$0**
TOTAL GOVERNMENTAL FUNDS	**$1,051,400,128**	**$1,302,927,878**	**$493,681,113**	**$423,292,734**	**$70,388,379**
PROPRIETARY FUNDS					
G40 Enterprise Funds					
400 Sewer Revenue	$87,265,589	$86,560,787	$88,525,787	$94,340,703	($5,814,916)
401 Sewer Operation and Maintenance [2]	9,712,141	16,887,651	459,079	(14,828,525)	15,287,604
402 Sewer Construction Improvements	24,969,800	26,223,363	0	0	0
403 Sewer Bond Parity Debt Service [3]	4,536,296	(2,773,887)	23,582	(551,263)	574,845
406 Sewer Bond Debt Reserve	16,555,123	16,555,123	26,261,123	26,261,123	0
407 Sewer Bond Subordinate Debt Service	1,490,263	1,510,452	1,099,712	9,052	1,090,660
408 Sewer Bond Construction	110,953,222	67,485,639	11,703,970	12,203,970	(500,000)
Total Enterprise Funds	**$255,482,434**	**$212,449,128**	**$128,073,253**	**$117,435,060**	**$10,638,193**

FY 2012 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	Balance 6/30/09	Balance 6/30/10	Balance 6/30/11	Balance 6/30/12	Appropriated From/ (Added to) Surplus
G50 Internal Service Funds					
501 County Insurance Fund	$42,111,511	$40,515,660	$42,187,021	$42,322,521	($135,500)
503 Department of Vehicle Services	48,433,607	44,890,336	32,272,122	31,832,507	439,615
504 Document Services Division	2,459,629	2,298,809	646,001	468,562	177,439
505 Technology Infrastructure Services	5,735,303	5,641,038	3,051,065	2,960,292	90,773
506 Health Benefits Fund	28,275,238	27,473,477	21,303,230	21,058,520	244,710
590 School Insurance Fund	27,605,581	27,909,626	22,758,035	22,749,849	8,186
591 School Health and Flexible Benefits	51,971,268	49,660,180	0	0	0
592 School Central Procurement	718,373	457,516	457,516	457,516	0
Total Internal Service Funds	**$207,310,510**	**$198,846,642**	**$122,674,990**	**$121,849,767**	**$825,223**
TOTAL PROPRIETARY FUNDS	**$462,792,944**	**$411,295,770**	**$250,748,243**	**$239,284,827**	**$11,463,416**
FIDUCIARY FUNDS					
G60 Trust Funds					
600 Uniformed Employees Retirement Trust Fund	$867,187,220	$991,072,541	$1,048,886,820	$1,113,776,126	($64,889,306)
601 Fairfax County Employees' Retirement Trust Fund	2,039,051,396	2,469,080,090	2,569,612,621	2,698,899,123	(129,286,502)
602 Police Retirement Trust Fund	706,622,286	836,033,056	879,532,107	930,396,668	(50,864,561)
603 OPEB Trust Fund	51,792,775	62,653,493	73,987,841	92,042,847	(18,055,006)
691 Educational Employees' Retirement	1,441,366,143	1,607,613,266	1,730,695,809	1,867,679,805	(136,983,996)
692 Public School OPEB Trust Fund	17,520,320	19,562,623	37,002,623	43,739,123	(6,736,500)
Total Trust Funds	**$5,123,540,140**	**$5,986,015,069**	**$6,339,717,821**	**$6,746,533,692**	**($406,815,871)**
G70 Agency Funds					
700 Route 28 Taxing District	$7,021	$303	$0	$0	$0
716 Mosaic District Community Development Authority [4]	0	0	6,500,000	6,500,000	0
Total Agency Funds	**$7,021**	**$303**	**$6,500,000**	**$6,500,000**	**$0**
TOTAL FIDUCIARY FUNDS	**$5,123,547,161**	**$5,986,015,372**	**$6,346,217,821**	**$6,753,033,692**	**($406,815,871)**
TOTAL APPROPRIATED FUNDS	**$6,637,740,233**	**$7,700,239,020**	**$7,090,647,177**	**$7,415,611,253**	**($324,964,076)**

[1] As part of the FY 2011 Adopted Budget Plan, Fund 122, Dulles Rail Phase II Transportation Improvement District, was created to separately account for revenue received from the Phase II Dulles Rail Transportation Improvement District.

[2] The June 30, 2012 ending balance is negative as a result of changes made at the *FY 2011 Third Quarter Review* which will result in additional requirements for FY 2012. In order to eliminate the negative ending balance, an increased transfer from Fund 400, Sewer Revenue, will be included in the *FY 2011 Carryover Review*.

[3] The June 30, 2010 and 2012 ending balances are negative as a result of an FY 2011 audit adjustment based on the timing of interest payments associated with the 2009 bond sale. In order to eliminate the FY 2012 negative ending balance, an increased transfer from Fund 400, Sewer Revenue, will be included in the *FY 2011 Carryover Review*.

[4] As part of the *FY 2011 Third Quarter Review,* Fund 716, Mosaic District Community Development Authority, was created to separately account for revenue received from the Mosaic District Community Development Authority.

GENERAL FUND PROPERTY TAX RATES
FY 2002 - FY 2012
(per $100 assessed valuation)

Tax Category	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 Proposed	FY 2012 Adopted
Real Estate	$1.23	$1.21	$1.16	$1.13	$1.00	$0.89	$0.89	$0.92	$1.04	$1.09	$1.09	$1.07
Public Service	1.23	1.21	1.16	1.13	1.00	0.89	0.89	0.92	1.04	1.09	1.09	1.07
Personal Property [1]	$4.57	$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]	0.01	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	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	4.57
Mobile Homes[3]	1.23	1.21	1.16	1.13	1.00	0.89	0.89	0.92	1.04	1.09	1.09	1.07
Public Service	1.23	1.21	1.16	1.13	1.00	0.89	0.89	0.92	1.04	1.09	1.09	1.07

[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 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. In FY 1996, vehicles owned by auxiliary police officers, aircraft and flight simulators, and property owned by homeowners' associations were added to the special subclass. Boats were added in FY 2000 and vehicles owned by reserve deputy sheriffs were included in FY 2007. Beginning in FY 2012, one vehicle owned by a fully disabled veteran is included in this special subclass.

[3] 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-GENERAL FUND TAX RATES

FY 2002 - FY 2012

Tax Category	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 Proposed	FY 2012 Adopted
Sewage Rates												
Sewer Charge (per 1,000 gal.)	$2.88	$2.95	$3.03	$3.20	$3.28	$3.50	$3.74	$4.10	$4.50	$5.27	$6.01	$6.01
Availability Fee - Single Family Home	$5,069	$5,247	$5,431	$5,621	$5,874	$6,138	$6,506	$6,896	$7,310	$7,750	$7,750	$7,750
Refuse Rates												
Collection (per unit)	$210	$210	$210	$240	$270	$315	$330	$345	$345	$345	$345	$345
Disposal (per ton)	$45.00	$45.00	$45.00	$48.00	$48.00	$50.00	$52.00	$57.00	$60.00	$60.00	$60.00	$60.00
Leaf Collection[1]	$0.01	$0.01	$0.01	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015
Community Centers												
Lee - Burgundy Village[1]	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02
Dranesville - McLean[1]	$0.028	$0.028	$0.028	$0.028	$0.028	$0.028	$0.028	$0.026	$0.024	$0.024	$0.023	$0.023
Hunter Mill - Reston[1]	$0.06	$0.052	$0.052	$0.052	$0.052	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047
Other Special Taxing Districts												
Route 28 Corridor[1]	$0.20	$0.20	$0.20	$0.20	$0.20	$0.20	$0.20	$0.20	$0.18	$0.18	$0.18	$0.18
Dulles Rail Phase I[1]	–	–	–	$0.22	$0.22	$0.22	$0.22	$0.22	$0.22	$0.22	$0.22	$0.22
Dulles Rail Phase II[1]	–	–	–	–	–	–	–	–	–	$0.05	$0.10	$0.10
Integrated Pest Management Program[1]	$0.0010	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001
Commercial Real Estate Tax for Transportation[1,2]	–	–	–	–	–	–	–	$0.11	$0.11	$0.11	$0.11	$0.11
Stormwater Services[1,3]	–	–	–	–	–	–	–	–	$0.010	$0.015	$0.015	$0.015

[1] Per $100 of assessed value.

[2] The 2007 General Assembly enacted legislation effective January 1, 2008, enabling Northern Virginia jurisdictions to levy an additional real estate tax on commercial and industrial properties if used to fund transportation purposes. As part of the FY 2009 budget process, the Board of Supervisors approved a Commercial and Industrial Real Estate Tax for Transportation of $0.11 per $100 of assessed valuation to be used for new transportation initiatives, which is directed to Fund 124, County and Regional Transportation Projects.

[3] This service district was created in FY 2010 to support stormwater management operating and capital requirements, as authorized the Code of Virginia §15.2-2400.

ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS
GENERAL FUND, FISCAL YEARS 2010-2012

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
ASSESSED VALUATION OF TAXABLE PROPERTY					
Real Estate					
Local Assessment	$206,808,012,920	$187,780,076,910	$187,780,076,910	$193,918,874,000	$193,918,874,000
Public Service Corporations	868,343,266	800,266,285	820,923,622	800,266,285	852,112,360
Supplemental Assessments	331,957,806	281,567,600	281,670,115	290,878,310	290,878,310
Less: Tax Relief for Elderly/Disabled	(2,423,869,141)	(2,534,108,400)	(2,334,108,400)	(2,618,351,364)	(2,942,043,671)
Less: Exonerations/Certificates/Tax Abatements	(1,537,278,687)	(1,492,933,300)	(947,370,186)	(1,152,812,673)	(1,152,812,673)
Total Real Estate Taxable Valuation	**$204,047,166,164**	**$184,834,869,095**	**$185,601,192,061**	**$191,238,854,558**	**$190,967,008,326**
Personal Property					
Vehicles	$9,288,671,335	$9,826,881,519	$9,423,065,705	$9,743,856,908	$9,743,856,908
Business Property (excluding vehicles)	2,480,795,198	2,227,089,865	2,522,812,799	2,606,680,455	2,606,680,455
Mobile Homes	19,869,572	22,465,919	20,100,656	20,765,488	20,765,488
Other Personal Property[1]	16,008,464	12,963,447	16,290,884	16,811,015	16,811,015
Public Service Corporations	2,696,846,543	2,586,182,538	1,919,378,710	2,486,938,964	2,593,903,543
Total Personal Property Valuation	**$14,502,191,112**	**$14,675,583,288**	**$13,901,648,754**	**$14,875,052,830**	**$14,982,017,409**
Total Taxable Property Valuation	**$218,549,357,276**	**$199,510,452,383**	**$199,502,840,815**	**$206,113,907,388**	**$205,949,025,735**
TAX RATE (per $100 assessed value)					
Real Estate					
Regular-Local Assessment	$1.04	$1.09	$1.09	$1.09	$1.07
Public Service Corporations-Equalized	1.04	1.09	1.09	1.09	1.07
Personal Property					
Vehicle/Business/Other	$4.57	$4.57	$4.57	$4.57	$4.57
Public Service Corporations-Equalized	1.04	1.09	1.09	1.09	1.07
Mobile Homes	1.04	1.09	1.09	1.09	1.07

[1] Other Personal Property includes boats, trailers, and miscellaneous.

ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS
GENERAL FUND, FISCAL YEARS 2010-2012

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
LEVIES AND COLLECTIONS					
Property Tax Levy					
Real Estate Tax Levy	$2,122,116,073	$2,014,700,073	$2,023,251,804	$2,084,503,514	$2,043,346,988
Personal Property Tax Levy	495,514,761	494,423,180	494,738,827	514,413,945	514,973,527
Total Property Tax Levy	**$2,617,630,834**	**$2,509,123,253**	**$2,517,990,631**	**$2,598,917,459**	**$2,558,320,515**
Property Tax Collections					
Collection of Current Taxes[2]	$2,611,825,961	$2,496,208,039	$2,504,411,535	$2,584,702,293	$2,544,252,293
Percentage of Total Levy Collected	99.8%	99.5%	99.5%	99.5%	99.5%
Net Collections of Delinquent Taxes	21,900,682	21,191,612	20,002,167	18,985,502	18,985,502
Total Property Tax Collections	**$2,633,726,643**	**$2,517,399,651**	**$2,524,413,702**	**$2,603,687,795**	**$2,563,237,795**
Yield of $0.01 per $100 of Real Estate Tax Collections	$20,614,700	$18,671,636	$18,682,972	$19,299,637	$19,283,037
Yield of $0.01 per $100 of Personal Property Tax Collections	$1,023,589	$1,008,781	$1,023,883	$1,052,573	$1,052,445

[2] Includes the approximate value of one-half of 1 cent on the Real Estate Tax rate, which is directed to The Penny for Affordable Housing Fund. The value of the one-half cent is $10.27 million, $9.34 million and $9.65 million in FY 2010, FY 2011 and FY 2012, respectively.

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
TOTAL REAL PROPERTY TAXES							
Real Estate Tax - Current	$2,096,571,692	$1,988,813,859	$1,996,909,916	$2,058,035,067	$2,016,645,891	($41,389,176)	-2.0%
R. E. Tax - Public Service Corps	9,030,064	8,722,903	9,146,879	8,722,903	9,117,602	394,699	4.5%
Subtotal R. E. Tax - Current	**$2,105,601,756**	**$1,997,536,762**	**$2,006,056,795**	**$2,066,757,970**	**$2,025,763,493**	**($40,994,477)**	**-2.0%**
R. E. Tax Penalties - Current	$4,727,233	$4,632,114	$4,418,412	$4,418,412	$4,418,412	$0	0.0%
R. E. Tax Interest - Current	67,669	112,840	63,249	63,249	63,249	0	0.0%
R. E. Tax Delinquent - 1st Year	3,746,574	4,287,768	3,501,818	3,501,818	3,501,818	0	0.0%
R. E. Tax Penalties - 1st Year Delinquent	641,858	724,329	599,927	599,927	599,927	0	0.0%
R. E. Tax Interest - 1st Year Delinquent	68,336	60,483	63,872	63,872	63,872	0	0.0%
R. E. Tax Delinquent - 2nd Year	521,439	1,318,266	487,374	487,374	487,374	0	0.0%
R. E. Tax Penalties - 2nd Year Delinquent	64,070	101,710	59,885	59,885	59,885	0	0.0%
R. E. Tax Interest - 2nd Year Delinquent	15,775	22,554	14,745	14,745	14,745	0	0.0%
R. E. Tax - Prior Years	290,099	503,815	271,147	271,147	271,147	0	0.0%
R. E. PSC - Penalty Current	2,180	27,959	2,038	2,038	2,038	0	0.0%
R. E. PSC - Interest Current	45	420	42	42	42	0	0.0%
R. E. PSC - Delinquent	224,042	105,766	209,405	209,405	209,405	0	0.0%
Subtotal R. E. Tax - Delinquents	**$10,369,320**	**$11,898,024**	**$9,691,914**	**$9,691,914**	**$9,691,914**	**$0**	**0.0%**
TOTAL REAL PROPERTY TAXES	**$2,115,971,076**	**$2,009,434,786**	**$2,015,748,709**	**$2,076,449,884**	**$2,035,455,407**	**($40,994,477)**	**-2.0%**
PERSONAL PROPERTY TAXES							
Personal Property Tax - Current	$256,269,887	$249,508,355	$256,515,002	$269,539,042	$269,434,468	($104,574)	0.0%
P. P. Tax - Public Service Corps	28,370,374	28,508,978	21,185,794	27,441,337	28,090,388	649,051	2.4%
Subtotal P. P. Tax - Current	**$284,640,261**	**$278,017,333**	**$277,700,796**	**$296,980,379**	**$297,524,856**	**$544,477**	**0.2%**

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
P. P. Tax Penalties - Current	$4,094,231	$3,116,868	$3,116,868	$3,116,868	$3,116,868	$0	0.0%
P. P. Tax Interest - Current	113,623	112,356	112,356	112,356	112,356	0	0.0%
P. P. Tax Delinquent - 1st Year	3,079,243	3,349,339	3,349,339	3,349,339	3,349,339	0	0.0%
P. P. Tax Penalties - 1st Year Delinquent	761,024	322,809	589,474	322,809	322,809	0	0.0%
P. P. Tax Interest - 1st Year Delinquent	164,577	113,084	113,084	113,084	113,084	0	0.0%
P. P. Tax Delinquent - 2nd Year	1,514,855	1,048,590	1,548,590	1,048,590	1,048,590	0	0.0%
P. P. Tax Penalties - 2nd Year Delinquent	261,025	86,142	86,142	86,142	86,142	0	0.0%
P. P. Tax Interest - 2nd Year Delinquent	78,581	50,898	50,898	50,898	50,898	0	0.0%
P. P. Tax Delinquent - 3rd Year	1,052,976	630,749	880,749	630,749	630,749	0	0.0%
P. P. Tax Penalties - 3rd Year Delinquent	185,538	60,806	60,806	60,806	60,806	0	0.0%
P. P. Tax Interest - 3rd Year Delinquent	100,124	67,334	67,334	67,334	67,334	0	0.0%
P. P. Tax Prior Years	125,564	334,613	334,613	334,613	334,613	0	0.0%
Subtotal P. P. Tax - Delinquent	**$11,531,361**	**$9,293,588**	**$10,310,253**	**$9,293,588**	**$9,293,588**	**$0**	**0.0%**
TOTAL PERSONAL PROPERTY TAXES	**$296,171,622**	**$287,310,921**	**$288,011,049**	**$306,273,967**	**$306,818,444**	**$544,477**	**0.2%**
GENERAL OTHER LOCAL TAXES							
Short-Term Daily Rental	$347,542	$475,932	$347,541	$347,541	$347,541	$0	0.0%
Vehicle Registration Fee	0	27,000,000	27,000,000	27,270,000	27,270,000	0	0.0%
Auto Delinquent - DMV Hold	(155,707)	0	0	0	0	0	–
Bank Franchise Tax	16,817,879	6,248,658	9,248,658	9,248,658	9,248,658	0	0.0%
Cigarette Tax	9,160,355	9,051,472	9,051,472	9,051,472	9,051,472	0	0.0%
Gross Receipts Tax on Rental Cars	2,253,074	2,390,775	2,390,775	2,390,775	2,390,775	0	0.0%
Land Transfer Fees	26,414	29,232	29,232	29,232	29,232	0	0.0%
Communication Sales and Use Tax	52,075,447	52,933,658	52,312,013	52,312,013	52,312,013	0	0.0%
Subtotal	**$80,525,004**	**$98,129,727**	**$100,379,691**	**$100,649,691**	**$100,649,691**	**$0**	**0.0%**
Sales Tax - Local	$149,469,722	$145,656,079	$150,067,655	$148,528,872	$150,067,655	$1,538,783	1.04%
Sales Tax - Mobile Home	77,616	107,250	107,250	77,616	107,250	29,634	38.2%
Subtotal Sales Tax	**$149,547,338**	**$145,763,329**	**$150,174,905**	**$148,606,488**	**$150,174,905**	**$1,568,417**	**1.06%**

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
Deed of Conveyance Tax	$5,006,052	$4,569,418	$4,569,418	$4,615,112	$4,615,112	$0	0.0%
Recordation Tax	19,858,891	20,145,484	21,159,125	20,758,376	20,758,376	0	0.0%
Subtotal Deed of Conveyance/Recordation	**$24,864,943**	**$24,714,902**	**$25,728,543**	**$25,373,488**	**$25,373,488**	**$0**	**0.0%**
Transient Occupancy Tax	$8,534,055	$8,581,841	$8,581,841	$8,753,478	$8,753,478	$0	0.0%
Transient Occupancy Tax – Additional	9,281,631	9,515,860	9,515,860	9,706,177	9,706,177	0	0.0%
Subtotal Transient Occupancy Tax	**$17,815,686**	**$18,097,701**	**$18,097,701**	**$18,459,655**	**$18,459,655**	**$0**	**0.0%**
TOTAL Other Local Taxes	**$272,752,971**	**$286,705,659**	**$294,380,840**	**$293,089,322**	**$294,657,739**	**$1,568,417**	**0.5%**
Electric Utility Tax - Dominion Virginia Power	$34,051,622	$34,167,684	$34,167,684	$34,509,360	$34,509,360	$0	0.0%
Electric Utility Tax - No. Va. Elec.	1,695,184	1,833,800	1,833,800	1,852,138	1,852,138	0	0.0%
Subtotal Electric Utility Tax	**$35,746,806**	**$36,001,484**	**$36,001,484**	**$36,361,498**	**$36,361,498**	**$0**	**0.0%**
Gas Utility Tax - Washington Gas	$8,829,005	$9,062,650	$9,062,650	$9,153,276	$9,153,276	$0	0.0%
Gas Utility Tax - Columbia Gas of VA	515,076	509,870	509,870	514,970	514,970	0	0.0%
Subtotal Gas Utility Tax	**$9,344,081**	**$9,572,520**	**$9,572,520**	**$9,668,246**	**$9,668,246**	**$0**	**0.0%**
TOTAL Consumer Utility Tax	**$45,090,887**	**$45,574,004**	**$45,574,004**	**$46,029,744**	**$46,029,744**	**$0**	**0.0%**
Electric Consumption Tax	$3,007,581	$3,318,761	$3,318,761	$3,351,949	$3,351,949	$0	0.0%
Natural Gas Consumption Tax	779,332	810,148	810,148	818,249	818,249	0	0.0%
Total Consumption Tax	**$3,786,913**	**$4,128,909**	**$4,128,909**	**$4,170,198**	**$4,170,198**	**$0**	**0.0%**
BPOL Tax - Amusements	$210,261	$205,415	$210,261	$214,466	$214,466	$0	0.0%
BPOL Tax - Builders and Developers	293,201	269,027	293,201	299,065	299,065	0	0.0%
BPOL Tax - Business Service Occupation	32,805,500	31,552,620	32,805,500	33,461,610	33,461,610	0	0.0%
BPOL Tax - Personal Service Occupation	5,710,398	5,553,772	5,710,398	5,824,606	5,824,606	0	0.0%
BPOL Tax - Contractors	7,386,606	7,684,051	7,386,606	7,534,338	7,534,338	0	0.0%
BPOL Tax - Hotels and Motels	1,306,840	1,442,440	1,306,840	1,332,977	1,332,977	0	0.0%
BPOL Tax - Prof. & Spec Occupations	16,245,485	15,741,523	16,245,485	16,570,395	16,570,395	0	0.0%
BPOL Tax - Rent of House, Apt & Condo	10,896,418	10,193,600	10,896,418	11,114,346	11,114,346	0	0.0%

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
BPOL Tax - Repair Service	2,113,483	1,967,947	2,113,483	2,155,753	2,155,753	0	0.0%
BPOL Tax - Retail Merchants	23,604,483	24,111,534	23,604,483	24,076,572	24,076,572	0	0.0%
BPOL Tax - Wholesale Merchants	1,221,687	1,397,100	1,221,687	1,246,121	1,246,121	0	0.0%
BPOL Tax - Real Estate Brokers	1,227,984	1,140,756	1,227,984	1,252,544	1,252,544	0	0.0%
BPOL Tax - Money Lenders	1,221,635	1,222,381	1,221,635	1,246,068	1,246,068	0	0.0%
BPOL Tax - Telephone Companies	1,924,098	1,863,843	1,924,098	1,962,580	1,962,580	0	0.0%
BPOL Tax - Consultant/Specialist	31,629,001	31,491,871	31,629,001	32,261,580	32,261,580	0	0.0%
BPOL Tax - Research and Development	745,533	593,585	745,533	760,444	760,444	0	0.0%
Subtotal BPOL - Current	**138,542,613**	**$136,431,465**	**$138,542,613**	**$141,313,465**	**$141,313,465**	**$0**	**0.0%**
BPOL Tax - Penalties & Interest - Current Year	($146,963)	$71,456	$71,456	$71,456	$71,456	$0	0.0%
BPOL Tax - Delinquent Taxes - Prior Years	(183,438)	1,594,528	1,594,528	1,594,528	1,594,528	0	0.0%
BPOL Tax - Delinquent Penalty & Interest - Prior Years	305,046	375,280	375,280	375,280	375,280	0	0.0%
Subtotal BPOL - Delinquents	**($25,355)**	**$2,041,264**	**$2,041,264**	**$2,041,264**	**$2,041,264**	**$0**	**0.0%**
TOTAL Business, Professional & Occupational Licenses	**$138,517,258**	**$138,472,729**	**$140,583,877**	**$143,354,729**	**$143,354,729**	**$0**	**0.0%**
TOTAL GENERAL OTHER LOCAL TAXES	**$460,148,029**	**$474,881,301**	**$484,667,630**	**$486,643,993**	**$488,212,410**	**$1,568,417**	**0.3%**
PERMITS, FEES & REGULATORY LICENSES							
Building Permits	$5,019,183	$4,526,342	$5,726,342	$4,526,342	$6,286,342	$1,760,000	38.9%
Electrical Permits	1,870,392	1,503,115	1,503,115	1,503,115	1,503,115	0	0.0%
Plumbing Permits	1,125,037	1,160,298	1,160,298	1,160,298	1,160,298	0	0.0%
Mechanical Permits	1,077,637	1,093,976	1,093,976	1,093,976	1,093,976	0	0.0%
Cross Connection Charges	530,410	511,499	511,499	511,499	511,499	0	0.0%
Home Improvement Inspection Licenses	4,149	4,261	4,261	4,261	4,261	0	0.0%
Elevator Inspection Licenses	1,540,954	1,534,157	1,534,157	1,534,157	1,534,157	0	0.0%
Appliance Permits	254,293	182,462	282,462	182,462	282,462	100,000	54.8%
Building Re-inspection Fees	9,324	8,679	8,679	8,679	8,679	0	0.0%
Electrical Re-inspection Fees	9,813	11,693	11,693	11,693	11,693	0	0.0%
Plumbing Re-inspection Fees	3,952	5,060	5,060	5,060	5,060	0	0.0%

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
Mechanical Re-inspection Fees	3,306	2,598	2,598	2,598	2,598	0	0.0%
Plan Resubmission Fee -New Construction	200,293	162,896	162,896	162,896	162,896	0	0.0%
Plan Resubmission Fee - Alteration Construction	333,236	288,185	288,185	288,185	288,185	0	0.0%
Subtotal Inspection Services	**$11,981,979**	**$10,995,221**	**$12,295,221**	**$10,995,221**	**$12,855,221**	**$1,860,000**	**16.9%**
Site Plan Fees	$2,203,869	$2,381,154	$2,881,154	$2,381,154	$2,881,154	$500,000	21.0%
Subdivision Plat Fees	146,113	178,219	178,219	178,219	178,219	0	0.0%
Subdivision Plan Fees	1,152,546	846,740	1,046,740	846,740	1,046,740	200,000	23.6%
Landfill Special Fees	0	8,542	8,542	8,542	8,542	0	0.0%
Utility Permit Fees	11,424	1,599	1,599	1,599	1,599	0	0.0%
Developer Bond Extension	487,023	580,657	580,657	580,657	580,657	0	0.0%
Inspection - Site Plans	2,926,224	2,342,032	2,342,032	2,342,032	2,342,032	0	0.0%
Inspection - Subplans	743,526	649,145	649,145	649,145	649,145	0	0.0%
Subtotal Design Review	**$7,670,725**	**$6,988,088**	**$7,688,088**	**$6,988,088**	**$7,688,088**	**$700,000**	**10.0%**
TOTAL Inspection Services and Design Review	**$19,652,704**	**$17,983,309**	**$19,983,309**	**$17,983,309**	**$20,543,309**	**$2,560,000**	**14.2%**
Zoning Fees	$1,386,313	$2,079,034	$1,663,575	$1,663,575	$1,736,735	$73,160	4.4%
Sign Permit Fees	98,735	82,069	90,000	90,000	90,000	0	0.0%
Quarry Inspection Fees	25,169	25,169	25,169	25,169	25,169	0	0.0%
Board of Zoning Appeals Fees	222,395	356,223	273,722	273,722	273,722	0	0.0%
Wetlands Permits	0	900	900	900	900	0	0.0%
Non-Residential Use Permits Fees (NON-RUP's fees)	113,610	114,361	114,361	114,361	114,361	0	0.0%
Zoning Compliance Letters/Temp Special Permits	180,867	269,765	192,300	192,300	192,300	0	0.0%
TOTAL Zoning Revenue	**$2,027,089**	**$2,927,521**	**$2,360,027**	**$2,360,027**	**$2,433,187**	**$73,160**	**3.1%**

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
Dog Licenses	$837,899	$767,450	$883,845	$883,845	$883,845	$0	0.0%
Auto Graveyard Licenses	250	100	100	100	100	0	0.0%
Bondsmen Licenses	30	30	30	30	30	0	0.0%
Dance Hall Licenses	1,740	1,840	1,840	1,840	1,840	0	0.0%
Fortune Teller Licenses	1,000	2,000	2,000	2,000	2,000	0	0.0%
Mixed Drink Establishment Licenses	144,375	130,896	154,300	154,300	154,300	0	0.0%
Land Use Assessment Application Fees	212	1,241	1,241	1,241	1,241	0	0.0%
Massage Therapist Permits	31,050	29,350	33,925	33,925	33,925	0	0.0%
Election Filing Fees	0	1,000	1,000	1,000	1,000	0	0.0%
Concealed Weapon Permits	101,147	56,840	101,147	101,147	101,147	0	0.0%
Precious Metal & Gem Dealers / Pawnbrokers Licenses	7,850	6,775	7,850	7,850	7,850	0	0.0%
Solicitors Licenses	10,060	10,000	10,000	10,000	10,000	0	0.0%
Going Out of Business Fees	780	780	780	780	780	0	0.0%
Fire Prevention Code Permits	1,336,392	1,294,300	1,336,392	1,343,074	1,343,074	0	0.0%
Fire Marshal Fees	3,141,152	2,910,425	2,910,425	2,924,977	2,924,977	0	0.0%
Acceptance Test Overtime Fees	9,216	100,000	22,000	22,000	22,000	0	0.0%
Home Childcare Permits	24,891	28,560	24,891	24,891	24,891	0	0.0%
Tax Abatement Application Fees	750	500	500	500	500	0	0.0%
Alarm Systems Registrations	136,810	147,530	136,810	136,810	136,810	0	0.0%
Taxicab Licenses	136,995	156,550	138,195	138,195	138,195	0	0.0%
Subtotal Misc. Permits, Fees & Licenses	**$5,922,599**	**$5,646,167**	**$5,767,271**	**$5,788,505**	**$5,788,505**	**$0**	**0.0%**
Sanitation Inspection Licenses	$3,275	$1,080	$2,400	$2,400	$2,400	$0	0.0%
Septic Tank Permits	30,910	37,639	37,639	37,639	37,639	0	0.0%
Septic Tank Truck Licenses	72,434	69,713	72,434	72,434	72,434	0	0.0%
Well Water Supply Permits	27,700	25,150	27,700	27,900	27,900	0	0.0%
Well Water Supply Licenses	2,550	2,650	2,650	2,650	2,650	0	0.0%
Routine Water Sample Fees	3,415	4,235	7,500	7,500	7,500	0	0.0%
Swimming Pool Licenses	244,608	215,224	246,730	246,730	246,730	0	0.0%
Portable Toilet Fees	555	720	720	600	600	0	0.0%
Private Schools/Day Care Center Licenses	15,490	15,200	15,200	15,490	15,490	0	0.0%
Food Establishment Operating Permits	214,880	346,660	346,660	346,660	346,660	0	0.0%

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
State Share Septic Tank Permits	63,070	63,900	58,140	58,140	58,140	0	0.0%
State Share Well Permit Fees	29,110	25,920	41,100	41,100	41,100	0	0.0%
Miscellaneous Environmental Fees	15,469	6,517	15,468	15,468	15,468	0	0.0%
Alternate Discharge Permits	0	525	525	525	525	0	0.0%
Site Development Review	10,470	14,663	14,663	14,663	14,663	0	0.0%
Building Permits Review	38,735	30,460	38,735	38,735	38,735	0	0.0%
Public Establishment Review	59,925	59,200	60,300	60,300	60,300	0	0.0%
Hotel Permits–State Health Fee	13,200	11,840	34,200	34,200	34,200	0	0.0%
Restaurants–State Health Fee	189,265	191,000	720,000	731,000	329,423	(401,577)	-54.9%
Camps/Campgrounds–State Health Fee	0	600	1,140	1,140	1,140	0	0.0%
Plan Review–State Health Fee	15,825	23,250	19,950	19,950	19,950	0	0.0%
Alternative Sewage Systems Plan Review	12,400	16,450	14,000	14,000	14,000	0	0.0%
Subtotal Health Dept. Permits, Fees & Licenses	**$1,063,286**	**$1,162,596**	**$1,777,854**	**$1,789,224**	**$1,387,647**	**($401,577)**	**-22.4%**
TOTAL Misc. Permits Fees & Licenses	**$6,985,885**	**$6,808,763**	**$7,545,125**	**$7,577,729**	**$7,176,152**	**($401,577)**	**-5.3%**
TOTAL PERMITS, FEES & REGULATORY LICENSES	**$28,665,677**	**$27,719,593**	**$29,888,461**	**$27,921,065**	**$30,152,648**	**$2,231,583**	**8.0%**
FINES AND FORFEITURES							
Courthouse Maintenance Fees	$359,000	$497,700	$453,814	$461,460	$461,460	$0	0.0%
Criminal Justice Academy Fee on Criminal Offenses	190,171	213,427	213,427	213,427	213,427	0	0.0%
Juvenile & Domestic Relations Court (J&DR) Fines/Interest	964	1,311	1,311	1,311	1,311	0	0.0%
General District Court Fines/Interest	94,339	96,000	96,000	96,000	96,000	0	0.0%
Circuit Court Fines and Penalties	160,544	166,279	166,279	153,192	153,192	0	0.0%
County Fines/Penalties	47,747	7,700	47,747	47,747	47,747	0	0.0%
County Fines - J&DR Court	72,174	104,588	104,588	92,320	92,320	0	0.0%
General District Court Fines	6,837,394	8,072,962	8,072,962	8,072,962	8,072,962	0	0.0%
Court Security Fees	1,894,758	2,142,960	2,142,960	2,142,960	2,142,960	0	0.0%
Jail Fees / DNA Fees	75,718	102,140	102,140	85,987	85,987	0	0.0%
Parking Violations	3,001,266	3,187,306	3,187,306	3,187,306	3,187,306	0	0.0%
Collection Agency Fees	(35,798)	0	0	0	0	0	–

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
State Set-Off Debt Service	202,950	193,166	207,851	212,008	212,008	0	0.0%
County Fee - Administrative - Collections of Delinq. Taxes	1,465,631	1,183,366	1,465,631	1,483,355	1,483,355	0	0.0%
Attorney Fee - Collection of Delinquent Taxes	5,501	7,722	7,722	7,722	7,722	0	0.0%
Alarm Ordinance Violations	570,291	892,174	599,063	611,044	611,044	0	0.0%
TOTAL FINES AND FORFEITURES	**$14,942,650**	**$16,868,801**	**$16,868,801**	**$16,868,801**	**$16,868,801**	**$0**	**0.0%**
REVENUE FROM USE OF MONEY & PROPERTY							
Interest on Investments	$16,792,303	$14,438,339	$17,601,597	$12,747,824	$12,747,824	$0	0.0%
Interest Adjustment Prior Years	1,241,524	0	0	0	0	0	–
ACCA Rent	7,518	7,518	7,518	7,518	7,518	0	0.0%
Rent of Real Estate	2,626,713	2,698,976	2,698,976	2,752,956	2,752,956	0	0.0%
Sale of Equipment	27,470	11,416	11,416	11,500	11,500	0	0.0%
Conference Room Rentals	8,373	19,460	0	0	0	0	–
Cafeteria Commissions/Vending Machines	106,289	151,216	106,289	106,289	106,289	0	0.0%
Sale of Salvage	4,619	4,100	4,100	4,100	4,100	0	0.0%
Sale of Vehicles	57,814	67,954	67,954	67,954	67,954	0	0.0%
Bicycle Locker Rentals	1,060	750	1,060	1,080	1,080	0	0.0%
Lewinsville School Rent	163,064	163,064	163,064	163,064	163,064	0	0.0%
Hollin Hall School Rent	172,008	176,354	180,232	183,837	183,837	0	0.0%
Monopole Leases	607,918	570,722	649,809	665,543	665,543	0	0.0%
TOTAL REV. FROM USE OF MONEY & PROPERTY	**$21,816,673**	**$18,309,869**	**$21,492,015**	**$16,711,665**	**$16,711,665**	**$0**	**0.0%**
CHARGES FOR SERVICES							
EMS Transport Fee	$14,224,797	$14,691,810	$14,691,810	$14,912,187	$15,492,187	$580,000	3.9%
Commemorative Gifts	30	0	0	0	0	0	–
Copying Machine Revenue - DPWES	33,328	34,155	34,155	34,155	34,155	0	0.0%
Copying Machine Revenue - Misc.	101,305	116,567	116,567	116,567	116,567	0	0.0%
Reimbursement for Recorded Tapes/FOIA Fees	8,854	11,071	11,071	11,071	11,071	0	0.0%
Proposed Vacation Fees	400	800	800	800	800	0	0.0%
Precinct Locator Sales	0	30	30	30	30	0	0.0%

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
Refuse Collection Fees	3,273	0	13,000	13,000	13,000	0	0.0%
Parental Support - Boys Probation House	17,645	15,397	18,500	19,240	19,240	0	0.0%
Parental Support - Girls Probation House	5,566	7,207	5,566	5,566	5,566	0	0.0%
Parental Support - Supervised Visitation	9,893	10,892	10,892	10,892	10,892	0	0.0%
Commonwealth's Attorney Fees	11,984	13,085	13,085	13,085	13,085	0	0.0%
Police Reports and Photo Fees	257,471	290,843	290,843	290,843	290,843	0	0.0%
Sheriff Fees	66,271	66,271	66,271	66,271	66,271	0	0.0%
Police Reimbursement	897,967	967,292	897,967	897,967	897,967	0	0.0%
Animal Shelter Fees	90,224	103,015	90,755	91,663	91,663	0	0.0%
Miscellaneous Charges for Services	9,802	8,800	8,800	8,800	8,800	0	0.0%
Seniors on the Go	79,090	133,739	79,090	79,090	79,090	0	0.0%
Parking Garage Fees	677,487	761,371	797,458	813,407	813,407	0	0.0%
Adoption Service Fees	5,408	7,290	5,408	5,408	5,408	0	0.0%
Street Sign Fees	4,195	2,180	2,180	2,180	2,180	0	0.0%
Restricted Parking Fees/Residential Permit Parking Decals	7,930	2,000	2,000	2,000	2,000	0	0.0%
Comprehensive Plan Sales	0	2,100	2,100	500	500	0	0.0%
Sales - Mapping Division	24,613	23,088	23,088	23,088	23,088	0	0.0%
Copay - Inmate Medical	22,098	19,247	19,247	19,247	19,247	0	0.0%
Coin-Operated Copiers	147,024	161,178	161,178	161,178	161,178	0	0.0%
Library Database Fees	29,272	12,403	29,272	29,272	29,272	0	0.0%
Library Overdue Penalties	1,681,948	2,185,088	1,681,948	1,681,948	1,681,948	0	0.0%
Employee Child Care Center Fees	948,027	1,041,330	1,041,330	1,043,453	1,043,453	0	0.0%
School Age Child Care (SACC) Fees	31,782,427	31,497,815	31,875,666	33,032,547	31,824,727	(1,207,820)	-3.7%
County Clerk Fees	5,204,827	5,894,539	4,513,138	4,626,050	4,626,050	0	0.0%
Domestic Violence Services Client Fees - ADAPT	58,609	65,209	65,209	65,209	65,209	0	0.0%
FASTRAN Rider Fees	15,098	18,138	18,138	18,500	18,500	0	0.0%
Subtotal Misc. Charges for Services	**$56,426,863**	**$58,163,950**	**$56,586,562**	**$58,095,214**	**$57,467,394**	**($627,820)**	**-1.1%**

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
Senior+ Monthly Participant Fees	$42,096	$138,000	$42,000	$42,000	$42,000	$0	0.0%
Senior Center Annual Participant Fees	152,295	436,761	152,000	152,000	152,000	0	0.0%
James Lee Theatre	11,104	10,500	10,500	10,500	10,500	0	0.0%
Recreation Athletic Programs	224,115	325,000	325,000	325,000	325,000	0	0.0%
Recreation Community Use Fees	29,251	56,113	56,113	56,113	56,113	0	0.0%
Recreation Classes Fees	1,790,936	2,156,338	1,850,000	1,850,000	1,850,000	0	0.0%
Recreation Neighborhood Center Fees	239,677	240,411	240,411	240,411	240,411	0	0.0%
Custodial Fees	195,265	215,000	215,000	221,719	221,719	0	0.0%
Employee Fitness Center Fee	58,661	0	0	0	0	0	–
Subtotal Recreation Revenue	**$2,743,400**	**$3,578,123**	**$2,891,024**	**$2,897,743**	**$2,897,743**	**$0**	**0.0%**
Pre-Screening for Nursing Homes	$68,216	$73,377	$73,377	$73,377	$73,377	$0	0.0%
Speech Fees	146,303	134,357	161,164	164,387	164,387	0	0.0%
Hearing Fees	22,779	9,894	26,850	27,387	27,387	0	0.0%
Vital Statistic Fees	555,697	569,974	569,974	569,974	569,974	0	0.0%
Dental Health Fees	16,059	12,180	12,180	12,180	12,180	0	0.0%
Pharmacy Fees	19	95	95	50	50	0	0.0%
X-Ray Fees	20,130	21,887	21,887	21,887	21,887	0	0.0%
General Medical Clinic Fees	790,052	887,691	800,822	812,834	812,834	0	0.0%
Family Planning Services	47,404	37,587	47,404	47,404	47,404	0	0.0%
Medicaid Dental Fees	57,001	79,757	79,757	79,757	79,757	0	0.0%
Lab Services Fees	368,941	390,575	368,941	368,941	368,941	0	0.0%
Administrative Fees - Health Dept	3,138	3,232	3,232	3,290	3,290	0	0.0%
Medicaid Pediatric Clinic Visits	0	8,707	0	0	0	0	–
Non-Medicaid Pediatric Clinic Visits	0	30	30	30	30	0	0.0%
Non-Medicaid Maternal Clinic Visits	67,762	58,445	58,445	58,445	58,445	0	0.0%
Sewage Disposal/Well Water Evaluation	7,600	9,200	9,200	9,200	9,200	0	0.0%
Adult Day Health Care Fees	1,386,784	1,261,486	1,261,486	1,286,716	1,286,716	0	0.0%
Adult Day Health Care Medicaid Reimbursement	252,649	228,765	256,439	260,285	260,285	0	0.0%
Subtotal Health Dept Revenue	**$3,810,534**	**$3,787,239**	**$3,751,283**	**$3,796,144**	**$3,796,144**	**$0**	**0.0%**
TOTAL CHARGES FOR SERVICES	**$62,980,797**	**$65,529,312**	**$63,228,869**	**$64,789,101**	**$64,161,281**	**($627,820)**	**-1.0%**

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
RECOVERED COSTS							
City of Fairfax Public Assistance	$830,946	$772,110	$831,133	$831,133	$831,133	$0	0.0%
City of Fairfax Shared Govt. Expenses	2,812,975	2,812,975	3,365,697	3,365,697	3,365,697	0	0.0%
City of Fairfax - FASTRAN/Employment	0	12,839	12,839	12,839	12,839	0	0.0%
Falls Church Public Assistance	684,440	611,690	698,559	698,559	698,559	0	0.0%
Falls Church - FASTRAN/Employment	14,119	14,119	14,119	14,119	14,119	0	0.0%
Falls Church Health Dept. Services	231,664	228,373	240,146	244,949	244,949	0	0.0%
Inmate Room and Board	580,116	968,124	580,116	580,116	580,116	0	0.0%
Boarding of Prisoners	295,253	423,192	295,253	295,253	295,253	0	0.0%
Professional Dues Deduction	36,147	36,534	36,534	36,534	36,534	0	0.0%
Recovered Costs - Circuit Court	74	200	200	200	200	0	0.0%
Recovered Costs - General District Court	135,146	128,000	128,000	128,000	128,000	0	0.0%
Misc. Recovered Costs - Other	37,904	130,078	130,078	130,078	130,078	0	0.0%
Misc. Recovered Costs - Fire and Rescue Hazmat	0	5,000	5,000	5,000	5,000	0	0.0%
Credit Card Charges	(675)	0	0	0	0	0	–
Child Care Services for Other Jurisdictions	122,975	120,309	120,309	122,715	122,715	0	0.0%
CPAN, Circuit Court Computer Service	297,017	317,606	317,606	317,606	317,606	0	0.0%
Golden Gazette	80,406	83,343	83,343	83,343	83,343	0	0.0%
Police Academy Cost Recovery	16,100	21,000	16,100	16,100	16,100	0	0.0%
FASTRAN	78,544	91,522	78,544	78,554	78,554	0	0.0%
Reimbursement - School Health	0	0	0	0	3,877,215	3,877,215	–
TOTAL RECOVERED COSTS	**$6,253,151**	**$6,777,014**	**$6,953,576**	**$6,960,795**	**$10,838,010**	**$3,877,215**	**55.7%**
REVENUE FROM THE COMMONWEALTH							
"Flexible" cut - State requires locality to pick funding stream to cut	($3,932,935)	($4,842,380)	($4,535,144)	($4,535,144)	($4,535,144)	$0	0.0%
Reserve for State Aid Reductions	0	0	(307,236)	(3,000,000)	(2,315,082)	684,918	-22.8%
Total	**($3,932,935)**	**($4,842,380)**	**($4,842,380)**	**($7,535,144)**	**($6,850,226)**	**$684,918**	**-9.1%**

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
State Shared Rolling Stock Tax	$123,583	$123,583	$105,405	$105,405	$105,405	$0	0.0%
State Shared Law Enforcement (HB 599)	24,887,109	24,592,844	24,592,844	22,024,499	23,731,261	1,706,762	7.7%
State Indirect Aid	93,106	54,217	54,217	54,217	54,217	0	0.0%
Subtotal Non-Categorical State Aid	**$25,103,798**	**$24,770,644**	**$24,752,466**	**$22,184,121**	**$23,890,883**	**$1,706,762**	**7.7%**
State Shared Commonwealth Atty. Expenses	$1,486,125	$1,085,774	$1,456,403	$1,456,403	$1,456,403	$0	0.0%
State Shared Sheriff Expenses	1,517,757	11,296,518	11,913,552	11,913,552	11,913,552	0	0.0%
State Shared Dept. of Tax Admin/Finance Expenses	2,155,567	1,536,130	1,536,130	1,536,130	1,536,130	0	0.0%
State Shared General Registrar/ Electoral Board Expenses	88,867	82,338	84,476	84,476	84,476	0	0.0%
State Shared Retirement - Commonwealth Atty.	34,522	29,848	29,848	29,848	29,848	0	0.0%
State Shared General Retirement - Sheriff	269,559	300,534	300,534	300,534	300,534	0	0.0%
State Shared Retirement - Dept. of Tax Admin./Finance	53,892	55,172	55,172	55,172	55,172	0	0.0%
State Shared Retirement - Circuit Court	163,794	143,185	143,185	143,185	143,185	0	0.0%
Subtotal Shared Expenses	**$5,770,083**	**$14,529,499**	**$15,519,300**	**$15,519,300**	**$15,519,300**	**$0**	**0.0%**
Libraries State Aid	$630,268	$602,741	$517,949	$517,949	$517,949	$0	0.0%
Virginia Share Public Assistance Programs	39,585,935	38,351,325	43,175,915	43,934,553	41,462,873	(2,471,680)	-5.6%
State Share J&DR Court Residential Services	3,281,397	3,107,598	3,107,598	3,107,598	3,187,598	80,000	2.6%
State Share Adult Detention Center	3,219,985	1,592,757	2,504,911	2,504,911	2,504,911	0	0.0%
Subtotal Categorical State Aid	**$46,717,585**	**$43,654,421**	**$49,306,373**	**$50,065,011**	**$47,673,331**	**($2,391,680)**	**-4.8%**
State Reimb. - General District Court	$90,314	$67,293	$67,293	$67,293	$67,293	$0	0.0%
State Reimb. - Health Department	9,142,840	8,696,264	8,834,894	8,834,894	8,834,894	0	0.0%
State Reimb. - Residential Beds - JDC	5,800	10,850	10,850	10,850	10,850	0	0.0%
State Reimb. - Commonwealth Atty. Witness Expense	30,327	16,400	16,400	16,400	16,400	0	0.0%
State Reimb.- Police Intoxication	5,000	6,125	6,125	6,125	6,125	0	0.0%
State Share J&DR Court Services	1,447,550	1,443,581	1,443,581	1,443,581	1,443,581	0	0.0%
Subtotal State Recovered Costs	**$10,721,831**	**$10,240,513**	**$10,379,143**	**$10,379,143**	**$10,379,143**	**$0**	**0.0%**
State Reimb - Personal Property Tax (PPTRA)	**$211,313,944**	**$211,313,944**	**$211,313,944**	**$211,313,944**	**$211,313,944**	**$0**	**0%**
TOTAL REVENUE FROM THE COMMONWEALTH	**$295,694,307**	**$299,666,641**	**$306,428,846**	**$301,926,375**	**$301,926,375**	**$0**	**0.0%**

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
REVENUE FROM THE FEDERAL GOVT.							
J&DR Court - USA Grant	$121,660	$150,502	$121,660	$121,660	$121,660	$0	0.0%
USDA Grant - Office for Children/Human Svc.	46,574	44,689	44,689	44,689	44,689	0	0.0%
Criminal Alien Assistance Program	1,477,913	0	0	0	0	0	–
Federal Aid - Miscellaneous	175,280	0	0	0	0	0	–
Federal Stimulus - DFS	1,406,165	0	0	0	0	0	–
Fed Stimulus - State Fiscal Stabilization (Comp. Board)	11,271,022	0	0	0	0	0	–
Federal Stimulus - JAG	856,341	0	0	0	0	0	–
Subtotal Categorical Federal Aid	**$15,354,954**	**$195,191**	**$166,349**	**$166,349**	**$166,349**	**$0**	**0.0%**
DFS Federal and Federal Pass-Through	$32,869,767	$29,180,077	$34,856,644	$34,050,490	$34,050,490	$0	0.0%
Office to Prevent & End Homelessness	0	295,292	295,292	295,292	295,292	0	0.0%
Payments in Lieu of Taxes - Federal	53,762	77,046	54,000	54,000	54,000	0	0.0%
TOTAL REVENUE FROM THE FEDERAL GOVERNMENT	**$48,278,483**	**$29,747,606**	**$35,372,285**	**$34,566,131**	**$34,566,131**	**$0**	**0.0%**
Combined State & Federal Public Assistance	**$72,455,702**	**$67,531,402**	**$35,374,593**	**$77,985,043**	**$75,513,363**	**($2,471,680)**	**-3.2%**
MISCELLANEOUS REVENUE							
Litigation Proceeds	$55,722	$80,502	$55,700	$55,700	$55,700	$0	0.0%
Miscellaneous Revenue - Environ Mgmt.	38,909	32,686	38,909	40,000	40,000	0	0.0%
Miscellaneous Revenue - Maint. & Const.	(6,103)	29,831	29,831	29,831	29,831	0	0.0%
Miscellaneous Revenue - Contract Rebates	980,637	980,763	980,763	980,763	980,763	0	0.0%
Miscellaneous Revenue - Various	(1,396,788)	127,854	127,854	127,854	127,854	0	0.0%
TOTAL MISCELLANEOUS REVENUE	**($327,623)**	**$1,251,636**	**$1,233,057**	**$1,234,148**	**$1,234,148**	**$0**	**0.0%**

FY 2010 - FY 2012 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2010 ACTUAL	FY 2011 ADOPTED BUDGET PLAN	FY 2011 REVISED BUDGET PLAN	FY 2012 ADVERTISED BUDGET PLAN	FY 2012 ADOPTED BUDGET PLAN	INCREASE/ (DECREASE) OVER ADVERTISED	PERCENTAGE CHANGE OVER ADVERTISED
OTHER REVENUE							
Miscellaneous Revenue	$3,680	$0	$0	$0	$0	$0	–
Linebarger Collection Fees	4,935	0	0	0	0	0	–
Insurance Recoveries	526	0	0	0	0	0	–
Revenue from Local Jurisdictions	3,955	7,131	7,131	7,131	7,131	0	0.0%
Administrative - Fairfax County	1,570	0	0	0	0	0	–
TOTAL OTHER REVENUE	**$14,666**	**$7,131**	**$7,131**	**$7,131**	**$7,131**	**$0**	**0.0%**
Total Recovered Costs/Misc./Other Revenue	**$5,940,194**	**$8,035,781**	**$8,193,764**	**$8,202,074**	**$12,079,289**	**$3,877,215**	**47.3%**
GRAND TOTAL GENERAL FUND REVENUE	**$3,350,609,508**	**$3,237,504,611**	**$3,269,900,429**	**$3,340,353,056**	**$3,306,952,451**	**($33,400,605)**	**-1.0%**

FY 2012 ADOPTED

REVENUE FROM THE COMMONWEALTH [1]

Fund/Fund Title	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
001 General Fund [2]	$295,694,307	$299,666,641	$306,428,846	$301,926,375	$301,926,375	($4,502,471)	(1.47%)
090 Public School Operating	400,431,093	387,778,829	445,255,456	442,112,660	442,112,660	(3,142,796)	(0.71%)
100 County Transit Systems	6,645,000	0	0	0	0	0	-
102 Federal/State Grant Fund	10,104,958	6,671,679	19,930,179	10,280,173	10,280,173	(9,650,006)	(48.42%)
103 Aging Grants & Programs	1,165,711	1,023,772	1,102,569	0	0	(1,102,569)	(100.00%)
106 Fairfax-Falls Church Community Services Board	17,237,404	18,985,579	25,626,733	20,702,674	20,702,674	(4,924,059)	(19.21%)
109 Refuse Collection and Recycling Operations	99,861	0	115,003	0	0	(115,003)	(100.00%)
113 McLean Community Center	3,850	0	0	0	0	0	-
116 Integrated Pest Management Program	90,000	0	0	0	0	0	-
120 E-911 Fund	5,191,606	4,384,627	4,810,751	4,000,000	4,000,000	(810,751)	(16.85%)
191 School Food & Nutrition Services	776,918	805,500	805,500	791,612	791,612	(13,888)	(1.72%)
192 School Grants & Self Supporting	14,881,367	10,005,768	9,822,665	9,713,520	9,713,520	(109,145)	(1.11%)
193 School Adult & Community Education	673,719	691,778	691,778	685,243	685,243	(6,535)	(0.94%)
301 Contributed Roadway Improvement Fund	13,529	0	744,584	0	0	(744,584)	(100.00%)
303 County Construction	0	0	210,000	0	0	(210,000)	(100.00%)
304 Transportation Improvements	4,049,769	0	6,749,152	0	0	(6,749,152)	(100.00%)
307 Pedestrian Walkway Improvements	42,861	0	565,000	0	0	(565,000)	(100.00%)
311 County Bond Construction	0	0	1,450,401	0	0	(1,450,401)	(100.00%)
315 Commercial Revitalization Program	0	0	1,477,745	0	0	(1,477,745)	(100.00%)
370 Park Authority Bond Construction	40,194	0	0	0	0	0	-
Total Revenue from the Commonwealth	**$757,142,147**	**$730,014,173**	**$825,786,362**	**$790,212,257**	**$790,212,257**	**($35,574,105)**	**(4.31%)**

[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 $51,841,412 to the Northern Virginia Transportation Commission (NVTC) in FY 2012 as a credit to help offset Fairfax County's Operating Subsidy and $4,410,481 as a credit to help offset Fairfax County's Capital Construction Subsidy in Fund 309, Metro Operations and Construction. State aid in the amount of $18,201,878 is also projected to be disbursed to NVTC in FY 2012 which will be utilized to offset operations in Fund 100, County Transit Systems.

[2] Personal Property Taxes of $211,313,944 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 2012 ADOPTED
REVENUE FROM THE FEDERAL GOVERNMENT

Fund/Fund Title	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
001 General Fund	$48,278,483	$29,747,606	$35,372,285	$34,566,131	$34,566,131	($806,154)	(2.28%)
090 Public School Operating	87,827,700	79,161,279	87,716,400	63,197,897	63,197,897	(24,518,503)	(27.95%)
102 Federal/State Grant Fund	48,526,469	51,375,182	116,330,403	50,960,696	50,960,696	(65,369,707)	(56.19%)
103 Aging Grants & Programs	2,052,499	2,085,560	2,514,600	0	0	(2,514,600)	(100.00%)
106 Fairfax-Falls Church Community Services Board	7,679,342	6,233,278	8,002,518	6,419,420	6,419,420	(1,583,098)	(19.78%)
142 Community Development Block Grant	7,333,503	5,982,304	16,975,917	6,463,133	6,463,133	(10,512,784)	(61.93%)
145 HOME Investment Partnerships Grant	1,161,037	2,707,657	9,097,608	2,692,612	2,692,612	(6,404,996)	(70.40%)
191 School Food & Nutrition Services	24,307,440	21,756,710	21,756,710	25,979,065	25,979,065	4,222,355	19.41%
192 School Grants & Self Supporting	35,621,490	43,183,330	53,947,691	33,602,281	33,602,281	(20,345,410)	(37.71%)
193 School Adult & Community Education	808,753	631,216	781,216	662,139	662,139	(119,077)	(15.24%)
200 County Debt Service	1,352,474	0	0	0	0	0	-
301 Contributed Roadway Improvement Fund	0	0	392,309	0	0	(392,309)	(100.00%)
303 County Construction	236,344	0	9,406,456	0	0	(9,406,456)	(100.00%)
307 Pedestrian Walkway Improvements	121,574	0	1,600,799	0	0	(1,600,799)	(100.00%)
311 County Bond Construction	1,762,750	0	0	0	0	0	-
318 Stormwater Management Program	1,349,454	0	3,513,073	0	0	(3,513,073)	(100.00%)
340 Housing Assistance Program	85,356	0	7,359,605	0	0	(7,359,605)	(100.00%)
370 Park Authority Bond Construction	123,066	0	0	0	0	0	-
408 Sewer Bond Construction	1,974,575	0	31,024,927	0	0	(31,024,927)	(100.00%)
506 Health Benefits Fund	0	0	1,200,000	0	0	(1,200,000)	(100.00%)
591 School Health and Flexible Benefits	3,225,379	2,400,000	2,400,000	2,773,827	2,773,827	373,827	5.26%
603 OPEB Trust Fund	1,249,630	1,100,000	1,100,000	1,200,000	1,200,000	100,000	9.09%
Total Revenue from the Federal Government	**$275,077,318**	**$246,364,122**	**$410,492,517**	**$228,517,201**	**$228,517,201**	**($181,975,316)**	**(44.33%)**

FY 2012 ADOPTED PERSONNEL SERVICES SUMMARY

(All Funds Excluding the School Board)

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised
Regular Positions						
General Fund	9,407	9,242	9,542	9,549	9,549	7
General Fund Supported	1,420	1,409	1,472	1,492	1,496	24
Other Funds	969	969	1,017	1,025	1,025	8
Total	**11,796**	**11,620**	**12,031**	**12,066**	**12,070**	**39**
Regular Salaries						
General Fund	$610,897,613	$666,405,497	$665,145,240	$681,739,582	$679,984,991	$14,839,751
General Fund Supported	95,222,047	108,035,264	110,915,360	107,572,718	107,736,518	(3,178,842)
Other Funds	52,055,928	60,116,717	57,230,656	57,724,130	57,724,130	493,474
Total	**$758,175,588**	**$834,557,478**	**$833,291,256**	**$847,036,430**	**$845,445,639**	**$12,154,383**
Limited Term						
General Fund	$19,552,447	$17,364,240	$19,215,314	$11,597,678	$11,597,678	($7,617,636)
General Fund Supported	6,931,952	4,458,485	5,228,647	3,166,451	3,166,451	(2,062,196)
Other Funds	4,049,416	3,335,215	3,914,126	2,537,688	2,537,688	(1,376,438)
Total	**$30,533,815**	**$25,157,940**	**$28,358,087**	**$17,301,817**	**$17,301,817**	**($11,056,270)**
Shift Differential						
General Fund	$4,084,398	$4,497,389	$4,496,485	$4,497,389	$4,497,389	$904
General Fund Supported	596,979	780,392	780,392	791,770	791,770	11,378
Other Funds	70,331	78,358	70,934	70,758	70,758	(176)
Total	**$4,751,708**	**$5,356,139**	**$5,347,811**	**$5,359,917**	**$5,359,917**	**$12,106**
Extra Compensation						
General Fund	$39,139,397	$36,962,401	$32,041,564	$32,646,422	$34,146,422	$2,104,858
General Fund Supported	4,711,841	5,924,684	5,924,684	5,965,321	5,965,321	40,637
Other Funds	2,356,273	1,905,847	1,913,008	1,945,174	1,945,174	32,166
Total	**$46,207,511**	**$44,792,932**	**$39,879,256**	**$40,556,917**	**$42,056,917**	**$2,177,661**

FY 2012 ADOPTED PERSONNEL SERVICES SUMMARY

(All Funds Excluding the School Board)

	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised
Position Turnover						
General Fund	$0	($59,281,227)	($56,769,520)	($57,547,474)	($57,547,474)	($777,954)
General Fund Supported	0	(8,707,373)	(8,621,291)	(8,618,347)	(8,618,347)	2,944
Other Funds	0	(2,039,604)	(2,039,604)	(2,039,579)	(2,039,579)	25
Total	**$0**	**($70,028,204)**	**($67,430,415)**	**($68,205,400)**	**($68,205,400)**	**($774,985)**
Total Salaries						
General Fund	$673,673,855	$665,948,300	$664,129,083	$672,933,597	$672,679,006	$8,549,923
General Fund Supported	107,462,819	110,491,452	114,227,792	108,877,913	109,041,713	(5,186,079)
Other Funds	58,531,948	63,396,533	61,089,120	60,238,171	60,238,171	(850,949)
Total	**$839,668,622**	**$839,836,285**	**$839,445,995**	**$842,049,681**	**$841,958,890**	**$2,512,895**
Fringe Benefits						
General Fund	$201,770,116	$233,626,678	$250,980,866	$263,151,156	$262,890,861	$11,909,995
General Fund Supported	29,003,336	30,512,666	31,020,752	31,155,400	31,249,000	228,248
Other Funds	140,918,558	152,843,893	170,996,241	157,189,342	157,189,342	(13,806,899)
Total	**$371,692,010**	**$416,983,237**	**$452,997,859**	**$451,495,898**	**$451,329,203**	**($1,668,656)**
Fringe Benefits as a Percent of Total Personnel Services	30.7%	33.2%	35.0%	34.9%	34.9%	
Total Costs of Personnel Services						
General Fund	$875,443,971	$899,574,978	$915,109,949	$936,084,753	$935,569,867	$20,459,918
General Fund Supported	136,466,155	141,004,118	145,248,544	140,033,313	140,290,713	(4,957,831)
Other Funds	199,450,506	216,240,426	232,085,361	217,427,513	217,427,513	(14,657,848)
Grand Total	**$1,211,360,632**	**$1,256,819,522**	**$1,292,443,854**	**$1,293,545,579**	**$1,293,288,093**	**$844,239**

FY 2012 ADOPTED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance/ Merit Increments	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Legislative-Executive Functions / Central Services										
01	Board of Supervisors	$4,349,439	$0	$0	$0	$0	$0	$0	($44,002)	$4,305,437
02	Office of the County Executive	5,392,954	0	0	0	158,393	0	0	(314,052)	5,237,295
04	Department of Cable and Consumer Services	740,847	0	0	0	10,226	0	2,725	(82,712)	671,086
06	Department of Finance	4,726,336	0	0	0	0	0	0	(490,908)	4,235,428
11	Department of Human Resources	6,058,740	0	0	0	0	0	15,348	(276,515)	5,797,573
12	Department of Purchasing and Supply Management	3,676,024	0	0	0	72,423	0	6,000	(352,546)	3,401,901
13	Office of Public Affairs	1,240,593	0	0	0	34,669	0	0	(88,056)	1,187,206
15	Office of Elections	1,441,537	0	0	0	704,016	0	33,966	(82,020)	2,097,499
17	Office of the County Attorney	6,402,213	0	0	0	0	0	0	(396,110)	6,006,103
20	Department of Management and Budget	2,855,165	0	0	0	0	0	0	(334,176)	2,520,989
37	Office of the Financial and Program Auditor	298,061	0	0	0	0	0	0	0	298,061
41	Civil Service Commission	282,161	0	0	0	55,389	0	0	0	337,550
57	Department of Tax Administration	17,236,862	0	0	0	181,135	0	196,725	(1,751,461)	15,863,261
70	Department of Information Technology	21,842,637	0	0	0	103,778	0	29,179	(1,557,723)	20,417,871
	Total Legislative-Executive Functions / Central Services	**$76,543,569**	**$0**	**$0**	**$0**	**$1,320,029**	**$0**	**$283,943**	**($5,770,281)**	**$72,377,260**
Judicial Administration										
80	Circuit Court and Records	$8,651,809	$0	$0	$0	$137,462	$0	$102,280	($856,952)	$8,034,599
82	Office of the Commonwealth's Attorney	2,752,997	0	0	0	0	0	0	(315,217)	2,437,780
85	General District Court	1,161,633	0	0	0	41,893	14,271	9,564	(61,496)	1,165,865
91	Office of the Sheriff	12,819,468	0	0	0	0	6,500	1,286,835	(1,240,102)	12,872,701
	Total Judicial Administration	**$25,385,907**	**$0**	**$0**	**$0**	**$179,355**	**$20,771**	**$1,398,679**	**($2,473,767)**	**$24,510,945**
Public Safety										
04	Department of Cable and Consumer Services	$771,469	$0	$0	$0	$0	$0	$0	($112,191)	$659,278
31	Land Development Services	8,753,268	0	0	0	0	0	0	(1,767,071)	6,986,197
81	Juvenile and Domestic Relations District Court	18,867,558	0	0	0	623,032	173,109	387,370	(1,817,605)	18,233,464
90	Police Department	126,129,201	0	0	0	0	1,330,195	16,666,260	(8,072,045)	136,053,611
91	Office of the Sheriff	37,970,250	0	0	0	0	470,699	2,974,194	(4,518,849)	36,896,294
92	Fire and Rescue Department	133,643,232	0	0	0	227,009	2,350,776	10,915,250	(9,314,087)	137,822,180
93	Office of Emergency Management	1,193,685	0	0	0	0	0	0	(13,625)	1,180,060
97	Department of Code Compliance	2,976,274	0	0	0	255,828	0	55,000	(291,265)	2,995,837
	Total Public Safety	**$330,304,937**	**$0**	**$0**	**$0**	**$1,105,869**	**$4,324,779**	**$30,998,074**	**($25,906,738)**	**$340,826,921**

FY 2012 ADOPTED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance/ Merit Increments	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Public Works										
08	Facilities Management Department	$11,983,301	$0	$0	$0	$0	$4,200	$254,091	($872,001)	$11,369,591
25	Business Planning and Support	1,082,580	0	0	0	0	0	0	(10,018)	1,072,562
26	Office of Capital Facilities	9,230,100	0	0	0	0	0	0	(221,343)	9,008,757
	Total Public Works	**$22,295,981**	**$0**	**$0**	**$0**	**$0**	**$4,200**	**$254,091**	**($1,103,362)**	**$21,450,910**
Health and Welfare										
67	Department of Family Services	$84,501,159	$0	$0	$0	$2,783,145	$2,836	$937,768	($8,909,729)	$79,315,179
68	Department of Administration for Human Services	10,125,887	0	0	0	0	0	0	(796,311)	9,329,576
71	Health Department	35,175,693	0	804,168	0	406,167	0	0	(2,701,860)	33,684,168
73	Office to Prevent and End Homelessness	627,501	0	0	0	0	0	0	0	627,501
79	Department of Neighborhood and Community Services	13,372,582	0	0	0	2,828,086	15,982	70,755	(1,348,473)	14,938,932
	Total Health and Welfare	**$143,802,822**	**$0**	**$804,168**	**$0**	**$6,017,398**	**$18,818**	**$1,008,523**	**($13,756,373)**	**$137,895,356**
Parks, Recreation and Libraries										
51	Fairfax County Park Authority	$20,561,416	$0	$0	$0	$2,207,895	$10,762	$106,776	($2,204,290)	$20,682,559
52	Fairfax County Public Library	20,855,214	0	0	0	605,834	118,059	0	(1,694,264)	19,884,843
	Total Parks, Recreation and Libraries	**$41,416,630**	**$0**	**$0**	**$0**	**$2,813,729**	**$128,821**	**$106,776**	**($3,898,554)**	**$40,567,402**
Community Development										
16	Economic Development Authority	$3,327,418	$0	$0	$0	$22,327	$0	$7,906	($220,237)	$3,137,414
31	Land Development Services	12,475,890	0	0	0	0	0	0	(2,669,028)	9,806,862
35	Department of Planning and Zoning	9,472,535	0	0	0	0	0	0	(895,609)	8,576,926
36	Planning Commission	445,169	0	0	0	0	0	9,622	0	454,791
38	Department of Housing and Community Development	4,320,389	0	0	0	138,971	0	78,808	(356,634)	4,181,534
39	Office of Human Rights and Equity Programs	1,533,693	0	0	0	0	0	0	(119,168)	1,414,525
40	Department of Transportation	7,855,883	0	0	0	0	0	0	(377,723)	7,478,160
	Total Community Development	**$39,430,977**	**$0**	**$0**	**$0**	**$161,298**	**$0**	**$96,336**	**($4,638,399)**	**$35,050,212**
Nondepartmental										
87	Unclassified Administrative Expenses	$0	$0	$0	$0	$0	$0	$0	$0	$0
89	Employee Benefits	0	262,890,861	0	0	0	0	0	0	262,890,861
	Total Nondepartmental	**$0**	**$262,890,861**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$262,890,861**
	Total General Fund	**$679,180,823**	**$262,890,861**	**$804,168**	**$0**	**$11,597,678**	**$4,497,389**	**$34,146,422**	**($57,547,474)**	**$935,569,867**

FY 2012 ADOPTED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance/ Merit Increments	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
	GENERAL FUND SUPPORTED FUNDS									
106	Fairfax-Falls Church Community Services Board									
	Administration	$2,196,148	$601,731	$73,942	$0	$0	$0	$778	($85,993)	$2,786,606
	Mental Health Services	34,008,505	9,636,804	619,368	0	2,669,141	148,091	588,440	(3,359,893)	44,310,456
	Intellectual Disability Services	10,922,691	2,961,268	0	0	6,210	135,842	272,016	(680,907)	13,617,120
	Alcohol and Drug Services	20,537,997	5,562,782	0	0	242,835	197,010	104,485	(1,924,891)	24,720,218
	Early Intervention	3,923,947	1,115,369	0	0	115,196	0	0	(113,944)	5,040,568
120	E-911 Fund	12,298,097	4,609,440	0	0	0	148,400	4,633,732	(810,159)	20,879,510
141	Elderly Housing Programs	769,672	248,505	0	0	39,022	3,364	47,601	(59,499)	1,048,665
500	Retiree Health Benefits Fund	0	0	0	0	0	0	0	0	0
501	County Insurance Fund	1,071,943	285,598	0	0	0	0	0	(86,008)	1,271,533
503	Department of Vehicle Services	15,719,281	4,351,291	0	0	0	138,020	225,769	(1,159,091)	19,275,270
504	Document Services Division	588,967	177,186	0	0	30,813	7,463	31,661	(19,726)	816,364
505	Technology Infrastructure Services	5,005,960	1,699,026	0	0	63,234	13,580	60,839	(318,236)	6,524,403
	Total General Fund Supported Funds	**$107,043,208**	**$31,249,000**	**$693,310**	**$0**	**$3,166,451**	**$791,770**	**$5,965,321**	**($8,618,347)**	**$140,290,713**
	OTHER FUNDS									
105	Cable Communications	$3,572,646	$1,090,317	$0	$0	$296,829	$0	$74,226	($82,449)	$4,951,569
109	Refuse Collection and Recycling Operations	7,375,908	2,427,470	0	0	322,563	0	422,339	(381,883)	10,166,397
110	Refuse Disposal	7,147,079	2,729,187	0	0	0	0	512,000	(134,245)	10,254,021
111	Reston Community Center	2,365,778	1,093,450	135,103	0	966,221	10,598	33,105	(20,809)	4,583,446
112	Energy Resource Recovery (ERR) Facility	547,603	171,257	0	0	0	0	22,806	(4,698)	736,968
113	McLean Community Center	1,560,805	556,678	0	0	518,300	10,626	40,107	(125,454)	2,561,062
114	I-95 Refuse Disposal	2,330,167	802,152	0	0	0	0	84,863	(30,206)	3,186,976
115	Burgundy Village Community Center	0	1,311	0	0	17,108	0	0	0	18,419
116	Integrated Pest Management Program	902,492	283,063	0	0	0	0	9,950	0	1,195,505
124	County & Regional Transportation Projects	1,377,607	453,114	0	0	0	0	0	0	1,830,721
125	Stormwater Services	8,782,309	2,857,891	0	0	70,128	0	168,306	(557,550)	11,321,084
142	Community Development Block Grant	1,344,419	528,269	0	0	91,771	0	257	0	1,964,716
145	HOME Investment Partnerships Grant	133,380	42,343	0	0	0	0	0	0	175,723
401	Sewer Operation and Maintenance	18,029,601	7,300,398	0	0	180,268	49,534	573,429	(702,285)	25,430,945
506	Health Benefits Fund	48,000	129,131,954	0	0	74,500	0	0	0	129,254,454
600	Uniformed Employees Retirement Trust Fund	298,644	109,106	0	0	0	0	568	0	408,318
601	Fairfax County Employees' Retirement Trust Fund	1,393,674	509,159	0	0	0	0	2,650	0	1,905,483
602	Police Retirement Trust Fund	298,644	109,106	0	0	0	0	568	0	408,318
603	OPEB Trust Fund	80,271	6,993,117	0	0	0	0	0	0	7,073,388
	Total Other Funds	**$57,589,027**	**$157,189,342**	**$135,103**	**$0**	**$2,537,688**	**$70,758**	**$1,945,174**	**($2,039,579)**	**$217,427,513**
	Total All Funds	**$843,813,058**	**$451,329,203**	**$1,632,581**	**$0**	**$17,301,817**	**$5,359,917**	**$42,056,917**	**($68,205,400)**	**$1,293,288,093**

FY 2012 ADOPTED
SUMMARY OF EMPLOYEE BENEFIT COSTS BY CATEGORY

BENEFIT CATEGORY	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
FRINGE BENEFITS							
Group Health Insurance							
Expenditures	$68,306,894	$74,513,747	$76,768,249	$84,379,899	$84,318,386	$7,550,137	9.8%
Reimbursements	(5,804,922)	(6,303,742)	(6,305,820)	(6,287,132)	(6,291,564)	14,256	(0.2%)
Net Cost	**$62,501,972**	**$68,210,005**	**$70,462,429**	**$78,092,767**	**$78,026,822**	**$7,564,393**	**10.7%**
Dental Insurance							
Expenditures	$4,826,298	$4,929,540	$4,932,409	$5,134,298	$5,131,684	$199,275	4.0%
Reimbursements	(1,814,548)	(1,901,039)	(1,901,732)	(1,920,838)	(1,922,884)	(21,152)	1.1%
Net Cost	**$3,011,750**	**$3,028,501**	**$3,030,677**	**$3,213,460**	**$3,208,800**	**$178,123**	**5.9%**
Group Life Insurance							
Expenditures	$3,254,922	$3,350,337	$3,352,802	$3,461,384	$3,460,117	$107,315	3.2%
Reimbursements	(1,326,712)	(1,416,940)	(1,417,439)	(1,429,819)	(1,430,812)	(13,373)	0.9%
Net Cost	**$1,928,210**	**$1,933,397**	**$1,935,363**	**$2,031,565**	**$2,029,305**	**$93,942**	**4.9%**
FICA							
Expenditures	$56,907,867	$58,111,234	$58,153,126	$58,927,986	$58,856,677	$703,551	1.2%
Reimbursements	(15,616,516)	(15,410,323)	(15,418,802)	(15,664,285)	(15,683,253)	(264,451)	1.7%
Net Cost	**$41,291,351**	**$42,700,911**	**$42,734,324**	**$43,263,701**	**$43,173,424**	**$439,100**	**1.0%**
Employees' Retirement							
Expenditures	$46,139,349	$70,133,160	$70,213,661	$83,312,528	$83,258,022	$13,044,361	18.6%
Reimbursements	(15,524,844)	(25,000,626)	(25,016,918)	(27,351,304)	(27,393,951)	(2,377,033)	9.5%
Net Cost	**$30,614,505**	**$45,132,534**	**$45,196,743**	**$55,961,224**	**$55,864,071**	**$10,667,328**	**23.6%**
Uniformed Retirement							
Expenditures	$40,771,184	$45,455,503	$45,455,503	$50,121,640	$50,121,640	$4,666,137	10.3%
Reimbursements	(2,648,961)	(3,157,184)	(3,157,184)	(3,296,051)	(3,296,051)	(138,867)	4.4%
Net Cost	**$38,122,223**	**$42,298,319**	**$42,298,319**	**$46,825,589**	**$46,825,589**	**$4,527,270**	**10.7%**
Police Retirement							
Expenditures	$23,766,626	$29,049,707	$29,049,707	$31,954,831	$31,954,831	$2,905,124	10.0%
Reimbursements	(12,667)	(37,777)	(37,777)	0	0	37,777	(100.0%)
Net Cost	**$23,753,959**	**$29,011,930**	**$29,011,930**	**$31,954,831**	**$31,954,831**	**$2,942,901**	**10.1%**
Retirement Reserve	**$0**	**$0**	**$15,000,000**	**$0**	**$0**	**($15,000,000)**	**(100.0%)**
Virginia Retirement System	**$791,166**	**$908,541**	**$908,541**	**$770,125**	**$770,125**	**($138,416)**	**(15.2%)**
Line of Duty	**$0**	**$0**	**$0**	**$575,000**	**$575,000**	**$575,000**	**–**
Flexible Spending Accounts	**$0**	**$0**	**$0**	**$125,000**	**$125,000**	**$125,000**	**–**
Unemployment Compensation	**$695,171**	**$729,662**	**$729,662**	**$727,894**	**$727,894**	**($1,768)**	**(0.2%)**
Capital Project Reimbursements	**($1,401,196)**	**($781,622)**	**($781,622)**	**($868,667)**	**($868,667)**	**($87,045)**	**11.1%**
Language Proficiency Pay	**$461,005**	**$454,500**	**$454,500**	**$478,667**	**$478,667**	**$24,167**	**5.3%**
Total Fringe Benefits:							
Expenditures	**$245,920,482**	**$287,635,931**	**$305,018,160**	**$319,969,252**	**$319,778,043**	**$14,759,883**	**4.8%**
Reimbursements	**(44,150,366)**	**(54,009,253)**	**(54,037,294)**	**(56,818,096)**	**(56,887,182)**	**(2,849,888)**	**5.3%**
Total Fringe Benefits	**$201,770,116**	**$233,626,678**	**$250,980,866**	**$263,151,156**	**$262,890,861**	**$11,909,995**	**4.7%**
OPERATING EXPENSES							
Training/Task Forces	$765,810	$822,850	$2,144,390	$822,850	$822,850	($1,321,540)	(61.6%)
Employees Advisory Council	35,011	31,178	31,178	29,814	29,814	(1,364)	(4.4%)
Employee Assistance Program	312,237	324,178	324,178	330,986	330,986	6,808	2.1%
Total Operating Expenses	**$1,113,058**	**$1,178,206**	**$2,499,746**	**$1,183,650**	**$1,183,650**	**($1,316,096)**	**(52.6%)**
TOTAL EXPENDITURES	**$247,033,540**	**$288,814,137**	**$307,517,906**	**$321,152,902**	**$320,961,693**	**$13,443,787**	**4.4%**
TOTAL REIMBURSEMENTS	**($44,150,366)**	**($54,009,253)**	**($54,037,294)**	**($56,818,096)**	**($56,887,182)**	**($2,849,888)**	**5.3%**
NET COST TO THE COUNTY	**$202,883,174**	**$234,804,884**	**$253,480,612**	**$264,334,806**	**$264,074,511**	**$10,593,899**	**4.2%**

FY 2012 ADOPTED 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	$4,305,437	$1,682,615	$570,950	$0	$0	$6,559,002
02	Office of the County Executive	5,237,295	2,046,796	752,099	0	0	8,036,190
04	Department of Cable and Consumer Services	671,086	262,268	3,350,191	(3,110,987)	0	1,172,558
06	Department of Finance	4,235,428	1,655,255	5,031,778	(751,697)	0	10,170,764
11	Department of Human Resources	5,797,573	2,265,760	1,361,179	0	0	9,424,512
12	Department of Purchasing and Supply Management	3,401,901	1,329,503	1,756,273	(288,803)	0	6,198,874
13	Office of Public Affairs	1,187,206	463,974	155,781	(256,603)	0	1,550,358
15	Office of Elections	2,097,499	819,727	918,537	0	0	3,835,763
17	Office of the County Attorney	6,006,103	2,347,256	468,123	(466,522)	0	8,354,960
20	Department of Management and Budget	2,520,989	985,232	189,609	0	0	3,695,830
37	Office of the Financial and Program Auditor	298,061	116,486	32,166	0	0	446,713
41	Civil Service Commission	337,550	131,919	91,747	0	0	561,216
57	Department of Tax Administration	15,863,261	6,199,549	5,954,769	0	0	28,017,579
70	Department of Information Technology	20,417,871	7,979,544	14,290,222	(6,791,873)	0	35,895,764
	Total Legislative-Executive Functions / Central Services	**$72,377,260**	**$28,285,884**	**$34,923,424**	**($11,666,485)**	**$0**	**$123,920,083**
Judicial Administration							
80	Circuit Court and Records	$8,034,599	$3,140,016	$1,998,576	$0	$0	$13,173,191
82	Office of the Commonwealth's Attorney	2,437,780	952,713	87,684	0	0	3,478,177
85	General District Court	1,165,865	455,634	983,263	0	0	2,604,762
91	Office of the Sheriff	12,872,701	5,030,803	4,001,770	0	0	21,905,274
	Total Judicial Administration	**$24,510,945**	**$9,579,166**	**$7,071,293**	**$0**	**$0**	**$41,161,404**
Public Safety							
04	Department of Cable and Consumer Services	$659,278	$257,654	$129,178	$0	$0	$1,046,110
31	Land Development Services	6,986,197	2,730,288	1,370,067	0	0	11,086,552
81	Juvenile and Domestic Relations District Court	18,233,464	7,125,852	1,929,903	0	0	27,289,219
90	Police Department	136,053,611	53,171,350	25,257,642	(697,406)	0	213,785,197
91	Office of the Sheriff	36,896,294	14,419,505	5,555,427	0	0	56,871,226
92	Fire and Rescue Department	137,822,180	53,862,527	23,188,250	0	0	214,872,957
93	Office of Emergency Management	1,180,060	461,181	579,684	0	0	2,220,925
97	Department of Code Compliance	2,995,837	1,170,808	514,746	0	0	4,681,391
	Total Public Safety	**$340,826,921**	**$133,199,165**	**$58,524,897**	**($697,406)**	**$0**	**$531,853,577**

FY 2012 ADOPTED 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	$11,369,591	$4,443,370	$49,400,257	($10,535,922)	$0	$54,677,296
25	Business Planning and Support	1,072,562	419,170	197,386	(492,778)	0	1,196,340
26	Office of Capital Facilities	9,008,757	3,520,728	8,200,067	(6,349,278)	0	14,380,274
87	Unclassified Administrative Expenses	0	0	3,847,657	(166,030)	0	3,681,627
	Total Public Works	**$21,450,910**	**$8,383,268**	**$61,645,367**	**($17,544,008)**	**$0**	**$73,935,537**
Health and Welfare							
67	Department of Family Services	$79,315,179	$30,997,304	$110,275,132	($2,125,557)	$0	$218,462,058
68	Department of Administration for Human Services	9,329,576	3,646,108	1,506,159	(64,143)	0	14,417,700
71	Health Department	33,684,168	13,164,169	17,244,149	0	0	64,092,486
73	Office to Prevent and End Homelessness	627,501	245,235	9,833,105	0	0	10,705,841
79	Department of Neighborhood and Community Services	14,938,932	5,838,310	18,006,010	(7,010,081)	0	31,773,171
	Total Health and Welfare	**$137,895,356**	**$53,891,126**	**$156,864,555**	**($9,199,781)**	**$0**	**$339,451,256**
Parks, Recreation & Libraries							
51	Fairfax County Park Authority	$20,682,559	$8,082,987	$4,689,283	($3,672,053)	$0	$29,782,776
52	Fairfax County Public Library	19,884,843	7,771,230	6,151,068	0	0	33,807,141
	Total Parks, Recreation & Libraries	**$40,567,402**	**$15,854,217**	**$10,840,351**	**($3,672,053)**	**$0**	**$63,589,917**
Community Development							
16	Economic Development Authority	$3,137,414	$1,226,138	$3,908,092	$0	$0	$8,271,644
31	Land Development Services	9,806,862	3,832,637	2,902,041	(84,877)	0	16,456,663
35	Department of Planning and Zoning	8,576,926	3,351,963	694,486	0	0	12,623,375
36	Planning Commission	454,791	177,738	209,863	0	0	842,392
38	Department of Housing and Community Development	4,181,534	1,634,193	2,259,723	(512,500)	0	7,562,950
39	Office of Human Rights and Equity Programs	1,414,525	552,813	120,045	0	0	2,087,383
40	Department of Transportation	7,478,160	2,922,553	550,825	(1,251,341)	0	9,700,197
	Total Community Development	**$35,050,212**	**$13,698,035**	**$10,645,075**	**($1,848,718)**	**$0**	**$57,544,604**
Non-Departmental							
87	Unclassified Administrative Expenses	$0	$0	$3,775,000	$0	$0	$3,775,000
89	Employee Benefits	0	0	1,183,650	0	0	1,183,650
	Total Non-Departmental	**$0**	**$0**	**$4,958,650**	**$0**	**$0**	**$4,958,650**
GENERAL FUND DIRECT EXPENDITURES		**$672,679,006**	**$262,890,861**	**$345,473,612**	**($44,628,451)**	**$0**	**$1,236,415,028**

FY 2012 ADOPTED SUMMARY OF GENERAL FUND
OPERATING EXPENDITURES BY OBJECT CODE

Object Code	Description	FY 2010 Actual	FY 2011 Adopted Budget Plan	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget	FY 2012 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
302	Professional Consultant/Contracts	$76,253,956	$79,077,841	$95,188,102	$80,354,225	$80,529,225	($14,658,877)	(15.40%)
304	Commercial Office Supplies	181,338	283,380	293,228	280,881	280,881	(12,347)	(4.21%)
306	Central Store Charges	2,682,550	2,523,904	2,593,800	2,472,020	2,472,020	(121,780)	(4.70%)
308	Operating Supplies	10,281,832	10,763,681	12,146,867	10,698,454	10,698,454	(1,448,413)	(11.92%)
309	Operating Equipment	2,358,882	2,694,092	4,774,436	2,536,599	2,536,599	(2,237,837)	(46.87%)
310	Operating Expenses	9,176,101	10,113,595	12,678,247	12,168,021	12,168,021	(510,226)	(4.02%)
312	Wearing Apparel	2,129,990	3,217,863	4,638,708	3,403,047	3,403,047	(1,235,661)	(26.64%)
314	Postage	4,743,824	5,700,711	6,037,404	6,022,036	6,022,036	(15,368)	(0.25%)
316	Telecommunications	12,768,672	13,763,719	15,730,960	13,557,476	13,557,476	(2,173,484)	(13.82%)
318	Commercial Printing Services	185,526	540,442	541,748	504,148	504,148	(37,600)	(6.94%)
320	Rent of Equipment	518,488	720,879	715,650	690,250	690,250	(25,400)	(3.55%)
322	Rent of Real Estate	16,866,727	17,328,013	16,937,053	16,569,375	16,569,375	(367,678)	(2.17%)
324	Utilities	19,046,601	21,751,839	22,079,954	22,142,907	22,142,907	62,953	0.29%
326	Interjurisdictional Payments	272,473	286,866	302,944	286,866	286,866	(16,078)	(5.31%)
328	Repairs and Maintenance	7,450,717	5,525,433	6,569,031	5,569,613	5,569,613	(999,418)	(15.21%)
330	Books and Related Material	3,486,388	3,691,162	3,918,402	3,680,933	3,680,933	(237,469)	(6.06%)
331	Computer Software & Operating Equipment	2,946,524	2,758,099	4,218,780	2,800,510	2,800,510	(1,418,270)	(33.62%)
332	Memberships & Subscriptions	513,993	441,340	470,191	445,607	445,607	(24,584)	(5.23%)
336	Automotive Supplies	174,809	181,647	243,964	181,647	181,647	(62,317)	(25.54%)
338	Building Materials and Supplies	1,314,993	1,604,310	1,774,117	1,604,310	1,604,310	(169,807)	(9.57%)
340	Auto Mileage Allowance	1,517,197	1,903,834	1,897,834	1,917,594	1,917,594	19,760	1.04%
342	DVS Charges	26,502,713	28,245,900	28,215,434	28,233,255	28,233,255	17,821	0.06%
344	Technology Application Services	588,089	521,515	596,573	521,515	521,515	(75,058)	(12.58%)
346	Cooperative Computer Center Charges	23,169,320	23,093,650	23,226,687	24,428,666	24,428,666	1,201,979	5.17%
348	Document Services	1,836,367	1,835,601	1,861,079	1,760,493	1,760,493	(100,586)	(5.40%)
350	Other Internal Charges	4,817,965	5,512,328	6,416,089	3,772,157	3,772,157	(2,643,932)	(41.21%)
352	Insurance and Surety Bonds	337,397	634,184	635,975	308,069	308,069	(327,906)	(51.56%)
356	Welfare Expenses	52,431,959	68,549,148	69,807,053	58,138,292	58,138,292	(11,668,761)	(16.72%)
360	Payments to Boards and Commissions	394,930	388,284	353,572	349,777	349,777	(3,795)	(1.07%)
362	Contributions to Boards, Authorities, and Commissions/Childcare Subsidies	32,149,853	15,107,301	27,132,533	29,351,045	29,351,045	2,218,512	8.18%
366	Tuition/Training	1,310	0	10,000	0	0	(10,000)	(100.00%)
368	Conferences/Travel	2,131,877	2,997,389	3,670,049	2,939,752	2,939,752	(730,297)	(19.90%)
370	Food	5,046,291	4,310,600	4,461,886	4,779,818	4,779,818	317,932	7.13%
372	Manpower Client Payroll	8,601	0	0	0	0	0	-
374	Resale Items	2,535	0	0	0	0	0	-
378	Contingencies	447,382	358,325	427,765	358,325	358,325	(69,440)	(16.23%)
380	Housing Costs/Rental Assistance	3,082,002	2,890,898	3,374,626	2,470,929	2,470,929	(903,697)	(26.78%)
	TOTAL OPERATING EXPENSES	**$327,820,172**	**$339,317,773**	**$383,940,741**	**$345,298,612**	**$345,473,612**	**($38,642,129)**	**(10.06%)**

FAIRFAX COUNTY

FY 2010 - FY 2012 County Funded Programs for School-Related Services

	FY 2010 Actual	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
General Fund Transfers				
General Fund Transfer to School Operating Fund	$1,626,600,722	$1,611,590,477	$1,610,334,722	$1,610,834,722
General Fund Transfer to School Debt Service	163,767,929	160,208,882	163,470,564	163,470,564
Subtotal	**$1,790,368,651**	**$1,771,799,359**	**$1,773,805,286**	**$1,774,305,286**
Police Department				
School Resource Officers (55/55.0 SYE)	$5,374,588	$4,577,677	$4,796,830	$4,796,830
Non-Billable Overtime Hours	250,834	250,834	250,834	250,834
School Crossing Guards (64/64.0 SYE)	2,689,014	2,646,344	2,776,445	2,776,445
Subtotal	**$8,314,436**	**$7,474,855**	**$7,824,109**	**$7,824,109**
Fire Department				
Fire safety programs for pre-school through middle school aged students	$130,609	$132,003	$148,266	$148,266
Subtotal	**$130,609**	**$132,003**	**$148,266**	**$148,266**
Health Department				
School Health (274/202.98 SYE)	$12,895,201	$13,258,789	$17,305,681	$17,277,121
Subtotal	**$12,895,201**	**$13,258,789**	**$17,305,681**	**$17,277,121**
Community Services Board (CSB) - Mental Health Services				
Pre-Kindergarten programming (10/1.5 SYE)	$78,148	$78,148	$117,462	$117,462
Elementary school programming (1/0.01 SYE)	741	741	741	741
Middle school programming (1/0.01 SYE)	741	741	741	741
High school and alternative school programming (12/0.23 SYE)	18,555	18,555	18,555	18,555
Subtotal	**$98,185**	**$98,185**	**$137,499**	**$137,499**
Community Services Board (CSB) - Intellectual Disability Services				
Elementary school programming (2/1.25 SYE)	$208,652	$211,987	$211,987	$211,987
Middle school programming (24/0.17 SYE)	17,163	17,163	17,163	17,163
High school and alternative school programming (40/1.11 SYE)	223,746	223,746	223,746	223,746
Subtotal	**$449,561**	**$452,896**	**$452,896**	**$452,896**
Community Services Board (CSB) - Alcohol and Drug Services				
Elementary school programming (4/2.75 SYE)	$203,744	$203,744	$203,744	$203,744
Middle school programming (15/4.58 SYE)	286,610	425,704	425,704	425,704
High school and alternative school programming (30/20.75 SYE)	2,144,705	2,127,832	2,127,832	2,127,832
Subtotal	**$2,635,059**	**$2,757,280**	**$2,757,280**	**$2,757,280**

FAIRFAX COUNTY

FY 2010 - FY 2012 County Funded Programs for School-Related Services

	FY 2010 Actual	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
Community Services Board (CSB) - Infant and Toddler Connection Services				
Pre-Kindergarten programming (44/0.56 SYE)	$44,321	$55,198	$55,198	$55,198
Subtotal	**$44,321**	**$55,198**	**$55,198**	**$55,198**
Department of Family Services				
Net Cost of the School-Age Child Care (SACC) Program (651/592.56 SYE) - includes general services and services for special needs clients, partially offset by program revenues	$1,566,245	$1,876,915	$669,480	$122,709
Net Cost of the Head Start Program - General Fund (Higher Horizons, Gum Springs (18/18.0 SYE), Schools' Contract)	6,179,012	6,111,969	6,259,436	6,259,436
Head Start Federal Grant Funding (Local Cash Match)[1]	884,854	1,204,565	969,786	969,786
Virginia Preschool Initiative Grant Funding (Local Cash Match)	49,213	50,787	50,000	50,000
Comprehensive Services Act (special education programs not in Fairfax County Public Schools)	15,304,950	17,050,465	16,202,190	16,202,190
County contribution to Schools for SACC space	750,000	750,000	750,000	750,000
Subtotal	**$24,734,274**	**$27,044,701**	**$24,900,892**	**$24,354,121**
Department of Neighborhood and Community Services				
After School Programs at Fairfax County Middle Schools	$2,887,227	$3,118,173	$3,118,173	$3,118,173
After School Partnership Program	145,000	145,000	145,000	145,000
Field improvements[2]	346,488	316,483	200,000	200,000
Therapeutic recreation	36,084	40,035	40,035	40,035
Subtotal	**$3,414,799**	**$3,619,691**	**$3,503,208**	**$3,503,208**
Fairfax County Park Authority				
Maintenance of Fairfax County Public Schools' athletic fields	$1,641,567	$2,490,634	$1,772,535	$1,772,535
Subtotal	**$1,641,567**	**$2,490,634**	**$1,772,535**	**$1,772,535**
TOTAL: County Funding for School Related Services	**$1,844,726,663**	**$1,829,183,591**	**$1,832,662,850**	**$1,832,587,519**

[1] This includes Local Cash Match funding for Federal Head Start and Early Head Start for the Higher Horizons, Gum Springs and Schools' contracts.

[2] Only the cost of athletic field lighting is reflected here. All other Fairfax County Public Schools-related field improvement funding is managed by, and shown under, the Fairfax County Park Authority.

FAIRFAX COUNTY

FY 2010 - FY 2012 Additional County Funded Programs for General Youth Services

	FY 2010 Actual	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
Additional County Funded Youth Programs				
Family Services - Net cost of services for children (excluding SACC and Head Start)	$18,313,063	$16,559,936	$18,347,966	$19,466,166
Juvenile and Domestic Relations District Court - Residential Services	3,067,812	2,851,346	2,722,593	2,722,593
Department of Neighborhood and Community Services - Therapeutic	721,681	800,710	800,710	800,710
Department of Neighborhood and Community Services - Teen Centers (excluding Club 78)	1,589,303	1,569,073	1,569,073	1,569,073
Department of Neighborhood and Community Services - Community Centers	1,980,049	1,856,029	1,856,029	1,856,029
Department of Neighborhood and Community Services - Net cost Extension/Community Education	63,806	71,000	71,000	71,000
Department of Neighborhood and Community Services - Youth Sports Scholarship	149,935	150,065	150,000	150,000
Fairfax County Park Authority - Athletic Field Maintenance (non-school fields)	2,446,370	3,072,430	2,500,000	2,500,000
Subtotal: Additional County Funded Programs for General Youth Services (Non-School)	**$28,332,019**	**$26,930,589**	**$28,017,371**	**$29,135,571**
TOTAL: County Funded Programs for Youth (Includes Both School and Non-School Programs)	**$1,873,058,682**	**$1,856,114,180**	**$1,860,680,221**	**$1,861,723,090**

FAIRFAX COUNTY

FY 2010 - FY 2012 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 2010 Actual	FY 2011 Revised Budget Plan	FY 2012 Advertised Budget Plan	FY 2012 Adopted Budget Plan
Additional County-Administered Programs for School-Related Services				
Department of Family Services - Head Start Grant Funding[1]	$5,016,752	$5,587,052	$5,143,148	$5,143,148
Department of Family Services - Early Head Start Grant Funding[1]	3,343,225	4,396,814	3,274,405	3,274,405
Department of Family Services - Virginia Preschool Initiative[1]	2,671,831	2,951,106	2,957,000	2,957,000
Subtotal: County-Administered Programs	**$11,031,808**	**$12,934,972**	**$11,374,553**	**$11,374,553**
GRAND TOTAL	**$1,884,090,490**	**$1,869,049,152**	**$1,872,054,774**	**$1,873,097,643**

[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.

Services for Older Adults

In 1970, only 3.0 percent, or 13,764, of Fairfax County residents were age 65 or older. By 2003, the size of this demographic group had grown to 8.4 percent of the County's population, or nearly 83,000 individuals. By 2020, it is projected that there will be 138,600 persons age 65 and older living in Fairfax County, representing 11.6 percent of the total population. Given this aging of the population, the County highlights services currently provided to older adults. It should be noted that the figures in the following table do not reflect the cost of all services provided to older adults, as only those services specifically designed for older adults, or those where participation by this population has been tracked or can be reasonably estimated, have been included. There are many general County services that are used extensively by the older adult population, such as Emergency Medical Services and cultural tours, but limited data on actual utilization rates makes it difficult to quantify those costs.

Given the rapid growth in the older adult population in the County, the increasing trend of older adults aging in place and the commensurate increase in demand for services, a large number of service delivery models have been undertaken in various County agencies in recent years. Following the adoption of the FY 2010 budget and at the direction of the Board of Supervisors, staff from agencies providing services to older adults, including the Department of Family Services, the Fairfax-Falls Church Community Services Board, the Department of Housing and Community Development, the Health Department and the Department of Neighborhood and Community Services have evaluated the continuum of older adult services including but not limited to Senior Centers, Senior+ and Adult Day Health Care Centers to ensure coordination of programs and opportunities for provision of more cost efficient service delivery with the ultimate goal to promote long term sustainability.

The table on the following pages details the cost of services provided specifically to older adults included in the FY 2012 Adopted Budget Plan. Following the table is a description of the programs, as well as utilization data by age if available. In FY 2012, services to older adults total $78.1 million or 2.3 percent of General Fund Disbursements of $3.4 billion. Excluding the General Fund Transfer to Fairfax County Public Schools and School Debt Service of $1.8 billion, spending on services for older adults is approximately 4.9 percent of the remaining General Fund Disbursements.

County Funded Programs for Older Adults[1]

	FY 2010 Actual	FY 2011 Revised Budget Plan	FY 2012 Adopted Budget
Facilities Management Department			
Lease for the Lorton Senior Center at Gunston Plaza (Operated by the Department of Neighborhood and Community Services)	$93,055	$95,830	$97,747
Department of Neighborhood and Community Services[2]			
Senior Center and Senior Plus Program	$3,458,994	$3,477,298	$3,477,298
Seniors-On-the-Go! Taxi Cab Voucher Program[3]	163,866	150,409	100,000
Congregate Meals[4]	0	0	344,547
Subtotal Department of Neighborhood and Community Services	$3,622,860	$3,627,707	$3,921,845
Fairfax County Public Library			
Programs Primarily Used by Older Adults	$285,688	$248,155	$248,155
Department of Tax Administration			
Tax Relief for the Elderly and Disabled	$25,182,694	$25,441,782	$31,479,867
Department of Family Services			
Adult Protective Services	$1,391,446	$1,442,970	$1,503,698
Long-Term Care Services	4,899,633	5,817,037	6,191,194
Adult Services	2,502,312	2,462,850	2,498,986
Transportation Services	3,035,335	2,551,256	2,833,704
Subtotal Department of Family Services	$11,828,726	$12,274,113	$13,027,582
Health Department			
Long-Term Care Developmental Services[5]	$3,674,315	$3,845,817	$3,819,335
Fire and Rescue Department			
Senior Safety Programs[6]	$48,141	$48,163	$52,030
Subtotal - General Fund	**$44,735,479**	**$45,581,567**	**$52,646,561**

County Funded Programs for Older Adults[1]

Name and Description of Service	FY 2010 Actual	FY 2011 Revised Budget Plan	FY 2012 Adopted Budget
Fund 102, Federal/State Grant Fund[7]			
Community-Based Social Services	$1,316,270	$2,034,089	$784,255
Ombudsman	410,272	586,024	606,948
Fee for Service	265,012	292,807	226,758
Congregate Meals	2,195,524	4,216,607	1,935,236
Home-Delivered Meals	1,707,032	2,228,214	1,177,033
Care-Coordination	744,708	873,147	563,757
Caregiver Support	407,802	468,818	301,697
ARRA Funding[8]	58,786	148,038	0
Subtotal Fund 102	$7,105,406	$10,847,744	$5,595,684
Fund 106, Community Services Board			
Countywide Older Adults and Families Program	$1,094,319	$1,022,915	$1,022,915
Fund 119, Contributory Fund			
Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence	$1,753,592	$1,847,761	$2,165,918
Fund 141, Elderly Housing Programs[9]			
Lewinsville Senior Residence, Little River Glen, and Lincolnia Center	$3,304,084	$5,201,767	$4,159,501
Fund 309, Metro Operations and Construction			
MetroAccess[10]	$9,163,549	$11,347,290	$12,141,600
Fund 505, Technology Infrastructure Services			
Computer Labs	$305,782	$308,870	$324,314
Subtotal - General Fund Supported	**$22,726,732**	**$30,576,347**	**$25,409,932**
TOTAL SPENDING ON SENIOR PROGRAMS	**$67,462,211**	**$76,157,914**	**$78,056,493**

[1] This analysis reflects only those services included in General Fund and General Fund Supported agencies, and does not include services supported by non-General Fund or non-appropriated funds, such as rent relief provided through Fund 941, Fairfax County Rental Program, or recreational activities provided by Fund 111, Reston Community Center. Likewise, this analysis does not include capital projects funded in prior years, such as senior centers or adult day health care facilities. Capital expenses vary significantly from year to year and one year's data cannot serve as a proxy for "average" capital expenditures in a particular service area.

[2] As part of the FY 2011 Adopted Budget Plan, the Department of Community and Recreation Services was consolidated into the new Department of Neighborhood and Community Services. The funding for FY 2010 reflects only the Department of Community and Recreation Services.

[3] To better align older adult services, Operating Expenses associated with the *Seniors-On-the-Go!* program have been moved to the Department of Neighborhood and Community Services as part of the FY 2012 Adopted Budget Plan.

[4] Previously, expenses associated with Congregate Meals were included as part of Fund 103, Aging Grants and Programs. As part of the FY 2012 Adopted Budget Plan, these expenses are being transferred to Agency 79, Department of Neighborhood and Community Services. As a result of the County's implementation of an integrated finance, budget, purchasing and human resources computer system in July 2011, funding previously classified as a grant in Fund 103, Aging Grants and Programs that no longer meets the grant definition of the new computer system is being transferred to the General Fund as part of Agency 67, Department of Family Services or Agency 79, Department of Neighborhood and Community Services in FY 2012.

[5] Includes the Alzheimer's Family Day Center.

[6] The FY 2012 funding level is based on estimated expenditures and actual funding may differ based on available resources including the use of grant funding in Fund 102, Federal/State Grant Fund.

[7] Before FY 2012, Area Agency on Aging grants were included in Fund 103, Aging Grants and Programs. Due to the County's implementation of an integrated finance, budget, purchasing and human resources computer system in July 2011, all grant funding is being consolidated in Fund 102, Federal/State Grants Fund starting in FY 2012. In addition, funding previously classified as a grant in Fund 103, Aging Grants and Programs that no longer meets the grant definition of the new computer system is being transferred to the General Fund as part of Agency 67, Department of Family Services or Agency 79, Department of Neighborhood and Community Services in FY 2012.

[8] Funding received as part of the American Recovery and Reinvestment Act of 2009.

[9] Figures reported reflect total expenditures. The County provides General Fund support for a portion of these expenditures with the remainder being funded by program income.

[10] FY 2011 funding level is based on fall 2009 information from WMATA indicating the potential need for a 6.7 percent increase in the jurisdictional subsidy. WMATA will adopt its budget in June 2010.

The following provides a brief description of the programs, as well as utilization data if available, included in the Services for Older Adults table above. For additional information please refer to the specific agency narrative in Volume 1 and Volume 2.

Department of Neighborhood and Community Services

Senior Center and Senior Plus Program

The Department of Neighborhood and Community Services offers services to individuals aged 55 years and older. Services are primarily offered through the 13 senior centers located throughout the County. The Senior Plus Program provides services for older adults who require a higher level of assistance to participate in older adult activities.

***Seniors on the Go!* Taxi Cab Voucher Program**

The *Seniors on the Go!* Taxi Cab Voucher Program allows older adults to purchase vouchers that partially subsidize the cost of taxi rides. Vouchers can be used by married couples over 65 with less than $50,000 in combined income and by single persons over 65 with less than $40,000 in income. The number of older adults served in FY 2010 is 4,987; it is anticipated that 5,603 older adults will be served in FY 2012. To better align older adult services, Operating Expenses associated with the *Seniors-On-the-Go!* program have been moved to the Department of Neighborhood and Community Services as part of the FY 2012 Advertised Budget Plan.

Fairfax County Public Library

Programs Primarily Used by Older Adults

The Fairfax County Public Library offers several programs which, although not limited to the older adult population, are heavily used by older adults (those 62 and older). Examples of programs include talking books; home delivery program; book collections maintained at older adult residences, nursing homes, and adult day care centers; large print books; and Dimview, a self-help group for adults who are coping with loss of vision.

Department of Tax Administration

Tax Relief for the Elderly and Disabled

Tax relief is provided to adults 65 and older and disabled persons on a graduated scale depending upon the level of income and net assets, which must not exceed $72,000 and $340,000, respectively. In FY 2010, 8,017 people participated in the program.

Department of Family Services

Adult Protective Services

Adult Protective Services provides mandated investigations of situations of suspected abuse, neglect or exploitation involving older adults age 60+ and incapacitated adults age 18+ as well as case management services to provide protection for at-risk adults in the community and in public and private facilities. In FY 2010, 1,000 investigations were conducted.

Adult Services and Long-Term Care Services

Adult services and Long-Term Care Services provides case management, including needs assessment, care plans, coordination/authorization of services, and follow-up for adults age 60 and older and adults age 18 and older with disabilities. Services may include home based care and mandated Medicaid preadmission screenings. Some services may have functional and financial eligibility requirements. In FY 2010, 2,429 clients were served.

Transportation Services

FASTRAN provides transportation between older adults' residences and their local senior center and adult day health care facility as well as trips in support of basic living. A fee of $0.50 is charged for each one-way trip. Older adults 60 and older who are attendees of a senior center or residents of senior housing are eligible for services. In FY 2010, 126,716 one-way trips were provided to 899 older adults. In addition, there were 2,252 group trips provided in FY 2010.

Health Department

Adult Day Health Care Program

The Adult Day Health Care program provides therapeutic recreational activities, supervision and health care to meet the needs of adults, 18 years and older who have physical and/or cognitive disabilities. Services are provided on a sliding fee scale. The goal is to provide services to approximately 370 older adults, and that 90 percent of their family caregivers will state that their loved one's participation in the program enables them to continue to live at home in the community.

Alzheimer Family Day Center

The Alzheimer Family Day Center provides specialized day care services for people with Alzheimer's type illnesses as well as respite, support and education for their care giving families. In FY 2012, approximately 200 Fairfax family caregivers shall be reached through community outreach, education, support and training.

Fire and Rescue Department

Senior Safety Programs

The Fire and Rescue Department offers various older adult safety programs for individuals 55 and older, including Basic Fire Safety, Emergency Preparedness for the Older Adult, Life Safety Education Seniors Program, Caregiver and Staff Training for those who care for older adults, "Battery for Life" which provides free smoke alarm batteries, and the "File of Life" Program which is an educational program that stresses the importance of maintaining current medication dosages and current physician information. The department plans to reach 11,000 older adults in FY 2012.

Fund 102, Federal/State Grant Fund

Please note that Fairfax Area Agency on Aging Grants were previously in Fund 103, Aging Grants and Programs; however, due to the July 2011 replacement of the County's legacy computer system, which will replace finance, budget, purchasing and human resources computer systems, these grants have been consolidated into Fund 102, Federal/State Grant Fund, or transferred to the General Fund as part the Department of Family Services or the Department of Neighborhood and Community Services.

Community-Based Services

Community-Based Services provides services to adults age 60 and older to enable them to live as independently as possible in the community. This includes assisted transportation, information and referral, telephone reassurance, volunteer home services, insurance counseling, and other related services. In FY 2010, 11,952 older adults were served.

Ombudsman

The Ombudsman Program, serving the City of Alexandria and the counties of Arlington, Fairfax, Loudoun and Prince William, improves quality of life for the more than 10,933 residents in 113 nursing and assisted living facilities by educating residents and care providers about patient rights and by resolving complaints against nursing and assisted living facilities, as well as home care agencies, through counseling, negotiation and investigation. More than 81 trained volunteers are part of this program. The program also provides information about long-term care providers and educates the community about long-term care issues.

Fee for Service

Fee for Service provides home-based care to adults age 60 and older to enable them to remain in their homes rather than in more restrictive settings. Services are primarily targeted toward those older adults who are frail, isolated, of a minority group, or in economic need. In FY 2010, 120 adults age 60 and over received 9,657 hours of service.

Congregate Meals

Congregate Meals are provided in 29 congregate meal sites around the County including the County's senior and adult day health centers, several private senior centers and other sites serving older adults such as the Alzheimer's Family Day Center. Congregate Meals are also provided to residents of the five County senior housing complexes. In FY 2010, 264,444 congregate meals were served. More than 2,709 older adults participate in this program.

Home-Delivered Meals

Home-Delivered Meals provides meals to frail, homebound, low-income residents age 60 and older who cannot prepare their own meals. In FY 2010, 206,632 meals were provided to 794 older adults and younger adults with disabilities. Meals are delivered through partnerships with 22 community volunteer organizations that drive 49 delivery routes.

The Nutritional Supplement program targets low-income and minority individuals who are unable to consume sufficient calories from solid food due to chronic disabling conditions, dementia, or terminal illnesses. In FY 2010, the program provided 124,186 nutritional supplement meals to 542 older adults and younger adults with disabilities.

Caregiver Support

Caregiver Support provides education and support services to caregivers of persons 60 and older, or older adults caring for grandchildren. Services include scholarships for respite care, gap-filling respite and bathing services, assisted transportation (which is also reflected in Community-Based Services), assistance paying for supplies and services, and other activities that contribute to the well-being of older adults and help to relieve caregiver stress. In FY 2010, 61 clients received services through the Adult Day Health Care respite scholarship, 11 clients through the bathing and respite program, 51 clients through the Discretionary Fund, and 51 clients received assisted transportation services, taking 1,163 one-way trips. Over 25,000 readers of the Golden Gazette received caregiver related information through a regular feature, *Caregivers Corner*. An online version of Caregivers Corner reached 1,697 subscribers.

Fund 106, Community Services Board (CSB)

Countywide Older Adults and Families Program

The Older Adult and Families Program of the Falls Church Community Services Board provides specialized services for persons age 60 and older who demonstrate behavioral symptoms consistent with serious mental illness, substance abuse disorder or dementia. The specialty Older Adult staff are integrated into core Adult Outpatient and Case Management Teams at five mental health center locations (Annandale, Reston, Mt. Vernon, Springfield, Chantilly). The geriatric expertise within the broader workforce is currently being expanded. This enhanced case management expertise on the larger mental health teams will supplement the resources and interventions available to the older adult population and allow for greater continuity of services. The program served 276 clients for a total of 1,017 service hours in FY 2010.

Fund 119, Contributory Fund,

Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence

This facility is owned by the counties of Fairfax, Fauquier, Loudoun and Prince William, and the City of Alexandria as tenants in common. During FY 2010, 150 Fairfax County citizens over the age of 55 were served in the facility (109 in the nursing facility and 41 in assisted living). To be eligible for admission to the nursing and assisted living facilities, older adults and adults with disabilities must meet income, resource, and functional requirements. The Department of Family Services' Self Sufficiency Division accepts and processes applications for Medicaid and auxiliary grants, and the Department of Family Services' Adult and Aging Division assesses for functional eligibility.

Fund 141, Elderly Housing Programs

Lewinsville Senior Residence, Little River Glen, and Lincolnia Center

The Department of Housing and Community Development provides services related to the County's support of the operation of three locally-funded elderly housing developments, Lewinsville Senior Residence, Little River Glen, and Lincolnia Center Residences, which are owned or leased by the Fairfax County Redevelopment and Housing Authority (FCRHA). The programs' 220 available units/beds in the three facilities support clients who are 62 and older and also meet income requirements.

Fund 309, Metro Operations and Construction

MetroAccess

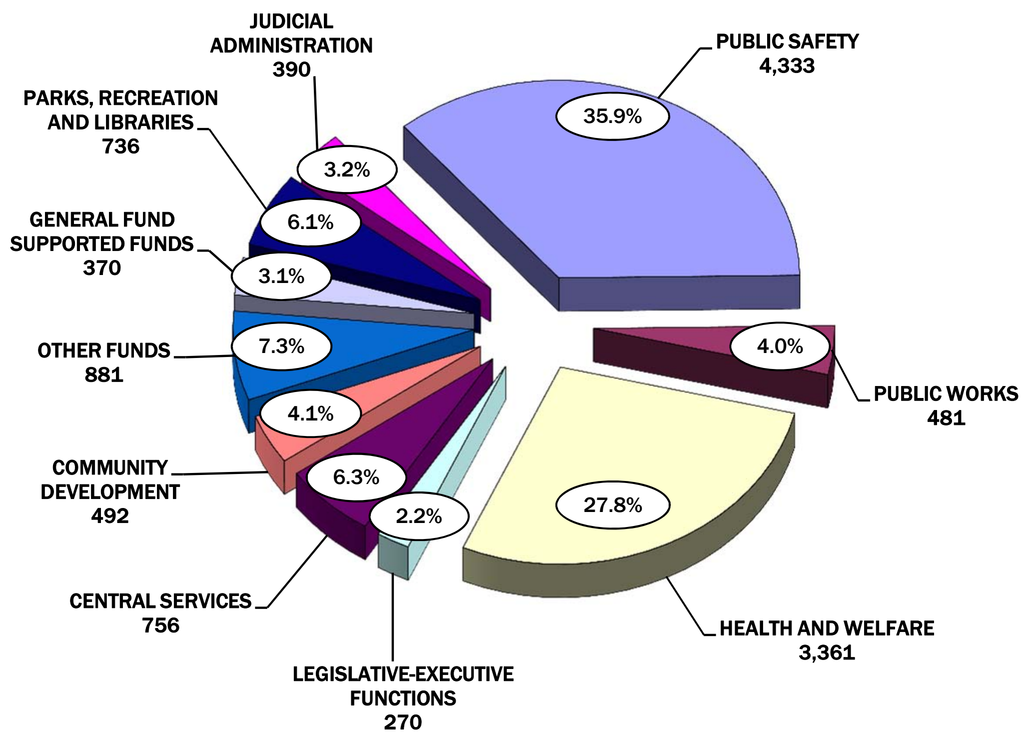
MetroAccess is a door-to-door paratransit service for people with disabilities who are not able to use fixed-route forms (bus and rail) of public transportation due to functional limitations that relate to their disability. MetroAccess provided approximately 223,256 completed stops for Fairfax County residents in FY 2010. An estimated 51 percent of MetroAccess customers residing in Fairfax County are over 55 years old.

Fund 505, Technology Infrastructure Services

Computer Labs

The Department of Information Technology supports computer labs at libraries and recreation/senior centers that are used by citizens, many of whom are older adults.

FY 2012 REGULAR POSITIONS ALL FUNDS



TOTAL REGULAR POSITIONS = 12,070

General Fund Program Areas include: General Fund agencies and Fund 106, Fairfax-Falls Church Community Services Board, in Health and Welfare, Fund 120, E-911, in Public Safety, and Fund 125, Stormwater Services, in Public Works.

General Fund Supported Funds include: Fund 141, Elderly Housing Programs; Fund 501, County Insurance; Fund 503, Department of Vehicle Services; Fund 504, Document Services Division; and Fund 505, Technology Infrastructure Services.

Other Funds include: Fund 105, Cable Communications; Fund 109, Refuse Collection & Recycling Operations; 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 124, County & Regional Transportation Projects; Fund 142, Community Development Block Grant; Fund 145, HOME Investment Partnership Grant; Fund 401, Sewer Operations and Maintenance; Fund 601, Fairfax County Employees' Retirement System; and Fund 603, OPEB Trust Fund.

Summary of Position Changes
FY 1991 - FY 2012

Authorized Positions - All Funds

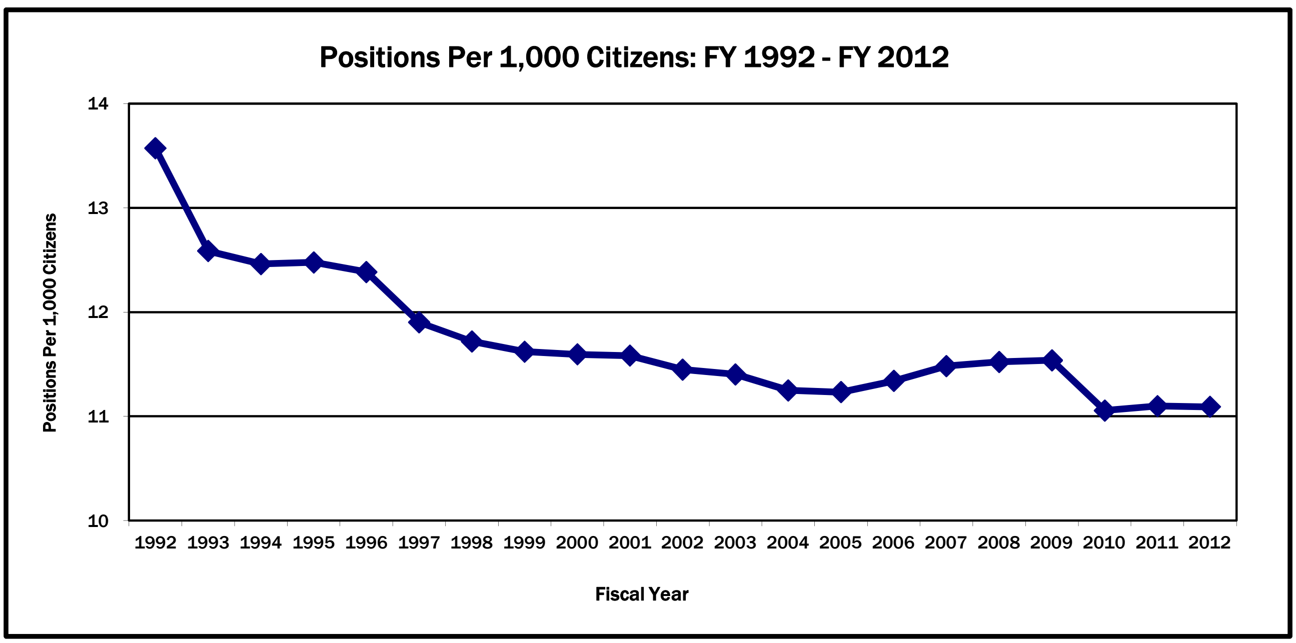
	From	To	Abolished	New Facilities	Other Changes	Other Reviews	Total Change	Positions Per 1,000 Citizens[1]
FY 1991 to FY 1992	11,164	11,124	(153)	41	20	52	(40)	13.57
FY 1992 to FY 1993	11,124	10,628	(588)	0	13	79	(496)	12.58
FY 1993 to FY 1994	10,628	10,685	(88)	62	56	27	57	12.46
FY 1994 to FY 1995	10,685	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	11.40
FY 2003 to FY 2004	11,498	11,443	(124)	49	0	20	(55)	11.25
FY 2004 to FY 2005	11,443	11,547	(4)	56	0	52	104	11.23
FY 2005 to FY 2006	11,547	11,742	(21)	163	50	3	195	11.34
FY 2006 to FY 2007	11,742	11,936	0	159	16	19	194	11.48
FY 2007 to FY 2008	11,936	12,024	0	70	0	18	88	11.52
FY 2008 to FY 2009	12,024	12,101	0	0	33	44	77	11.54
FY 2009 to FY 2010	12,101	11,796	(308)	0	2	1	(305)	11.06
FY 2010 to FY 2011 Revised	11,796	12,031	(191)	0	15	411	235	11.10
FY 2011 RBP to FY 2012 Adopted	12,031	12,070	0	0	39	0	39	11.09
Total	**11,164**	**12,070**	**(2,318)**	**1,149**	**694**	**1,381**	**906**	

In addition, a total of 168 project positions have been abolished since FY 1991, resulting in a total of 2,486 abolished positions. This results in a net increase of 738 positions through the FY 2012 Adopted Budget Plan. Despite the net addition of positions, Positions Per 1,000 Citizens have decreased dramatically during the period between FY 1992 and FY 2012, from 13.57 (including the 168 project positions) to 11.09, an 18.3 percent decrease.

( ) Denotes Abolished Positions

[1] Population numbers used to compute Positions Per 1,000 Citizens are provided by the Department of Neighborhood and Community Services.

During the period FY 1992 - FY 2012, the following chart depicts the trend in merit regular positions per 1,000 citizens:



Summary of Position Changes

FY 2012 Position Actions
Total Change - 39 Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
NEW POSITIONS			**39**
	Health	School Health Nurses	12
	Community Services Board	Intensive Community Treatment Teams	20
	Community Services Board	Diversion to Detoxification	4
	Reston Community Center	Lake Anne facility expansion	3
REORGANIZATIONS			**0**
	Cable and Consumer Services	Transfer of administrative position to Cable Fund	(1)
	Facilities Management	Transfer of Conference Center to Cable Communications	(4)
	Business Planning and Support	Transfer of human resource staff from Land Development Services	8
	Business Planning and Support	Transfer of Deputy Director to Capital Facilities	(1)
	Capital Facilities	Transfer of Deputy Director from Business Planning and Support	1
	Land Development Services	Transfer of human resource staff to Business Planning and Support	(8)
	Family Services	Transfer of support position to Prevent and End Homelessness	(1)
	Family Services	Transfer of Seniors-on-the-Go to Neighborhood and Community Services	(1)
	Prevent and End Homelessness	Transfer of support position from Family Services	1
	Neighborhood and Community Services	Transfer of Seniors-on-the-Go from Family Services	1
	Cable Communications	Transfer of Conference Center from Facilities Management	4
	Cable Communications	Transfer of administrative position from General Fund	1

Summary of Position Changes

FY 2011 Position Actions
Total Change - 235 Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
ABOLISHMENTS/REORGANIZATIONS/REDESIGNS			(191)
	Board of Supervisors/Clerk to the Board	Reorganization	(1)
	County Executive	Gang Coordinator	(1)
	Cable and Consumer Services	Mail Delivery	(1)
	Cable and Consumer Services	Consumer Affairs	(1)
	Cable and Consumer Services	Transfer of Print Shop Administrative support to Information Technology and eliminate 1 position	(2)
	Human Resources	Transfer of training staff from Information Technology	5
	Management and Budget	Technology support	(1)
	Land Development Services	Application support and processing	(18)
	Planning Commission	Reorganization	(1)
	Human Rights and Equity Programs	Equity Programs	(1)
	Human Rights and Equity Programs	Human Rights	(1)
	Park Authority	Facility and equipment support	(5)
	Park Authority	Lake Accotink and Lake Fairfax staffing	(2)
	Park Authority	Park management	(2)
	Park Authority	Facility and equipment support	(4)
	Park Authority	Strategic initiatives	(1)
	Park Authority	Tree trimmer	(2)
	Park Authority	Staff training	(1)
	Park Authority	Technology support	(1)
	Park Authority	Communication support	(2)
	Park Authority	Administrative support	(3)
	Park Authority	Purchasing support	(1)
	Park Authority	Human Resource support	(1)
	Library	Library operations	(54)
	Library	Library administration	(11)
	Library	Technical operations	(5)
	Information Technology	Public Safety governance and	(1)
	Information Technology	Administrative and technical management	(1)
	Information Technology	E-Government support	(1)
	Information Technology	Transfer of Print Shop Administrative support from Cable and Consumer Services	1
	Information Technology	Transfer of training staff to Human	(5)
	Health	Eliminate Air Pollution Control	(2)
	Health	Reduce Senior Plus support	(1)
	Health	Adult Day Health Care	(2)
	Neighborhood and Community Services	Reorganization	(10)

Summary of Position Changes

FY 2011 Position Actions
Total Change - 235 Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
	Juvenile and Domestic Relations District Court	Probation services and Juvenile Detention Center	(4)
	Police	Police Citizen Aides	(8)
	Police	Central Records	(7)
	Police	District Station administrative support	(6)
	Police	Animal Control Captain	(1)
	Police	Assistant Commander at Criminal Justice Academy	(1)
	Police	Police Liaison Commander	(1)
	Police	Probation Counselor	(1)
	Police	Administrative support in Traffic Division	(1)
	Sheriff	Safety Control Officer	(1)
	Sheriff	Public Information Officer	(1)
	Sheriff	Electronic Incarceration Program	(1)
	Fire and Rescue	Uniformed Fire Officers	(3)
	Fire and Rescue	Special projects	(1)
	Fire and Rescue	HAZMAT Investigation	(1)
	Fire and Rescue	Research, Business and Managerial Analysis	(1)
	Emergency Management	Eliminate Watch Center	(1)
	Community Services Board	Juvenile Forensics BETA Services	(2)
	Community Services Board	Juvenile Forensics Supervisor	(1)
	Community Services Board	Supervisory Substance Abuse Counselor at South County Alcohol and Drug Services Adult Outpatient Services	(1)
	Community Services Board	Sheltered Homeless Services	(1)
	Community Services Board	Reduce Senior Plus Support	(1)
	Elderly Housing	Lincolnia facility attendant	(1)
	Document Services	Print Shop	(3)
	Technology Infrastructure Services	Data Center support	(1)
NEW POSITIONS			**15**
	Financial and Program Auditor	Additional audit capacity	1
	Family Services	SACC rooms	3
	Health	Public Health Preparedness	9
	Health	School Health/Public Health Nurses	1
	Neighborhood and Community Services	Olley Glen	1

FY 2011 Position Actions
Total Change - 235 Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
OTHER CHANGES DURING FISCAL YEAR			411
	County Executive/Internal Audit	Merit Position Conversion	1
	County Executive/Internal Audit	Audit support	2
	Finance	Merit Position Conversion	2
	Facilities Management	Merit Position Conversion	1
	Facilities Management	Transfer from Administration for Human Services	1
	Facilities Management	Transfer from Housing and Community Development	1
	Human Resources	Merit Position Conversion	3
	Human Resources	Transfer video training library support from Library	1
	Human Resources	Legacy System Project support	4
	Human Resources	Transfer from Management and Budget	1
	Purchasing and Supply Management	Merit Position Conversion	1
	Public Affairs	Merit Position Conversion	4
	Public Affairs	Transfer of Access Fairfax to Neighborhood and Community Services	(2)
	Elections	Merit Position Conversion	1
	Management and Budget	Transfer to Human Resources	(1)
	Capital Facilities	Merit Position Conversion	1
	Capital Facilities	Engineer Development Program	1
	Land Development Services	Redistribution of positions	(15)
	Land Development Services	Transfer to Code Compliance	(18)
	Planning and Zoning	Merit Position Conversion	4
	Planning and Zoning	Transfer to Code Compliance	(24)
	Planning and Zoning	Tysons Corner Plan Amendment	6
	Housing and Community Development	Transfer to Facilities Management	(1)
	Transportation	Merit Position Conversion	12
	Transportation	Tysons Corner Plan Amendment	2
	Park Authority	Merit Position Conversion	21
	Library	Transfer video training library support to Human Resources	(1)
	Tax Administration	Merit Position Conversion	6
	Family Services	Merit Position Conversion	88
	Administration for Human Services	Redeployment	1
	Administration for Human Services	Transfer to Facilities Management	(1)
	Administration for Human Services	Merit Position Conversion	8
	Information Technology	Merit Position Conversion	11
	Health	Merit Position Conversion	54

Summary of Position Changes

FY 2011 Position Actions
Total Change - 235 Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
	Health	Transfer to Code Compliance	(2)
	Neighborhood and Community Services	Merit Position Conversion	24
	Neighborhood and Community Services	Transfer of Access Fairfax from Public Affairs	2
	Neighborhood and Community Services	Transfer to Community Services Board	(1)
	Neighborhood and Community Services	Countywide Service Integration and Planning Management	1
	Circuit Court	Merit Position Conversion	4
	Juvenile and Domestic Relations District Court	Merit Position Conversion	2
	Police	Merit Position Conversion	7
	Police	Police and Fire World Games	1
	Sheriff	Merit Position Conversion	6
	Fire and Rescue	Merit Position Conversion	35
	Emergency Management	Merit Position Conversion	1
	Emergency Management	Continuity of Operations	1
	Code Compliance	Transfers from Land Development, Planning and Zoning and Health	44
	Cable Communications	Merit Position Conversion	6
	Community Services Board	FAST Team	4
	Community Services Board	Transfer from Neighborhood and Community Services	1
	Community Services Board	Mental Health Services	3
	Community Services Board	Merit Position Conversion	43
	Refuse Collection and Recycling Operations	Merit Position Conversion	12
	Refuse Disposal	Merit Position Conversion	8
	Reston Community Center	Merit Position Conversion	9
	Energy Resource Recovery Facility	Merit Position Conversion	3
	I-95 Refuse Disposal	Merit Position Conversion	1
	Integrated Pest Management Program	Merit Position Conversion	2
	E-911	Merit Position Conversion	1
	Stormwater Services	Merit Position Conversion	4
	Community Development Block Grant	Merit Position Conversion	1
	HOME Investment Partnerships	Merit Position Conversion	1
	County Insurance	Merit Position Conversion	1
	Technology Infrastructure	Merit Position Conversion	10
	Retirement	Merit Position Conversion	1

Summary of Position Changes

FY 2010 Position Actions
Total Change - (305) Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
ABOLISHMENTS			(308)
	Board of Supervisors/Clerk to the Board	Receptionist	(1)
	County Executive	Energy Coordinator and Management Analyst	(2)
	County Executive	Language Coordinator	(1)
	County Executive/Internal Audit	Auditor	(1)
	County Executive/Public-Private Partnerships	Fiscal Administrator and administrative support	(2)
	Cable Communications and Consumer Protection	Consumer specialist and funding transferred to Cable Communication Fund (adjustment accelerated to FY 2009 at *FY 2009 Third Quarter Review*)	(1)
	Cable Communications and Consumer Protection	Consumer affairs	(1)
	Cable Communications and Consumer Protection	Gift and Publication Sales Center	(2)
	Finance	Administrative support	(1)
	Finance	Decreased automation efficiencies	(1)
	Finance	Technical systems support	(1)
	Finance	Electronic payment conversion	(1)
	Finance	Financial compliance	(1)
	Finance	Travel accounting	(1)
	Finance	Deputy Director	(1)
	Facilities Management	Capital and utility support	(2)
	Facilities Management	Property management	(1)
	Facilities Management	Material and supply acquisition	(1)
	Human Resources	Assistant Director	(1)
	Human Resources	Human Resources Central	(1)
	Human Resources	Compensation and workforce planning	(1)
	Purchasing and Supply Management	Health Department support	(1)
	Purchasing and Supply Management	Emergency management	(1)
	Purchasing and Supply Management	Vendor relations	(2)
	Purchasing and Supply Management	Purchasing support	(1)
	County Attorney	Administrative support	(1)
	County Attorney	Tax collection support	(1)
	County Attorney	Tax collection attorney	(1)
	County Attorney	Tax collection paralegals	(3)
	Management and Budget	Mandates and legislative analysis	(2)

FY 2010 Position Actions
Total Change - (305) Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
	Capital Facilities	Streetlight program	(1)
	Capital Facilities	Building design and construction management	(4)
	Planning and Zoning	Rezoning and special exceptions	(1)
	Planning and Zoning	Sidewalks and trails	(1)
	Planning and Zoning	Property maintenance	(2)
	Planning and Zoning	Planning and policy	(1)
	Planning and Zoning	Zoning evaluation support	(1)
	Planning and Zoning	Plan processing delay	(3)
	Planning and Zoning	Planning studies	(1)
	Planning and Zoning	Processing delay	(2)
	Housing and Community Development	Division Director	(1)
	Housing and Community Development	Transfer accounts receivable support to Public Housing, a non-appropriated fund	(1)
	Housing and Community Development	Information technology	(4)
	Housing and Community Development	Transfer of maintenance positions and funding requirements to the Fairfax County Rental Program, a non-appropriated fund	(2)
	Human Rights and Equity Programs	Leadership position	(1)
	Human Rights and Equity Programs	Administrative support	(1)
	Human Rights and Equity Programs	Education and outreach	(1)
	Human Rights and Equity Programs	Investigation and training	(1)
	Transportation	Administrative support	(1)
	Transportation	Transportation Demand Management	(1)
	Community and Recreation Services	Facility use support	(1)
	Community and Recreation Services	Willston Multicultural Center support	(1)
	Community and Recreation Services	Technology and program development support	(2)
	Community and Recreation Services	Teen center regional programming	(1)
	Park Authority	Trail outreach and development	(1)
	Park Authority	CLEMYJONTRI and Turner Farm Parks staffing	(1)
	Park Authority	Custodial services at Frying Pan, Hidden Oaks, Hidden Pond and Colvin Run Mill Parks	(2)
	Park Authority	Cultural resource support	(1)
	Park Authority	Resource management	(7)
	Park Authority	Landscape services	(3)

Summary of Position Changes

FY 2010 Position Actions
Total Change - (305) Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
	Park Authority	Centralized grounds maintenance	(3)
	Park Authority	Area grounds maintenance	(2)
	Library	Community library hours	(32)
	Tax Administration	Revenue collection	(1)
	Tax Administration	Outsourcing delinquent personal property and Business, Professional and Occupational License taxes collection	(12)
	Tax Administration	Personal property support	(1)
	Tax Administration	Information technology	(3)
	Tax Administration	Outsourcing delinquent parking ticket collection	(4)
	Tax Administration	Telephone customer service	(13)
	Tax Administration	Assistant Real Estate Director	(1)
	Tax Administration	Cashier counter	(6)
	Family Services	Special project support	(1)
	Family Services	Child protective services hotline	(1)
	Family Services	Prevention programs financial support	(1)
	Family Services	Receptionist	(1)
	Family Services	Prevention services	(1)
	Family Services	Foster care and adoption case work	(2)
	Family Services	Child abuse and neglect	(1)
	Family Services	Be-Friend a Parent Program	(1)
	Administration for Human Services	Community organization payments for Family Services contracts	(1)
	Administration for Human Services	Community and Recreation Services support	(1)
	Administration for Human Services	Emergency response planning and monitoring	(1)
	Administration for Human Services	Human resource support for Community and Recreation Services	(1)
	Administration for Human Services	Procurement card reconciliation and audit	(1)
	Administration for Human Services	Training specialist	(1)
	Administration for Human Services	Licensure and insurance	(1)
	Administration for Human Services	Budget and contract management support for Community Services Board	(1)
	Administration for Human Services	Information technology	(2)
	Administration for Human Services	Comprehensive Services Act support	(1)
	Administration for Human Services	Contracts management support	(1)
	Systems Management for Human Services	Geographic Information System Support Services	(1)
	Systems Management for Human Services	Redesign and service integration project	(1)
	Systems Management for Human Services	Internet-based resource management	(1)

Summary of Position Changes

FY 2010 Position Actions
Total Change - (305) Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
	Information Technology	Business Applications Resources	(1)
	Information Technology	Information security	(1)
	Information Technology	Technology strategy	(1)
	Information Technology	Data center	(2)
	Information Technology	Wireless network	(1)
	Information Technology	End-user information technology service management	(2)
	Health	Eliminate environmental hazards investigation program	(2)
	Health	Eliminate air pollution control program	(2)
	Circuit Court	Law clerk oversight	(1)
	Circuit Court	Training specialist	(1)
	Circuit Court	Administrative support for judges	(2)
	Juvenile and Domestic Relations District Court	Reduce Family Counseling Unit	(3)
	General District Court	Volunteer coordinator for pretrial services	(1)
	Police	Eliminate geese management program	(1)
	Police	Information Technology Captain	(1)
	Police	Reduce Cadet Program	(4)
	Police	Reduce Office of Research and Support	(2)
	Police	Eliminate School Education Officers	(8)
	Police	Reduce Traffic Safety Program	(2)
	Police	Reduce Crime Prevention Officer Program by half	(8)
	Sheriff	Close Satelite Intake Center at the Mason District Stations	(4)
	Sheriff	Training	(1)
	Fire and Rescue	Emergency Medical Services support	(1)
	Fire and Rescue	Special Projects/Legislation	(1)
	Fire and Rescue	Eliminate Peer Fitness Program	(1)
	Fire and Rescue	Photographer	(1)
	Fire and Rescue	Consolidate Equal Employment Opportunity and Women's Program offices	(2)
	Fire and Rescue	Capital project coordination	(1)
	Fire and Rescue	Public information support	(2)
	Fire and Rescue	Emergency Medical Services Regulatory	(1)
	Fire and Rescue	Eliminate Relief Battalion Management team	(6)
	Fire and Rescue	Second Safety Officer	(4)
	Fire and Rescue	Eliminate Life Safety Education Program	(1)
	Fire and Rescue	Emergency Medical Services battalion Chief	(2)
	Fire and Rescue	Special operations	(3)
	Emergency Manangement	Reduce Watch Center	(3)

Summary of Position Changes

FY 2010 Position Actions
Total Change - (305) Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
	Cable Communications	Consumer specialist transferred from the General Fund (adjustment accelerated to FY 2009 at *FY 2009 Third Quarter Review*)	1
	Community Services Board	Mental Health outpatient and case management services	(2)
	Community Services Board	Alcohol and Drug Services outpatient services at the North County Human Services Center	(3)
	Community Services Board	Close Western Fairfax Outpatient Clinic Site	(7)
	Community Services Board	Eliminate Diversion to Detoxification Program	(4)
	Community Services Board	Leadership and Resiliency Program	(2)
	Community Services Board	Forensic Mental Health and Alcohol and Drug Services at the Adult Detention Center	(1)
	Community Services Board	Assessment and referral	(1)
	Community Services Board	Eliminate consumer housing development, service site planning, centralized leasing and resource development	(2)
	Community Services Board	Close eight residential substance abuse and co-occuring treatment beds	(2)
	Community Services Board	Eliminate three vacant positions including MH Manager assigned to Older Adult Services	(3)
	Risk Management	Risk analysis	(1)
	Vehicle Services	Mechanics	(3)
	Document Services	Print Shop	(4)
	Technology Infrastructure Services	Regional program support	(1)
	Technology Infrastructure Services	Information Technology voice telecommunications	(2)

Summary of Position Changes

FY 2010 Position Actions
Total Change - (305) Regular Merit Positions

Type of Position	Agency	Explanation	# of Positions
REORGANIZATIONS/REDESIGNS/NEW POSITIONS			**2**
	Stormwater Management	Transfer to new Stormwater Services Fund	(139)
	Health	Clinic Room Aides for New Schools	2
	Stormwater Services	Transfer from General Fund	139
OTHER CHANGES DURING FISCAL YEAR			**1**
	Facilities Management	Transfer to Administration for Human Services	(1)
	Facilities Management	Capital Projects	2
	Land Development Services	Redistribution of Positions	(3)
	Transportation	Continuity of Operations Planning	1
	Community and Recreation Services	Transfer from Tax Administration	1
	Library	Redistribution of Positions	(3)
	Tax Administration	Transfer to Community and Recreation Services	(1)
	Family Services	Homeless services	1
	Administration for Human Services	Transfer from Facility Management and Community Services Board	2
	Information Technology	Transfer to Stormwater Management	(1)
	Fire and Rescue	Operational Medial Director	1
	Fire and Rescue	Alternative Placement	2
	Community Services Board	Transfer to Administration for Human Services	(1)
	Refuse Disposal	Transfer to I-95 Refuse Disposal	(2)
	1-95 Refuse Disposal	Transfer from Refuse Disposal	2
	Stormwater Services	Transfer from Information Technology	1

FY 2012 ADOPTED POSITION SUMMARY

(GENERAL FUND)

		FY 2010		FY 2011										FY 2012					
#	Agency Title	*Actual Positions*	*Actual SYE*	*Adopted Positions*	*Adopted SYE*	*Carryover Positions*	*Carryover SYE*	*Out of Cycle Positions*	*Out of Cycle SYE*	*Third Quarter Positions*	*Third Quarter SYE*	*Revised Positions*	*Revised SYE*	*Advertised Positions*	*Advertised SYE*	*Adopted Positions*	*Adopted SYE*	*Increase/ (Decrease) Positions*	*Increase/ (Decrease) SYE*
Legislative-Executive Functions / Central Services																			
01	Board of Supervisors	76	76.00	75	75.00	0	0.00	0	0.00	0	0.00	75	75.00	75	75.00	75	75.00	0	0.00
02	Office of the County Executive	51	51.00	50	50.00	0	0.00	3	3.00	0	0.00	53	53.00	53	53.00	53	53.00	0	0.00
04	Department of Cable and Consumer Services	19	19.00	16	16.00	0	0.00	0	0.00	0	0.00	16	16.00	15	15.00	15	15.00	(1)	(1.00)
06	Department of Finance	62	62.00	62	62.00	0	0.00	2	2.00	0	0.00	64	64.00	64	64.00	64	64.00	0	0.00
11	Department of Human Resources	70	70.00	75	75.00	0	0.00	9	9.00	0	0.00	84	84.00	81	81.00	84	84.00	0	0.00
12	Department of Purchasing and Supply Management	54	54.00	54	54.00	0	0.00	1	1.00	0	0.00	55	55.00	55	55.00	55	55.00	0	0.00
13	Office of Public Affairs	18	18.00	18	18.00	0	0.00	2	2.00	0	0.00	20	20.00	20	20.00	20	20.00	0	0.00
15	Office of Elections	24	24.00	24	24.00	0	0.00	1	1.00	0	0.00	25	25.00	25	25.00	25	25.00	0	0.00
17	Office of the County Attorney	60	60.00	60	60.00	0	0.00	0	0.00	0	0.00	60	60.00	60	60.00	60	60.00	0	0.00
20	Department of Management and Budget	36	36.00	35	35.00	0	0.00	(1)	(1.00)	0	0.00	34	34.00	35	35.00	34	34.00	0	0.00
37	Office of the Financial and Program Auditor	2	2.00	3	3.00	0	0.00	0	0.00	0	0.00	3	3.00	3	3.00	3	3.00	0	0.00
41	Civil Service Commission	3	3.00	3	3.00	0	0.00	0	0.00	0	0.00	3	3.00	3	3.00	3	3.00	0	0.00
57	Department of Tax Administration	278	278.00	278	278.00	0	0.00	6	6.00	0	0.00	284	284.00	284	284.00	284	284.00	0	0.00
70	Department of Information Technology	247	247.00	240	240.00	0	0.00	11	11.00	0	0.00	251	251.00	251	251.00	251	251	0	0.00
	Total Legislative-Executive Functions / Central Services	**1,000**	**1,000.00**	**993**	**993.00**	**0**	**0.00**	**34**	**34.00**	**0**	**0.00**	**1,027**	**1,027.00**	**1,024**	**1,024.00**	**1,026**	**1,026.00**	**(1)**	**(1.00)**
Judicial Administration																			
80	Circuit Court and Records	157	157.00	157	157.00	0	0.00	4	4.00	0	0.00	161	161.00	161	161.00	161	161.00	0	0.00
82	Office of the Commonwealth's Attorney	37	37.00	37	37.00	0	0.00	0	0.00	0	0.00	37	37.00	37	37.00	37	37.00	0	0.00
85	General District Court	21	21.00	21	21.00	0	0.00	0	0.00	0	0.00	21	21.00	21	21.00	21	21.00	0	0.00
91	Office of the Sheriff	171	171.00	171	171.00	0	0.00	0	0.00	0	0.00	171	171.00	170	170.00	171	171.00	0	0.00
	Total Judicial Administration	**386**	**386.00**	**386**	**386.00**	**0**	**0.00**	**4**	**4.00**	**0**	**0.00**	**390**	**390.00**	**389**	**389.00**	**390**	**390.00**	**0**	**0.00**
Public Safety																			
04	Department of Cable and Consumer Services	13	13	12	12	0	0	0	0	0	0.00	12	12	12	12	12	12	0	0.00
31	Land Development Services	143	143	135	135	(1)	(1)	(9)	(9)	0	0.00	125	125	115	115	112	112	(13)	(13.00)
81	Juvenile and Domestic Relations District Court	309	307.50	305	303.50	0	0.00	2	2.00	0	0.00	307	305.50	307	305.50	307	305.50	0	0.00
90	Police Department	1,730	1,730.00	1,704	1,704.00	1	1.00	7	7.00	0	0.00	1,712	1,712.00	1,712	1,712.00	1,712	1,712.00	0	0.00
91	Office of the Sheriff	428	427.50	425	424.50	0	0.00	6	6.00	0	0.00	431	430.50	432	431.50	431	430.50	0	0.00
92	Fire and Rescue Department	1,468	1,468.00	1,462	1,462.00	0	0.00	35	35.00	0	0.00	1,497	1,497.00	1,497	1,497.00	1,497	1,497.00	0	0.00
93	Office of Emergency Management	12	12.00	11	11.00	1	1.00	1	1.00	0	0.00	13	13.00	13	13.00	13	13.00	0	0.00
97	Department of Code Compliance [1]	0	0.00	0	0.00	44	44.00	0	0.00	0	0.00	44	44.00	44	44.00	44	44.00	0	0.00
	Total Public Safety	**4,103**	**4,101.00**	**4,054**	**4,052.00**	**45**	**45.00**	**42**	**42.00**	**0**	**0.00**	**4,141**	**4,139.00**	**4,132**	**4,130.00**	**4,128**	**4,126.00**	**(13)**	**(13.00)**
Public Works																			
08	Facilities Management Department	200	200.00	200	200.00	0	0.00	3	3.00	0	0.00	203	203.00	197	197.00	199	199.00	(4)	(4.00)
25	Business Planning and Support	5	5.00	5	5.00	0	0.00	0	0.00	0	0.00	5	5.00	12	12.00	12	12.00	7	7.00
26	Office of Capital Facilities	123	123.00	123	123.00	0	0.00	2	2.00	0	0.00	125	125.00	126	126.00	126	126.00	1	1.00
	Total Public Works	**328**	**328.00**	**328**	**328.00**	**0**	**0.00**	**5**	**5.00**	**0**	**0.00**	**333**	**333.00**	**335**	**335.00**	**337**	**337.00**	**4**	**4.00**

FY 2012 ADOPTED POSITION SUMMARY

(GENERAL FUND)

#	Agency Title	FY 2010 Actual Positions	FY 2010 Actual SYE	FY 2011 Adopted Positions	FY 2011 Adopted SYE	FY 2011 Carryover Positions	FY 2011 Carryover SYE	FY 2011 Out of Cycle Positions	FY 2011 Out of Cycle SYE	FY 2011 Third Quarter Positions	FY 2011 Third Quarter SYE	FY 2011 Revised Positions	FY 2011 Revised SYE	FY 2012 Advertised Positions	FY 2012 Advertised SYE	FY 2012 Adopted Positions	FY 2012 Adopted SYE	Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
	Health and Welfare																		
67	Department of Family Services	1,315	1,255.31	1,316	1,255.58	0	0.00	88	88.00	0	0.00	1,404	1,343.58	1,402	1,341.58	1,402	1,341.58	(2)	(2.00)
68	Department of Administration for Human Services	150	150.00	150	150.00	0	0.00	8	8.00	0	0.00	158	158.00	159	159.00	158	158.00	0	0.00
69	Department of Systems Management for Human Services [2]	75	75.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
71	Health Department	597	525.98	602	530.98	(2)	(2.00)	54	54.00	0	0.00	654	582.98	666	594.98	666	594.98	12	12.00
73	Office to Prevent and End Homelessness	3	3.00	6	6.00	0	0.00	0	0.00	0	0.00	6	6.00	7	7.00	7	7.00	1	1.00
79	Department of Neighborhood and Community Services [2]	0	0.00	180	180.00	0	0.00	26	25.75	0	0.00	206	205.75	206	206.00	207	206.75	1	1.00
	Total Health and Welfare	**2,140**	**2,009.29**	**2,254**	**2,122.56**	**(2)**	**(2.00)**	**176**	**175.75**	**0**	**0.00**	**2,428**	**2,296.31**	**2,440**	**2,308.56**	**2,440**	**2,308.31**	**12**	**12.00**
	Parks, Recreation and Libraries																		
50	Department of Community and Recreation Services [2]	115	115.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
51	Fairfax County Park Authority	364	361.50	339	337.00	0	0.00	21	21.00	0	0.00	360	358.00	360	358.00	360	358.00	0	0.00
52	Fairfax County Public Library	447	425.00	377	356.50	0	0.00	(1)	10.50	0	0.00	376	367.00	376	364.50	376	367.00	0	0.00
	Total Parks, Recreation and Libraries	**926**	**901.50**	**716**	**693.50**	**0**	**0.00**	**20**	**31.50**	**0**	**0.00**	**736**	**725.00**	**736**	**722.50**	**736**	**725.00**	**0**	**0.00**
	Community Development																		
16	Economic Development Authority	34	34.00	34	34.00	0	0.00	0	0.00	0	0.00	34	34.00	34	34.00	34	34.00	0	0.00
31	Land Development Services [1]	188	188.00	178	178.00	(19)	(19.00)	(4)	(4.00)	0	0.00	155	155.00	160	160.00	160	160.00	5	5.00
35	Department of Planning and Zoning [1]	138	138.00	138	138.00	(19)	(19.00)	5	5.00	0	0.00	124	124.00	124	124.00	124	124.00	0	0.00
36	Planning Commission	8	8.00	7	7.00	0	0.00	0	0.00	0	0.00	7	7.00	7	7.00	7	7.00	0	0.00
38	Department of Housing and Community Development	44	44.00	44	44.00	0	0.00	(1)	(1.00)	0	0.00	43	43.00	44	44.00	43	43.00	0	0.00
39	Office of Human Rights and Equity Programs	20	20.00	18	18.00	0	0.00	0	0.00	0	0.00	18	18.00	18	18.00	18	18.00	0	0.00
40	Department of Transportation	92	92.00	92	92.00	2	2.00	12	12.00	0	0.00	106	106.00	106	106.00	106	106.00	0	0.00
	Total Community Development	**524**	**524.00**	**511**	**511.00**	**(36)**	**(36.00)**	**12**	**12.00**	**0**	**0.00**	**487**	**487.00**	**493**	**493.00**	**492**	**492.00**	**5**	**5.00**
	Total General Fund Positions	**9,407**	**9,249.79**	**9,242**	**9,086.06**	**7**	**7.00**	**293**	**304.25**	**0**	**0.00**	**9,542**	**9,397.31**	**9,549**	**9,402.06**	**9,549**	**9,404.31**	**7**	**7.00**

[1] As part of the FY 2011 Adopted Budget Plan, the Board of Supervisors approved the creation of the Department of Code Compliance to create an adaptable, accountable, multi-code enforcement organization that responds effectively towards building and sustaining communities. Included in the *FY 2010 Carryover Review* was the reallocation of funding to this new agency from the Code Enforcement Strike Team, primarily budgeted in Land Development Services; the majority of the Zoning Enforcement function in the Department of Planning and Zoning; and partial funding from the Environmental Health Division of the Health Department.

[2] As part of the FY 2011 Adopted Budget Plan, all activity in Agency 50, Community and Recreation Services, and Agency 69, Systems Management for Human Services, was moved to Agency 79, Department of Neighborhood and Community Services, as part of a major consolidation initiative to maximize operational efficiencies, redesign access and delivery of services, and strengthen neighborhood and community capacity.

FY 2012 ADOPTED POSITION SUMMARY

(GENERAL FUND SUPPORTED AND OTHER FUNDS)

Fund	FY 2010 *Actual Positions*	FY 2010 *Actual SYE*	FY 2011 *Adopted Positions*	FY 2011 *Adopted SYE*	FY 2011 *Carryover Positions*	FY 2011 *Carryover SYE*	FY 2011 *Out of Cycle Positions*	FY 2011 *Out of Cycle SYE*	FY 2011 *Third Quarter Positions*	FY 2011 *Third Quarter SYE*	FY 2011 *Revised Positions*	FY 2011 *Revised SYE*	FY 2012 *Advertised Positions*	FY 2012 *Advertised SYE*	FY 2012 *Adopted Positions*	FY 2012 *Adopted SYE*	*Increase/ (Decrease) Positions*	*Increase/ (Decrease) SYE*
General Fund Supported																		
106 Fairfax-Falls Church Community Services Board																		
Administration	13	13.00	13	13.00	4	4.00	15	15.00	0	0.00	32	32.00	32	32.00	33	33.00	1	1.00
Mental Health Services	421	420.00	418	417.00	0	0.00	11	11.00	0	0.00	429	428.00	446	440.00	448	447.00	19	19.00
Intellectual Disability Services	104	104.00	104	104.00	0	0.00	18	18.00	0	0.00	122	122.00	122	122.00	122	122.00	0	0.00
Alcohol and Drug Services	294	292.00	291	289.00	0	0.00	2	2.25	0	0.00	293	291.25	296	294.25	297	295.25	4	4.00
Early Intervention Services	20	20.00	20	20.00	0	0.00	1	1.00	0	0.00	21	21.00	21	21.00	21	21.00	0	0.00
Total Community Services Board	*852*	*849.00*	*846*	*843.00*	*4*	*4.00*	*47*	*47.25*	*0*	*0.00*	*897*	*894.25*	*917*	*909.25*	*921*	*918.25*	*24*	*24.00*
120 E-911 Fund	204	204.00	204	204.00	0	0.00	1	1.00	0	0.00	205	205.00	205	205.00	205	205.00	0	0.00
141 Elderly Housing Programs	16	16.00	15	15.00	0	0.00	0	0.00	0	0.00	15	15.00	15	15.00	15	15.00	0	0.00
501 County Insurance Fund	13	13.00	13	13.00	0	0.00	1	1.00	0	0.00	14	14.00	14	14.00	14	14.00	0	0.00
503 Department of Vehicle Services	258	258.00	258	258.00	0	0.00	0	0.00	0	0.00	258	258.00	258	258.00	258	258.00	0	0.00
504 Document Services Division	13	13.00	10	10.00	0	0.00	0	0.00	0	0.00	10	10.00	10	10.00	10	10.00	0	0.00
505 Technology Infrastructure Services	64	64.00	63	63.00	0	0.00	10	10.00	0	0.00	73	73.00	73	73.00	73	73.00	0	0.00
Total General Fund Supported	**1,420**	**1,417.00**	**1,409**	**1,406.00**	**4**	**4.00**	**59**	**59.25**	**0**	**0.00**	**1,472**	**1,469.25**	**1,492**	**1,484.25**	**1,496**	**1,493.25**	**24**	**24.00**
Other Funds																		
105 Cable Communications	40	40.00	40	40.00	0	0.00	6	6.00	0	0.00	46	46.00	51	51.00	51	51.00	5	5.00
109 Refuse Collection and Recycling Operations	138	138.00	138	138.00	0	0.00	12	12.00	0	0.00	150	150.00	150	150.00	150	150.00	0	0.00
110 Refuse Disposal	136	136.00	136	136.00	0	0.00	8	8.00	0	0.00	144	144.00	144	144.00	144	144.00	0	0.00
111 Reston Community Center	38	38.00	38	38.00	0	0.00	9	9.00	0	0.00	47	47.00	50	50.00	50	50.00	3	3.00
112 Energy Resource Recovery (ERR) Facility	9	9.00	9	9.00	0	0.00	3	3.00	0	0.00	12	12.00	12	12.00	12	12.00	0	0.00
113 McLean Community Center	31	27.45	31	27.45	0	0.00	0	0.50	0	0.00	31	27.95	31	27.95	31	27.95	0	0.00
114 I-95 Refuse Disposal	40	40.00	40	40.00	0	0.00	1	1.00	0	0.00	41	41.00	41	41.00	41	41.00	0	0.00
116 Integrated Pest Management Program	10	10.00	10	10.00	0	0.00	2	2.00	0	0.00	12	12.00	12	12.00	12	12.00	0	0.00
124 County & Regional Transportation Projects	19	19.00	19	19.00	0	0.00	0	0.00	0	0.00	19	19.00	19	19.00	19	19.00	0	0.00
125 Stormwater Services	140	140.00	140	140.00	0	0.00	4	4.00	0	0.00	144	144.00	144	144.00	144	144.00	0	0.00
142 Community Development Block Grant	21	21.00	21	21.00	0	0.00	1	1.00	0	0.00	22	22.00	22	22.00	22	22.00	0	0.00
145 HOME Investment Partnerships Grant	1	1.00	1	1.00	0	0.00	1	1.00	0	0.00	2	2.00	2	2.00	2	2.00	0	0.00
401 Sewer Operation and Maintenance	321	320.50	321	320.50	0	0.00	0	0.00	0	0.00	321	320.50	321	320.50	321	320.50	0	0.00
601 Fairfax County Employees' Retirement Trust Fund	24	24.00	24	24.00	0	0.00	1	1.00	0	0.00	25	25.00	25	25.00	25	25.00	0	0.00
603 OPEB Trust Fund	1	1.00	1	1.00	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	1	1.00	0	0.00
Total Other Funds	**969**	**964.95**	**969**	**964.95**	**0**	**0.00**	**48**	**48.50**	**0**	**0.00**	**1,017**	**1,013.45**	**1,025**	**1,021.45**	**1,025**	**1,021.45**	**8**	**8.00**
Total All Funds	**11,796**	**11,631.74**	**11,620**	**11,457.01**	**11**	**11.00**	**400**	**412.00**	**0**	**0.00**	**12,031**	**11,880.01**	**12,066**	**11,907.76**	**12,070**	**11,919.01**	**39**	**39.00**

FY 2012 ADOPTED POSITION SUMMARY

(GENERAL FUND STATE POSITIONS)

	FY 2010		FY 2011										FY 2012					
Agency Title	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Third Quarter Positions	Third Quarter SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE	Adopted Positions	Adopted SYE	Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
Circuit Court and Records	15	15.00	15	15.00	0	0.00	0	0.00	0	0.00	15	15.00	15	15.00	15	15.00	0	0.00
Juvenile and Domestic Relations District Court	43	43.00	43	43.00	0	0.00	0	0.00	0	0.00	43	43.00	43	43.00	43	43.00	0	0.00
General District Court	120	117.60	93	91.10	0	0.00	0	0.00	0	0.00	93	91.10	93	91.10	93	91.10	0	0.00
Office of the Sheriff	0	0.00	27	26.50	0	0.00	0	0.00	0	0.00	27	26.50	27	26.50	27	26.50	0	0.00
Total General Fund	**178**	**175.60**	**178**	**175.60**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**178**	**175.60**	**178**	**175.60**	**178**	**175.60**	**0**	**0.00**

FY 2012 ADOPTED POSITION SUMMARY

(GRANT POSITIONS)

	FY 2010		FY 2011										FY 2012					
Fund/ Agency Title	***Actual Positions***	***Actual SYE***	***Adopted Positions***	***Adopted SYE***	***Carryover Positions***	***Carryover SYE***	***Out of Cycle Positions***	***Out of Cycle SYE***	***Third Quarter Positions***	***Third Quarter SYE***	***Revised Positions***	***Revised SYE***	***Advertised Positions***	***Advertised SYE***	***Adopted Positions***	***Adopted SYE***	***Increase/ (Decrease) Positions***	***Increase/ (Decrease) SYE***
Fund 102, Federal/State Grant Fund																		
Department of Planning and Zoning	3	3.00	3	3.00	0	0.00	0	0.00	0	0.00	3	3.00	3	3.00	3	3.00	0	0.00
Office of Human Rights and Equity Programs	4	4.00	4	4.00	0	0.00	1	1.00	0	0.00	5	5.00	5	5.00	5	5.00	0	0.00
Department of Transportation	12	12.00	12	12.00	0	0.00	0	0.00	0	0.00	12	12.00	12	12.00	12	12.00	0	0.00
Department of Family Services	233	228.50	241	236.50	0	0.00	(12)	(11.00)	0	0.00	229	225.50	233	228.50	229	225.50	0	0.00
Health Department	54	54.00	54	54.00	0	0.00	3	3.00	0	0.00	57	57.00	57	57.00	57	57.00	0	0.00
Department of Neighborhood and Community Services	4	4.00	4	4.00	0	0.00	0	0.00	0	0.00	4	4.00	4	4.00	4	4.00	0	0.00
Circuit Court and Records	1	1.00	1	1.00	0	0.00	(1)	(1.00)	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Juvenile and Domestic Relations District Court	3	3.00	3	3.00	0	0.00	2	1.50	0	0.00	5	4.50	4	3.50	5	4.50	0	0.00
Office of the Commonwealth's Attorney	2	1.50	2	1.50	0	0.00	0	0.50	0	0.00	2	2.00	2	2.00	2	2.00	0	0.00
General District Court	9	9.00	9	9.00	0	0.00	0	(0.50)	0	0.00	9	8.50	10	9.50	9	8.50	0	0.00
Police Department	8	8.00	8	8.00	0	0.00	0	0.00	0	0.00	8	8.00	8	8.00	8	8.00	0	0.00
Fire and Rescue Department	19	18.00	19	18.00	0	0.00	(1)	(1.00)	0	0.00	18	17.00	18	17.00	18	17.00	0	0.00
Emergency Management	1	1.00	1	1.00	0	0.00	3	3.00	0	0.00	4	4.00	4	4.00	4	4.00	0	0.00
Total Federal/State Grant Fund [1]	**353**	**347.00**	**361**	**355.00**	**0**	**0.00**	**(5)**	**(4.50)**	**0**	**0.00**	**356**	**350.50**	**360**	**353.50**	**356**	**350.50**	**0**	**0.00**
Fund 103, Aging Grants and Programs																		
Department of Community and Recreation Services	10	10.00	10	10.00	0	0.00	(10)	(10.00)	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Department of Family Services	41	40.00	41	40.00	0	0.00	1	1.50	0	0.00	42	41.50	42	41.50	42	41.50	0	0.00
Department of Neighborhood and Community Services	0	0.00	0	0.00	0	0.00	9	9.00	0	0.00	9	9.00	9	9.00	9	9.00	0	0.00
Total Aging Grants and Programs	**51**	**50.00**	**51**	**50.00**	**0**	**0.00**	**0**	**0.50**	**0**	**0.00**	**51**	**50.50**	**51**	**50.50**	**51**	**50.50**	**0**	**0.00**
Fund 106, Community Services Board																		
Mental Health Services	45	43.50	45	43.50	0	0.00	3	3.00	0	0.00	48	46.50	50	48.50	48	46.50	0	0.00
Intellectual Disability Services	50	50.00	50	50.00	0	0.00	1	1.00	0	0.00	51	51.00	51	51.00	51	51.00	0	0.00
Alcohol and Drug Services	14	14.00	14	14.00	0	0.00	1	1.00	0	0.00	15	15.00	15	15.00	11	11.00	(4)	(4.00)
Early Intervention Services	29	29.00	29	29.00	0	0.00	8	8.00	0	0.00	37	37.00	37	37.00	37	37.00	0	0.00
Total Community Services Board	**138**	**136.50**	**138**	**136.50**	**0**	**0.00**	**13**	**13.00**	**0**	**0.00**	**151**	**149.50**	**153**	**151.50**	**147**	**145.50**	**(4)**	**(4)**

[1] The FY 2012 Adopted Budget Plan includes 13/12.5 SYE positions resulting from awards that are continued in FY 2012 with funding from an existing award. This includes 7/7.0 SYE positions for the Department of Family Services, 1/1.0 SYE position for the Department of Neighborhood and Community Services, 3/2.5 SYE positions for Juvenile and Domestic Relations Court, and 2/2.0 SYE positions for the Office of the Commonwealth's Attorney. Since no new funding is anticipated for these positions in FY 2012, they are not reflected in the Agency Position Summary Table in Fund 102, Federal/State Grant Fund.

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FY 2012

ADOPTED BUDGET PLAN

Glossary and Index

This section includes:

GLOSSARY

Account – A separate financial reporting unit. All budgetary transactions are recorded in accounts.

Accounting Period – A period of time (e.g., one month, one year) where the County determines its financial position and results of operations.

Accrual – Accrual accounting/budgeting refers to a method of accounting/budgeting in which revenues are recorded when earned and outlays are recorded when goods are received or services are performed, even though the actual receipts and disbursements of cash may occur, in whole or in part, in a different fiscal period.

Accrual Basis of Accounting – A method of accounting where revenues are recorded when service is given and expenses are recognized when the benefit is received.

Activity – A specific and distinguishable line of work performed within a program; the most basic component of service delivery for each County agency and its budget.

Actuarial – A person or methodology that makes determinations of required contributions to achieve future funding levels by addressing risk and time.

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, 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.

Ad Valorem Tax – A tax levied on the assessed value of real estate and personal property. This tax is also known as property tax.

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.

Amortization – The reduction of debt through regular payments of principal and interest sufficient to retire the debt instrument at a predetermined date known as maturity.

Appropriation – A specific amount of money authorized 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.

Assessed Property Value – The value set upon real estate or other property by the County Property Appraiser (Department of Tax Administration) as a basis for levying real estate tax.

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.

Auditor of Public Accounts – A state agency that oversees accounting, financial reporting and audit requirements for the units of local government in the Commonwealth of Virginia.

Balanced Budget – A budget is balanced when planned funds or total revenues equal planned expenditures, that is, total outlays or disbursements, for a fiscal year. All local governments in Virginia must adopt a balanced budget as a requirement of state law.

Basis Point – Equal to 1/100 of one percent. For example, if interest rates rise from 6.50 percent to 6.75 percent, the difference is referred to as an increase of 25 basis points.

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. Benchmarking involves determining the quality of products, services and practices by measuring critical factors (e.g., how effective, how much a product or service costs) and comparing the results to those of highly regarded competitors.

Benefits – Payments to which participants may be entitled under a pension plan, including pension benefits, death benefits and benefits due on termination of employment.

Birmingham Green – A multi-jurisdictional entity that operates an assisted living facility and a nursing home for the care of indigent adults who are unable to live independently.

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.

Bond Covenants – A legally enforceable promise made to the bondholders from the issuer, generally in relation to the source of repayment funding.

Bond Rating – Fairfax County uses the services of the nation's three primary bond rating services – Moody's Investors Service, Standard & Poor's, and Fitch – to perform credit analyses to determine the probability of an issuer of debt defaulting partially or fully. Fairfax County has maintained a Triple A bond rating status from Moody's since 1975, Standard and Poor's since 1978, and Fitch since 1997.

Bonds – A certificate of debt issued by an entity, guaranteeing payment of the original investment, plus interest, by a specified future date. Bonds are instruments used to borrow money for the debt financing of long-term capital improvements.

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 Calendar – A schedule of key dates which the County follows in the preparation, adoption and administration of the budget.

Budget Message – Included in the Overview Volume, also referred to as the *County Executive Summary*, the budget message provides a summary of the most important aspects of the budget, changes from previous fiscal years, and recommendations regarding the County's financial policy for the upcoming period.

Budget Process Redesign – An ongoing effort to improve both the budget development process and the budget document.

Budget Transfers – Budget transfers shift previously budgeted funds from one item of expenditure to another. Transfers may occur throughout the course of the fiscal year as needed for County government operations.

Build-Out – This refers to the time in the life cycle of the County when no incorporated property remains undeveloped. All construction from this point forward is renovation, retrofitting or land cleared through the demolition of existing structures.

Business Process Redesign – A methodology that seeks to improve customer service by focusing on redesigning current processes, and possibly 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.

Business, Professional and Occupational License (BPOL) – Businesses, professions, trades and occupations are assessed a license tax based on gross receipts for the prior year, without deductions. Exclusions are deductions from the definition of gross receipts. Section 4-7.2-1(B) of the Fairfax County Code and Chapter 37 of Title 58.1 of the Code of Virginia lists the only deductions that can be claimed. Individuals engaged in home occupations and who are self-employed must also file if their gross receipts are greater than $10,000. Receipts of venture capital or other investment funds are excluded from taxation except commissions and fees.

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 $5,000. Equipment with a value of less than $5,000 is operating equipment.

Capital Expenditure – A direct expenditure that results in or contributes to the acquisition or construction of major capital assets (e.g., lands, roads, buildings). The expenditure may be for new construction, addition, replacement or renovations to buildings that increase their value, or major alteration of a capital asset. Capital assets include land, infrastructure, buildings, equipment, vehicles and other tangible and intangible assets that have useful lives longer than one year.

Capital Improvement Program – A five-year plan for public facilities which addresses 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, that 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 for approved appropriations as 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 or carryovered in the next fiscal year. Typically, 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.

Comprehensive Annual Financial Report – This official annual report, prepared by the Department of Finance, presents the status of the County's finances in a standardized format. The CAFR is organized by fund and contains two basic types of information: (1) a balance sheet that compares assets with liabilities and fund balance, and (2) an operating statement that compares revenues and expenditures.

Comprehensive Plan – The plan that guides and implements coordinated, adjusted, and harmonious land development that best promotes the health, safety, and general welfare of County residents. It contains long-range recommendations for land use, transportation systems, community services, historic resources, environmental resources, and other facilities, services, and resources.

Congregate Meals – Meals served by the Area Agency on Aging's Nutrition Program to senior citizens who eat together at the County's senior centers.

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 recommended by the CPRC.

Consumer Price Index – 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 workers, craft workers, service workers, and laborers. The CPI is used as appropriate to adjust for inflation.

Contingency – An appropriation of funds available to cover unforeseen events that occur during the fiscal year.

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 that 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, Office of 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, the Department of Public Works and Environmental Services, the Office of Public Affairs, and others.

Debt Service Funds – Funds defined by the State Auditor of Public Accounts to finance and account for the payment of principal and interest on borrowed funds such as 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.

Defeasance – A provision that voids a bond when the borrower sets aside cash or bonds sufficient to service the borrower's debt. When a bond issue is defeased, the borrower sets aside cash to pay off the bonds; therefore, the outstanding debt and cash offset each other on the balance sheet and do not need to be recorded.

Deferred Retirement Option Plan – A provision within a defined benefit retirement system that 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. The employee continues to receive a salary and fringe benefits; however, contributions on the employees' behalf to the retirement system cease, while the payments to the employee would receive if he/she was retired are invested and provided when the employee reaches the agreed upon date (no more than three years).

Deficit – The excess of liabilities over assets – or expenditures over revenues – in a fund over an accounting period.

Depreciation – The decrease in value of physical assets due to use and the passage of time. In financial terms, it refers to the process of allocating the cost of a capital asset to the periods during which the asset is used.

Derivatives – Complex investments, which are largely unregulated, especially when compared with stocks and bonds. These are securities whose value is derived from some other variable such as interest rates or foreign currencies. 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 out to other funds.

Distinguished Budget Presentation Program – A voluntary program administered by the Government Finance Officers Association to encourage governments to publish efficiently organized and easily readable budget documents.

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.

Employees Advisory Council – Established by the Fairfax County Merit System Ordinance to provide a continuing medium through which all employees in the competitive service, both Schools and County, may contribute their advice and suggestions for the improvement of the career merit system and other aspects of the government of Fairfax County.

Encumbrance – An obligation incurred in the form of purchase orders, contracts and similar items that will become payable when the goods are delivered or the services rendered. An encumbrance is 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.

Enterprise Funds – Funds, defined by the State Auditor of Public Accounts to account for operations that are financed and operated in a manner similar to private business enterprises. An enterprise fund is a self-supporting fund design to account for activities supported by 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.

Escrow – Money or property held in the custody of a third party that is returned only after the fulfillment of specific conditions.

Expenditure – The disbursement of appropriated funds to purchase goods and/or services.

Fairfax County Identification Number – This is a 10- to 30-digit code that identifies a specific item as being procured by an entity within Fairfax County government.

Fiduciary Funds – Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and which, therefore, cannot be used to support the County's own programs. The County maintains two types of fiduciary funds – pension trust funds to account for the assets of its pension plans, held by the County under the terms of formal trust agreements, and agency funds to account for assets received, held and disbursed by the County on behalf of various outside organizations.

Financial Forecast – A computer-aided financial model that estimates all future revenues and disbursements based on assumptions of future financial and economic conditions.

Fines and Forfeitures – Consists of a variety of fees, fines and forfeitures collected by the County.

Fiscal Plan – The annual budget.

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.

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).

Fixed Asset – Items the County owns that have a considerable cost and a useful life exceeding two years, such as computers, furniture, equipment and vehicles.

Fleet – The vehicles owned and operated by the County.

FOCUS (Fairfax County Unified System) – This refers to a multi-year, joint initiative with the Fairfax County Government and Fairfax County Public Schools that will replace our budget, finance, procurement, and human resources systems with a single, unified system. The County Government and Schools have chosen SAP Public Services, Inc. as the software for FOCUS. SAP will eventually replace BPREP, FAMIS, CASPS, PRISM, and Lawson, and will transform the way our employees perform their work.

Forfeiture – The automatic loss of property, including cash, as a penalty for breaking the law, or as compensation for losses resulting from illegal activities. Once property has been forfeited, the County may claim it, resulting in confiscation of the property.

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, e.g., Uniformed Fire and Rescue Employees; Uniformed Deputy Sheriffs; Police Officers; Trade, Manual and Custodial Service Employees; and General County Employees.

Fund – A set of interrelated accounts to record revenues and expenditures associated with a specific purpose. A fund is also 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 out 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 less expenditures and transfers-out. This fund balance may be reserved for a specific purpose or unreserved and used for future requirements. A fund balance also reflects the fund equity of all funds.

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.

GASB – This refers to the Governmental Accounting Standards Board which is currently the source of generally accepted accounting principles (GAAP) used by state and local governments in the United States. It is a private, non-governmental organization. The GASB has issued *Statements*, *Interpretations*, *Technical Bulletins*, and *Concept Statements* defining GAAP for state and local governments since 1984.

GASB 34 – In June 1999, GASB Statement No. 34 (or GASB 34) set new GAAP requirements for reporting major capital assets, including infrastructure such as roads, bridges, water and sewer facilities, and dams. Fairfax County has implemented 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. This standard changed the entire reporting process for local governments, requiring new entity-wide financial statements, in addition to the current fund statements and other additional reports such as Management Discussion and Analysis.

GASB 45 – Beginning in FY 2008, the County's financial statements are required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits (OPEBs) including health care, life insurance, and other non-pension benefits offered to retirees. This new standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits, such as the County's retiree health benefit subsidy. Historically, the County's subsidy was funded on a pay-as-you-go basis. GASB 45 requires that the County accrue the cost of the retiree health subsidy and other 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 has established Fund 603, OPEB Trust Fund, to fund the cost of post-employment health care and other non-pension benefits. Fund 603 will allow the County to capture long-term investment returns and make progress towards reducing the unfunded liability. The schools have also established and OPEB trust fund to capture their costs, fund 692 School OPEB Trust Fund.

General Debt – Principal and interest payments on outstanding debt repaid from the General Fund.

General Fund – The primary tax and operating fund for County Governmental Activities used to account for all County revenues and expenditures which are not accounted for in other funds, and which are used for the general operating functions of County agencies. 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 other funds, principally to fund the operations of the Fairfax County Public School system, the Fairfax-Falls Church Community Services Board, Metro, the Fairfax CONNECTOR, 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 – Bonds for which the full faith and credit of the issuing government are pledged. County general obligation debt can only be approved by voter referendum. The State Constitution mandates that taxes on real property be 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 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.

Governmental Funds – Governmental funds are typically used to account for most of a government's activities, including those that are tax-supported. The County maintains the following types of governmental funds: a general fund to account for all activities not required to be accounted for in another fund, special revenue funds, a debt service fund, and capital projects funds.

Grant – A contribution by one governmental unit to another unit. The contribution is usually made to aid in the support of a specified function.

Health Maintenance Organization – A form of health insurance combining a range of coverages in a group basis. A group of doctors and other medical professionals offer care through the HMO for a flat monthly rate with no deductibles. However, only visits to professionals within the HMO network are covered by the policy. All visits, prescriptions and other care must be cleared by the HMO in order to be covered. A primary physician within the HMO handles referrals.

Inflation – A rise in price levels caused by an increase in available money and credit beyond the proportion of available goods. This is also known as too many dollars chasing too few goods.

Infrastructure – Public domain fixed assets including roads, curbs, gutters, sidewalks, drainage systems, lighting systems and other similar items that have value only to the users.

INOVA – Inova Health System is a not-for-profit health care system based in Northern Virginia that consists of hospitals and other health services including emergency and urgent care centers, home care, nursing homes, mental health and blood donor services, as well as wellness classes.

Input – The value of resources used to produce an output. Input can be staff, budget dollars, work hours, etc.

Interest Income – Revenue associated with the County cash management activities of investing fund balances.

Internal Service Funds – Funds established to finance and account for services furnished by a designated County agency to other County agencies, which charges those agencies for the goods and services provided. An example of an Internal Service Fund is Fund 503, Department of Vehicle Services.

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.

Liability – An obligation incurred in past or current transactions requiring present or future settlement.

Line Item – A specific expenditure category within an agency budget, e.g., rent, travel, motor pool services, postage, printing, office supplies, etc.

Lines of Business (LOBs) – Reference to the County's review of 310 discrete agency lines of business. LOBs are essentially an inventory of County programs and services offered by each individual agency.

Local Match – County cash or in-kind resources that are required to be expended simultaneously with federal, state, other locality, or private sector funding, and usually according to a minimum percentage or ratio.

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 sudden, catastrophic termination of anticipated revenue sources.

Management by Objectives – A method of management of County programs which measures attainment or progress toward pre-defined objectives. This method evolved into the County's performance measurement system.

Management Initiatives – Changes to internal business practices undertaken by County managers on their own initiative to improve efficiency, productivity, and customer satisfaction.

Mandate – A requirement from a higher level of government (federal or state), that a lower level government perform a task in a particular way or in conformance with a particular standard.

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.

Measurement – A variety of methods used to assess the results achieved and improvements still required in a process or system. Measurement gives the basis for continuous improvement by helping evaluate what is working and what is not working.

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 similar position in the County. Also see Position.

Merit Regular – A position with full benefits, full civil service grievance, 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 describes what an organization is in business to do. Therefore, it also serves as a guiding road map.

Modified Accrual Basis – The basis of accounting under which revenues are recognized when measurable and available to pay liabilities, and expenditures are recognized when the liability is incurred except for interest on long-term debt which is recognized when due, and the non-current portion of accrued vacation and sick leave which is recorded in general long-term liability. The General Fund and debt service fund budgets are prepared on the modified accrual basis of accounting except that encumbrances are treated like expenditures.

Municipal Bond – Bond issued by a state, local or another 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 Budget – A budget for general revenues and expenditures such as salaries, utilities and supplies.

Operating Equipment – Equipment that has a life expectancy of more than one year and a value of less than $5,000 dollars. Equipment with a value greater than $5,000 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.

Ordinance – A formal legislative enactment by the County that carries the full force and effect of the law within the boundaries of Fairfax County unless in conflict with any higher form of law, such as the Commonwealth of Virginia or the federal government.

Outcome – Qualitative consequences associated with a program service, e.g., reduction in fire deaths or percent of juveniles not reconvicted within 12 months. Also refers to quality performance measures of effectiveness and of achieving goals.

Out-of-Cycle – A term that characterizes budget adjustments approved by the County Board of Supervisors outside of the annual budget process.

Output – Quantity or number of units produced. Outputs are activity-oriented, measurable, and usually under managerial control. Also refers to process performance measures of efficiency and productivity, that is, per capita expenditures, transactions per day, etc.

Pay for Performance – A system of pay and appraisal that is based on an employee's performance. An ongoing 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 a method of paying for capital projects that relies on current tax and grant revenues rather than by debt. This is also referred to as "pay-as-you-go" construction.

Pension Fund – This is a fund that accounts for the accumulation of resources to be used for retirement benefit payments to retired County employees eligible for such benefits.

Per Capita – A measurement of the proportion of some statistic to an individual resident determined by dividing the statistic by the current population.

Performance Budget – A budget wherein expenditures are based primarily upon measurable performance activities and work programs.

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, and which determines how effective and/or efficient a program is in achieving its objectives. 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.

Performance Measurement System – The County's methodology for monitoring performance measures and outcomes.

Permit Revenue – Fees imposed on construction-related activities and for non-construction permits such as sign permits, wetland permits, etc.

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 – 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. By 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 0.5 staff-year equivalents (1/0.5 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.
- A benefits eligible, non-merit position is an employee working between 1040 and 1560 hours annually, and eligible for health, dental and flexible spending benefits.
- A benefits non-eligible, non-merit position is an employee working fewer than 900 hours annually and not eligible for benefits.
- 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. *In FY 2011 this category is being replaced by one of the two categories above.*
- An exempt position does not fall within the provisions of the Merit System Ordinance. It includes elected and appointed positions.
- 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.

Present Value – The discounted value of a future amount of cash, assuming a given rate of interest, to take into account the time value of money. Stated differently, a dollar is worth a dollar today, but is worth less tomorrow.

Prime Interest Rate – The rate of interest charged by banks to their preferred customers.

Program – Group activities, operations or organizational units directed to attaining specific objectives and achievements and budgeted as a sub-unit of a department.

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. The Auditor of Public Accounts for the Commonwealth of Virginia provides direction on which agencies are included in each program area.

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.

Property Tax – A tax levied on the assessed value of real and personal property. This tax is also known as an ad valorem tax.

Property Tax Rate – The rate of taxes levied against real or personal property, expressed as dollars per $100 of equalized assessed valuation of the property taxed.

Proprietary Funds – Proprietary funds are enterprise and internal service funds used to account for business-type activities that are similar to the private sector and in which fees are charged for goods or services. They are related to assets, liabilities, equities, revenues, expenses and transfers. The County maintains both types of proprietary funds – enterprise funds to account for the Integrated Sewer System and internal service funds to account for certain centralized services that are provided internally to other departments such as Vehicle Services and Document Services.

Public-Private Education Facilities and Infrastructure Act (PPEA) – During its 2002 session, the Virginia General Assembly enacted the Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA). This law provides that once a "responsible public entity" such as Fairfax County adopts appropriate procedures to implement the PPEA, it may solicit proposals to acquire a "qualifying project" from private entities (i.e., issue an Invitation for Bid or Request for Proposal) or may consider proposals that are submitted by a private entity without a prior solicitation ("unsolicited proposal").

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.

Rec-PAC – Rec-PAC (Pretty Awesome Children), operated by Fairfax County Park Authority, is a six-week structured recreation program offered during the summer with emphasis on leisure skills designed for elementary school children.

Refunding – Retiring an outstanding bond issue at maturity (sometimes done before maturity date if rate is favorable) by using money from the sale of a new bond offering. In other words, issuing bonds to pay off the old bonds. In an Advance Refunding, a new bond issuance is used to pay off another outstanding bond. The new bond will often be issued at a lower rate than the older outstanding bond. Typically, the proceeds from the new bond are invested and when the older bonds become callable, they are paid off with the invested proceeds. In a Crossover Refunding, the revenue stream pledged to secure the securities being refunded is being used to pay off debt on the refunded securities until they mature.

Reserves – A portion of the fund balance or retained earnings legally segregated for specific purposes.

Revenue – Monies received from all sources (with exception of fund balances) that will be used to fund expenditures in a fiscal year.

Revenue Bond – A municipal bond secured by the revenues of the project for which it is issued. Revenue Bonds are those bonds whose principal and interest are payable exclusively from earnings of an enterprise fund. Sewer and utility bonds are typically issued as revenue bonds. The County also issues 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.

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. This fund maintains a balance of 3 percent of General Fund Disbursements.

Sales Tax – Tax imposed on the taxable sales of all final goods.

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.).

School Board Transfer – A transfer out of funds from the General Fund to the School Operating Fund. State law requires that this transfer be approved by the Board of Supervisors by May 1, for the next fiscal year.

Self-Insurance Fund – This internal service fund is used to centrally manage the employees' health and life insurance benefit packages, the workers' compensation program, and the County's insurance coverage of real and personal property.

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 specific 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 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 Plan – A document outlining long-term goals, critical issues and action plans to increase the organization's effectiveness in attaining its mission, priorities, goals and objectives. Strategic planning starts with examining the present, envisioning the future, choosing how to get there, and making it happen.

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 achieve those goals and measures of progress and success in meeting strategic goals. Strategic planning helps ensure that limited resources are appropriately allocated to achieve the objectives of the community as determined by the Board of Supervisors.

Supplemental Appropriation Resolution – Any appropriation resolution approved by the Board of Supervisors after the adoption of the budget for a given fiscal year. The legal document reflecting approved changes to the appropriation authority for an agency or fund.

Taxable Value – The assessed value less homestead and other exemptions, if applicable.

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 seven 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 provided 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.

Transport Fees – The cost to provide ambulance transportation to patients from home to hospital.

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.

Unappropriated – Not obligated for specific purposes.

Undesignated – Without a specific purpose.

Useful Life – The period of time that a fixed asset is able to be used. This can refer to a budgeted period of time for an equipment class or the actual amount of time for a particular item.

User Fees – Charges for expenses incurred when services are provided to an individual or groups and not the community at large. The key to effective utilization of user fees is being able to identify specific beneficiaries of services and then determine the full cost of the service they are consuming or using.

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.

ACRONYMS

(Where items are underlined, see fuller definitions in the preceding *Glossary* section)

ADA – Americans with Disabilities Act

ADC – Adult Detention Center

ADHC – Adult Day Health Care

AED – Automatic External Defibrillator

AEOC – Alternate Emergency Operations Center

AFIS – A multi-jurisdictional Automated Fingerprint Identification System

ALS – Advanced Life Support

ASAP – Alcohol Safety Action Program (Fund 117)

ASSB – Advisory Social Services Board

BPOL – See Business, Professional and Occupational License

BPR – See Business Process Redesign

CAD – Computer Aided Dispatch

CAFR – See Comprehensive Annual Financial Report

CCAR – Child Care Assistance and Referral program

CCFAC – Consolidated Community Funding Advisory Committee

CCFP – See Consolidated Community Funding Pool

CDBG – Community Development Block Grant

CERF – Computer Equipment Replacement Fund

CERT – Community Emergency Response Team

CHINS – Child In Need of Supervision or Services

CIP – See Capital Improvement Program

COG – Washington Metropolitan Council of Governments

CPAN – Courts Public Access Network

CPI – See Consumer Price Index

CRA – Clinic Room Aide

CRIS – Community Resident Information Services (kiosks used by Fairfax County)

CSA – Comprehensive Services Act

CSB – Fairfax-Falls Church Community Services Board

CSU – Court Service Unit (Juvenile and Domestic Relations District Court)

CTB – Commonwealth Transportation Board

DROP – See Deferred Retirement Option Plan

DPWES – Department of Public Works and Environmental Services

EAC – See Employees Advisory Council

EAP – Employee Assistance Program

EMS – Emergency Medical Service

EOC – Emergency Operations Center

ESOL – English as a Second Language

FCEDA – Fairfax County Economic Development Authority

FCIN – See Fairfax County Identification Number

FCPA – Fairfax County Park Authority

FCPL – Fairfax County Public Library

FCPS – Fairfax County Public Schools

FCRHA – Fairfax County Redevelopment and Housing Authority

FOCUS – Fairfax County Unified System

FY – Fiscal Year

GAAP – Generally Accepted Accounting Principles

GASB – Governmental Accounting Standards Board (See GASB in Glossary)

GFOA – Government Finance Officers Association

GIS – Geographic Information Systems

HIPAA – Health Insurance Portability and Accountability Act

HMO – See health maintenance organization

ICMA – International City/County Management Association

iNet – Institutional network

LAN – Local Area Network

LOBs – Lines of Business

MWCOG – Metropolitan Washington Council of Governments

NACo – National Association of Counties

NOVARIS – Northern Virginia Regional Identification System

NVCC – Northern Virginia Community College

NVCT – Northern Virginia Conservation Trust

NVFS – Northern Virginia Family Services

NVRC – Northern Virginia Regional Commission

NVRPA – Northern Virginia Regional Park Authority

NVSWCD – Northern Virginia Soil and Water Conservation District

NVTC – Northern Virginia Transportation Commission

OPEB – Other Post Employment Benefits

PPEA – See Public-Private Education Facilities and Infrastructure Act

PPTRA – See Personal Property Tax Relief Act

PSCC – Public Safety Communications Center

PSCN – Public Safety Communications Network

PSOHC – Public Safety Occupational Health Center

MPSTOC – McConnell Public Safety and Transportation Operations Center

P/T – Part-Time

Rec-PAC – See Rec-PAC (in Glossary)

SAC – Selection Advisory Committee

SACC – School-Age Child Care

SBE – Small Business Enterprise

SCBA – Self-Contained Breathing Apparatus

SCC – State Corporation Commission

SYE – See Staff-Year Equivalency

SWRRC – Solid Waste Reduction and Recycling Centers

TANF – Temporary Assistance to Needy Families

VACo – Virginia Association of Counties

VIEW – Virginia Initiative for Employment not Welfare program

VRE – Virginia Railway Express

WAHP – Washington Area Housing Partnership

WAHTF – Washington Area Housing Trust Fund

WAN – Wide Area Network

WMATA – Washington Metropolitan Area Transit Authority

WPFO – Work Performed For Others

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This index for the Budget Overview also includes a cross-reference to Volume 1 (V1) -- General Fund -- and Volume 2 (V2) -- Capital Construction and Other Operating Funds of the FY 2012 Adopted Budget Plan.

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