

Fairfax County, Virginia

Fiscal Year 2013 Advertised 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/>

The County of Fairfax is committed to a policy of nondiscrimination in all County programs, services and activities and will provide reasonable accommodations upon request. To request special accommodations, call 703-324-2391, TTY 711. Special accommodations/alternative information formats will be provided upon request. Please allow five working days in advance of events in order to make the necessary arrangements.



1742



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Fairfax County
Virginia**

For the Fiscal Year Beginning

July 1, 2011

Linda C. Danson Jeffrey R. Egan

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, 2011.

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 2013 Budget

July 1, 2011

Distribution of the FY 2013 budget development guide. Fiscal Year 2012 begins.



September - October 2011

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



February 9, 2012

School Board adopts its advertised FY 2013 Budget.



February 28, 2012

County Executive's presentation of the FY 2013 Advertised Budget Plan. Board authorization for publishing FY 2013 tax and budget advertisement.



April 10, 11, and 12, 2012

Public hearings on proposed FY 2013 budget, *FY 2012 Third Quarter Review* and FY 2013-2017 Capital Improvement Program (with Future Years to 2022) (CIP).



July 1, 2012

Fiscal Year 2013 begins.



June 30, 2012

Distribution of the FY 2013 Adopted Budget Plan. Fiscal Year 2012 ends.



May 1, 2012

Adoption of the FY 2013 budget plan, Tax Levy and Appropriation Ordinance by the Board of Supervisors.



April 24, 2012

Board action on *FY 2012 Third Quarter Review*. Board mark-up of the FY 2013 proposed budget.



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

Board Goals & Priorities

Adopted by the Board in December 2009. Reaffirmed by the Board in February 2012.

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



Practicing Environmental Stewardship -

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



Creating a Culture of Engagement -

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



Exercising Corporate Stewardship -

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

Note: The Board of Supervisors adopted its own goals and priorities in December 2009 (see previous page). In addition, in 2004 County staff developed long-term vision elements for strategic planning purpose.

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.

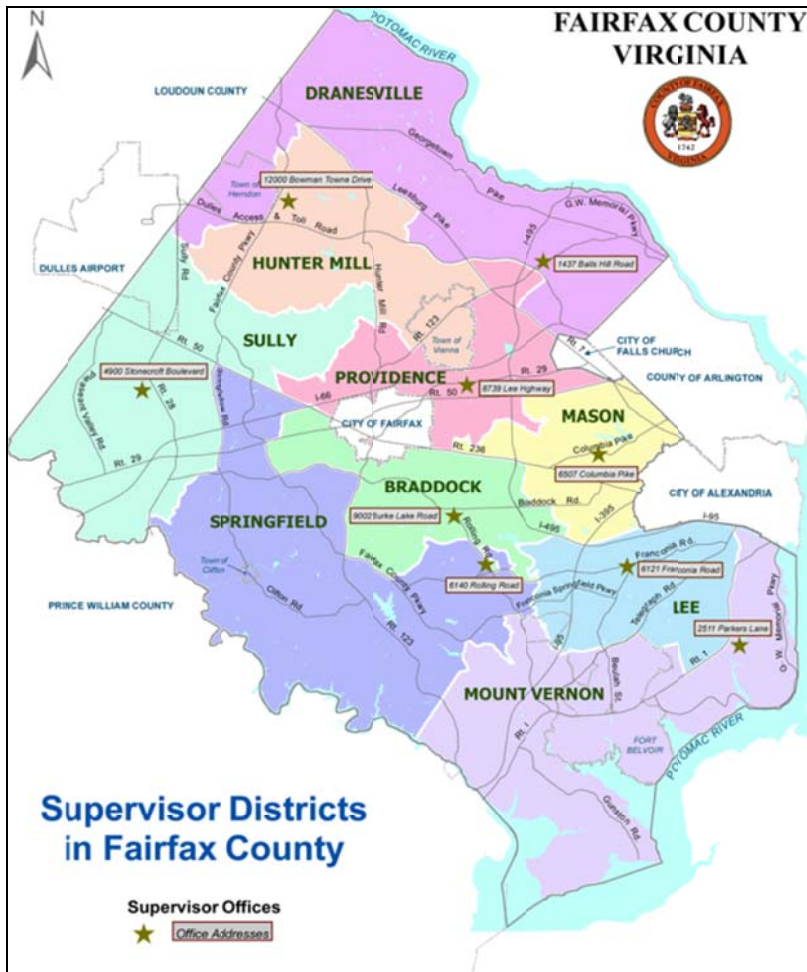
Department of Management and Budget
12000 Government Center Parkway, Suite 561
Fairfax, VA 22035-0074
(703) 324-2391

County Organization

Fairfax County Government

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

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



The Fairfax County government is organized under the Urban County Executive form of government as defined under the Code of Virginia. The governing body of the County is the Board of Supervisors, which makes policies for the administration of the County.

County Organization

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.



*County Executive
Anthony A. Griffin*

The Fairfax County Board of Supervisors

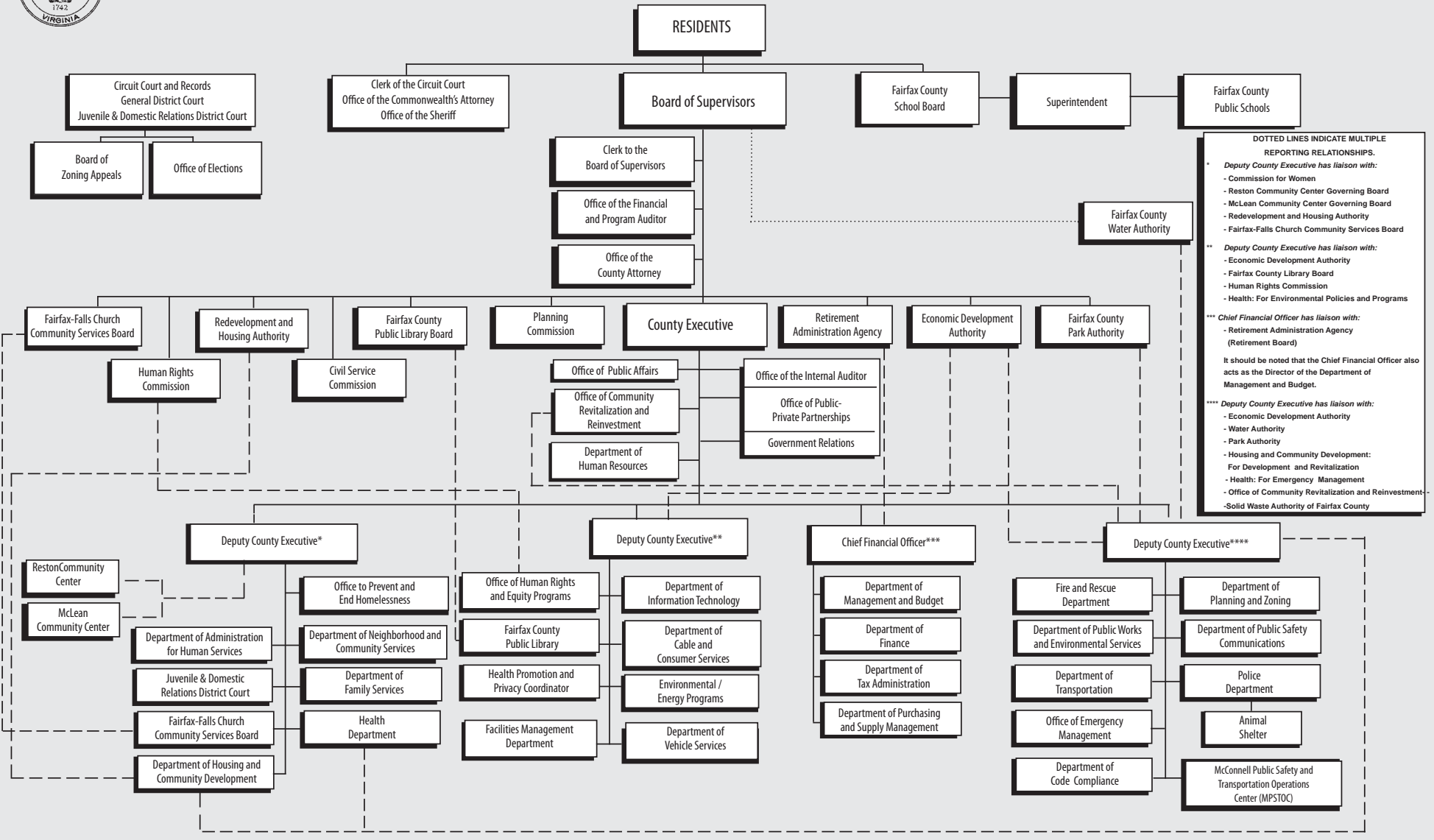


From left to right: Catherine M. Hudgins (Hunter Mill District); Michael R. Frey (Sully District); John C. Cook (Braddock District); Gerald W. Hyland (Mount Vernon District); Sharon Bulova (Chairman, At-Large); Penelope A. Gross (Mason District, Vice Chairman); John W. Foust (Dranesville District); Jeffrey C. McKay (Lee District); Pat Herrity (Springfield District); and Linda Q. Smyth (Providence District).

An organizational chart of Fairfax County government is provided on the next page.



ORGANIZATION OF FAIRFAX COUNTY GOVERNMENT



DOTTED LINES INDICATE MULTIPLE REPORTING RELATIONSHIPS.

* Deputy County Executive has liaison with:

- Commission for Women
- Reston Community Center Governing Board
- McLean Community Center Governing Board
- Redevelopment and Housing Authority
- Fairfax-Falls Church Community Services Board

** Deputy County Executive has liaison with:

- Economic Development Authority
- Fairfax County Library Board
- Human Rights Commission
- Health: For Environmental Policies and Programs

*** Chief Financial Officer has liaison with:

- Retirement Administration Agency (Retirement Board)

It should be noted that the Chief Financial Officer also acts as the Director of the Department of Management and Budget.

**** Deputy County Executive has liaison with:

- Economic Development Authority
- Water Authority
- Park Authority
- Housing and Community Development: For Development and Revitalization
- Health: For Emergency Management
- Office of Community Revitalization and Reinvestment
- Solid Waste Authority of Fairfax County

County Organization

BOARDS, AUTHORITIES AND COMMISSIONS

Appeal Groups

Board of Building and Fire Prevention Code Appeals
Board of Equalization of Real Estate Assessments
Board of Zoning Appeals¹
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.

County Organization

BOARDS, AUTHORITIES AND COMMISSIONS

Advisory Groups

A. Heath Onthank Award Selection Committee
Advisory Plans Examiner Board
Advisory Social Services Board
Affordable Dwelling Unit Advisory Board
Agricultural and Forestal Districts Advisory Committee
Airports Advisory Committee
Alcohol Safety Action Program Local Policy Board
Animal Services Advisory Commission
Architectural Review Board
Athletic Council
Barbara Varon Volunteer Award Selection Committee
Chesapeake Bay Preservation Ordinance Exception Review Committee
Child Care Advisory Council
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
Dulles Rail Transportation Improvement District Advisory Board, Phase II
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
GMU Fairfax Campus Advisory Board
Health Care Advisory Board

County Organization

BOARDS, AUTHORITIES AND COMMISSIONS

Advisory Groups

History Commission
Human Services Council
Information Technology Policy Advisory Committee
Juvenile & Domestic Relations Court Citizens Advisory Council
Laurel Hill Project Advisory Citizen Oversight Committee
Mosaic District Community Development Authority
Oversight Committee on Drinking and Driving
Planning Commission
Reston Master Plan Special Study Task Force
Road Viewers Board
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
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. As required by the Code of Virginia, the County Executive must submit to the Board of County Supervisors a proposed budget, or fiscal plan, on or before April 1 of each year for the fiscal year beginning July 1. 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

How to Read the Budget

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>

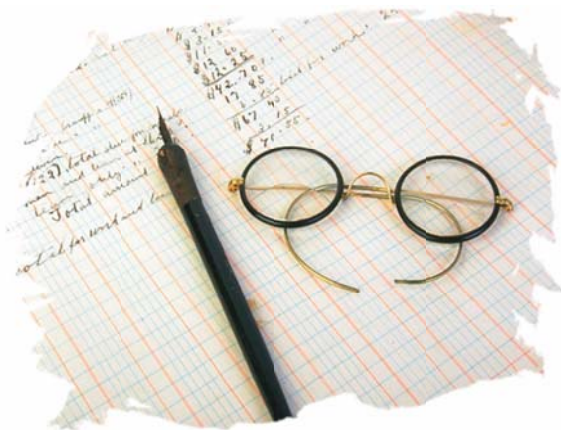
BASIS OF ACCOUNTING AND BUDGETING

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

How to Read the Budget

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.

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Accounting Standards

During FY 2013, 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.

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

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

How to Read the Budget

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.

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.

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.



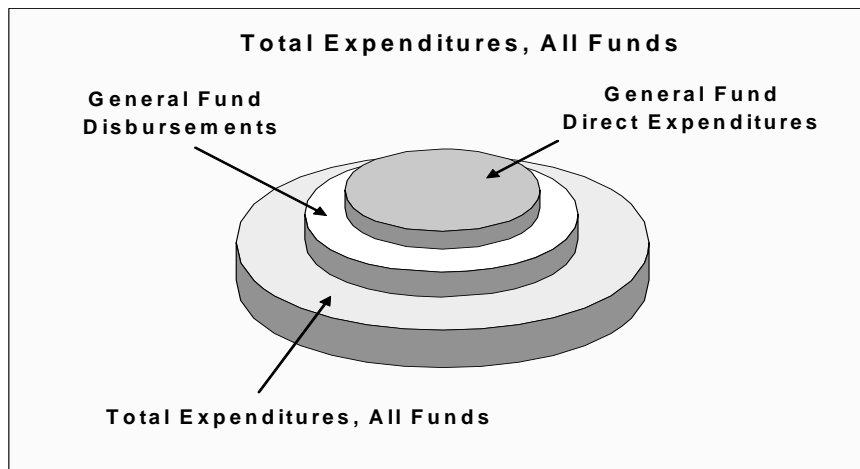
How to Read the Budget

COUNTY EXPENDITURES AND REVENUES

County Expenditures

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

- ◆ In the smallest circle are the General Fund Direct Expenditures that support the day-to-day operations of most County agencies.
- ◆ The second largest circle is General Fund Disbursements. This circle includes General Fund Direct Expenditures as well as 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 2013.
- ◆ The largest circle is Total Expenditures. It represents expenditures from all appropriated funds.



How to Read the Budget

County Revenues

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 2013, these categories are estimated to account for 60.9 percent and 16.0 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 15.1 percent of General Fund revenues in FY 2013. The remaining revenue categories, including Revenue from the Federal Government, Fines and Forfeitures, Revenue from the Use of Money and Property, Revenue from the Commonwealth, Recovered Costs, Charges for Services, and Permits, Fees and Regulatory Licenses make up 8.0 percent of the total.

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

How to Read the Budget

FINANCIAL STRUCTURE

<u>Fund/Fund</u> <u>Type Title</u>	<u>Purpose</u>	<u>Revenue</u>	<u>Budgeting Basis</u>	<u>Accounting</u> <u>Basis</u>
GOVERNMENTAL FUNDS				
General Fund (Volume 1)	Accounts for the cost of general County government.	Primarily from general property taxes, other local taxes, revenue from the use of money and property, license and permit fees, and state shared taxes.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
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

Budget Process

THE BUDGET CYCLE

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

APRIL 2012						
SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

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. The County received online comments and suggestions for cost-cutting measures regarding the FY 2013 budget between November 2011 and January 2012. Public hearings for the County Executive's FY 2013 Advertised Budget Plan and the FY 2013 - FY 2017 Capital Improvement Program (CIP) will be held on April 10, 11, and 12, 2012 at the Government Center. The mark-up of the FY 2013 budget will be held on Tuesday, April 24, 2012, and the Board of Supervisors will formally adopt the FY 2013 Adopted Budget Plan on Tuesday, May 1, 2012.

FY 2013 Budget Process

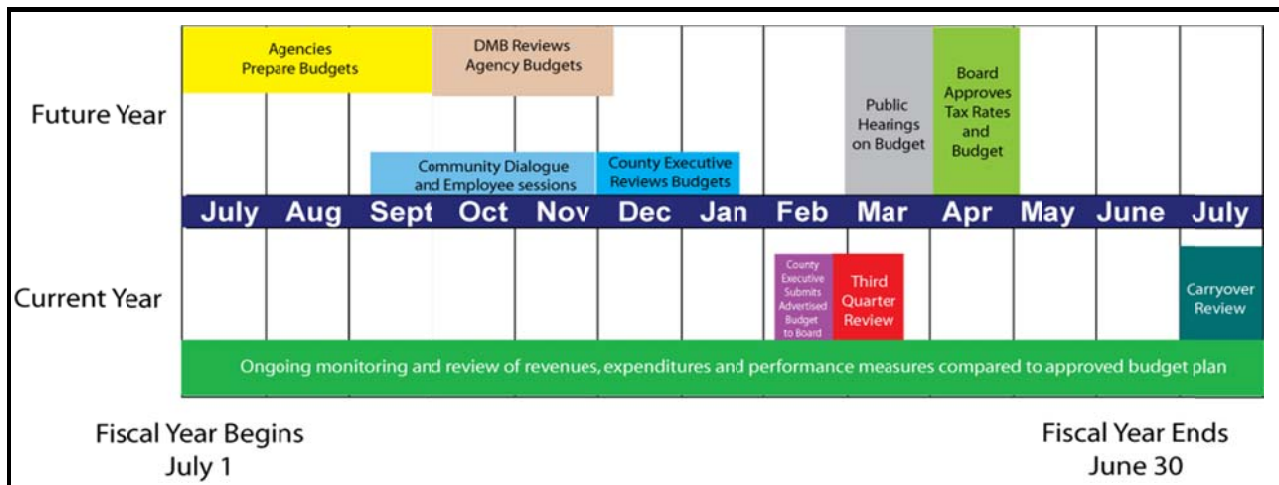


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County of Fairfax, Virginia

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

February 28, 2012

Honorable Board of Supervisors
County of Fairfax
Fairfax, Virginia

Chairman and Board Members:

I am pleased to present my final recommended and balanced budget to the Board of Supervisors for its consideration. Although we are not completely out of the woods yet, the challenges that we have faced over the last several years seem to be slowly lifting as we look ahead to FY 2013. As I speculated last year, we have indeed hit bottom and are now continuing to dig our way out of the hole caused by the "Great Recession." That is not to say the next few years will be easy ones as new challenges loom on the horizon. To that end, I will spend much of this budget process focused on a number of long-term issues which you, the Board, and my successor will need to address in the upcoming years. As such, the theme I would assign to the FY 2013 budget is "looking ahead" because of the imperative to prepare and position the County to meet these various challenges in a strategic manner. I will discuss these challenges later in the letter.

As we prepare to look ahead, it is necessary to recount where we have been and where we currently stand. First, the severe economic downturn required our County to absorb significant budget reductions over the past several years. For example, we have eliminated more than 500 positions and cut spending more than \$200 million over the past four years. Many of these budget reductions – some of which were quite painful – directly impacted many of our residents. For instance, many residents continue to be inconvenienced by changes we made with the opening and closing hours at our libraries. In spite of these reductions in service hours, no library branches were closed and the changes in hours were tied to levels of usage. In addition, one of the consequences of these budget reductions has been the deferral of funding to support necessary maintenance and renovations in our infrastructure. Considering the crucial long-term perspective, we need to be sure to invest in our infrastructure as we look ahead. The change in library hours and the deferral of maintenance was part of the larger balancing strategy I have described before of making targeted reductions in County spending while maintaining the high quality of our most critical services. For many years, our budget has and continues to allocate necessary funding to consensus-based priorities within our community. The decisions we make today will shape our future tomorrow and beyond.

County Executive Summary

One of the most difficult challenges we have and continue to face is minimizing the impact on our taxpayers while recognizing the growing needs among the more vulnerable and needy in our community. One of the areas I am most proud of is that we have been very successful in maintaining a safety net and an array of beneficial services for our most vulnerable residents. Without the County funding and the web of partnerships we have built with the non-profit community, we would not have been able to help many in our community who had nowhere else to turn during this difficult period. Numerous times over the past several years during community dialogue sessions and other venues, many residents expressed support for this core value of protecting the vulnerable in our community.

As we emerge from the recession and look ahead, revenue increases will be modest, but the good news is that we are experiencing revenue growth. I am pleased to report that the FY 2013 budget recommendation includes no Real Estate Tax rate increase. Instead, much like last year, we have held spending to a minimum, covering only required increases and, as a result, the moderate growth in our revenue base is sufficient to recommend this balanced budget. **One of the key elements I want to focus on as we look ahead for the next several years is that revenue growth will be below levels needed to support the annual growth in projected expenditures for maintaining basic services and annual compensation increases.** Consequently, it will be necessary in future budgets to continue assessing and reassessing what we fund and how we fund it in order to continue maintaining the fine line between providing high quality services and an affordable tax burden. The moderate revenue growth projected for FY 2013 affords the ability to begin to address compensation increases for our employees who until very recently had gone two years without any increases. The backbone of our organization has been, and continues to be, our workforce which absorbed increased workloads and achieved increased efficiencies with fewer resources amidst competing demands and increased community expectations and needs during this economic downturn. We have managed to weather this storm with hard work, commitment, ingenuity and creativity by also managing our position vacancies. I am grateful that we can start recognizing this effort in FY 2013 with a 2.18 percent market rate adjustment (MRA) and by maintaining our commitment to our retirement and health benefit packages. This is the first step in reintroducing a more complete compensation package each year **but it is important to note that given the future revenue projections I just mentioned, I do not anticipate that a full package will be affordable without either further reductions or additional revenue in the near term.**

I am also recommending some additional reductions in FY 2013. However, similar to last year, they do not erode the core of services we have built; instead, they focus on opportunities for efficiencies or the elimination of services that are beyond the essential scope of local government. In addition, like last year, there is also no need to declare a reduction-in-force (RIF) of County staff. We successfully navigated these past few years with a very small number of County employees actually losing their jobs, due in no small part to employees being more concerned about minimizing the impact of budget reductions on their colleagues and the community rather than increasing their pay. This is another source of pride for me. Yet, I believe the time has come for the Board to examine ways and means to fully and fairly

County Executive Summary

compensate our employees. I firmly believe that the recommended MRA is an important first step towards achieving this goal.

We have been living through the most difficult economic period since the Great Depression. I would argue that as a community we have emerged from this difficult period in fairly good shape, all things considered. We have an economy which is recovering faster than most in the nation. The strength and soundness of our standing in the financial community and our economic recovery is borne out by our recent highly successful bond sales in January 2012. The overall bond and debt markets think very highly of the County as an extremely safe and stable place in which to work and invest. For example, when Fitch Ratings assigned a 'AAA' rating to Fairfax County bonds on January 5, 2012, it stated that the County's "Historical financial operations are characterized by maintenance of healthy reserves, adherence to internal reserve policies, a conservative approach to budget development, and timely revenue and spending adjustments." Following the sale of general obligation public improvement bonds in mid-January 2012, the County's overall financial condition and debt management were highlighted as strengths by all three rating agencies. Standard and Poor's noted the County has a "strong, deep, and affluent economy, which serves as a principal anchor for the greater Washington region" and has "excellent financial management and stable finances, and moderate overall debt."

The success of our budget roadmap has also been affirmed from many circles, including the *Washington Post* which noted in an editorial on October 8, 2011, "Even after three years of budget cuts and plummeting revenue, Fairfax County remains the economic wunderkind of Virginia and in many ways of the Washington area. A magnet for government contractors and other major corporations, it is poised for further growth and prosperity even as neighboring jurisdictions scramble to retrench and regroup.... In contrast to some of its suburban rivals, Fairfax has sensibly balanced responsible policies on growth, spending and taxes." Continuing to adopt this sensible approach is critical as we move forward.

Before we discuss what I have included in the FY 2013 budget, I want to provide context on the economy which is one of the principal drivers in formulating my budget plan.

County Executive Summary

ECONOMIC OVERVIEW

Most signs point to a gradually improving economy. The Gross Domestic Product (GDP) is rising and the unemployment rate has declined. Still, the economy is not experiencing a level of growth normally seen after a recession and most analysts expect a slow uphill climb over the next year. Revenue is expected to increase a moderate 3.4 percent in FY 2013 and indeed for the next several years. This is the fastest rate of growth since FY 2007 yet this rate of growth is less than half the average annual growth in revenue experienced from FY 2000 through FY 2007.



Tysons is being transformed 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.

The unemployment rate in the County has been relatively stable over the past year. The County's unemployment rate continues to be one of the lowest in the state at 4.2 percent as of December 2011.

While federal government employment has declined slightly over the past year, job growth in the private sector has more than taken up the slack. Preliminary 2011 figures show that the Northern Virginia area has more than regained the number of jobs lost during the recession. Fairfax County will continue to benefit from federal government consolidations like the recent move of several defense agencies to Fort Belvoir which will attract defense contractors and jobs to the area. A resurgence of office construction occurred late in 2011 with nine buildings totaling 1.6 million square feet under construction as of year-end – almost three-quarters of the new activity is 100 percent speculative. The redevelopment of Tysons and the construction of the Metro Silver line will also promote job growth which is essential to improving the County's housing market.

In the context of the current economic outlook, I will present the recommendations I have included in the FY 2013 budget. As always our focus is on the General Fund and its impact on our residents and businesses, but it is important to recognize that there are other funds through which important services are provided to the community such as Solid Waste and Wastewater Funds.

County Executive Summary

FY 2013 BUDGET SUMMARY: ALL FUNDS

All Fund Revenues in the FY 2013 Advertised Budget Plan total \$6,729.0 million. This County revenue total is an increase of \$384.8 million or 6.1 percent over the FY 2012 Adopted Budget Plan. On the expenditure side, the FY 2013 Advertised Budget Plan totals \$6,528.4 million. This total County funding is an increase of \$426.9 million or 7.0 percent over the FY 2012 Adopted Budget Plan.

I am also recommending funding for 34/33.27 SYE new positions in the FY 2013 Advertised Budget Plan:

- 3/2.27 SYE positions for the Department of Family Services for SACC rooms at Lacey and Graham Road Elementary Schools;
- 2/2.0 SYE positions for the Department of Transportation in support of redevelopment in Tysons;
- 2/2.0 SYE positions for the Police Department for the expanded Animal Shelter;
- 5/5.0 SYE positions for the Fairfax-Falls Church Community Services Board for Intellectual Disability case management and Medical Detoxification services with no General Fund impact; and
- 22/22.0 SYE positions for Stormwater Services in both Capital Facilities and the Stormwater Management Division with no General Fund impact.

It should be noted that 36 positions are included for abolishment as part of the reductions I am recommending in the FY 2013 budget **which will result in a net reduction of 2 positions in FY 2013** from the FY 2012 level. In FY 2013, the total of County Authorized positions per 1,000 residents is 11.24, which continues our trend of maintaining or reducing this ratio after a slight uptick in FY 2011 and FY 2012. Another way of looking at the position count is that since FY 1992 the County population has increased by more than 30 percent yet the number of County positions has grown by less than 10 percent.

Additional detail concerning non-General Fund revenues, expenditures and positions is available in the "Financial and Statistical Summary Section" of the *Overview* and in *Volume 2* of the County Budget.

County Executive Summary

FY 2013 BUDGET GENERAL FUND SUMMARY

FY 2013 General Fund Revenue

FY 2013 General Fund revenues are projected to be \$3,459,441,429, an increase of \$112,418,524 or 3.4 percent over the *FY 2012 Revised Budget Plan*, which contains the latest FY 2012 revenue estimates, and an increase of \$152,488,978, or 4.6 percent over the FY 2012 Adopted Budget Plan. The net increase is primarily the result of a \$64.4 million increase in current Real Estate Taxes based on rising assessments and no change in the Real Estate Tax rate of \$1.07 per \$100 of assessed value. In addition, Personal Property Taxes are projected to increase \$30.0 million, mostly due to an increase in vehicle and business levy. Other Local Taxes are expected to rise \$17.3 million based on projected moderate growth in various categories.

On the County’s real estate front, residential home values are continuing to stabilize. While the number of homes sold fell for the second consecutive year, the average price of homes sold rose. Foreclosures and mortgage delinquencies fell. Overall, residential equalization reflects a 0.71 percent increase in FY 2013, compared to a 2.34 percent increase in FY 2012. Non-residential values experienced a strong increase with non-residential equalization of 8.21 percent in FY 2013, compared to the 3.73 percent rise in FY 2012.

The value of a penny on the Real Estate Tax rate is projected to increase from \$19.35 million in FY 2012 to \$19.95 million in FY 2013. Each penny change in the tax rate equals \$44.87 on a taxpayer’s bill. My budget recommendation proposes maintaining the Real Estate Tax rate at \$1.07 per \$100 of assessed value. At this rate, FY 2013 Real Estate taxes per “typical” household would increase \$33.85 over FY 2012. Perhaps more significantly, the “typical” household will pay \$45.36 less in Real Estate Tax in FY 2013 than it paid six years earlier in FY 2007.

Last Seven Years of the Average Homeowners Taxes

Fiscal Year	Mean Assessed Value of Residential Property	Real Estate Tax Rate per \$100	Tax per Household
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	\$445,533	\$1.07	\$4,767.20
FY 2013	\$448,696	\$1.07	\$4,801.05

\$33.85 more than FY 2012
\$45.36 less than FY 2007

County Executive Summary

FY 2013 General Fund Disbursements

FY 2013 General Fund disbursements are \$3.521 billion, an increase of \$143.87 million, or 4.26 percent, over the FY 2012 Adopted Budget Plan. In comparison to the *FY 2012 Revised Budget Plan*, the increase is \$59.25 million or 1.71 percent. The increase over the Adopted budget is based on FY 2013 increased requirements of \$73.77 million for Fairfax County Public Schools for both Operating and Debt, and net increases for all non-School expenditures totaling \$70.10 million. As in prior years, total County increases have been reduced by savings from agency budget cuts and reorganizations which in FY 2013 total \$10.64 million. Increases in the County General Fund budget totaling \$80.74 million fall into the following main categories: cost of County operations, human services requirements, transportation, community development, public safety, and capital construction.

Fairfax County Public Schools

The recommended General Fund transfer to the Public School Operating Fund reflects a 4.5 percent increase over the funding level in the FY 2012 Adopted Budget Plan. The County General Fund transfer to Fairfax County Public Schools (FCPS) underscores that education continues to be our community's highest priority and this funding is consistent with the percentage 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 2013 totals \$1.85 billion, an increase of \$73,774,063, or 4.16 percent, over the FY 2012 Adopted Budget Plan. Within this amount, the transfer for School operations is \$1.68 billion and the transfer in support of School debt service is \$164.8 million. The County also provides additional support for the Schools in the amount of \$69.6 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 9, 2012, the Fairfax County School Board approved a \$2.45 billion advertised budget for FY 2013 that would give school employees raises, add more positions to address increased enrollment from the previous year, maintain class sizes and necessitate a \$135.8 million, or 8.4 percent, increase over the FY 2012 Adopted Budget Plan General Fund transfer to fully fund the Schools' budget request. This request would require more than a 3 cent Real Estate Tax rate increase to fund and has not been included in my budget proposal.



In the context of General Fund revenue growth of 3.36 percent over the *FY 2012 Revised Budget Plan* and 4.61 percent over the FY 2012 Adopted Budget Plan, an 8.4 percent increase for Schools is not possible. Furthermore, FCPS has gone much farther in its FY 2013 request for compensation increases than I can recommend with our finite resources and still fund other important programs and services. I believe, however, that we can partially bridge this gap during our upcoming discussions on the budget when we also factor in additional state funding.

County Executive Summary

For example, within Virginia Governor McDonnell's introduced FY 2012 – FY 2014 Biennium Budget, funding for FCPS will increase compared to FY 2012 primarily due to a reduction in the Local Composite Index from .7126 to .6789 and funding for the state's share of the Virginia Retirement System (VRS) contribution. Unfortunately, the Governor's budget also included several structural changes to school funding that will disproportionately impact Northern Virginia localities such as the elimination of the Cost-of-Competing Adjustment funding for support positions. In addition, FCPS's share of VRS expenditures will increase significantly in FY 2013. In total, the Governor's budget includes between \$11 million and \$16 million more than the state funding level included in FCPS's proposed budget.

County General Fund Disbursements

The most significant increases for non-School Disbursements include:

Cost of County Operations **\$64.60 million**

More than 44 percent of the increase in County General Fund disbursements in FY 2013 is due to costs required for ongoing County operations. These cost increases are driven primarily by compensation adjustments and benefit requirements for the thousands of County employees who provide the quality services enjoyed by our residents.

◆ **FY 2013 Market Rate Adjustment**

Funding of \$22.35 million, including the impact to salaries and benefits, is provided for an across-the-board 2.18 percent market rate adjustment for all public safety and non-public safety personnel, effective July 2012.

◆ **Full-Year Impact of FY 2012 Market Rate Adjustment**

Funding of \$19.40 million is included for the full-year impact of a 2.00 percent market rate adjustment approved by the Board of Supervisors as part of the *FY 2011 Carryover Review*. This increase, which was effective September 24, 2011 for all public safety and non-public safety personnel, was not included in the FY 2012 Adopted Budget Plan baseline. It should be noted that the increase was the first compensation adjustment granted to County employees since FY 2009.

◆ **Retirement Funding**

The FY 2013 budget includes a \$7.48 million increase for fiduciary requirements associated with the County's retirement systems. This increase includes \$9.63 million to reflect adjustments to the employer contribution rates for the three systems (Uniformed, Employees', and Police Officers), partially offset by savings of \$2.15 million based on year-to-date FY 2012 experience. Although the global financial crisis during FY 2009 resulted in significant losses in the value of the invested assets of the systems, capital markets rebounded significantly in FY 2010 and FY 2011, and the retirement systems achieved strong positive results for each year. The continued strong investment returns achieved in FY 2011 have strengthened the financial position of the systems and, as these returns are smoothed into valuation results over three years, will continue to positively impact the systems' funding

County Executive Summary

status over the next two years. In addition, an actuarial experience study was conducted in FY 2011 to review the actuarial assumptions compared to actual experience over the preceding five years. As a result of that study, a number of assumptions were revised, including changes to the projected rate of inflation and the adoption of a new mortality table that better reflects increases in expected longevity.

Following the actuarial funding policy currently in effect, contribution rates are adjusted only to fund approved benefit enhancements, to acknowledge changes in actuarial assumptions, both financial and demographic, and to recognize funding adjustments required when the funding ratio falls below 90 percent or rises above 120 percent. Though the funding status of each system improved, the employer contribution rates for each of the systems must be increased due to growth in liabilities as reflected in the FY 2011 actuarial valuations and due to changes in actuarial assumptions as a result of the experience study. The employer contribution rates for the Employees' System and Uniformed System are also required to increase due to a reduction in the Social Security offset for service-connected disability retirees approved by the Board of Supervisors on July 26, 2011.

It should be noted that, as directed by the Board of Supervisors, and with funding designated at the *FY 2010 Carryover Review*, the Department of Human Resources contracted with a benefits consultant to conduct a comprehensive retirement study. The preliminary results of this study were presented to the Board on January 17, 2012, and will be considered by the Board during their deliberations on the FY 2013 budget.

◆ **Other Post-Employment Benefits Requirements**

An increase of \$8.00 million is required to fully fund the County's Annual Required Contribution (ARC) for Other Post-Employment Benefits (OPEB). Based on the actuarial valuation as of July 2011, the County's unfunded actuarial accrued liability for OPEB, excluding the Schools' portion, is \$394.1 million and the ARC is \$37.6 million. The \$8.0 million in funding increases the General Fund transfer to Fund 603, OPEB Trust Fund, to \$28.0 million in FY 2013. This funding, combined with contributions from other funds of \$4.2 million and a contribution credited for the implicit subsidy, is projected to fully fund the FY 2013 ARC. Building adequate funding in the baseline budget is an important step in ensuring that the County can fully fund the ARC each year and meet its OPEB obligations. I also anticipate recommending an increase to the FY 2012 transfer to the OPEB Trust Fund at the *FY 2012 Third Quarter Review* so that we will have a net OPEB asset at year-end FY 2012.

County Executive Summary

◆ **Health Insurance and Other Benefits**

An increase of \$3.20 million is primarily due to costs associated with a projected 10 percent premium increase for all health insurance plans, effective January 1, 2013. Additionally, dental insurance and group life insurance premiums are projected to increase 5 percent in calendar year 2013. It should be noted that these premium adjustments are budgetary projections only, and final premium decisions will be made in the fall based on updated claims experience. The total cost impact of these premium increases is \$4.16 million; however, these costs are offset by anticipated net savings of \$0.96 million based on FY 2012 year-to-date experience in all benefits categories.

◆ **Audit Costs**

An increase of \$0.93 million in the Department of Finance is required for additional audit and implementation requirements related to the new financial system. More robust audit requirements have been defined by the County's external auditor to meet mandated reporting requirements for County-wide financial statements. In addition, funding is provided to support staff costs associated with ensuring the accuracy of the system and transitioning to centralized Accounts Payable processing which has been developed as part of the best practice implementation of the system.

◆ **Department of Vehicle Services Charges**

An increase of \$0.82 million for Department of Vehicle Services charges is based on anticipated charges for fuel, vehicle replacement, and maintenance-related costs in General Fund agencies and General Fund-supported funds. Fuel-related increases primarily result from higher price per gallon estimates.

◆ **Office of Elections**

An increase of \$0.56 million in the Office of Elections is primarily associated with required costs to support the November 2012 Presidential election, including additional election officers and staff overtime, as well as printing and postage costs. This increase also includes funding to provide ballots and election materials in Spanish as directed under the Voting Rights Act. Additionally, in an effort to improve voter services and reduce staff costs, funding is included to begin a multi-year process to scan voter registration applications into an electronic retrieval system. I am anticipating that significant future year costs for voting equipment replacement will be required as we continue to respond to changing Federal and State mandates.



◆ **Streetlight Utility Costs**

An increase of \$0.80 million in Capital Facilities is associated with contract and fuel factor rate increases for streetlight accounts.

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◆ **Facilities Management**

An increase of \$0.48 million is primarily due to utility, custodial, repair/maintenance, and landscaping costs associated with partial or full year costs for various new or expanded facilities in FY 2013, including the Great Falls Fire and Rescue Station, West Ox Road Animal Shelter Renovation and Expansion, Fair Oaks Police Station Renovation and Expansion, I-66 Workers Facility, and Wolftrap Fire and Rescue Station.

◆ **Contributories**

An increase of \$0.10 million to the General Fund transfer to Fund 119, Contributory Fund, is associated with the net impact of several contributory adjustments. The increase is primarily due to funding requirements based on per capita calculations and adjusted County population figures. It should be noted that other contributory increases are discussed in the following Human Services and Community Development sections.

Major Human Services Requirements

\$5.35 million

We must continue to leverage our ability to assist the neediest in the community and maintain the safety net to which the Board is so committed. Some of the most significant Human Services adjustments are discussed below:

◆ **Contract Rate Increases**

An increase of \$3.38 million supports contract rate increases for the providers of mandated and non-mandated services in the Department of Family Services, Fairfax-Falls Church Community Services Board, Health Department, and Office to Prevent and End Homelessness. These contract rate increases are driven primarily by personnel costs. The expenditure increase is partially offset by an increase of \$0.68 million in revenue for a net cost to the County of \$2.70 million.

◆ **School-Age Child Care (SACC)**

An increase of \$497,368 and 3/2.27 SYE positions is associated with opening three School-Age Child Care (SACC) rooms (two rooms at the new Lacey Elementary School which is scheduled to open in FY 2013 and a second room at the newly renovated Graham Road Elementary School). The expenditure increase is partially offset by an increase of \$373,026 in SACC revenue for a total net impact to the County of \$124,342. Funding and positions reflect the continuation of the modified SACC model implemented for new rooms in FY 2010. It should also be noted that SACC fees, collected from parents as payment for child care services, are recommended to be increased by 5 percent in FY 2013. The increase is based on increasing costs.



The FY 2013 budget includes funding for the addition of two new SACC rooms at the new Lacey Elementary School in Annandale, scheduled to open in Spring 2012.

County Executive Summary

◆ **Consolidated Community Funding Pool**

As we enter the first year of another two-year cycle, an increase of \$448,534, or 5 percent, is included in the General Fund transfer to Fund 118, Consolidated Community Funding Pool (CCFP) to recognize the need for the critical services provided by CCFP contractors to the community, families, and individuals, particularly in the current economic climate. It is important to note that based on estimated Community Development Block Grant (CDBG) funding for FY 2013, CDBG funding is projected to decrease by \$0.48 million from the FY 2012 Adopted Budget Plan, resulting in a net reduction available to the CCFP.

◆ **Grants – Local Cash Match Requirements**

In FY 2013, the Reserve for Local Cash Match is \$4.6 million, reflecting an increase of \$376,877 from the FY 2012 Adopted Budget Plan Reserve for Local Cash Match of \$4,250,852. The increase in Local Cash Match requirements is primarily due to an increase in requirements for the Department of Family Services and the Department of Neighborhood and Community Services.

◆ **Human Service Contributories**

An increase of \$303,321 is included for Human Service related contributories. Of the total increase, \$281,871 is for the Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence, known collectively as Birmingham Green. The increase for Birmingham Green is based on actual costs and utilization rates at the facility, as well as the replenishment of reserves depleted completing critical requirements. In addition, there is an increase of \$21,450 for the Health Systems Agency of Northern Virginia due to the application of updated population figures to calculate the FY 2013 contribution.

◆ **Alcohol Safety Action Program**

An increase of \$171,958 in the General Fund transfer to Fund 117, Alcohol Safety Action Program (ASAP), is associated with providing General Fund support for three ASAP financial management support staff, consistent with how financial management services are funded for other human services agencies.

◆ **Office to Prevent and End Homelessness**

An increase of \$130,000 supports the continuation of operational support services to address the housing needs of homeless in the community which were originally funded by federal dollars.

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Transportation

\$3.60 million

FY 2013 funding increases of \$3.60 million are required to support mass transit related costs.

◆ ***Metro Operations and Construction***

The FY 2013 General Fund transfer in support of Metro Operations and Construction is \$11.3 million, consistent with the FY 2012 Adopted level. Based on current Metro system needs, Washington Metropolitan Area Transit Authority (WMATA) staff project an increased FY 2013 operating subsidy requirement from local jurisdictions of \$5.6 million, approximately a 7 percent increase over the FY 2012 Adopted Budget Plan. It is anticipated that additional State Aid and Gas Tax revenue will be available to cover the increased subsidy requirement.

◆ ***County Transit***

General Fund support for Fund 100, County Transit Systems, which supports FAIRFAX CONNECTOR and the Virginia Railway Express (VRE), is increased \$3.60 million in FY 2013. This increase will primarily support additional CONNECTOR bus replacement requirements in FY 2013, help support the purchase of 15 new buses associated with expanded Dulles Rail Phase I-related routes, and support an increase in VRE subsidy requirements. In addition to increased General Fund support for County Transit, additional commercial and industrial (C&I) tax funding will support expanded bus service identified within the Transit Development Plan, including HOT lanes bus service from the Burke VRE station, Lorton VRE station and Springfield to Tysons Corner scheduled to commence on or about January 1, 2013. Necessary contractual rate adjustments and fuel-related costs are also covered within this funding level. It should be noted that the net impact to the FY 2013 General Fund transfer to Fund 100 is \$2.09 million, which includes the increase cited above, partially offset by reductions of \$1.51 million as a result of an estimated 7 percent fare increase to mirror those projected for WMATA Metrobus service in FY 2013.



Lorton Station is home to the Virginia Railway Express (VRE) commuter train station.

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Community Development

\$3.76 million

◆ **Lorton Arts Foundation**

An increase of \$2.6 million is included in support of the Lorton Arts Center. As part of the *FY 2005 Carryover Review*, the Board of Supervisors approved funding to support the Lorton Arts Foundation (LAF) financing and capital renewal plan for operation of a center for the arts at the former Lorton Prison site. The Board approved the negotiation of a lease of the former prison site with the Foundation, which proposed to use funds generated by leasing the various facilities ties to individual artists and performing arts groups. The Board provided \$1,000,000 per year through FY 2011, for maintenance support. The County also agreed to lease back a portion of the rental space if other tenants were not available, for a timeframe and lease rate to be negotiated between the County and the LAF. The lease provides for reducing or eliminating the County's cash support commensurate with the Foundation's ability to become self-sustaining. In March 2010, an amendment to the financing documents between the County and the LAF was negotiated. The County agreed to provide, subject to annual appropriation, contingent annual operating deficit support to the LAF of \$750,000 in any given year through 2025.



The Workhouse Arts Center, a program of the Lorton Arts Foundation, provides essential visual and performing arts studio and exhibition space as well as engaging arts education programs for people of all ages and artistic abilities. Set on 55 acres of land in the historic D.C. Workhouse and Reformatory, the Workhouse provides a home for more than 150 of the regions finest professional and emerging artists as well as cooperative studios, performance and theatre venues, dedicated gallery space, and event facilities.

In early FY 2012 an external review of the Foundation's operations was completed. The combination of an extremely weak environment for donations to the arts, a campus with much more space than is required by the LAF and many expensive site stabilization issues, have prevented the LAF from becoming self-sustaining. As a result I am recommending a restructuring of the relationship with the LAF that is currently being negotiated. For purposes of the FY 2013 budget, support for debt service is assumed to be funded by the County. A renegotiated lease between the County and the LAF will be provided to the Board of Supervisors for their approval. County staff will be working with the LAF to identify opportunities for cost containment as well as for use of the LAF facilities for other

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County functions. The total funding for the Foundation is \$3,350,000 in FY 2013, which includes \$750,000 for the annual operating deficit support and \$2,600,000 to address debt service requirements. I will be recommending a similar adjustment at the *FY 2012 Third Quarter Review* to meet debt service requirements prior to June 30, 2012.

◆ **Tysons Redevelopment**

An increase of \$759,749, to support the Tysons redevelopment effort, is consistent with the recommended organizational changes to support Tysons which were presented to the Board of Supervisors on January 17, 2012. Included in this amount is funding for 2/2.0 SYE new positions within the Department of Transportation, and funding for previously unfunded positions which will support Tysons redevelopment in the Office of Community Revitalization, Department of Public Works and Environmental Services and Park Authority. These positions will be part of the dedicated group focused on facilitating resolution of interdisciplinary policy issues to better serve the multiple stakeholders engaged in the development and redevelopment of Tysons.

◆ **Community Development Contributories**

An increase of \$403,510 is included for the Community Development related contributories. The primary increases will provide \$250,000 for ongoing support for the Fairfax 2015 World Police and Fire Games and \$181,800 for the Convention and Visitors Corporation based on projected Transient Occupancy Tax revenue in FY 2013.



Public Safety

\$2.18 million

◆ **Police Department Personnel Services**

An increase of \$2.0 million is included based on a review of current staffing, overtime and programmatic requirements consistent with Board of Supervisors' direction that staff monitor the impact of reductions to public safety. Since FY 2008, significant reductions in Police Personnel Services were made to meet projected budget shortfalls. These reductions included the targeted reduction of 52 positions, civilianization of appropriate uniformed positions, reduction of approximately 30 percent in overtime, and management of vacancies. Recognizing the County's significant investment in training Police officers and to minimize the direct impact on critical public safety services, elimination of uniformed positions has been achieved entirely through employee attrition, with no Reductions in Force. As a result, some of the anticipated savings from these position eliminations were not achieved. Across the board cuts in Personnel Services to meet projected budget shortfalls in FY 2010 through FY 2012 were also based on significant reductions in overtime and managing vacancies. The cumulative effect of these reductions was the elimination of necessary flexibility for the department to meet its requirements for 24/7 coverage of minimum staffing. In order to ensure that staffing can be maintained for the department this recurring funding is necessary at this time.

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◆ **Animal Shelter Positions**

An increase of \$180,071 and 2/2.0 SYE positions are required to provide additional support for the expanded Animal Shelter facility to be completed in mid FY 2013. The facility's new configuration, as well as the increased number of animals housed at the shelter, requires additional positions to operate effectively.

Capital Construction, Debt and Environment

\$1.25 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. General Fund support for the Capital Program in FY 2013 totals \$15,952,806, and reflects an increase, excluding reductions taken to balance the FY 2013 budget, of \$587,842. The Paydown Program represents General Fund support only for the following projects and programs: Americans with Disabilities Act (ADA) compliance funding of \$3.00 million; Athletic Field Maintenance of \$4.64 million; Park Authority Grounds, Building and Equipment Maintenance of \$1.47 million; continued revitalization maintenance and support of \$0.92 million; funding associated with the County's environmental improvement Program of \$0.35 million; ongoing development such as Laurel Hill development, emergency road repairs and developer defaults of \$1.93 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 \$3.64 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.

◆ **Debt Service**

In addition to requirements associated with School debt service, FY 2013 General Fund support of County debt service requirements is \$120.0 million, an increase of \$661,500 over the FY 2012 level. The FY 2013 funding level supports debt service payments associated with existing debt service requirements. During FY 2013 it is anticipated that a general obligation bond sale of approximately \$233 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 2013-FY 2017 Advertised Capital Improvement Program (With Future Fiscal Years to 2022).

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◆ **Stormwater Services**

While there is no General Fund impact, it should also be noted that in support of environmental requirements the stormwater service rate is proposed to increase \$0.01 for a total of \$0.025 per \$100 of assessed real estate value in FY 2013. This rate increase is required to meet the increasing federal and state regulatory requirements pertaining to the Municipal Separate Storm Sewer System (MS4) Permit requirements, and State and Federal mandates associated with the Chesapeake Bay. It should be noted that the FY 2013 budget recommendation is a phased approach for funding and staffing to support the anticipated regulatory increases. The FY 2013 levy of \$0.025 will generate \$49.75 million, supporting \$14.59 million for staff and operational costs, and \$35.16 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 and begin to address state and Environmental Protection Agency (EPA) stormwater requirements. The impact of the rate increase on the average homeowner is \$44.87.

In support of the increased funding for the Stormwater Management program, an additional 22/22.0 SYE positions are included in FY 2013. Of this total, seven positions will support stream and water quality improvements, four positions will support dam safety and facility rehabilitation, four positions will support regulatory compliance and MS4 permit reporting and two positions will support conveyance system rehabilitation.

In addition, one technology support position is included to help manage an asset management system, monitoring and emergency warning systems, and MS4 reporting, and one contract manager position is included to support the growing number of facility maintenance requirements. Lastly, three positions in the Office of Capital Facilities will support stormwater activities and are required for the recommended increases in capital project funding, the number of required stormwater easements and land agreements, as well as construction requirements. These positions will be fully recovered within Fund 125, Stormwater Services. The Stormwater Management program anticipates adding additional positions in future years to meet the projected mandated workload requirements.

County Stormwater Statistics

- 7,000 piped outfalls
- 6,000 stormwater management facilities
- 1,600 miles of underground stormwater pipe and paved channels
- 43,000 stormwater structures

County Executive Summary

Agency Budget Reductions

(\$10.64) million

As part of the budget development process this past year, I directed General Fund agencies to identify the fiscal and operational impacts of a projected 1, 3 and 5 percent reduction in their General Fund support. The net effect of this budget reduction exercise is the proposed reduction of \$10.64 million in General Fund and General Fund Supported spending which is detailed in the appropriate agency narratives. While the total equates to less than 1 percent of non-School disbursements, I once again was “surgical” in recommending reductions so some agencies have more and some less. Some of the reductions represent additional efficiencies which agencies have been able to take while others are programmatic in nature and still others continue the strategic deferral of maintenance we have employed the last several years. Even those reductions which do not necessarily result in programmatic reductions exacerbate the cumulative reductions agencies have absorbed over the past four years.

The specific programmatic reductions which I anticipate will generate feedback from the community and the Board – that have been recommended for elimination in past budgets – include the Rent Relief Program, the Marine Patrol and dedicated staffing for the HAZMAT Support Unit. Although none of these are choices I wanted to make, I believe they are necessary as we balance other programs, needs and core service requirements. While not technically a reduction, I am delaying the full staffing of the Wolftrap Fire and Rescue Station which is scheduled to open in FY 2013. Instead, the department will utilize the station for training during FY 2013. The necessary increases for staffing and equipment will be included in the FY 2014 budget.

There are also fee increases which I am recommending as part of this process, including Rec-PAC program fees, SACC fees, and CONNECTOR fares. I am making these adjustments recognizing again the need to balance service needs with affordability, as well as considering factors such as increased costs and METRO fare increases.

The complete list of other reduction options submitted by County agencies as part of the 1, 3 and 5 percent exercise is available at:

<http://www.fairfaxcounty.gov/dmb/fy2013/advertised/FY2013-other-reductions.pdf>.

I have chosen to not recommend these reductions; however, I am making this complete list available to the Board in the event that you want to explore other options for your consideration before you adopt the FY 2013 budget.

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LOOKING AHEAD

Among the significant challenges facing us are maintaining our commitment to public education, especially as enrollment continues to increase; appropriately compensating our employees; maintaining the safety net of services we have built; funding the public portion of the ongoing transformation of Tysons; meeting our transportation requirements; and looking for revenue diversification



options. None of these challenges are new and, in fact, I have addressed many of these same issues in previous budget letters. The fundamental difference as we enter FY 2013 is that we are now ready to focus on the future in a much more concrete way as opposed to merely seeing what was on the horizon while we exerted most of our energy and effort to successfully manage day-to-day operations during the midst of the 'Great Recession.'

Now is the time to plan ahead in order to move forward with these challenges and the complexities of a growing, diversified population. We have the tools to do so and many years of precedent established by previous Boards of Supervisors in making the difficult decisions. The hallmark of success, which has consistently characterized Fairfax County, is our ability to meet challenges head-on by planning wisely and implementing solutions efficiently and effectively. A good example of this are the reserve policies adopted by the County over the years. In addition to the Managed Reserve and the Revenue Stabilization Fund, the County has many reserves maintained within various funds. Among these reserves are those designated for replacement of equipment and facilities, identified for long-term liabilities, to meet debt service requirements and as operating/rate stabilization reserves.

As part of the annual budget process, staff identifies potential changes to funding levels and brings policy decisions to the Board which need to be made in relation to reserve policies. In addition, at year-end during the Carryover process, reserve balances are often reset as a result of actual fund balances and/or actuarial analyses. The Board of Supervisors has consistently funded reserve requirements for outstanding liabilities as they are identified and in conformance with generally accepted accounting standards and practices. **It is important to note that these liability reserves have been sustained even as reductions in services have been made demonstrating the commitment of the Board to meet its fiduciary responsibilities.** It is decisions like these which have helped build the County's solid financial reputation that rating agencies and municipal bond markets, among others, value so highly.

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Addressing Fairfax County Public Schools Needs

In FY 2013, similar to past budget requests, the current budget request from the Fairfax County Public Schools exceeds what I believe the Board of Supervisors will be able to fully fund without significantly raising the Real Estate Tax rate. As part of the collaborative budget process which unfolds, the community informs the respective Boards of their priorities and, in turn, the Boards appropriately respond, being fully cognizant of an affordable tax rate balanced with required needs. The expansion of full-day kindergarten in FY 2012 is a classic example of how effective this process has served us. Clearly the dynamic for future FCPS funding will require this relationship to continue. Furthermore, the newly elected Boards and, ultimately, the new County Executive and School Superintendent will need to continue deftly managing this process. **The fundamental challenge which remains is that the basic requirements of funding projected school enrollment, inflationary adjustments and compensation increases for School employees is greater than the projected revenue growth over the next several years.**



In order to address this fundamental imbalance, I return again to the fact that it will be necessary in future budgets to continue assessing and reassessing what we fund and how we fund it. This continues to be necessary so that we can maintain the fine line between providing high quality services and preserving an affordable tax burden for residents and businesses.

Appropriately Compensating our Employees

Our greatest asset, as both the Board and I have recognized on numerous occasions, is our employees who serve as the backbone for our continued success in delivering excellent – in many cases, award-winning, nationally recognized – programs and services. Our employees are the face of County government to our residents. Our employees faithfully and professionally serve scores of residents every day. Therefore, I am pleased that the Board identified funding at the *FY 2011 Carryover Review* to provide employees with a 2.00 percent Market Rate Adjustment (MRA). I am further pleased that I am able to recommend in this budget that employees receive a 2.18 percent MRA, effective in July 2012. Before us still lies the responsibility and opportunity to work on enhancing our existing compensation system within the constraints and limited revenue growth with which we are faced. Such work is necessary in order to enable the County to continue to attract, recruit, and retain a highly qualified and professional staff, necessary to meet the demands of an ever-increasingly diversified constituency. I firmly believe that we have been able to deal so well with this recent period of economic uncertainty and turmoil because of the high quality staff we have. **Therefore, it is critical for us not to lose ground competitively in our compensation and benefits packages so that we can ensure our ability to still recruit and retain the “best and the brightest.”**

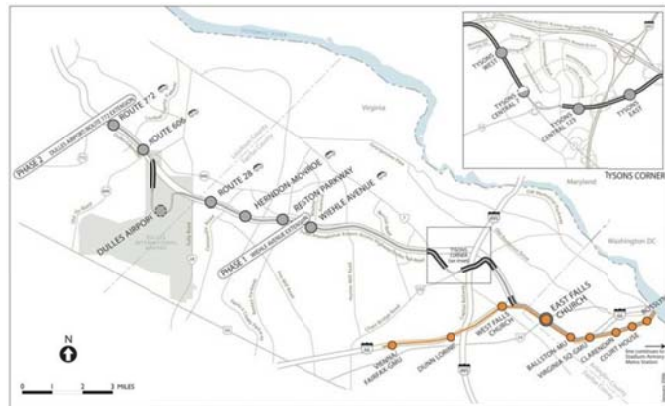
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Maintaining the County's Safety Net of Services

During this past recession, we have seen a significant rise in joblessness and increased request for assistance from local and state administered financial assistance programs, including Temporary Assistance to Needy Families (TANF), Medicaid, and the Supplemental Nutrition Assistance Program. Also, due to the rapid rise in the number of persons unemployed and/or underemployed in the County, we have experienced a significant increase for basic needs assistance including housing, utilities, and rent payment to prevent eviction. While the economy begins to improve, experience shows us that a significant lag time exists for closing the gap for the needy and those in assistance. The paradox of our regional economic prosperity is that there are still many living in poverty. There are still disadvantaged residents in need of much assistance to help them stay afloat and continue to enjoy the benefits of living in our community. **As we begin to look ahead, coupled with opportunities for more economic growth, I encourage the Board to continue to maintain the necessary safety net of services we have built.**

Funding the Public Portion of the Ongoing Transformation of Tysons

The challenge for future funding is also compounded by the necessary investments we are currently making in a number of large, significant projects such as the Tysons redevelopment and a significant revitalization effort in other parts of the County. The County is in the midst of an ambitious and effective plan to revitalize and redevelop Tysons as well as the central areas of Merrifield, McLean, Springfield, Baileys Crossroads, Annandale, and the Richmond Highway corridors. In particular, the County's vision to transform Tysons will make it a livable, walkable, urban downtown for Northern Virginia. 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. This makeover of Tysons has already begun, and ground was



Dulles Metrorail will permanently connect Northern Virginia to the rest of the region, beginning in DC and following the Orange Line through Arlington County, extending through Tysons Corner, Reston, Herndon, Dulles International Airport and continuing into Loudoun County.

broken in 2009 on the first phase of an extension of the Metrorail system, which will bring four new Metrorail stations to Tysons. However, this will be a very long and, oftentimes, slow process. It will be dependent on investment from developers and the state of the economy as well as our ability to fund public infrastructure. You have begun to hear how staff thinks we can address some of these costs and the Planning Commission is working on recommendations concerning a funding formula. **Much further analysis, alternative costing, and financing review will be necessary, but I believe that the key will be for the Board to be flexible as they develop community consensus and focused decisions on**

County Executive Summary

how to pay for these investments. For example, in the near-term, I recommend that the Board consider using uncommitted year-end balances toward Tysons redevelopment. We should use this and other opportunities to allocate the necessary and sufficient funding to meet our ongoing obligations with Tysons.

Meeting our Transportation Requirements

With anticipated population growth of almost 100,000 or 9 percent by 2025, cost-effective transportation will continue to be one of our most pressing needs and challenges. Fortunately, the Board continues to financially support and meet these challenges by way of sound policy decisions and allocation of resources. We do have a number of resources available to us in the form of General Fund dollars, Commercial and Industrial (C&I) tax revenues, State Aid and Gas Tax receipts and fare-box revenues. This diversified funding stream is critical to the progress we have made in the transportation arena. In addition, transportation staff has a comprehensive inventory of all identified needs whether transit, roadway, or trail to keep the discussion well informed and has noted \$3.0 billion in unfunded road and transportation improvements over the next decade. In spite of the County's major efforts to solve traffic congestion in Northern Virginia, one of the biggest challenges before us remains the challenge of addressing unfunded transportation needs we have. Now there is possibility of devolution, that is, the state's delegation of its obligations to provide maintenance of our secondary roads. Currently, the Commonwealth of Virginia's Department of Transportation (VDOT) possesses much of this responsibility for maintenance of secondary roads, but it is severely underfunded. If local jurisdictions are left to absorb these costs, it would result in an enormous obligation for Fairfax County with no clear funding source as of yet. In addition, as you have heard for the last several years, our current transportation needs are significant. **The careful, deliberate development of transportation plans with associated funding sources has proven to be an extremely effective model in the past and one that will need to be maintained in the future to continue to make progress.**

Seeking Revenue Diversification

Just as revenue diversification has benefitted our transportation system we must focus on the options the Board of Supervisors has to ensure that our General Fund revenues become more diversified. The "Great Recession" reminded us that it is clearly possible for almost all of our revenues to be impacted negatively at once. **Engaging in public dialogue about the limited revenue options available to the County is an invaluable exercise.** This was recently illustrated by the lengthy and beneficial discussion the Board had on the Meals Tax at its recent retreat. Such dialogue will continue to be necessary with our changing fiscal realities and increased demand for services.

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CONCLUSION

While these challenges are daunting, it is again important to remember the opportunities they bring with them. For example, the opportunity the Board has in Tysons is unprecedented and will return huge dividends to the County as a whole, both as a bustling downtown and economic engine. The continued and expanded economic strength of Tysons will yield a significant return on our investment dollars while promoting substantial growth that will help offset the burden of residential taxpayers.

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 which included fiscal discipline by Board, strong financial management of reserves, balances and long-term liabilities, and a well-managed debt program. As recently as January 2012, the bond markets and our creditors point to this approach in their positive assessments of our overall fiscal health. 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.

Going forward, difficult Board decisions will be required on an annual basis and over the long term. In very practical terms, being flexible and willing to consider an array of options such as further program eliminations, cost containment, deferrals, and revenue diversification will result in the County remaining one of the best managed jurisdictions in the nation.

As I enter the final months of my service to the County, I would like to thank the Board of Supervisors, many residents, agency directors, staff and other stakeholders who have contributed to the high quality of life we have in Fairfax. Truly, it has been a great pleasure serving you and the residents of our wonderful community over these past 12 years as County Executive. The progress and changes currently taking place in the County are exciting. On a final note, I look forward to my new transition and the next chapter in my life as I continue to enjoy living here in Fairfax County.

In closing, I respectfully submit the FY 2013 Advertised Budget Plan for your consideration, and I look forward to working with each of you over the course of my last two months as County Executive.

Respectfully submitted,



Anthony H. Griffin
County Executive

County Executive Summary

Advertised Summary General Fund Statement

(in millions of dollars)

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Inc/(Dec) Over Adopted	% Inc/(Dec) Over Adopted
Beginning Balance	\$240.28	\$131.18	\$236.24	\$128.06	(\$3.11)	(2.37%)
Revenue ^{1, 2}	\$3,321.01	\$3,306.95	\$3,347.02	\$3,459.44	\$152.49	4.61%
Transfers In	\$8.06	\$6.90	\$6.90	\$4.27	(\$2.63)	(38.12%)
Total Available	\$3,569.35	\$3,445.03	\$3,590.16	\$3,591.78	\$146.75	4.26%
Direct Expenditures ¹	\$1,188.33	\$1,236.42	\$1,298.81	\$1,287.09	\$50.67	4.10%
Transfers Out						
School Operating ³	\$1,611.59	\$1,610.83	\$1,610.83	\$1,683.32	\$72.49	4.50%
School Debt Service	160.21	163.47	163.47	164.76	1.29	0.79%
<i>Subtotal Schools</i>	<i>\$1,771.80</i>	<i>\$1,774.31</i>	<i>\$1,774.31</i>	<i>\$1,848.08</i>	<i>\$73.77</i>	<i>4.16%</i>
County Transit	\$31.99	\$34.46	\$34.46	\$36.55	\$2.09	6.07%
Information Technology	19.03	5.28	16.18	5.28	0.00	0.00%
Community Services Board	93.13	95.73	96.90	99.16	3.44	3.59%
Contributory Fund	12.04	12.16	12.41	15.57	3.41	28.04%
County Debt Service	121.66	119.37	119.37	120.04	0.66	0.55%
Metro	7.41	11.30	11.30	11.30	0.00	0.00%
OPEB	13.90	20.00	20.00	28.00	8.00	40.00%
Capital Paydown	15.91	15.78	19.03	15.95	0.18	1.11%
Other Transfers	57.92	52.68	59.34	54.33	1.65	3.12%
<i>Subtotal County</i>	<i>\$372.99</i>	<i>\$366.76</i>	<i>\$388.98</i>	<i>\$386.18</i>	<i>\$19.42</i>	<i>5.30%</i>
Total Transfers Out	\$2,144.78	\$2,141.06	\$2,163.29	\$2,234.26	\$93.20	4.35%
Total Disbursements	\$3,333.11	\$3,377.48	\$3,462.10	\$3,521.35	\$143.87	4.26%
Total Ending Balance	\$236.24	\$67.55	\$128.06	\$70.43	\$2.88	4.26%
Less:						
Managed Reserve	\$68.04	\$67.55	\$69.24	\$70.43	\$2.88	4.26%
Reserve for FY 2011/FY 2012 ⁴	23.95					
FY 2010 Audit Adjustments ⁵	2.54					
Additional FY 2011 Revenue ⁶	7.34					
FY 2011 Third Quarter Reductions ⁷	9.58					
Reserve for Board Consideration ⁸	4.72					
Retirement Reserve ⁹	15.00					
Reserve to address FY 2013 Budget						
Shortfall ¹⁰			28.69			
FY 2011 Audit Adjustments ¹			0.62			
Additional FY 2012 Revenue ²			29.51			
Total Available	\$105.06	\$0.00	\$0.00	\$0.00	\$0.00	--

¹ In order to appropriately reflect actual revenues and expenditures in the proper fiscal year, FY 2011 revenues are increased \$1.14 million and FY 2011 expenditures are increased \$0.52 million to reflect audit adjustments as included in the FY 2011 Comprehensive Annual Financial Report (CAFR). As a result, the *FY 2012 Revised Budget Plan* Beginning Balance reflects a net increase of \$0.62 million. Details of the FY 2011 audit adjustments will be included in the FY 2012 Third Quarter package. It should be noted that this amount has been set aside in reserve and utilized to balance the FY 2013 budget.

² *FY 2012 Revised Budget Plan* revenues reflect a net increase of \$29.51 million based on revised revenue estimates as of fall 2011. The *FY 2012 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 2013 budget.

County Executive Summary

³ The proposed County General Fund transfer for school operations in FY 2012 totals \$1,683.3 million, an increase of \$72.5 million, or 4.5 percent, over the FY 2012 Adopted Budget Plan. It should be noted that the Fairfax County Public Schools Superintendent's Proposed budget reflects a General Fund transfer of \$1,746.7 million, an increase of \$135.8 million, or 8.4 percent, over the FY 2012 Adopted Budget Plan. In their action on the Superintendent's Proposed budget on February 9, 2012, the School Board maintained the Superintendent's transfer request at \$1,746.7 million.

⁴ As part of the *FY 2010 Carryover Review*, \$23.95 million was identified to be held in reserve for critical requirements in FY 2011 or to address the projected budget shortfall in FY 2012. This reserve was utilized to balance the FY 2012 budget.

⁵ As a result of FY 2010 audit adjustments, an amount of \$2.54 million was available to be held in reserve in FY 2011 and was utilized to balance the FY 2012 budget.

⁶ Based on revised revenue estimates as of fall 2010, an amount of \$7.34 million was available to be held in reserve in FY 2011 and was utilized to balance the FY 2012 budget.

⁷ As part of the *FY 2011 Third Quarter Review*, \$9.58 million in reductions were taken and set aside in reserve. This amount was utilized to balance the FY 2012 budget.

⁸ As part of the *FY 2011 Third Quarter Review*, a balance of \$4.72 million 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.

⁹ As part of the *FY 2010 Carryover Review*, an amount of \$15.0 million was set aside in reserve in Agency 89, Employee Benefits, for anticipated increases in the FY 2012 employer contribution rates for Retirement. This reserve was utilized to balance the FY 2012 budget.

¹⁰ As part of the *FY 2011 Carryover Review*, a balance of \$28.69 million was held in reserve to address the projected budget shortfall in FY 2013 and has been utilized to balance the FY 2013 budget.

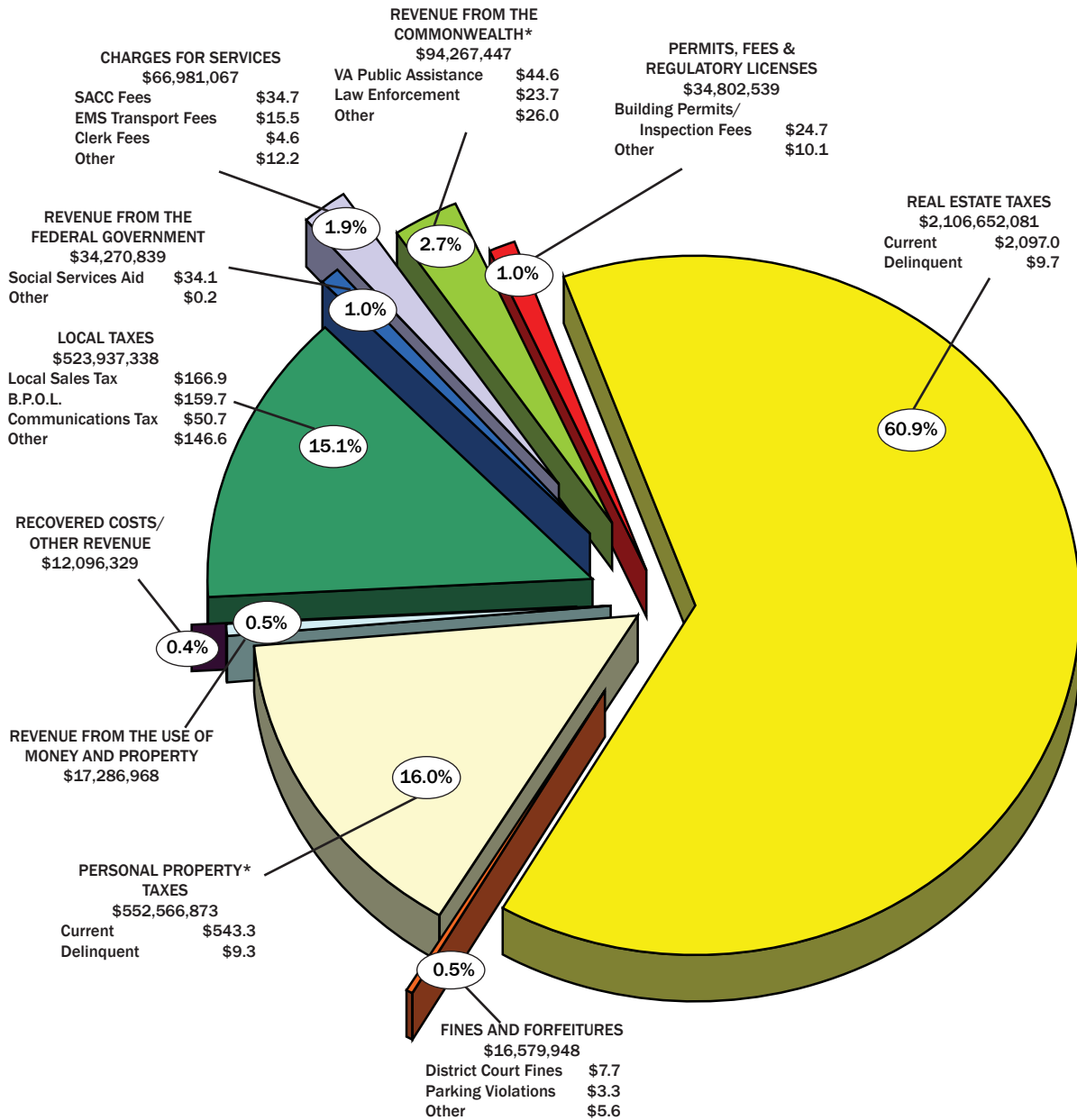
County Executive Summary

FY 2013 ADVERTISED BUDGET PLAN: TAX AND FEE FACTS

Type	Unit	FY 2011 Actual Rate	FY 2012 Actual Rate	FY 2013 Recommended Rate
GENERAL FUND TAX RATES				
Real Estate	\$100/Assessed Value	\$1.09	\$1.07	\$1.07
Personal Property	\$100/Assessed Value	\$4.57	\$4.57	\$4.57
NON-GENERAL FUND TAX RATES				
Refuse Rates				
Refuse Collection (per unit)	Household	\$345	\$345	\$345
Refuse Disposal (per ton)	Ton	\$60	\$60	\$60
Leaf Collection	\$100/Assessed Value	\$0.015	\$0.015	\$0.015
Solid Waste Landfill Ash Disposal	Ton	\$13.50	\$15.50	\$17.50
Sewer Charges				
Sewer Availability Charge	Residential	\$7,750	\$7,750	\$7,750
Sewer Service Charge	Per 1,000 Gallons	\$5.27	\$6.01	\$6.55
Community Centers				
McLean Community Center	\$100/Assessed Value	\$0.024	\$0.023	\$0.022
Reston Community Center	\$100/Assessed Value	\$0.047	\$0.047	\$0.047
Other				
Stormwater Services District Levy	\$100/Assessed Value	\$0.015	\$0.015	\$0.025
Route 28 Corridor	\$100/Assessed Value	\$0.18	\$0.18	\$0.18
Dulles Rail Phase I	\$100/Assessed Value	\$0.22	\$0.22	\$0.22
Dulles Rail Phase II	\$100/Assessed Value	\$0.05	\$0.10	\$0.15
Integrated Pest Management Program	\$100/Assessed Value	\$0.001	\$0.001	\$0.001
Commercial Real Estate Tax For Transportation	\$100/Assessed Value	\$0.11	\$0.11	\$0.11

FY 2013 GENERAL FUND RECEIPTS **

Where it comes from . . .
(subcategories in millions)



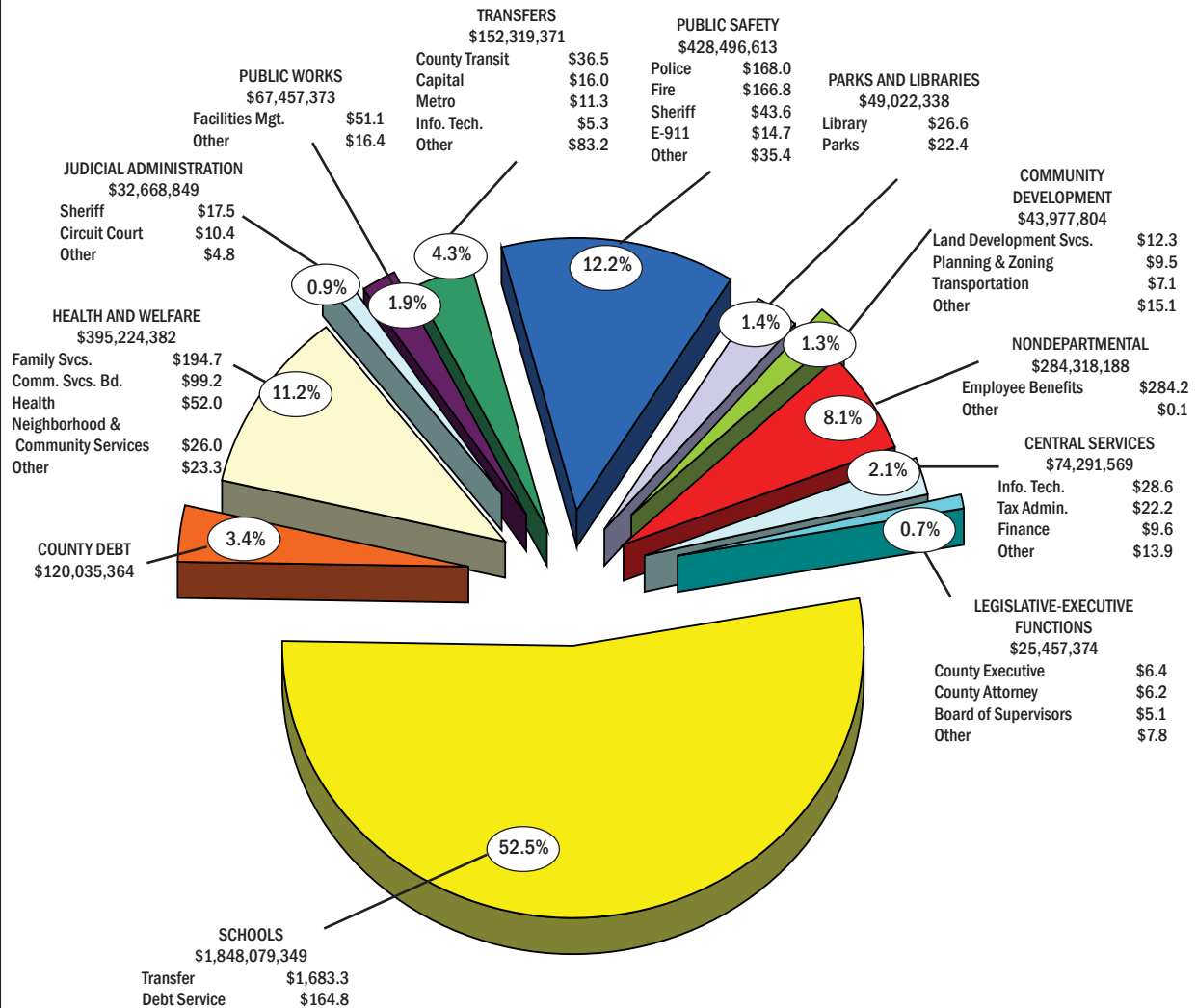
FY 2013 GENERAL FUND RECEIPTS = \$3,459,441,429 **

* 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 2013 GENERAL FUND DISBURSEMENTS

Where it goes . . .
(subcategories in millions)

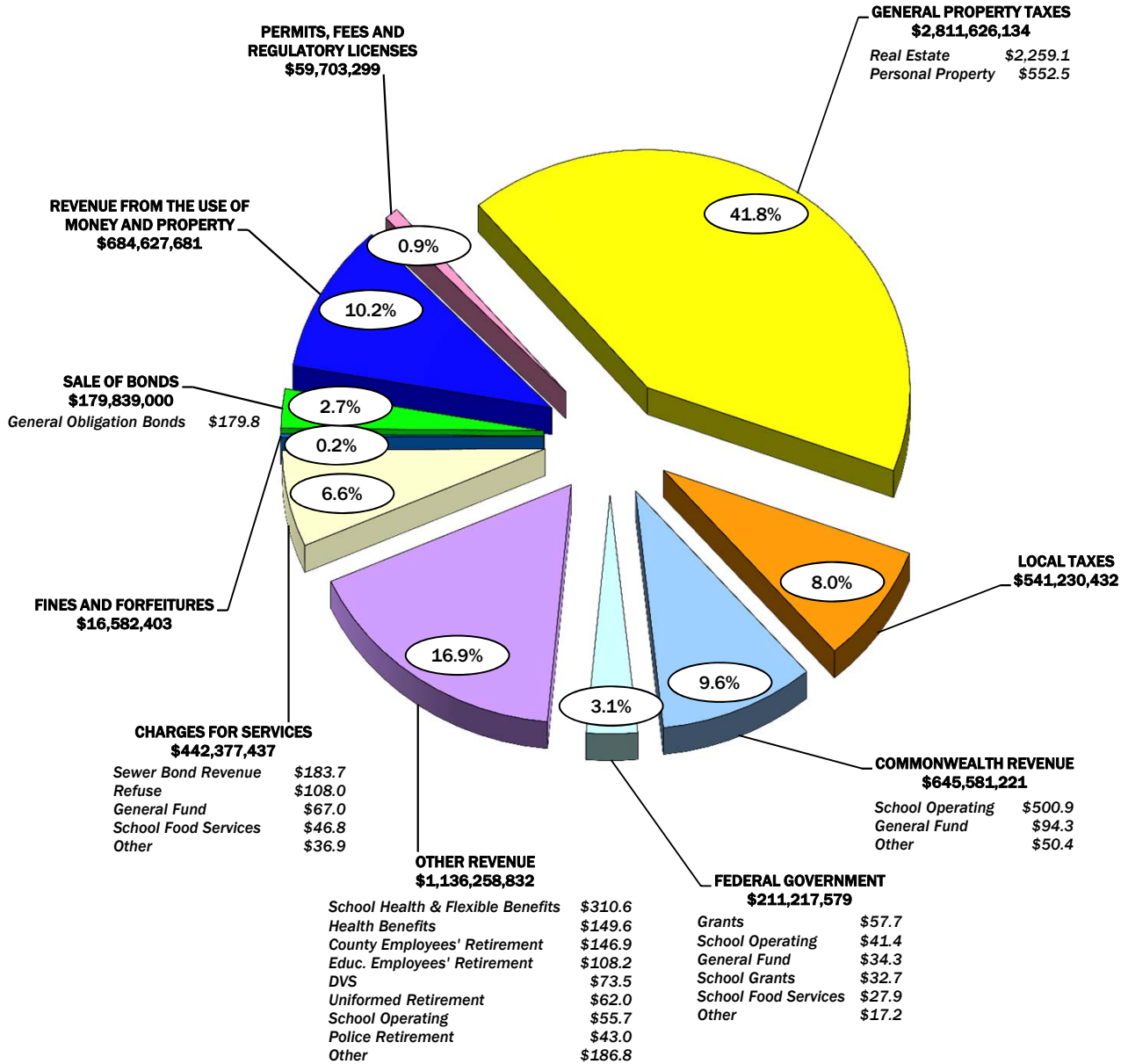


FY 2013 GENERAL FUND DISBURSEMENTS = \$3,521,348,574

In addition to FY 2013 revenues, available balances and transfers in are also utilized to support disbursement requirements.

FY 2013 REVENUE ALL FUNDS

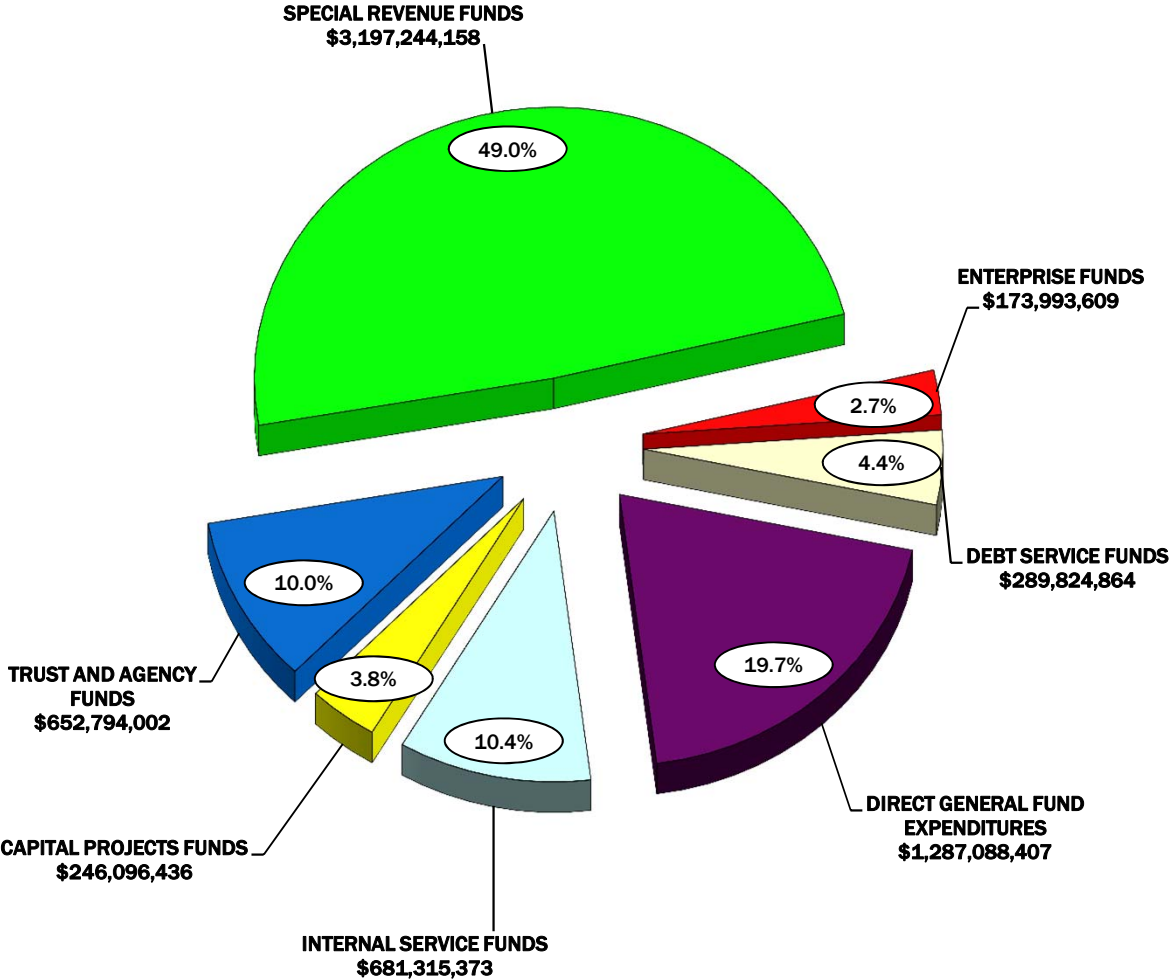
(subcategories in millions)



TOTAL REVENUE = \$6,729,044,018

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 2013 EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = \$6,528,356,849

FY 2013

Advertised Budget Plan



This section includes:

- Overview Strategic Linkages Summary (Page 32)
- Key County Indicators (Page 37)
- Fairfax County Public Schools Strategic Governance (Page 55)

Strategic Linkages

Strategic Linkages

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

Employee Vision Statement

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

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

Employee Leadership Philosophy

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

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:



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.

Strategic Linkages



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

Strategic Linkages

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, 160 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 2013 Advertised 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

Strategic Linkages

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.

In FY 2010, FY 2011 and FY 2012, the pay for performance (PFP) program was not funded given the fiscal environment. The Board of Supervisors approved a 2.18 percent market rate adjustment (MRA) during the *FY 2011 Carryover Review*, effective September 24, 2011. The FY 2013 Advertised Budget Plan includes a recommended 2.0 percent full-year MRA. The revised PFP 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.

Strategic Linkages

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 2013 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 27th consecutive year. In July 2011, Fairfax County

Strategic Linkages

was one of only 28 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 Healthy 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 2009, FY 2010, and FY 2011, and it includes a discussion of how the Indicators relate to their respective Vision Elements. In addition, the Corporate Stewardship Vision Element includes FY 2012 and FY 2013 estimates in order to present data related to the current budget and [FY 2013 Advertised Budget Plan](#). For some indicators, FY 2010 is the most recent year in which data are available, and FY 2011 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 2009 Actual	FY 2010 Actual	FY 2011 Actual
Ratio of Group A Index Crimes (Violent Criminal Offenses) to 100,000 County Population (Calendar Year)	77.45	86.44	79.13
Clearance rate of Group A Index Crimes (Violent Criminal Offenses) (Calendar Year)	58.15%	NA ¹	62.30%
Percent of time Advanced Life Support (ALS) transport units on scene within 9 minutes	NA ²	82.60%	88.0%
Fire suppression response rate for engine company within 5 minutes	NA ²	41.0%	60.0%
Percent of low birth weight babies (under 5 lbs 8 oz)	7.4%	7.0%	NA ³
Immunizations: completion rates for 2 year olds	79%	70%	69%
Virginia Department of Education (VDOE) On-Time Graduation Rate	86.91%	86.91%	91.40%
Children in foster care per 1,000 in total youth population	1.54	1.15	1.18

Strategic Linkages

Key County Indicators	FY 2009 Actual	FY 2010 Actual	FY 2011 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	90.9%	91.2%	93.0%
Percent of restaurants operating safely	95.4%	97.0%	97.5%

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 2010 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. Also, due to technical issues in data migration to the new system, clearance rate data for 2010 is not available. However, the Fairfax County **ratio of Group A Violent Crimes** result of 79.13 incidences per 100,000 residents continues to reflect one of the lowest violent crime rates of any large jurisdiction in the United States. The County also showed relatively consistent case **clearance rate of Group A Index Crimes**, which is an index of four major crimes (murder, rape, robbery, and aggravated assault). The annual Fairfax County case clearance rate of 62.30 percent was higher than preceding year's national average.



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 60.0 percent of the time in FY 2011. Advanced Life Support transport units arrived on the scene within 9 minutes or 88.0 percent of the time in FY 2011.

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 2010 is the most recent data available in time for budget publication*). The County's FY 2010 incidence rate of 7.0 percent of low birth weight babies compares favorably against the state average of 8.2 percent. The FY 2011 immunization completion rate of 69 percent for two-year olds represents a one percentage point decrease from FY 2010. 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 2011 **Virginia Department of Education**

Strategic Linkages

(VDOE) **On-Time Graduation rate** of 91.4 percent. It should be noted in FY 2011 that the official indicator for the County is now the VDOE On-Time Graduation rate. In FY 2011, the **ratio of children in foster care per 1,000** in the total population of children 0–17 years old was 1.18. 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 93.0 percent combined satisfaction rating for two support programs: Adult Day Health Care (ADHC) and Congregate Meals programs. ADHC satisfaction was 99 percent in FY 2011. 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. However, client satisfaction decreased from 95.2 percent to 87.0 percent in FY 2011. It should be noted that in FY 2011, the methodology changed for calculating congregate meal satisfaction by only collecting general quality data.



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

Fairfax County is committed to protecting the health of its residents, and in FY 2011, 97.5 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 2009 Actual	FY 2010 Actual	FY 2011 Actual
Acres of parkland held in public trust ¹	40,347	40,322	38,507
Miles of trails and sidewalks maintained by the County	640	644	647
Annual number of visitations to libraries, park facilities and recreation and community centers	12,325,902	11,963,753	11,485,816
Value of construction authorized on existing residential units	\$145,844,063	\$136,836,731	\$132,306,916

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Key County Indicators	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual
Annual percent of new dwelling units within business or transit centers as measured by zoning approvals	13.0%	98.8%	75.0%
Percent of people in the labor force who both live and work in Fairfax County	53.7%	51.7%	54.1%
Number of affordable rental senior housing units ²	3,029	3,029	3119

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

² The number of affordable rental senior housing units was restated in FY 2009 and FY 2010 to account for a miscalculation in previous reports.

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 amount of **acres of parkland held in public trust** is a preservation of open space that 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 2011, there was a downward adjustment in acres due primarily to a decrease in the Northern Virginia Conservation Land Trust acreage. This adjustment offset new acres acquired and brought the FY 2011 total acreage to 38,507. 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 2011, DPWES maintained 647 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.

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



The County maintains 647 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.

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libraries were completed in summer 2010. Renovation and expansion of the Dolley Madison Community Library was completed in FY 2011. In FY 2011, the number of visits to all library, parks and recreation facilities decreased to 11,485,816, 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 and FY 2011 shortfall. 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 2009, FY 2010 and FY 2011 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 2011, 75 percent of proffered residential units were within business or transit centers, as compared to the 98.8 percent in FY 2010, is reflective of the increase in the rezoning applications file for single family residential development outside of business or transit centers across the County. The percentage of residential units in business and transit areas is anticipated to increase over FY 2011 level in the near future, due to a number of zoning cases approved or pending in FY 2012 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 3,119 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.

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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 2009 Actual	FY 2010 Actual	FY 2011 Actual
Number of times County information and interactive services are accessed electronically (millions) ¹	NA	NA	13.6
Library materials circulation per capita	13.0	12.9	12.0
Percent of library circulation represented by materials in languages other than English	1.4%	1.3%	1.4%
Percent change in transit passengers	(0.89%)	6.6%	1.17%

¹ Beginning in FY 2011, the County began using a fundamentally different methodology and measure to gauge the access of County web pages from “hits” to “visits.” A visit is an interaction, by an individual, with a web site consisting of one or more requests for a definable unit of content. Visits are now viewed across the industry as a better indicator for measuring web traffic.

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 2011 measure of 13.7 million visits or interactions on the County website, a best practices measure to assess the **electronic access to County information and interactive services**. The County has changed the methodology of how it best measures public usage of the County website. In the past, the County measured “hits” based on a monthly average. Subsequently, County information technology staff has determined that hits are not a good measurement to use because hits are a count of requests to the web server and is not widely seen as an accurate measurement of website usage. For example, one webpage with numerous photos could generate multiple requests to the web server, thereby limiting the value in reporting this number. Therefore, it is now using “visits” as the best measure. A visit is an interaction, by an individual, with a web site consisting of one or more requests for

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an analyst-definable unit of content (i.e. “page view”). If an individual has not taken another action (typically additional page views) on the site within 30 minutes, the visit session will terminate.

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 12.0 in FY 2011. This is 20 percent higher than the FY 2011 mean of 10.0 for the 11 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 unique visitors to the Library’s website, which totaled 4,559,609 in FY 2011. 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 2011, 1.4 percent of **library circulation was represented by materials in languages other than English**. With a circulation of 13.2 million items by Fairfax County Public Library (FCPL) in FY 2011, the 1.4 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 an increase of 0.77 percent in Fairfax County transit passengers in FY 2010, an overall 1.17 percent increase was experienced in FY 2011. This increase was, in large part, attributable to a 3.8 percent increase in annual Metrobus trips originating in Fairfax County, from 8.7 million to 9.0 million, and a 20.55 percent increase in annual VRE ridership, from 855,540 to 1,030,656. There was a slight decrease in the number of annual Metrorail trips originating in Fairfax County from 30,161,141 in FY 2010 to 29,592,719 in FY 2011.

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 2013 budget includes a continuation of the 11 cent/\$100 assessed value rate, which is projected to provide approximately \$44.4 million in

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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 2009 Actual	FY 2010 Actual	FY 2011 Actual
Total employment (Total All Industries, All Establishment Sizes, equaling the total number of jobs in Fairfax County)	576,336	580,912	585,238
Growth rate	-2.65%	0.79%	0.74%
Unemployment rate (not seasonally adjusted)	4.8%	4.9%	4.4% (est.)
Commercial/Industrial percent of total Real Estate Assessment Base	21.06%	22.67%	19.70%
Percent change in Gross County Product (adjusted for inflation)	0.84%	2.65%	3.00%
Percent of persons living below the federal poverty line (Calendar Year)	4.8%	5.6%	5.8%
Percent of homeowners that pay 30.0 percent or more of household income on housing (Calendar Year)	35.0%	32.9%	31.6%
Percent of renters that pay 30.0 percent or more of household income on rent (Calendar Year)	45.0%	47.4%	44.2%
Direct (excludes sublet space) office space vacancy rate (Calendar Year)	13.9%	13.3%	13.8%

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 increasing a slight 0.79 percent in FY 2010, the total number of jobs in the County grew again very modestly in FY 2011 and rose 0.74 percent. 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 estimated average unemployment rate was 4.4 percent through November 2011, the Commonwealth of Virginia experienced 6.2 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 8.5 percent as of December 2011. It should be noted that in the last three recessions, the unemployment rate in the County 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

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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. After decreasing a slight 0.06 percentage points to 19.64 percent in FY 2012, the Commercial/Industrial percentage rose 1.13 percentage points to 20.77 percent in FY 2013. Commercial/Industrial property values as a percentage of the Real Estate Tax base have increased as a result of new construction, rising nonresidential values and more moderate increase in residential property values.

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 preliminary rate of 3.0 percent in 2011. GCP growth is expected to be moderate in 2012 and 2013.

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 5.8 percent poverty rate in FY 2011 is better than most, yet it still translates to nearly 63,000 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 2011 data represent CY 2010 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 2011, 31.6 percent of homeowners paid 30 percent or more of their household income on housing, while a substantially greater number of renters, 44.2 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 2011 data represent CY 2010 data.)*

Finally, the **direct (excludes sublet space) office space vacancy rate** reflects yet another aspect of the health of the business community. After falling at mid-year 2011, office vacancy rates rose at year-end 2011. The direct vacancy rate at year-end 2011 was 13.8 percent, up from 13.3 percent at the end of 2010. Including sublet space, the overall office vacancy rate was 15.7 percent, up from 15.3 percent. The increase in the vacancy rate is directly attributed to Base Realignment and Closure Act (BRAC) movements during the last half of 2011. The relocation of several defense-related government agencies left more than a million square feet of vacant space on the market at the end of the year. Total leasing activity during 2011 topped 11.5 million square feet, down from the record 13.6 million square feet of leasing activity in 2010, but well above the five year-average of 10.8 million square feet.

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

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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 2009 Actual	FY 2010 Actual	FY 2011 Actual
Unhealthy Air Days recorded on Virginia Department of Environmental Quality (DEQ) monitors located in Fairfax County based on the EPA Air Quality Index (Calendar Year)	1	11	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)	2.08	2.60	2.88
Percent of Tree Coverage in County	40.5%	40.5%	41%
Number of homes that could be powered as a result of County alternative power initiatives	68,500	64,000	64,650
Solid Waste Recycled as a percentage of the waste generated within the County (Calendar Year) ¹	39%	42%	42%

¹ The FY 2011 Actual is estimated at 42 percent because results are not yet available. Recycling rates will become available on April 1, 2012 from the Virginia Department of Environmental Quality.

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

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Board's Environmental Agenda. In FY 2007, the County was presented with a NACo achievement award for its Environmental Agenda and EIP Programs.

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 127 vehicles). Fairfax County continues to promote green building initiatives in both public and private facilities and has been recognized nationally for environmental construction initiatives. The U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system includes several tiers. The goal for County projects greater than 10,000 square feet is silver certification; smaller facilities are recommended for certification. Currently, Fairfax County has achieved four gold certifications (Crosspointe Fire Station, JoAnne Jorgenson Health Laboratory, Martha Washington Library and Richard Byrd Library); three silver certifications (Burke Center Library, Oakton Library and Thomas Jefferson Library); and one certified building (Fairfax Center Fire Station). Fairfax County also received Green Globe certifications from the Green Building Initiative's environmental assessment and rating system for two commercial buildings which include Foundations (formerly known as Girls Probation House) and Hanley Family Shelter. Other initiatives include, the utilization of teleworking (Fairfax County has more than 1,000 employees telework an average of one day a month). 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 after working hours, 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 (PM₁₀ 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

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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, not allowing 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, not allowing 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 2009, the number of unhealthy air days was 1 primarily due 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 both FY 2010 and FY 2011 increased to 11, as reported by DEQ. 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. **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.** 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. 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 DEQ.

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 the County's MS4 permit and Total Maximum Daily Loads (TMDLs) already established for several streams. A Chesapeake Bay TMDL was also established in December 2010 with the goal of restoring the Chesapeake Bay and eventually removing 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. All 13 plans have been adopted by the Board of Supervisors. 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. Hard copies of the plans may be found in their respective Board of Supervisor's office and local libraries. Additional information on watershed management planning 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 (SQI) was developed from the annual benthic macroinvertebrate monitoring data to establish overall watershed/stream conditions countywide. The SQI 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 SQI continued to fluctuate over the last eight years between 2.03 at its low and 2.88 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

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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 41 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. The decrease in the number of homes that could be powered since FY 2009 is attributable to increased power outages caused by record snowfall, an overhaul of a major turbine-generator, and miscellaneous equipment failures. Locally, average energy use per home equals 800 Kilowatt-hours (kWh) per month. FY 2011 electric sales from the County's resource recovery facility were approximately 47,305,000 kWh/month while methane-to-electricity project sales have averaged approximately 4,417,000 kWh/month. An additional methane space-heat project at the I-66 Transfer Station for space heat at the West Ox Bus Operations Center is now operational.

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 (DEQ), 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 2013 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

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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 2011) 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 2009 Actual	FY 2010 Actual	FY 2011 Actual
Volunteerism for Public Health and Community Improvement (Medical Reserve Corps and Volunteer Fairfax)	11,852	16,058	20,770
Volunteer hours leveraged by the Consolidated Community Funding Pool	513,046	515,579	511,824
Residents completing educational programs about local government (includes Citizens Police Academy, Neighborhood College Program, and Fairfax County Youth Leadership Program)	261	380	261
Percent of registered voters who voted in general and special elections	78.7%	44.6%	49.1%
Percent of Park Authority, Fairfax County Public Schools, and Community and Recreation Services athletic fields adopted by community groups	33.3%	29.5%	31.0%

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 974 individual units, with more than 203,000 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 4,200 are enrolled in the 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. Recruitment efforts during fiscal year 2011 yielded more than 500 new members, representing a 14 percent annual increase. These efforts included an online and print advertisement campaign and direct mailings to medical professionals.

During fiscal year 2011, the Fairfax MRC was successful in engaging volunteers in trainings and exercises, as well as assisting with seasonal influenza vaccination efforts. MRC volunteers supported the

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Fairfax County Health Department (FCHD) by participating in 53 vaccination clinics throughout the county at select Fairfax County elementary schools, as well as several community-based clinics, including those conducted at Dulles Airport and the Department of Motor Vehicles at Fair Oaks Mall. MRC volunteers participated in two exercises; a regional exercise to test plans for processing spontaneous, unaffiliated volunteers at a Volunteer Reception Center, and a full-scale exercise to test various components of a newly-developed plan for mass influenza vaccination of young-adults and school-aged children. Volunteers participated in numerous trainings, including two seminars focused on personal preparedness, training related to the Safety Officer position, cardiopulmonary resuscitation (CPR), shelter operations, disaster behavioral health, the Incident Command System (ICS), the National Incident Management System (NIMS), and radiological/nuclear emergencies.

The Fairfax MRC introduced a new recognition and retention strategy for volunteers who have completed basic training requirements, kept their database profiles current, and achieved specific milestones of service with the program. On an ongoing basis, recognition pins are awarded to volunteers that have completed their one, three and five year terms of service and to those that have completed the Federal Emergency Management Agency (FEMA) training requirements for NIMS and ICS.

Current and future MRC program efforts are focused on enhancing volunteer skills and capabilities by increasing the number of volunteers that have completed core training requirements; offering trainings in more convenient locations; developing a volunteer handbook; and completing a unit strategic plan. Volunteers are also being engaged in a pilot program as “Community Preparedness Champions” to assist the Health Department in conducting educational sessions on community health and preparedness. The MRC will continue to engage volunteers with meaningful training and exercise opportunities to better prepare them to support the Fairfax County Health Department in responding to 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 16,556 individuals in FY 2011 which equates to 52,113 hours volunteers contributed to Fairfax County with a value of \$1,148,050.

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 decrease in volunteerism in FY 2011 is due in part to a reduction in programs funded by CCFP from 117 in FY 2010 to 114 in FY 2011.

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

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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 2011, 85 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. In FY 2011 150 residents participated in this program.

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. Fairfax County voter participation exceeded state averages from FY 2009 to FY 2011. For the 2008 Presidential Election (FY 2009) the County turnout was 78.7 percent compared to a statewide turnout of 76.4 percent, for the 2009 Gubernatorial Election (FY 2010) the County turnout was 44.6 percent compared to the state average of 42.5 percent, and for the 2010 mid-term election (FY 2011) the County turnout was 49.1 percent compared to a state average of 46.9 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** – 31.0 percent in FY 2011 -- 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.

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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 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimate	FY 2013 Estimate
Average tax collection rate for Real Estate Taxes, Personal Property Taxes and Business, Professional, and Occupational License Taxes	99.21%	99.70%	99.58%	99.30%	99.42%
County direct expenditures per capita	\$1,153	\$1,089	\$1,096	\$1,194	\$1,178
Percent of household income spent on residential Real Estate Tax	4.71%	4.62%	4.43%	4.34%	4.26%
County (merit regular) positions per 1,000 residents	11.54	11.06	11.10	11.28	11.24
Number of consecutive years receipt of highest possible bond rating from major rating agencies (Aaa/AAA/AAA)	31	32	33	34	35
Cumulative savings from both County bond sales as compared to the Bond Buyer Index and County refundings (in millions)	\$394.91	\$434.23	\$486.30	\$538.09	\$538.09
Number of consecutive years receipt of unqualified audit	28	29	30	31	32

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 \$538.09 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) 2011 Certificate of Excellence for the County’s use of performance data from 15 different government service areas (such as police, fire and rescue, libraries, etc.) to achieve improved planning

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and decision-making, training, and accountability. Fairfax County was one of 28 jurisdictions that earned this prestigious certificate out of more than 160 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 residents** being managed very closely. Since FY 1992 the ratio has declined from 13.57 to 11.24 in FY 2013. 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. The long-term decline in the positions to resident 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 \$1,178 in FY 2013 reflect a small decrease from FY 2012. Budget shortfalls in FY 2010, FY 2011, FY 2012 and FY 2013 have prevented significant growth or the funding of new programs. In FY 2010, FY 2011 and FY 2012, the pay for performance (PFP) program was not funded given the fiscal environment. The Board of Supervisors approved a 2.18 percent market rate adjustment (MRA) during the *FY 2011 Carryover Review*, effective September 24, 2011, and the FY 2013 Advertised Budget Plan includes a recommended 2.0 percent full-year MRA. 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 2013 Advertised Budget Plan. The jurisdictions selected for comparison are the Northern Virginia localities as well as those with a population of 100,000 or more elsewhere in the state (the Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually). Fairfax County's cost per capita in each of the program areas is highly competitive with others in the state.

The **percent of household income spent on residential Real Estate Tax** decreased from FY 2009 to FY 2013, primarily reflecting a decline in real estate tax per "typical" household combined with growth in average household income. 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 2013, real property taxes total 60.9 percent of total General Fund revenues.

Strategic Linkages

Fairfax County Public Schools (FCPS) Strategic Governance



FCPS Overview

- **FY 2013, FCPS' total proposed membership is 181,608; nation's 11th largest school district.**
- **196 schools and centers.**
- **Full-day kindergarten at all elementary schools.**
- **Needs-based staffing at all schools.**
- **Nearly ninety-two percent of FCPS graduates plan to continue to post-secondary education.**
- **FCPS schools are in the top 6 percent of all public high schools in the nation (2011 Washington Post)**
- **FCPS students continue to post SAT and ACT scores above the state and national average**
- **FCPS educates tomorrow's leaders.**

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.

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

FCPS students scored an average of 1654 on the SAT, exceeding both the state and national average for 2011:

FCPS	1654
VA	1516
Nation	1500

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 5th when compared to other local districts in average cost per pupil (FY 2012 WABE Guide).**

Fairfax County Public Schools' beliefs, vision, mission, and student achievement goals are discussed in more detail at:
<http://www.fcps.edu/schlbdbmv.shtml>

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.



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FY 2013

Advertised Budget Plan



This section includes:

- General Fund Statement (Page 58)
- General Fund Direct Expenditures by Agency (Page 61)

General Fund Statement

FY 2013 ADVERTISED FUND STATEMENT FUND 001, GENERAL FUND

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Beginning Balance	\$240,276,899	\$131,175,478	\$236,235,961	\$128,063,659	(\$108,172,302)	(45.79%)
Revenue ^{1,2}						
Real Property Taxes	\$2,019,836,905	\$2,035,455,407	\$2,042,267,905	\$2,106,652,081	\$64,384,176	3.15%
Personal Property Taxes ³	301,972,456	306,818,444	311,235,130	341,252,929	30,017,799	9.64%
General Other Local Taxes	505,517,224	488,212,410	506,648,488	523,937,338	17,288,850	3.41%
Permit, Fees & Regulatory Licenses	34,267,179	30,152,648	34,013,055	34,802,539	789,484	2.32%
Fines & Forfeitures	16,563,245	16,868,801	16,497,731	16,579,948	82,217	0.50%
Revenue from Use of Money & Property	18,808,108	16,711,665	19,618,898	17,286,968	(2,331,930)	(11.89%)
Charges for Services	64,096,781	64,161,281	64,161,281	66,981,067	2,819,786	4.39%
Revenue from the Commonwealth ³	309,027,234	301,926,375	306,614,942	305,581,391	(1,033,551)	(0.34%)
Revenue from the Federal Government	38,419,114	34,566,131	34,566,131	34,270,839	(295,292)	(0.85%)
Recovered Costs/Other Revenue	12,502,027	12,079,289	11,399,344	12,096,329	696,985	6.11%
Total Revenue	\$3,321,010,273	\$3,306,952,451	\$3,347,022,905	\$3,459,441,429	\$112,418,524	3.36%
Transfers In						
105 Cable Communications	\$2,729,399	\$6,901,043	\$6,901,043	\$4,270,457	(\$2,630,586)	(38.12%)
106 Fairfax-Falls Church Community Services Board	1,329,839	0	0	0	0	-
503 Department of Vehicle Services	4,000,000	0	0	0	0	-
Total Transfers In	\$8,059,238	\$6,901,043	\$6,901,043	\$4,270,457	(\$2,630,586)	(38.12%)
Total Available	\$3,569,346,410	\$3,445,028,972	\$3,590,159,909	\$3,591,775,545	\$1,615,636	0.05%
Direct Expenditures						
Personnel Services	\$660,757,111	\$672,679,006	\$682,870,528	\$701,982,719	\$19,112,191	2.80%
Operating Expenses	331,749,713	345,473,612	393,505,611	349,038,740	(44,466,871)	(11.30%)
Recovered Costs	(40,377,359)	(44,628,451)	(44,584,524)	(46,637,404)	(2,052,880)	4.60%
Capital Equipment	2,243,064	0	978,206	0	(978,206)	(100.00%)
Fringe Benefits	233,953,137	262,890,861	266,037,207	282,704,352	16,667,145	6.26%
Total Direct Expenditures	\$1,188,325,666	\$1,236,415,028	\$1,298,807,028	\$1,287,088,407	(\$11,718,621)	(0.90%)

FY 2013 ADVERTISED FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Transfers Out						
090 Public School Operating ⁴	\$1,611,590,477	\$1,610,834,722	\$1,610,834,722	\$1,683,322,285	\$72,487,563	4.50%
100 County Transit Systems	31,992,047	34,455,482	34,455,482	36,547,739	2,092,257	6.07%
102 Federal/State Grant Fund	2,914,001	4,250,852	4,250,852	4,627,729	376,877	8.87%
103 Aging Grants & Programs	2,961,489	0	0	0	0	-
104 Information Technology	19,025,349	5,281,579	16,181,579	5,281,579	(10,900,000)	(67.36%)
106 Fairfax-Falls Church Community Services Board	93,127,107	95,725,326	96,895,306	99,161,218	2,265,912	2.34%
112 Energy Resource Recovery (ERR) Facility	1,745,506	0	0	0	0	-
117 Alcohol Safety Action Program	0	0	0	171,958	171,958	-
118 Consolidated Community Funding Pool	8,970,687	8,970,687	8,970,687	9,419,221	448,534	5.00%
119 Contributory Fund	12,038,305	12,162,942	12,412,942	15,573,588	3,160,646	25.46%
120 E-911 Fund	14,058,303	14,058,303	14,376,992	14,664,865	287,873	2.00%
141 Elderly Housing Programs	1,989,225	1,989,225	2,004,183	2,030,905	26,722	1.33%
142 Community Development Block Grant	0	0	284,190	0	(284,190)	(100.00%)
200 County Debt Service	121,660,143	119,373,864	119,373,864	120,035,364	661,500	0.55%
201 School Debt Service	160,208,882	163,470,564	163,470,564	164,757,064	1,286,500	0.79%
303 County Construction	12,392,861	14,919,369	17,919,369	15,137,806	(2,781,563)	(15.52%)
304 Transportation Improvements	0	0	250,000	0	(250,000)	(100.00%)
307 Sidewalk Construction	0	100,000	100,000	300,000	200,000	200.00%
309 Metro Operations & Construction	7,409,851	11,298,296	11,298,296	11,298,296	0	0.00%
312 Public Safety Construction	0	242,595	242,595	0	(242,595)	(100.00%)
317 Capital Renewal Construction	3,000,000	0	0	0	0	-
340 Housing Assistance Program	515,000	515,000	515,000	515,000	0	0.00%
501 County Insurance	22,887,317	21,017,317	27,054,366	21,017,317	(6,037,049)	(22.31%)
504 Document Services Division	2,398,233	2,398,233	2,398,233	2,398,233	0	0.00%
603 OPEB Trust Fund	13,900,000	20,000,000	20,000,000	28,000,000	8,000,000	40.00%
Total Transfers Out	\$2,144,784,783	\$2,141,064,356	\$2,163,289,222	\$2,234,260,167	\$70,970,945	3.28%
Total Disbursements	\$3,333,110,449	\$3,377,479,384	\$3,462,096,250	\$3,521,348,574	\$59,252,324	1.71%

FY 2013 ADVERTISED FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Total Ending Balance	\$236,235,961	\$67,549,588	\$128,063,659	\$70,426,971	(\$57,636,688)	(45.01%)
Less:						
Managed Reserve	\$68,041,222	\$67,549,588	\$69,241,925	\$70,426,971	\$1,185,046	1.71%
Reserve for FY 2011/FY 2012 ⁵	23,953,143				0	-
FY 2010 Audit Adjustments ⁶	2,539,239				0	-
Additional FY 2011 Revenue ⁷	7,339,516				0	-
FY 2011 Third Quarter Reductions ⁸	9,580,000				0	-
Reserve for Board Consideration ⁹	4,722,358				0	-
Retirement Reserve ¹⁰	15,000,000				0	-
Reserve to address FY 2013 Budget Shortfall ¹¹			28,693,163		(28,693,163)	(100.00%)
FY 2011 Audit Adjustments ¹			623,117		(623,117)	(100.00%)
Additional FY 2012 Revenue ²			29,505,454		(29,505,454)	(100.00%)
Total Available	\$105,060,483	\$0	\$0	\$0	\$0	-

¹ In order to appropriately reflect actual revenues and expenditures in the proper fiscal year, FY 2011 revenues are increased \$1,143,893 and FY 2011 expenditures are increased \$520,776 to reflect audit adjustments as included in the FY 2011 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2012 Revised Budget Plan Beginning Balance reflects a net increase of \$623,117. Details of the FY 2011 audit adjustments will be included in the FY 2012 Third Quarter package. It should be noted that this amount has been set aside in reserve and utilized to balance the FY 2013 budget.

² FY 2012 Revised Budget Plan revenues reflect a net increase of \$29,505,454 based on revised revenue estimates as of fall 2011. The FY 2012 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 2013 budget.

³ 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.

⁴ The proposed County General Fund transfer for school operations in FY 2012 totals \$1,683.3 million, an increase of \$72.5 million, or 4.5 percent, over the FY 2012 Adopted Budget Plan. It should be noted that the Fairfax County Public Schools Superintendent's Proposed budget reflects a General Fund transfer of \$1,746.7 million, an increase of \$135.8 million, or 8.4 percent, over the FY 2012 Adopted Budget Plan. In their action on the Superintendent's Proposed budget on February 9, 2012, the School Board maintained the Superintendent's transfer request at \$1,746.7 million.

⁵ 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. This reserve was utilized to balance the FY 2012 budget.

⁶ 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 was utilized to balance the FY 2012 budget.

⁷ 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 was utilized to balance the FY 2012 budget.

⁸ As part of the FY 2011 Third Quarter Review, \$9,580,000 in reductions were taken and set aside in reserve. This amount was utilized to balance the FY 2012 budget.

⁹ 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.

¹⁰ As part of the FY 2010 Carryover Review, an amount of \$15,000,000 was set aside in reserve in Agency 89, Employee Benefits, for anticipated increases in the FY 2012 employer contribution rates for Retirement. This reserve was utilized to balance the FY 2012 budget.

¹¹ As part of the FY 2011 Carryover Review, a balance of \$28,693,163 was held in reserve to address the projected budget shortfall in FY 2013 and has been utilized to balance the FY 2013 budget.

FY 2013 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

# Agency Title	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Legislative-Executive Functions / Central Services						
01 Board of Supervisors	\$4,532,657	\$4,876,387	\$4,942,105	\$5,059,225	\$117,120	2.37%
02 Office of the County Executive	5,565,950	5,989,394	6,112,546	6,353,978	241,432	3.95%
04 Department of Cable and Consumer Services	860,102	910,290	1,073,680	938,635	(135,045)	(12.58%)
06 Department of Finance	8,729,136	8,515,509	8,864,534	9,598,822	734,288	8.28%
11 Department of Human Resources	7,170,466	7,158,752	7,424,448	7,443,678	19,230	0.26%
12 Department of Purchasing and Supply Management	4,792,124	4,869,371	5,119,168	5,018,471	(100,697)	(1.97%)
13 Office of Public Affairs	1,206,973	1,086,384	1,149,737	1,110,737	(39,000)	(3.39%)
15 Office of Elections	2,499,191	3,016,036	3,473,392	3,659,627	186,235	5.36%
17 Office of the County Attorney	5,830,105	6,007,704	6,868,673	6,201,301	(667,372)	(9.72%)
20 Department of Management and Budget	2,757,249	2,710,598	2,749,077	2,729,690	(19,387)	(0.71%)
37 Office of the Financial and Program Auditor	279,390	330,227	334,777	342,816	8,039	2.40%
41 Civil Service Commission	343,638	429,297	434,448	422,090	(12,358)	(2.84%)
57 Department of Tax Administration	21,570,147	21,818,030	22,652,334	22,235,441	(416,893)	(1.84%)
70 Department of Information Technology	26,776,324	27,916,220	31,578,778	28,634,432	(2,944,346)	(9.32%)
Total Legislative-Executive Functions / Central Services	\$92,913,452	\$95,634,199	\$102,777,697	\$99,748,943	(\$3,028,754)	(2.95%)
Judicial Administration						
80 Circuit Court and Records	\$10,013,163	\$10,033,175	\$10,393,606	\$10,362,130	(\$31,476)	(0.30%)
82 Office of the Commonwealth's Attorney	2,491,478	2,525,464	2,562,672	2,635,633	72,961	2.85%
85 General District Court	2,153,317	2,149,128	2,233,058	2,179,322	(53,736)	(2.41%)
91 Office of the Sheriff	16,866,574	16,874,471	17,529,705	17,491,764	(37,941)	(0.22%)
Total Judicial Administration	\$31,524,532	\$31,582,238	\$32,719,041	\$32,668,849	(\$50,192)	(0.15%)
Public Safety						
04 Department of Cable and Consumer Services	\$856,981	\$788,456	\$798,665	\$731,362	(\$67,303)	(8.43%)
31 Land Development Services	8,346,808	8,356,264	9,109,895	8,555,353	(554,542)	(6.09%)
81 Juvenile and Domestic Relations District Court	20,095,470	20,163,367	21,057,782	20,724,522	(333,260)	(1.58%)
90 Police Department	162,921,830	160,613,847	163,734,125	168,046,486	4,312,361	2.63%
91 Office of the Sheriff	41,080,484	42,451,721	43,518,897	43,584,194	65,297	0.15%
92 Fire and Rescue Department	159,693,463	161,010,430	168,425,026	166,793,335	(1,631,691)	(0.97%)
93 Office of Emergency Management	1,785,650	1,759,744	2,282,249	1,791,988	(490,261)	(21.48%)
97 Department of Code Compliance	3,143,939	3,510,583	3,633,061	3,604,508	(28,553)	(0.79%)
Total Public Safety	\$397,924,625	\$398,654,412	\$412,559,700	\$413,831,748	\$1,272,048	0.31%

FY 2013 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

# Agency Title	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Public Works						
08 Facilities Management Department	\$47,243,923	\$50,233,926	\$54,238,059	\$51,149,664	(\$3,088,395)	(5.69%)
25 Business Planning and Support	266,997	777,170	873,541	783,412	(90,129)	(10.32%)
26 Office of Capital Facilities	10,627,080	10,859,546	11,395,817	11,879,486	483,669	4.24%
87 Unclassified Administrative Expenses	3,489,020	3,681,627	4,465,480	3,644,811	(820,669)	(18.38%)
Total Public Works	\$61,627,020	\$65,552,269	\$70,972,897	\$67,457,373	(\$3,515,524)	(4.95%)
Health and Welfare						
67 Department of Family Services	\$186,515,683	\$187,464,754	\$201,422,787	\$194,653,633	(\$6,769,154)	(3.36%)
68 Department of Administration for Human Services	10,846,959	10,771,592	11,354,640	11,602,923	248,283	2.19%
71 Health Department	46,655,718	50,928,317	54,767,796	51,973,789	(2,794,007)	(5.10%)
73 Office to Prevent and End Homelessness	8,966,602	10,460,606	12,684,865	11,809,731	(875,134)	(6.90%)
79 Department of Neighborhood and Community Services	25,266,476	25,934,861	26,964,791	26,023,088	(941,703)	(3.49%)
Total Health and Welfare	\$278,251,438	\$285,560,130	\$307,194,879	\$296,063,164	(\$11,131,715)	(3.62%)
Parks and Libraries						
51 Fairfax County Park Authority	\$21,760,342	\$21,699,789	\$22,293,822	\$22,425,917	\$132,095	0.59%
52 Fairfax County Public Library	25,989,539	26,035,911	27,455,558	26,596,421	(859,137)	(3.13%)
Total Parks and Libraries	\$47,749,881	\$47,735,700	\$49,749,380	\$49,022,338	(\$727,042)	(1.46%)
Community Development						
16 Economic Development Authority	\$6,824,003	\$7,045,506	\$7,093,393	\$7,178,017	\$84,624	1.19%
31 Land Development Services	11,821,127	12,624,026	12,909,635	12,262,225	(647,410)	(5.01%)
35 Department of Planning and Zoning	8,867,602	9,271,412	10,079,304	9,541,553	(537,751)	(5.34%)
36 Planning Commission	650,089	664,654	671,901	667,846	(4,055)	(0.60%)
38 Department of Housing and Community Development	5,824,425	5,928,757	6,024,542	5,635,141	(389,401)	(6.46%)
39 Office of Human Rights and Equity Programs	1,434,863	1,534,570	1,556,160	1,548,277	(7,883)	(0.51%)
40 Department of Transportation	7,594,184	6,777,644	9,682,141	7,144,745	(2,537,396)	(26.21%)
Total Community Development	\$43,016,293	\$43,846,569	\$48,017,076	\$43,977,804	(\$4,039,272)	(8.41%)
Nondepartmental						
87 Unclassified Administrative Expenses	\$85,310	\$3,775,000	\$5,943,001	\$100,000	(\$5,843,001)	(98.32%)
89 Employee Benefits	235,233,115	264,074,511	268,873,357	284,218,188	15,344,831	5.71%
Total Nondepartmental	\$235,318,425	\$267,849,511	\$274,816,358	\$284,318,188	\$9,501,830	3.46%
Total General Fund Direct Expenditures	\$1,188,325,666	\$1,236,415,028	\$1,298,807,028	\$1,287,088,407	(\$11,718,621)	(0.90%)

FY 2013

Advertised Budget Plan



This section includes:

- **Summary of General Fund Revenue (Page 64)**
- **Major Revenue Sources (Page 68)**
- **Real Estate Tax (Page 69)**
- **Personal Property Tax (Page 78)**
- **Local Sales Tax (Page 82)**
- **Business, Professional and Occupational License Tax (Page 87)**

General Fund Revenue Overview

General Fund Revenue Overview

SUMMARY OF GENERAL FUND REVENUE

Category	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan ¹	FY 2013 Advertised Budget Plan	Over the FY 2012 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes -						
Current and Delinquent	\$2,019,836,905	\$2,035,455,407	\$2,042,267,905	\$2,106,652,081	\$64,384,176	3.15%
Personal Property Taxes -						
Current and Delinquent ²	513,286,400	518,132,388	522,549,074	552,566,873	30,017,799	5.74%
Other Local Taxes	505,517,224	488,212,410	506,648,488	523,937,338	17,288,850	3.41%
Permits, Fees and Regulatory Licenses	34,267,179	30,152,648	34,013,055	34,802,539	789,484	2.32%
Fines and Forfeitures	16,563,245	16,868,801	16,497,731	16,579,948	82,217	0.50%
Revenue from Use of Money/Property	18,808,108	16,711,665	19,618,898	17,286,968	(2,331,930)	-11.89%
Charges for Services	64,096,781	64,161,281	64,161,281	66,981,067	2,819,786	4.39%
Revenue from the Commonwealth and Federal Governments ²	136,132,404	125,178,562	129,867,129	128,538,286	(1,328,843)	-1.02%
Recovered Costs/ Other Revenue	12,502,027	12,079,289	11,399,344	12,096,329	696,985	6.11%
Total Revenue	\$3,321,010,273	\$3,306,952,451	\$3,347,022,905	\$3,459,441,429	\$112,418,524	3.36%
Transfers In	8,059,238	6,901,043	6,901,043	4,270,457	(2,630,586)	-38.12%
Total Receipts	\$3,329,069,511	\$3,313,853,494	\$3,353,923,948	\$3,463,711,886	\$109,787,938	3.27%

¹ FY 2012 revenue estimates were increased a net \$29.5 million as part of a fall 2011 review of revenues. Explanations of these changes can be found in the following narrative. The *FY 2012 Third Quarter Review* may contain further adjustments as necessary.

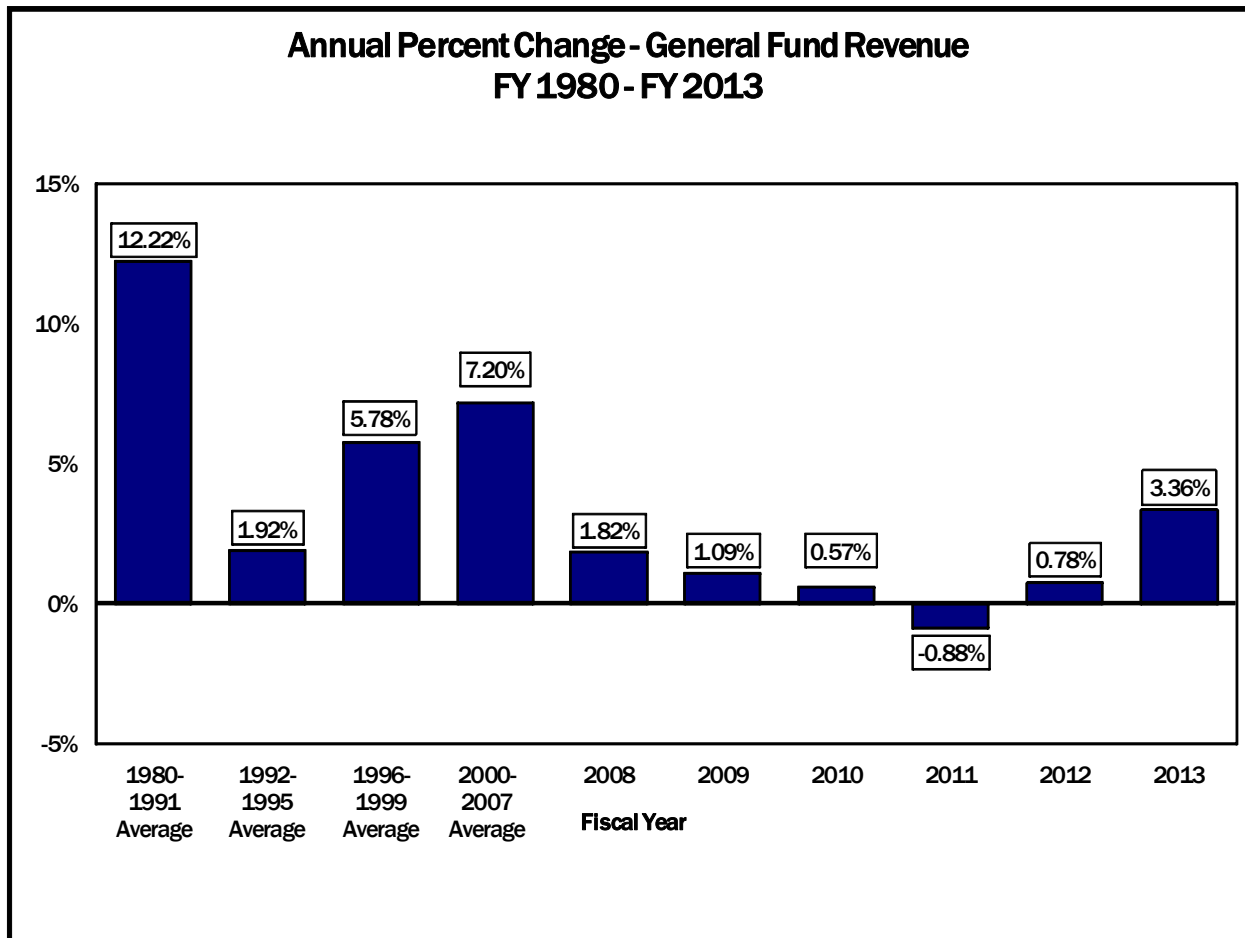
² The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

As reflected in the preceding table, FY 2013 General Fund revenues are projected to be \$3,459,441,429, an increase of \$112,418,524, or 3.4 percent, over the *FY 2012 Revised Budget Plan*. The net increase is primarily the result of a \$64.4 million increase in current Real Estate Taxes based on rising assessments and no change in the Real Estate Tax rate of \$1.07 per \$100 of assessed value. In addition, Personal Property Taxes are projected to increase \$30.0 million due to an increase in vehicle and business levy and Other Local Taxes are expected to rise \$17.3 million based mainly on projected growth in Local Sales Tax and Business, Professional and Occupational License Tax.

Incorporating Transfers In, FY 2013 General Fund receipts are anticipated to be \$3,463,711,886. The Transfers In to the General Fund reflect \$4.3 million from Fund 105, Cable Communications for use of County rights of way and indirect support provided by the County's General Fund agencies.

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 1995, however, General Fund revenues grew at an average annual rate of only 1.9 percent. During this period, residential real estate values either declined or were essentially flat, while nonresidential real estate values declined each year. The total of all other revenue categories rose at an annual rate of over 5.0 percent. General Fund revenue from FY 1996 through FY 1999 rose at an average annual rate of 5.8 percent. There was little change in residential real estate values during this period, ranging from a decline of 0.49 percent to an increase of 0.50 percent. Nonresidential property values, however, fell in FY 1996, then rose 3.3 percent to 7.1 percent in FY 1997 through FY 1999.



From FY 2000 through FY 2007, total General Fund revenue growth increased at an average annual rate of 7.2 percent. Real estate assessments rose each year and experienced annual double digit growth from FY 2002 through FY 2007. General Fund revenue growth decelerated to 1.8 percent in FY 2008 as the housing market experienced an abrupt turnaround. Revenue growth in FY 2009 and FY 2010 was modest, rising 1.1 percent and 0.6 percent, respectively. Residential real estate values fell 3.38 percent in FY 2009 and 12.55 percent in FY 2010. Due to the economic downturn, other major revenue categories including Personal Property, Sales Tax and BPOL dropped in FY 2010. General Fund revenue fell in FY 2011, decreasing 0.9 percent. Both residential and nonresidential property values fell. Total real estate values fell 9.2 percent and the real estate tax was raised 5 cents to \$1.09 per \$100 of assessed value, a level that kept the tax bill of the typical homeowner essentially level with FY 2010. Based on current projections, FY 2012 General Fund revenue is anticipated to increase 0.8 percent. This increase is

General Fund Revenue Overview

predominantly due to an increase in Real Estate Tax revenue, resulting from a moderate increase in assessments, partially offset by the decrease in the adopted Real Estate Tax rate from \$1.09 to \$1.07 per \$100 of assessed value, as well as an increase in Personal Property Tax revenue due to higher vehicle and business levy. Due to a moderate increase in the FY 2013 Real Estate Tax assessments, no change in the General Fund Real Estate Tax rate of \$1.07 per \$100 of assessed value, and projected growth in other revenue categories, FY 2013 revenue is expected to increase 3.4 percent over the *FY 2012 Revised Budget Plan* estimate.

Economic Indicators

Since the end of the Great Recession, economic growth has been modest. The national economy expanded at a preliminary rate of 2.8 percent in the fourth quarter of 2011. A large portion of the increase was due to a rise in business inventories. This is likely a one-time boost to economic growth, which does not bode well for growth in early 2012. Most economists expect economic growth in 2012 to be in the 2 to 3 percent range. The U.S. jobless rate fell to 8.3 percent in January 2012, its lowest level in three years. Nonfarm employment rose by 243,000 jobs, the most in nine months. The increase was entirely attributable to the private sector, which added 257,000 jobs in January. While employment gains were spread among most sectors of the economy including manufacturing, construction and hospitality, the largest increase occurred in professional and business services. The increase in jobs since the last quarter of 2011 suggests that the economy may be gaining momentum.

Despite continued low interest rates and economic growth in the fourth quarter, home prices nationwide continue to fall. The Case-Shiller home price index for the nation posted a 3.7 percent drop in November 2011 from a year earlier. The Washington Metropolitan area was one of only two areas that posted year-over-year gains, with an increase of 0.5 percent.

Other economic indicators also show a stronger local economy. Moody's Analytics estimates that Gross County Product (GCP), adjusted for inflation, rose at a preliminary rate of 3.0 percent in 2011. The County's unemployment rate remains well below the state and national level at 4.2 percent as of December 2011, a decline from 4.4 percent in December 2010.

Based on preliminary 2011 figures from the Bureau of Labor Statistics, the Northern Virginia area has more than regained the number of jobs lost during the recession. From peak employment in February 2008 to its trough in February 2010, the area lost 36,400 jobs. As of December 2011, there were 41,600 more jobs than in February 2010. This is a gain of 5,200 jobs above the pre-recession peak.

Housing Market

The number of homes sold in Fairfax County fell for the second consecutive year, but average prices rose. Based on information from the Metropolitan Regional Information System (MRIS), the number of homes sold fell 13.1 percent from 13,894 to 12,077. However, the average price of homes sold during the year rose 3.3 percent. The number of net foreclosures fell in 2011. As of December 2011, the number of properties owned by the mortgage lender totaled 749, an 11.0 percent decrease from the 842 in December 2010. The number of serious mortgage delinquencies has also declined from last year. As of the third quarter of 2011, 1.4 percent of prime loans and 10.0 percent of subprime loans were 90 or more days past due, compared to 2.0 percent and 14.6 percent, respectively, in the third quarter of 2010.

General Fund Revenue Overview

Nonresidential Market

After falling at mid-year 2011, office vacancy rates rose at year-end 2011. The direct vacancy rate at year-end 2011 was 13.8 percent, up from 13.3 percent at the end of 2010. Including sublet space, the overall office vacancy rate was 15.7 percent, up from 15.3 percent. According to the Economic Development Authority, the increase in the vacancy rate is directly attributed to Base Realignment and Closure Act (BRAC) movements during the last half of 2011. The relocation of several defense-related government agencies left more than a million square feet of vacant space on the market at the end of the year. The County's total office space inventory at the end of 2011 was 113.6 million square feet, a modest increase of 475,000 square feet over 2010. Total leasing activity during 2011 topped 11.5 million square feet, down from the record 13.6 million square feet of leasing activity in 2010, but well above the five year-average of 10.8 million square feet.

New office construction activity increased dramatically in 2011. At the end of 2010, there were only two buildings totaling just 175,000 square feet under construction compared to nine buildings totaling 1.6 million square feet as of year-end 2011. More striking than the total overall development is that nearly three quarters of the new activity is 100 percent speculative. This interest in speculative development reflects confidence in the stability of the Fairfax County office market.

Revenue

Current and Delinquent Real Estate Tax revenue comprises nearly 61 percent of total County General Fund revenues. FY 2013 Real Estate property values were established as of January 1, 2012 and reflect market activity through calendar year 2011. The Real Estate Tax base is projected to increase 3.27 percent in FY 2013, and is made up of a 2.53 percent increase in total equalization (reassessment of existing residential and nonresidential properties), and an increase of 0.74 percent for new construction.

The FY 2012 and FY 2013 General Fund revenue estimates discussed in this section are based on a review of Fairfax County economic indicators, actual FY 2011 receipts, and FY 2012 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 modest growth through FY 2013.

General Fund Revenue Overview

MAJOR REVENUE SOURCES

The following major revenue categories discussed in this section comprise 98.0 percent of total FY 2013 General Fund revenue. Unless otherwise indicated, comparative data are presented relative to the *FY 2012 Revised Budget Plan*. The revenue estimates for all General Fund Revenue categories are shown in the Summary Schedule of General Fund Revenues in the section of this volume entitled "Financial, Statistical and Summary Tables."

Category	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan ¹	FY 2013 Advertised Budget Plan	Change from the FY 2012 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Tax - Current	\$2,008,788,382	\$2,025,763,493	\$2,032,575,991	\$2,096,960,167	\$64,384,176	3.17%
Personal Property Tax						
Current ²	501,638,715	508,838,800	513,255,486	543,273,285	30,017,799	5.85%
Paid Locally	290,324,771	297,524,856	301,941,542	331,959,341	30,017,799	9.94%
Reimbursed by Commonwealth	211,313,944	211,313,944	211,313,944	211,313,944	0	0.00%
Local Sales Tax	154,757,415	150,174,905	159,995,760	166,876,306	6,880,546	4.30%
Recordation/Deed of Conveyance						
Taxes	26,383,687	25,373,488	26,236,399	25,627,223	(609,176)	-2.32%
Gas & Electric Utility Taxes	45,416,719	46,029,744	46,029,744	46,490,044	460,300	1.00%
Communications Sales Tax	50,724,263	52,312,013	48,026,604	50,724,263	2,697,659	5.62%
Vehicle License Fee	27,459,817	27,270,000	27,459,817	27,871,714	411,897	1.50%
Business, Professional and						
Occupational License Tax-Current	145,094,542	141,313,465	150,898,324	157,688,748	6,790,424	4.50%
Transient Occupancy Tax	18,339,532	18,459,655	18,889,718	19,456,410	566,692	3.00%
Permits, Fees and Regulatory						
Licenses	34,267,179	30,152,648	34,013,055	34,802,539	789,484	2.32%
Investment Interest	14,899,618	12,747,824	15,621,503	13,141,516	(2,479,987)	-15.88%
Charges for Services	64,096,781	64,161,281	64,161,281	66,981,067	2,819,786	4.39%
Recovered Costs/Other Revenue	12,502,027	12,079,289	11,399,344	12,096,329	696,985	6.11%
Revenue from the						
Commonwealth and Federal						
Governments ²	136,132,404	125,178,562	129,867,129	128,538,286	(1,328,843)	-1.02%
Total Major Revenue						
Sources	\$3,240,501,081	\$3,239,855,167	\$3,278,430,155	\$3,390,527,897	\$112,097,742	3.42%

¹ FY 2012 revenue estimates were increased a net \$29.5 million as part of a fall 2011 review of revenues. Explanations of these changes can be found in the following narrative. The *FY 2012 Third Quarter Review* may contain further adjustments as necessary.

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

General Fund Revenue Overview

REAL ESTATE TAX-CURRENT

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$2,008,788,382	\$2,025,763,493	\$2,032,575,991	\$2,096,960,167	\$64,384,176	3.2%

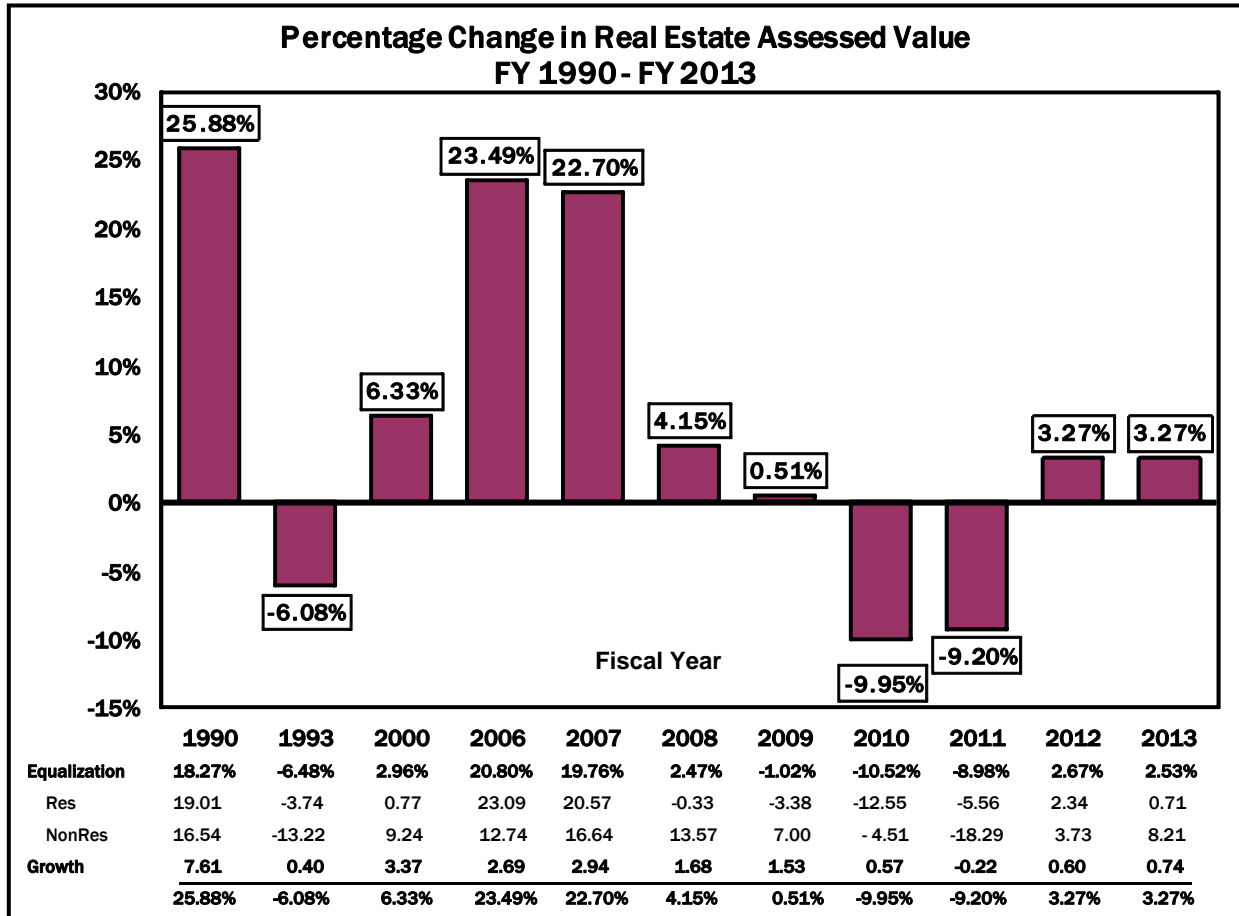
The FY 2013 Advertised Budget Plan estimate for Current Real Estate Taxes is \$2,096,960,167 and represents an increase of \$64,384,176, or 3.2 percent, over the *FY 2012 Revised Budget Plan*. The increase is the result of the increase in the Real Estate Tax base of 3.27 percent. The proposed FY 2013 General Fund Real Estate Tax rate is \$1.07 per \$100 of assessed value, the same as in FY 2012.

The FY 2013 value of assessed real property represents an increase of 3.27 percent, as compared to the FY 2012 Real Estate Land Book, and is comprised of an increase in equalization of 2.53 percent and an increase of 0.74 percent associated with new construction. The FY 2013 figures reflected in this document are based on final assessments for Tax Year 2012 (FY 2013), which were established as of January 1, 2012. In addition to the revenue shown in the table above, the projected value of one-half penny on the Real Estate Tax rate (\$9.98 million) is allocated to The Penny for Affordable Housing Fund. Throughout FY 2013, 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 99.64 percent.

The FY 2013 **Main Assessment Book Value** is \$200,263,343,910 and represents an increase of \$6,344,469,910, or 3.27 percent, over the FY 2012 main assessment book value of \$193,918,874,000. FY 2013 marks the second consecutive year in which the main assessment book value increased, after the significant decreases experienced in FY 2010 and FY 2011. However, FY 2013 main book assessments remain below FY 2007 levels, and are down \$29.4 billion, or 12.8 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 4.15 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. The assessment base decreased for a second consecutive year in FY 2011, declining 9.20 percent, before it increased 3.27 percent in FY 2012.

General Fund Revenue Overview

The following chart shows changes in the County's assessed value base in FY 1990, FY 1993, FY 2000, and from FY 2006 to FY 2013.



General Fund Revenue Overview

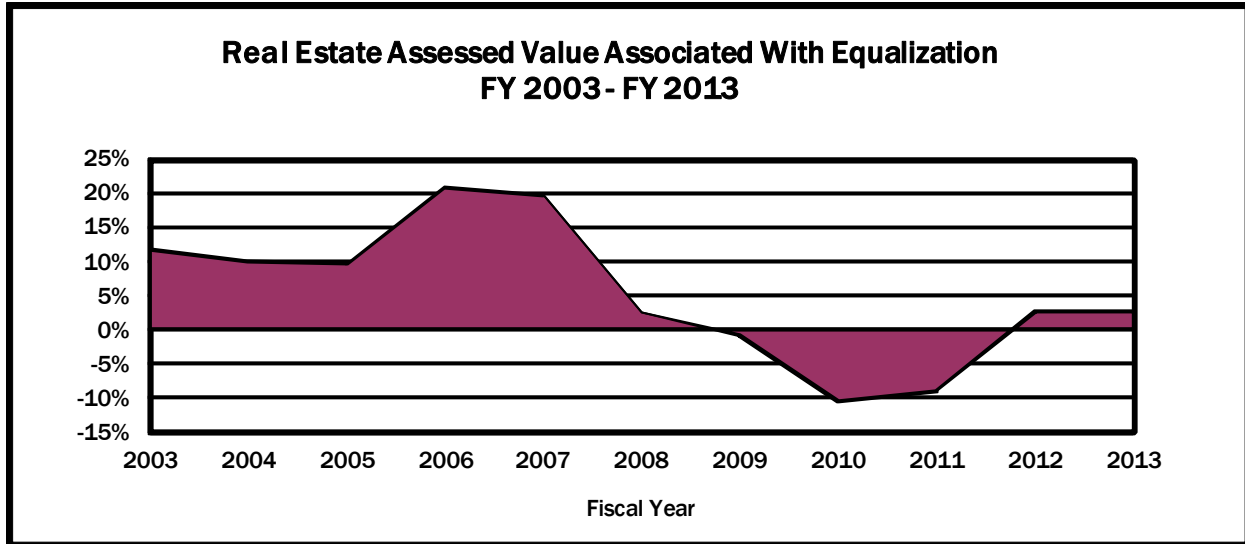
The overall change in the assessment base is comprised of **equalization** and **normal growth**. For reporting purposes, individual properties are identified as being in either the equalization category or the growth category, but not both. Equalization properties are those whose values change due to 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 2013 assessment base reflects a total equalization increase of 2.53 percent and an increase of 0.74 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 75.74 percent in FY 2012 to 74.05 percent in FY 2013. The table below reflects changes in the Real Estate Tax assessment base from FY 2007 through FY 2013.

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

Assessed Base Change Due To:	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Equalization	\$35,328.9	\$5,410.2	(\$2,332.0)	(\$24,171.5)	(\$18,570.1)	\$5,015.3	\$4,904.1
% Change	19.76%	2.47%	-1.02%	-10.52%	-8.98%	2.67%	2.53%
Residential	20.57%	-0.33%	-3.38%	-12.55%	-5.56%	2.34%	0.71%
Nonresidential	16.64%	13.57%	7.00%	-4.51%	-18.29%	3.73%	8.21%
Normal Growth	\$5,258.1	\$3,683.6	\$3,502.6	\$1,309.6	(\$457.9)	\$1,123.5	\$1,440.4
% Change	2.94%	1.68%	1.53%	0.57%	-0.22%	0.60%	0.74%
Residential	3.01%	1.00%	0.77%	0.51%	0.12%	0.37%	0.26%
Nonresidential	2.67%	4.38%	4.11%	0.74%	-1.16%	1.31%	2.26%
Total Change	\$40,587.0	\$9,093.8	\$1,170.6	(\$22,861.9)	(\$19,028.0)	\$6,138.8	\$6,344.5
% Change	22.70%	4.15%	0.51%	-9.95%	-9.20%	3.27%	3.27%
Total Book	\$219,405.4	\$228,499.2	\$229,669.8	\$206,808.0	\$187,780.1	\$193,918.9	\$200,263.3

General Fund Revenue Overview

Equalization, or reassessment of existing residential and nonresidential property, represents an increase in value of \$4,904,060,920, or 2.53 percent, in FY 2013. Both residential and nonresidential property values rose in FY 2013. After increasing in FY 2012 for the first time since FY 2007, existing residential property values increased further in FY 2013, albeit very modestly, indicating that the residential housing market continues to search for solid footing for a sustainable rebound, which began in calendar year 2010. While the number of homes sold decreased in calendar year 2011, median and average home sale prices increased slightly. 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. After falling four consecutive years, the value of residential properties in the County increased 2.34 percent in FY 2012, and rose 0.71 percent in FY 2013. 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.

General Fund Revenue Overview

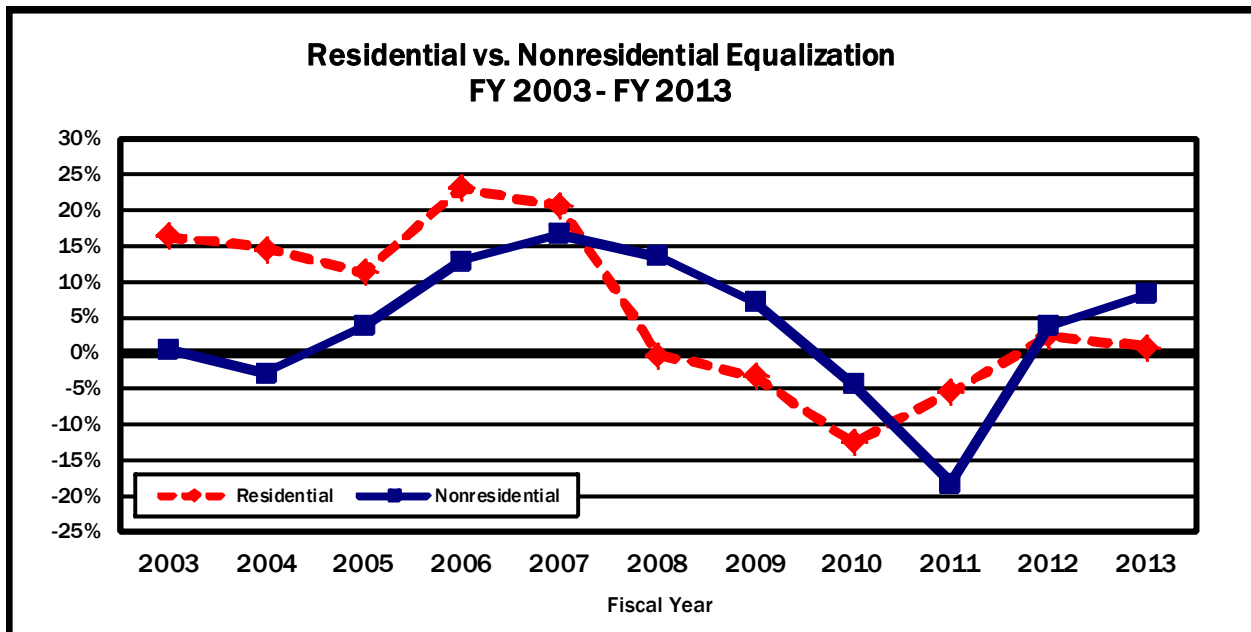
Overall, single family property values increased 0.70 percent in FY 2013. The value of single family homes has the most impact on the total residential base because they represent nearly 73 percent of the total. The value of condominium properties decreased 0.06 percent in FY 2013, while that of townhouse properties rose 1.20 percent. Changes in residential equalization by housing type since FY 2008 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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Single Family (72.8%)	-0.43%	-3.12%	-11.34%	-5.50%	2.10%	0.70%
Townhouse/Duplex (18.8%)	0.64%	-4.96%	-16.06%	-4.44%	3.73%	1.20%
Condominiums (7.7%)	-2.23%	-4.54%	-19.51%	-10.45%	2.53%	-0.06%
Vacant Land (0.5%)	3.86%	7.66%	-7.08%	-6.68%	-3.50%	-1.66%
Other (0.2%) ¹	2.97%	6.46%	-4.99%	-3.60%	2.69%	2.56%
Total Residential Equalization (100%)	-0.33%	-3.38%	-12.55%	-5.56%	2.34%	0.71%

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 \$448,696. This is an increase of \$3,163 over the FY 2012 value of \$445,533. At the proposed Real Estate tax rate of \$1.07 per \$100 of assessed value, the typical residential annual tax bill will rise, on average, \$33.85 in FY 2013 to \$4,801.05.



After experiencing a record decline of 18.29 percent in FY 2011, **nonresidential equalization** rebounded 3.73 percent in FY 2012, and increased another 8.21 percent in FY 2013. Increases in the value of Office Elevator properties and multi-family apartment properties were the main contributors to the rise. Office Elevator properties (mid- and high-rises), the largest component of the nonresidential tax base at 37.5 percent, experienced an 11.34 percent increase. Total leasing activity during 2011 topped 11.5 million

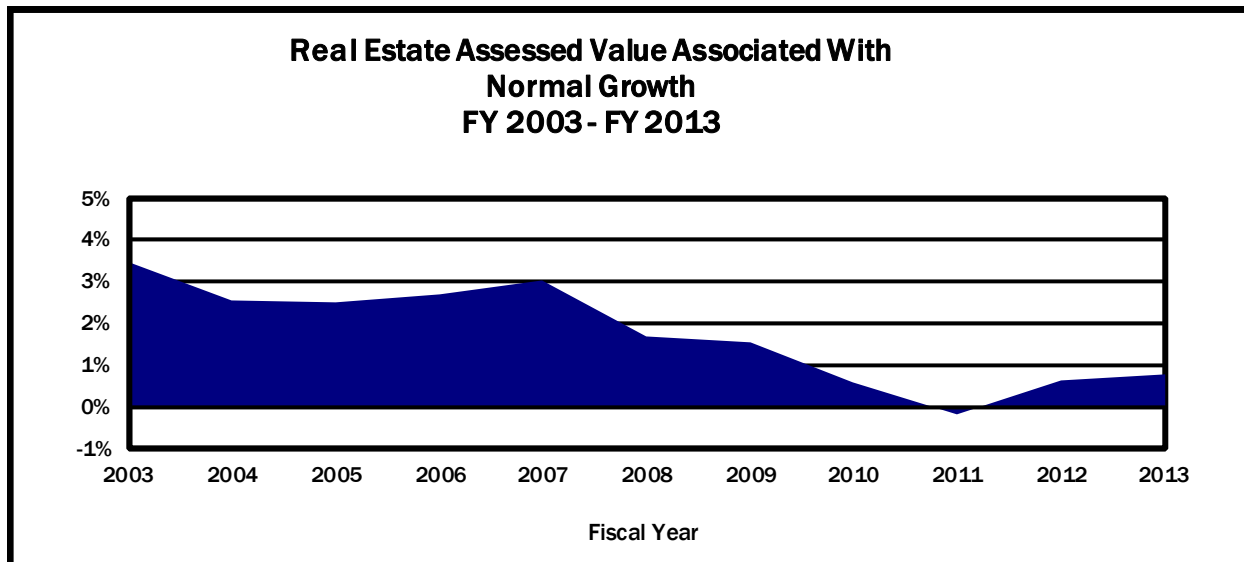
General Fund Revenue Overview

square feet, down from the record 13.6 million square feet of leasing activity in 2010, but well above the five year-average of 10.8 million square feet. Apartment values, which represent over 21 percent of the total nonresidential base, rose 12.60 percent. Demand for apartments was strong during the year which increased rental income. Nonresidential equalization changes by category since FY 2008 are presented in the following table.

Nonresidential Equalization Changes

Category (Percent of Base)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Apartments (21.2%)	22.59%	6.41%	-6.96%	-12.69%	14.54%	12.60%
Office Condominiums (4.3%)	13.76%	4.78%	-1.10%	-7.57%	-1.53%	-0.31%
Industrial (6.6%)	14.34%	14.08%	-1.08%	-23.48%	-0.31%	6.75%
Retail (14.0%)	8.78%	6.47%	-1.74%	-16.07%	1.90%	7.16%
Office Elevator (37.5%)	15.93%	5.68%	-6.62%	-24.31%	1.88%	11.34%
Office - Low Rise (3.8%)	10.18%	9.16%	-3.35%	-23.86%	0.49%	7.18%
Vacant Land (3.8%)	14.99%	7.67%	-3.87%	-26.53%	-2.07%	2.01%
Hotels (3.4%)	9.58%	11.28%	-7.06%	-34.03%	11.35%	3.87%
Other (5.4%)	10.05%	7.63%	-2.07%	-12.84%	2.37%	3.27%
Nonresidential Equalization (100%)	13.57%	7.00%	-4.51%	-18.29%	3.73%	8.21%

The **Growth** component increased the FY 2013 assessment base by \$1,440,408,990, or 0.74 percent, over the FY 2012 assessment book value. New construction increased the residential property base by 0.26 percent and nonresidential properties by 2.26 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 2013 Real Estate Tax revenue estimate:

Additional Assessments expected to be included in the new Real Estate base total \$267.4 million, or a levy increase of \$2.9 million, and include both prorated assessments and additional supplemental assessments. Prorated assessments are supplemental assessments that include assessments which are

General Fund Revenue Overview

made during the year for new construction that is completed subsequent to finalizing the original assessment book.

Exonerations, Certificates and Tax Abatements are anticipated to reduce the Real Estate assessment base by \$1,152.8 million in FY 2013, resulting in a reduction in levy of \$12.3 million.

Mosaic District Community Development Authority (CDA) was created to assist commercial investment. The Mosaic CDA is funded with tax increment financing which reduces the taxable value of property in the district. The reduction is based on the current assessed property value in the CDA compared to the property value in 2007 when the district was created. In FY 2013, the CDA reduces the assessment base by \$139.5 million and tax levy by \$1.5 million. For more information, see Fund 716 in Volume 2 of the budget.

Tax Relief for the Elderly and Disabled is projected to reduce the Real Estate assessment base in FY 2013 by \$2,496.0 million. The reduction in tax levy due to the Tax Relief program is approximately \$26.7 million at the proposed tax rate of \$1.07 per \$100 of assessed value. In FY 2013, 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 2013 is \$340,000 for all ranges of tax relief. 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 2013 income and asset thresholds for the Tax Relief Program for the Elderly and Disabled.

FY 2013			
Real Estate Tax Relief for the Elderly and Disabled			
	Income Limit	Asset Limit	Percent Relief
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 Surviving	No Limit	No Limit	100%

The FY 2013 local assessment base of \$196,742,397,652 is derived from the main assessment book and subsequent adjustments discussed above. From this local assessment base, a local tax levy of \$2,105,143,655 is calculated using the proposed tax rate of \$1.07 per \$100 of assessed value. Based on an expected local collection rate of 99.64 percent, revenue from local assessments is estimated to be \$2,097,565,138. In FY 2013, 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 \$19.95 million in revenue.

Added to the local assessment base is an estimated \$875,703,682 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 \$9,370,029. The collection rate on PSC property is expected to be 100.0 percent.

General Fund Revenue Overview

The total assessment base, including Public Service Corporations, is \$197,618,101,334, with a total tax levy of \$2,114,513,684 at the tax rate of \$1.07 per \$100 of assessed value. Estimated FY 2013 revenue from the Real Estate Tax, including receipts from Public Service Corporations, totals \$2,106,935,167 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, \$9,975,000, has been directed to Fund 319, The Penny for Affordable Housing Fund.

FY 2013 Estimated Real Estate Assessments and Tax Levy

	Assessed Value	FY 2013 Tax Levy at \$1.07/\$100 of Assessed Value
FY 2012 Real Estate Book	\$193,918,874,000	\$2,074,931,952
FY 2013 Equalization	4,904,060,920	52,473,452
FY 2013 Growth	1,440,408,990	15,412,376
BOOK	\$200,263,343,910	\$2,142,817,780
Exonerations	(\$952,062,676)	(\$10,187,071)
Certificates	(4,751,619)	(50,842)
Tax Abatements	(195,998,378)	(2,097,183)
Subtotal Exonerations	(\$1,152,812,673)	(\$12,335,096)
Supplemental Assessments	\$267,381,570	\$2,860,983
Mosaic District TIF	(\$139,485,890)	(\$1,492,499)
Tax Relief	(\$2,496,029,265)	(\$26,707,513)
Local Assessments	\$196,742,397,652	\$2,105,143,655
Public Service Corporation	\$875,703,682	\$9,370,029
TOTAL	\$197,618,101,334	\$2,114,513,684

General Fund Revenue Overview

Total General Fund revenue from the Real Estate Tax is \$2,096,960,167, which reflects an overall collection rate of 99.64 percent. The total collection rates experienced in this category since FY 1998 are shown in the following table:

Real Estate Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
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	99.67%
2004	99.61%	2012 (estimated)	99.61%
2005	99.62%	2013 (estimated)¹	99.64%

¹ In FY 2013, every 0.1 percentage point change in the collection rate yields a revenue change of \$2,105,143.

The Commercial/Industrial percentage of the County's FY 2013 Real Estate Tax base is 20.77 percent, an increase of 1.13 percentage points from the FY 2012 level of 19.64 percent. Commercial/Industrial property values as a percentage of the Real Estate Tax base have increased as a result of new construction, rising nonresidential values and more moderate increase in residential property values. The Commercial/Industrial percentage is based on Virginia land use codes and includes all nonresidential property except multi-family rental apartments, which make up 5.18 percent of the County's Real Estate Tax base in FY 2013. Fairfax County's historical Commercial/Industrial percentages are detailed in the following table:

Commercial/Industrial Percentages

Fiscal Year	Percentage	Fiscal Year	Percentage
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%
2005	18.20%	2013	20.77%

FY 2012 Real Estate Revenue

The FY 2012 Real Estate estimate was increased \$6.8 million during the fall 2011 revenue review. This increase was primarily the result of a decrease in expected tax relief. The FY 2012 Adopted Budget Plan included an estimated \$3.5 million reduction for tax relief for veterans who have a 100 percent permanent and total disability related to military service, or their surviving spouse. FY 2012 was the first year of this exemption. Based on applications received through the fall 2011, the estimate was reduced to \$1.6 million, a revenue increase of \$1.8 million. In addition, based on the actual FY 2011 experience and

General Fund Revenue Overview

applications during the first quarter of FY 2012, Tax Relief for the Elderly and Disabled (non-veterans) was reduced from \$28.0 million to \$24.5 million, for a revenue increase of \$3.5 million. The estimate for Exonerations was also reduced from \$12.3 million to \$11.1 million for a revenue increase of \$1.2 million. Lastly, estimated Public Service Corporation levy was increased from \$9.1 million to \$9.4 million, a revenue increase of \$0.3 million based on final assessments from the Commonwealth of Virginia.

PERSONAL PROPERTY TAX-CURRENT

	FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
Paid Locally	\$290,324,771	\$297,524,856	\$301,941,542	\$331,959,341	\$30,017,799	9.9%
Reimbursed by State	211,313,944	211,313,944	211,313,944	211,313,944	0	0.0%
Total	\$501,638,715	\$508,838,800	\$513,255,486	\$543,273,285	\$30,017,799	5.8%

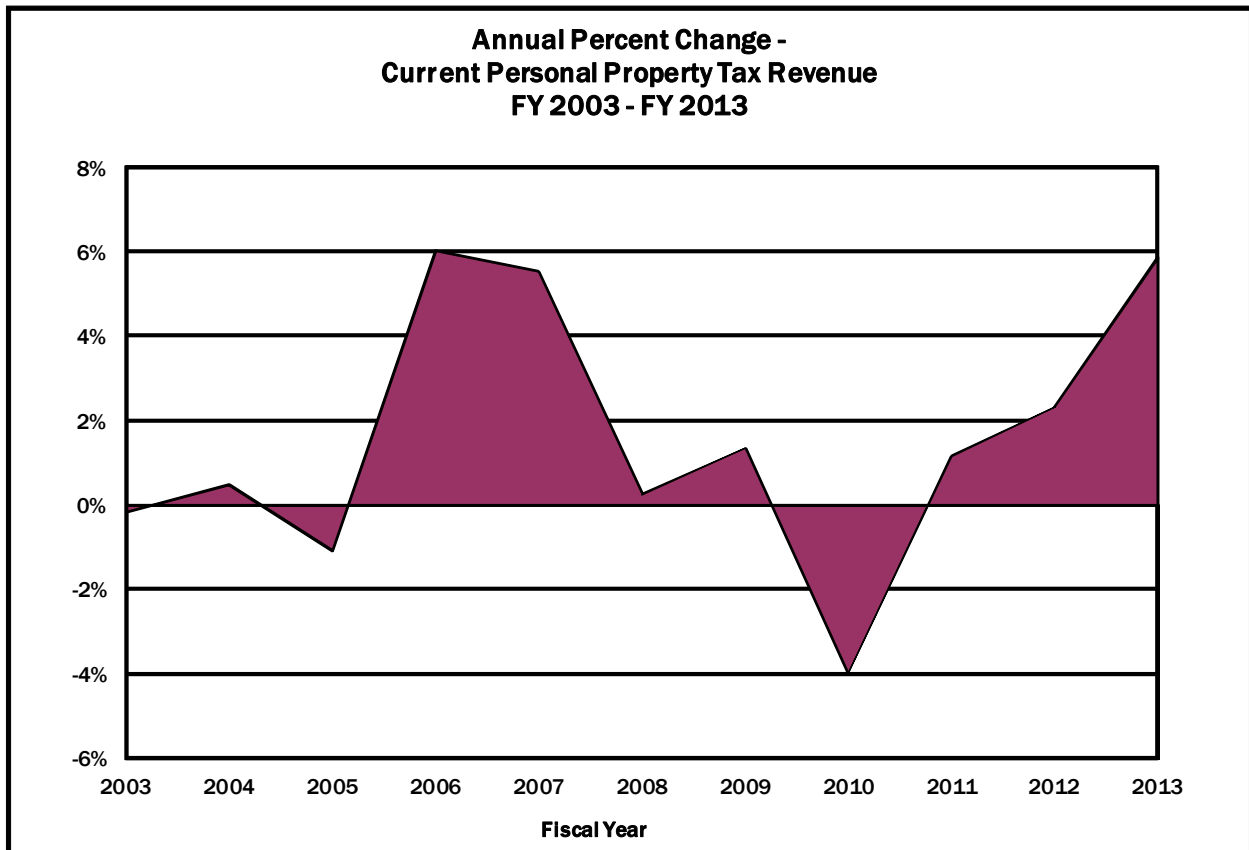
The FY 2013 Advertised Budget Plan estimate for Personal Property Tax revenue of \$543,273,285 represents a net increase of \$30,017,799, or 5.8 percent, over the *FY 2012 Revised Budget Plan*. The increase is primarily due to an increase in the vehicle levy based on analysis of vehicles currently in the County valued with information from the National Automobile Dealers Association, as well as an increase in the Business Personal Property levy.

The Personal Property Tax on vehicles represents over 72 percent of the total assessment base in FY 2013. 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, and at 68.0 percent in FY 2012. Due to a continued increase in vehicle volume and average levy, the FY 2013 reimbursement percentage has been lowered to 63.0 percent.

Total Personal Property Tax revenue dropped a slight 0.2 percent in FY 2003, before it 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

General Fund Revenue Overview

business levy due to reduced equipment purchases. Personal Property recovered and receipts grew 6.0 percent and 5.5 percent in FY 2006 and FY 2007, respectively. As the economy began to slow, Personal Property Tax receipts rose modestly in FY 2008 and FY 2009 at rates of 0.3 percent and 1.3 percent, respectively. In FY 2010, receipts decreased 4.0 percent mainly as a result of a significant decline of 10.8 percent in average vehicle levy reflecting the downturn in the economy in calendar year 2009. FY 2011 Personal Property Tax receipts increased 1.1 percent due to an increase in the average vehicle levy, partially offset with a decrease in business volume and average business levy. FY 2012 Personal Property Tax receipts are anticipated to increase 2.3 percent due to an increase in both the average vehicle and business levies. Annual percentage changes in total Personal Property Tax revenues are shown in the following graph.



Personal Property Tax revenue is projected to increase 5.8 percent in FY 2013. The vehicle component, which comprises more than 72 percent of total Personal Property levy, is expected to increase 6.8 percent. Total vehicle volume is forecast to increase 1.9 percent in FY 2013. 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 8.7 percent in 2011. In addition, a reduction in the supply of new vehicles increased prices of both new and used automobiles. The decrease in supply was a result of a decline in U.S. auto production due to the slowdown in the economy and the earthquake and tsunami in Japan, which not only impacted Japanese automakers but also U.S. automakers that rely on parts from Japan. This situation has caused the value of many used vehicles to depreciate less than what traditionally has been experienced and resulted in some vehicles actually appreciating over the year. This is not unique to Fairfax County, but is being experienced nationwide. Average vehicle levy is projected to increase 4.9 percent based on an analysis of vehicles in the County valued with information

General Fund Revenue Overview

from the National Automobile Dealers Association (NADA). Changes in vehicle volume and average vehicle levy since FY 2003 are shown in the following table.

Personal Property Vehicles

Fiscal Year	% Change in Vehicle Volume	Average Vehicle Levy	% Change in Average Levy
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	0.9%	\$397	2.6%
FY 2012 (est.)	0.7%	\$411	3.5%
FY 2013 (est.)	1.9%	\$431	4.9%

Business Personal Property is primarily comprised of assessments on furniture, fixtures and computer equipment. After holding off on renewing equipment due to the economic climate in the last several years, existing businesses are anticipated to increase purchases on new equipment in FY 2013; therefore, the business levy is projected to increase 1.2 percent in FY 2013.

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 2001 and through					
	FY 1998	FY 1999	FY 2000	FY 2002	FY 2003	FY 2013
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%

General Fund Revenue Overview

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 2013 Estimated Personal Property Assessments and Tax Levy

Category	FY 2013 Assessed Value	Tax Rate (per \$100)	FY 2013 Tax Levy	Percent of Total Levy
Vehicles				
Privately Owned	\$9,316,297,432	\$4.57	\$352,789,151	64.1%
Business Owned	489,928,555	4.57	17,565,452	3.2%
Leased	847,913,800	4.57	27,483,852	5.0%
Subtotal	\$10,654,139,787		\$397,838,455	72.3%
Business Personal Property				
Furniture and Fixtures	\$1,908,001,540	\$4.57	\$87,085,621	15.9%
Computer Equipment	642,480,535	4.57	29,359,543	5.3%
Machinery and Tools	76,328,355	4.57	3,488,206	0.6%
Research and Development	10,118,619	4.57	462,421	0.1%
Subtotal	\$2,636,929,049		\$120,395,791	21.9%
Public Service Corporations				
Equalized	\$2,589,865,317	\$1.07	\$27,711,559	5.0%
Vehicles	8,960,198	4.57	409,481	0.1%
Subtotal	\$2,598,825,515		\$28,121,040	5.1%
Other				
Mobile Homes	\$20,130,724	\$1.07	\$215,399	0.1%
Other (Trailers, Misc.)	17,887,124	4.57	736,833	0.1%
Subtotal	\$38,017,848		\$952,232	0.2%
Penalty for Late Filing			\$2,810,117	0.5%
TOTAL	\$15,927,912,199		\$550,117,635	100.0%

General Fund Revenue Overview

FY 2013 Personal Property Tax assessments including Public Service Corporations are \$15,927,912,199, with a total tax levy of \$550,117,635. Personal Property Tax revenue collections are projected to be \$543,273,285, 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 1998 are shown in the following table:

Personal Property Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
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	97.9%
2004	96.9%	2012 (estimated)	97.8%
2005	97.9%	2013 (estimated)¹	97.8%

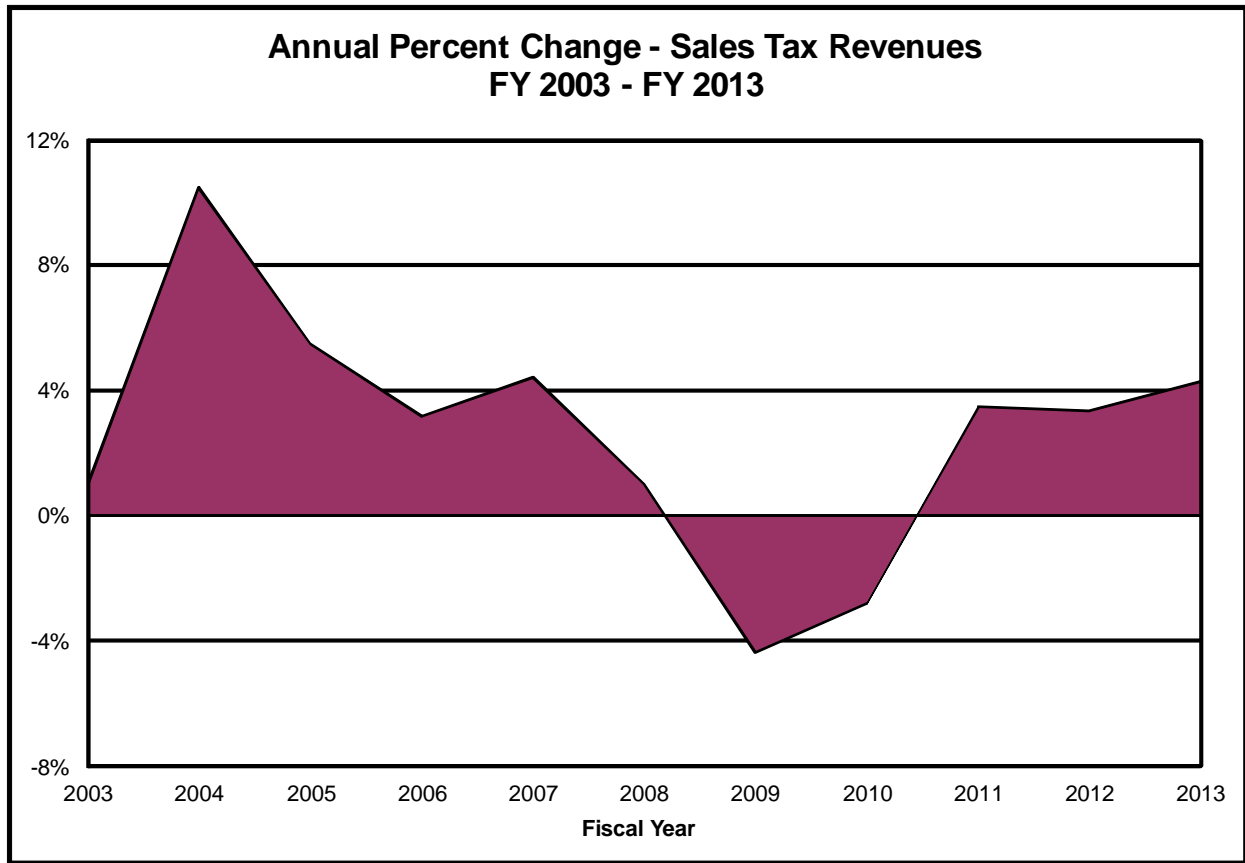
¹ Each 0.1 percentage point change in the collection rate on the local tax levy will impact revenues by approximately \$0.3 million, and each penny on the tax rate yields a revenue change of \$1.1 million.

LOCAL SALES TAX

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$154,757,415	\$150,174,905	\$159,995,760	\$166,876,306	\$6,880,546	4.3%

The FY 2013 Advertised Budget Plan estimate for Sales Tax receipts is \$166,876,306 and reflects an increase of 4.3 percent over the *FY 2012 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. Although 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. While consumer spending was weak in the first half of FY 2011, it rebounded strongly in the second half, and Sales Tax receipts rose 3.5 percent for the fiscal year, the first increase since FY 2008. The FY 2012 estimate for Sales Tax receipts was increased \$9.8 million during the fall 2011 revenue review based on year-to-date receipts, which were up 6.9 percent, and the assumption that receipts for the remainder of the year would be level with FY 2011 collections. Holiday sales have a significant impact on total receipts for the fiscal year and taxes on retail sales in December will not be received until late February. The FY 2012 estimate, which currently represents growth of 3.4 percent, will be reviewed during the *FY 2012 Third Quarter Review* to determine if further adjustment to the current estimate is necessary. Based on econometric models using Gross County Product and retail sales as predictors, Sales Tax receipts are expected to rise 4.3 percent in FY 2013, reflecting improving economic conditions.

General Fund Revenue Overview



RECORDATION/DEED OF CONVEYANCE TAXES

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$26,383,687	\$25,373,488	\$26,236,399	\$25,627,223	(\$609,176)	-2.3%

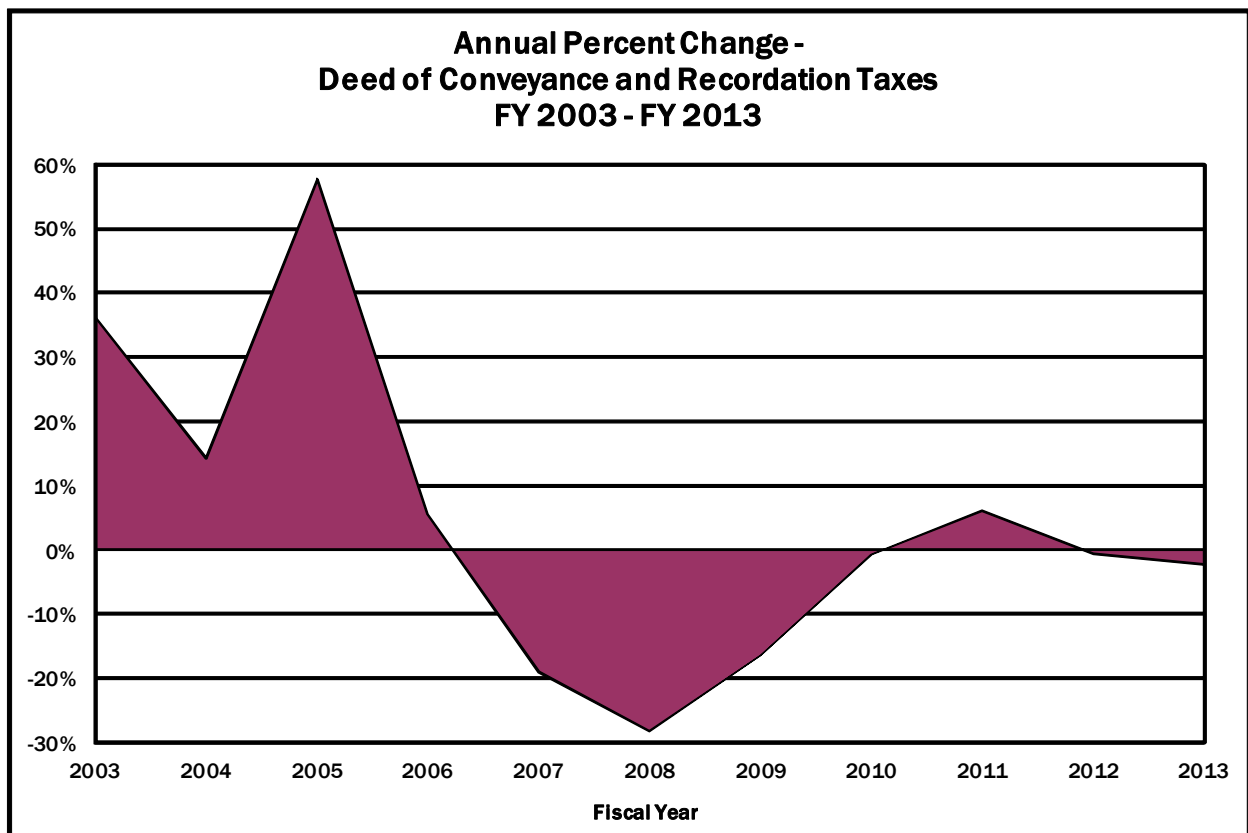
The FY 2013 Advertised Budget Plan estimate for Recordation and Deed of Conveyance Taxes is \$25,627,223 and reflects a decrease of 2.3 percent from the *FY 2012 Revised Budget Plan*. The FY 2013 estimate is comprised of \$20,965,960 in Recordation Tax revenues and \$4,661,263 in Deed of Conveyance Tax 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 and an increase in the Recordation Tax rate from \$0.05 to \$0.0833 in FY 2005 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. Primarily due to increased mortgage refinancing activity as a result of historically

General Fund Revenue Overview

low mortgage interest rates, FY 2011 revenue from Recordation and Deed of Conveyance Taxes increased 6.1 percent.

Based on collection trends, the FY 2012 estimate for Deed of Conveyance and Recordation Taxes was increased \$0.9 million during the fall 2011 revenue review. The FY 2012 estimate assumes that Recordation Tax collections will be level with FY 2011, while Deed of Conveyance receipts will decline 3.0 percent due to fewer home sales. Receipts from Recordation and Deed of Conveyance Taxes have continued their upward trend and through December, collections are up 7.0 percent. The FY 2012 estimate will be reviewed during the *FY 2012 Third Quarter Review* to determine if a further adjustment to the current estimate is necessary. Based on the expectation that mortgage refinancing will slow once interest rates start rising, FY 2013 revenue from Deed of Conveyance and Recordation Tax is expected to decrease 2.3 percent from the projected FY 2012 level.



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

General Fund Revenue Overview

CONSUMER UTILITY TAXES - GAS AND ELECTRIC

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$45,416,719	\$46,029,744	\$46,029,744	\$46,490,044	\$460,300	1.0%

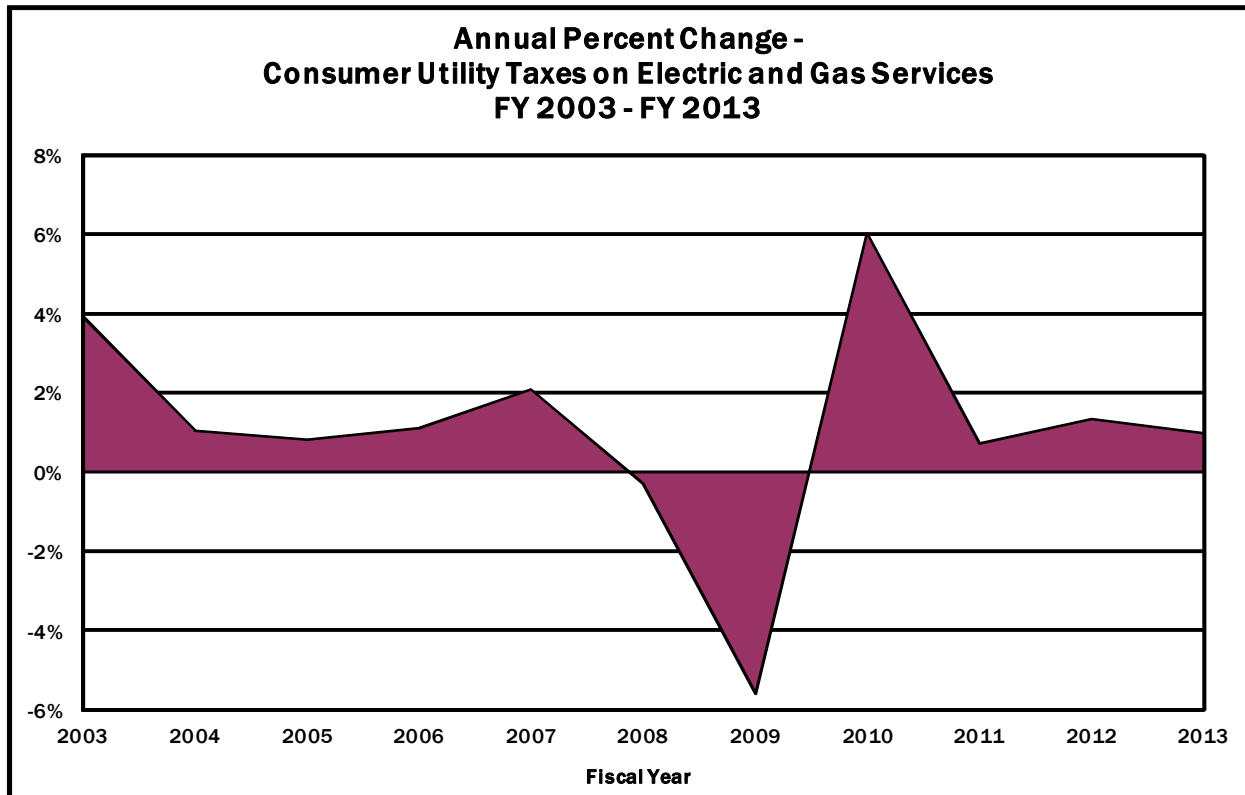
The FY 2013 Advertised Budget Plan estimate for Consumer Utility Taxes on gas and electric services of \$46,490,044 represents an increase of 1.0 percent over the *FY 2012 Revised Budget Plan*. The FY 2013 estimate is comprised of \$36,725,114 in taxes on electric service and \$9,764,930 in taxes on 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 2013	Natural Gas Customer Class	Monthly Tax FY 2001 - FY 2013
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

General Fund Revenue Overview

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 receipts rose a slight 0.7 percent. The FY 2012 estimate remains at the FY 2012 Adopted Budget Plan level, reflecting an increase of 1.3 percent over FY 2011 receipts. The FY 2013 estimate for a 1.0 percent increase is based on historical collection trends.



COMMUNICATIONS SALES AND USE TAX

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$50,724,263	\$52,312,013	\$48,026,604	\$50,724,263	\$2,697,659	5.6%

The FY 2013 Advertised Budget Plan estimate for the Communications Sales and Use Tax of \$50,724,263 represents an increase of 5.6 percent over the *FY 2012 Revised 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

General Fund Revenue Overview

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 collections declined another 2.6 percent. A \$14.3 million statewide refund has been processed in FY 2012 relating to the erroneous collection of taxes on data services by a wireless provider. The County's share of this refund is \$2.7 million. During the fall 2011 revenue review, the FY 2012 Communication Sales Tax was reduced \$4.3 million based on FY 2011 actual receipts and the refund noted above. FY 2013 revenue is expected to remain at the FY 2012 level absent the refunds.

VEHICLE REGISTRATION LICENSE FEE

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$27,459,817	\$27,270,000	\$27,459,817	\$27,871,714	\$411,897	1.5%

The FY 2013 Advertised Budget Plan estimate for the Vehicle Registration Fee of \$27,871,714 represents an increase of 1.5 percent over the *FY 2012 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.

Based on collection trends, the FY 2012 estimate for the Vehicle Registration License fee was increased \$0.2 million during the fall 2011 revenue review to the FY 2011 level. The FY 2013 estimate represents an increase of 1.5 percent based on the projected increase in vehicle volume.

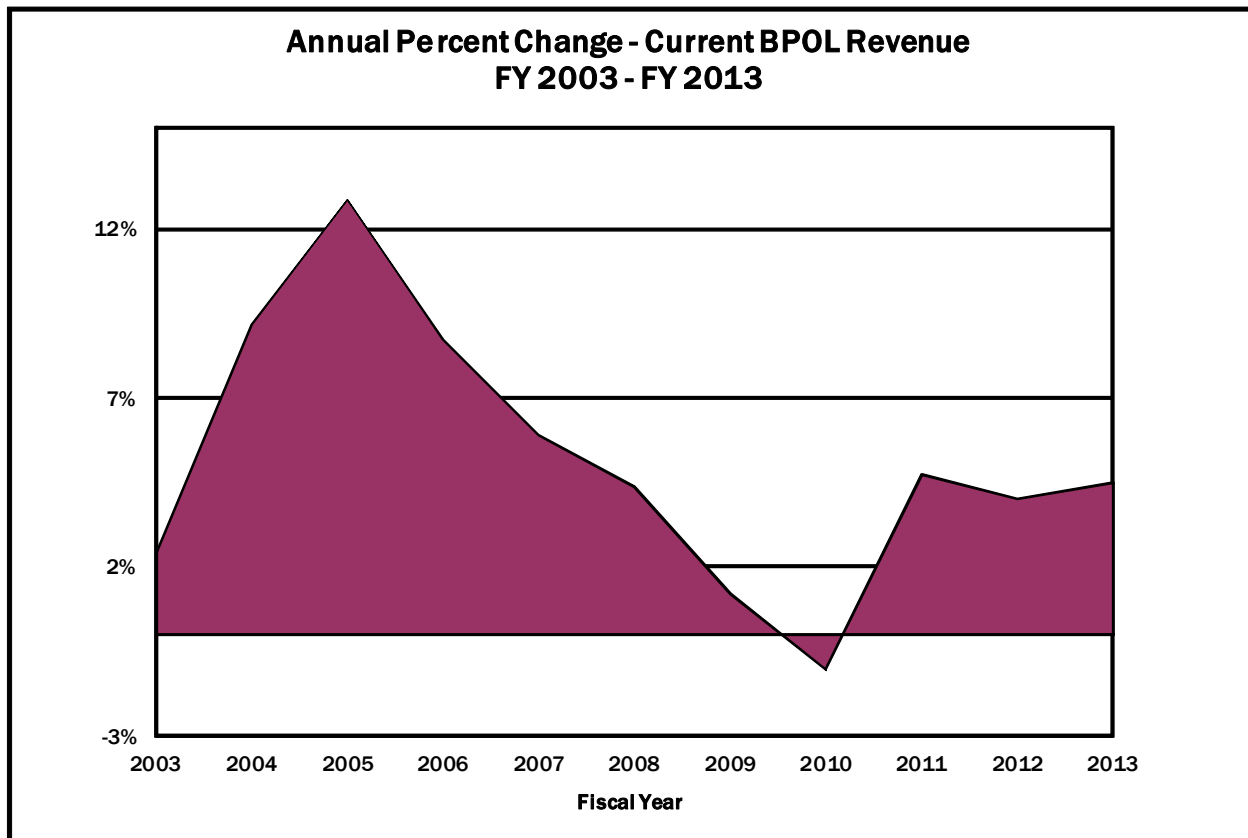
BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$145,094,542	\$141,313,465	\$150,898,324	\$157,688,748	\$6,790,424	4.5%

The FY 2013 Advertised Budget Plan estimate for Business, Professional and Occupational License Taxes (BPOL) is \$157,688,748, representing an increase of 4.5 percent over the *FY 2012 Revised Budget Plan*.

General Fund Revenue Overview

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. The increase of 4.7 percent in FY 2011 BPOL receipts reflected the improvement in the local economic conditions. The Retail category, which represents nearly 18 percent of total BPOL receipts, rose 8.9 percent in FY 2011. The combined Consultant and Business Service Occupations categories, which together represent over 46 percent of total BPOL receipts, increased 3.8 percent in FY 2011. Real Estate categories had mixed results during FY 2011. The Real Estate Broker and Money Lender categories (each representing 0.9 percent of total BPOL receipts) rose 11.0 and 3.1 percent, respectively, while the Builder and Developers component (0.2 percent of total BPOL) declined 11.5 percent in FY 2011. The Professional Occupations category, which includes physicians and attorneys, makes up over 11 percent of total BPOL revenue and experienced 0.5 percent growth in FY 2011.



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 are available at this time. Based on actual FY 2011 receipts and an econometric model that uses calendar year Sales Tax receipts and employment as predictors, the FY 2012 BPOL estimate was increased \$8.0 million during the *FY 2011 Carryover Review*. Sales Tax collections were strong during the first part of FY 2012 and the model used to predict BPOL receipts indicated a further increase. During the fall revenue review, estimated BPOL receipts were increased \$1.6 million, representing 4.0 percent over the FY 2011 level. Based on the

General Fund Revenue Overview

anticipation that economic growth will continue, the estimate for FY 2013 BPOL receipts reflects an increase of 4.5 percent.

TRANSIENT OCCUPANCY TAX

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$18,339,532	\$18,459,655	\$18,889,718	\$19,456,410	\$566,692	3.0%

The FY 2013 Advertised Budget Plan estimate for Transient Occupancy Tax of \$19,456,410 represents an increase of 3.0 percent over the *FY 2012 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. During the fall 2011 revenue review, the FY 2012 estimate was increased \$0.4 million, reflecting 3.0 percent growth over FY 2011, which rose 2.9 percent. Because of the way revenues are remitted and accounted for, there is very little data in the fall on which to base an estimate. For example, Transient Occupancy Tax receipts through mid-August each year represent receipts for the previous fiscal year. Also, while tax receipts are required to be remitted to the County quarterly, some hotels remit more frequently, causing month-to-month growth trends to vary considerably. Year-to-date collections through December are up 11.1 percent and Transient Occupancy Tax receipts will be reviewed again during the *FY 2012 Third Quarter Review* to determine if this trend in collections continues and a further adjustment to the current estimate is necessary. The FY 2013 estimate assumes a continuation of modest growth and reflects a 3.0 percent increase over FY 2012.

PERMITS, FEES AND REGULATORY LICENSES

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$34,267,179	\$30,152,648	\$34,013,055	\$34,802,539	\$789,484	2.3%

The FY 2013 Advertised Budget Plan estimate for Permits, Fees and Regulatory Licenses of \$34,802,539 reflects an increase of 2.3 percent over the *FY 2012 Revised Budget Plan* and is primarily the result of projected growth in Land Development Services (LDS) fees. Over two-thirds of the Permits, Fees, and Regulatory Licenses category are revenues from LDS fees for building permits, site plans, and inspection services. Changes in LDS fee revenue typically track closely to the current conditions of the real estate market and construction industry, as well as the size and complexity of projects submitted to LDS for review. An average increase in most LDS fees of 3.1 percent was approved in FY 2012 in order to account for increased costs for providing services based primarily on the complexity of the review process. Based on the approved fee increase and the assumption that permitting activity in FY 2012 would be similar to that experienced in FY 2011, the FY 2012 estimate for LDS fee revenue was increased \$3.4 million during the fall 2011 revenue review, which reflects a 3.0 percent increase over FY 2011. In the past several months, there has been an upward trend in permitting activity, with new building permits up 33.0 percent over the same period last year. Revenue from LDS fees is up 35.2 percent through December 2011. LDS fee receipts will be reviewed during the *FY 2012 Third Quarter Review* to determine if further adjustment to the current estimate is necessary. The FY 2013 estimate for LDS fees is \$24,694,198, which represents an increase of \$0.7 million, or 3.0 percent, over the estimated FY 2012 receipts.

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INVESTMENT INTEREST

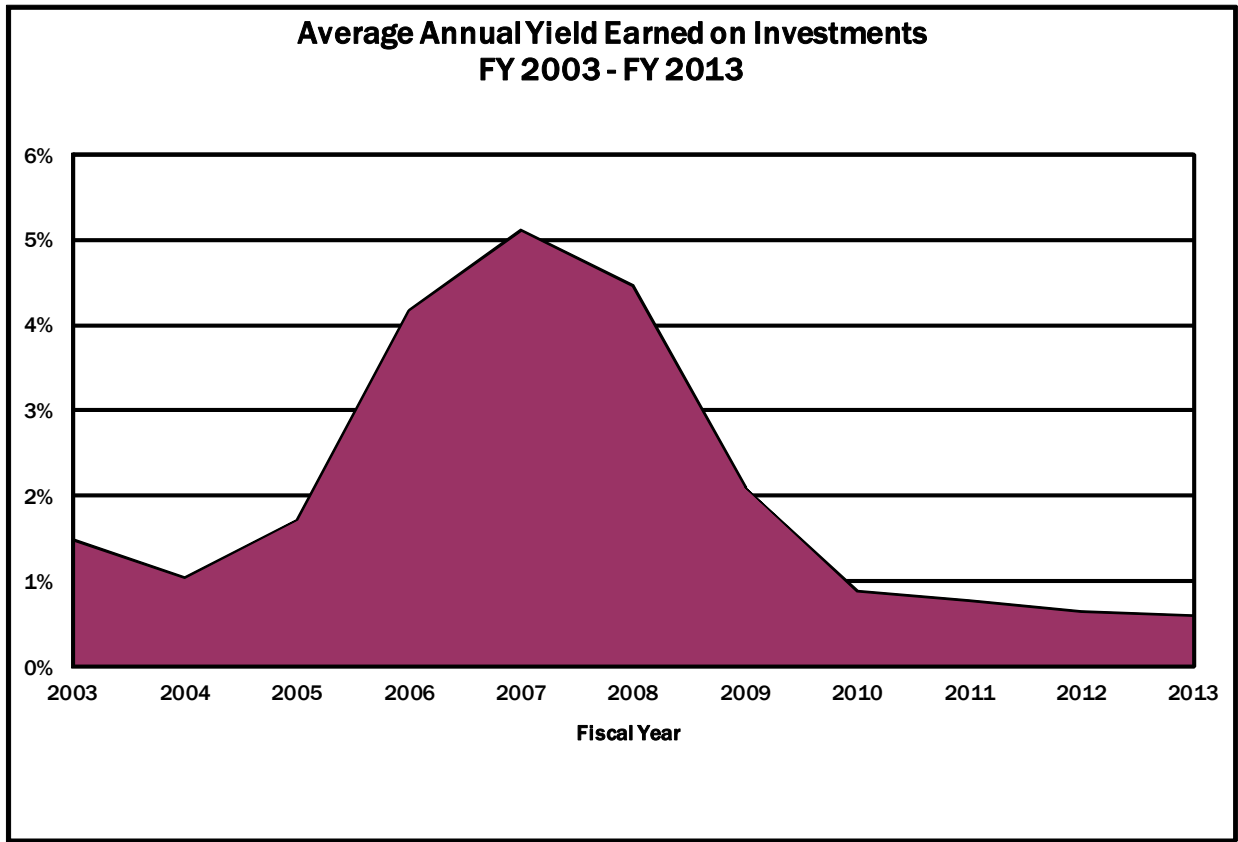
FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$14,899,618	\$12,747,824	\$15,621,503	\$13,141,516	(\$2,479,987)	-15.9%

The FY 2013 Advertised Budget Plan estimate is \$13,141,516 and reflects a decrease of 15.9 percent from the *FY 2012 Revised Budget Plan*. The decrease from FY 2012 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. FY 2011 General Fund revenue from Interest on Investments was \$14.9 million and the average annual yield was 0.78 percent.

The FY 2012 estimate for Interest on Investments was raised \$2.9 million to \$15.6 million during the fall 2011 revenue review based on a projected annual yield of 0.65 percent. Based on statements by the Federal Reserve in January 2012, the federal funds rate is expected to remain exceptionally low in FY 2013. The FY 2013 Advertised Budget Plan estimate for Investment Interest of \$13.1 million is based on a projected average yield of 0.60 percent, a portfolio size of \$2,677,213,182 and a General Fund percentage of 72.1 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 \$16.1 million in FY 2013. The following table shows the yield earned on investments since FY 2003.

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CHARGES FOR SERVICES

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$64,096,781	\$64,161,281	\$64,161,281	\$66,981,067	\$2,819,786	4.4%

The FY 2013 Advertised Budget Plan estimate for Charges for Services revenue is \$66,981,067, an increase of \$2.8 million, or 4.4 percent, over the FY 2012 Revised Budget Plan. This net increase is the result of increases in School Age Child Care (SACC) fees and Rec-PAC Program fees, as well as the implementation of transportation fees for Therapeutic Recreation summer camp and the Adult Social Club. Partially offsetting these increases are decreases in several other categories such as Police Reports and Photo fees, and the Adult Day Health Care fees.

The FY 2013 Advertised Budget Plan estimate for SACC fees is \$34.7 million, a \$2.9 million increase over the FY 2012 Revised Budget Plan. This increase is due to an expansion of the SACC program at Lacey and Graham Road elementary schools, and a proposed fee increase in FY 2013. A 3.0 percent fee increase was implemented in the fall of 2011, and an additional 5.0 percent is anticipated in FY 2013.

In addition, several revenue enhancements are proposed for FY 2013 in lieu of implementing further reductions to balance the budget. Standard Rec-PAC program fees are proposed to increase by 10.0 percent for all users and the Counselor-in-Training fee is increasing \$25. Rec-PAC is the Park Authority's summer recreation program for elementary school children. Rec-PAC fees are on a sliding scale based on household income level and currently range from \$30 to \$99 per week. The Counselor-in-Training (CIT) program allows teens 14-17 years old to work as part of the Rec-Pac staff team. The CIT fee will increase

General Fund Revenue Overview

from \$100 to \$125 per summer. These adjustments result in a revenue increase of \$0.1 million. Furthermore, two new transportation fees will be implemented in FY 2013: a fee of \$20 per week per child for transportation to and from Therapeutic Recreation summer camp, as well as a fee of \$35 per adult per year for transportation associated with the Adult Social Club program. Therapeutic Recreation serves children who have significant disabilities that require the specialized services provided within a recreation therapy setting. The Adult Social Club is for adults, 22 years of age or older, who have developmental disabilities and allows members to get together for three activities per month. These new transportation fees are expected to generate a revenue increase of \$35,000.

Partially offsetting these increases in FY 2013 are revenue decreases totaling \$0.2 million due to proposed FY 2013 reductions to balance the budget.

The FY 2012 current estimate for Charges for Services remains at the FY 2012 Adopted Budget Plan and will be reviewed again during the *FY 2012 Third Quarter Review* to determine if adjustments to various categories are necessary.

RECOVERED COSTS / OTHER REVENUE

FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
\$12,502,027	\$12,079,289	\$11,399,344	\$12,096,329	\$696,985	6.1%

The FY 2013 Advertised Budget Plan estimate for Recovered Costs/Other revenue is \$12,096,329, an increase of \$0.7 million, or 6.1 percent, over the *FY 2012 Revised Budget Plan*. This increase is primarily the result of projected increases in the reimbursement for governmental services from the City of Fairfax and the reimbursement for Inmate Room and Board from Immigration and Code Enforcement (ICE).

The FY 2012 estimate was reduced a net \$0.8 million during the fall 2011 revenue review. The County provides and bills the City of Fairfax for certain governmental services. The FY 2012 estimate for the reimbursement to be received from the City by the County was reduced \$1.0 million as a result of the reconciliation of the City's share of the actual FY 2011 expenses utilizing revised population figures for the City based on the 2010 Census, which were much lower than the estimate used from the Weldon Cooper Center for Public Service. Partially offsetting this revenue decrease in FY 2012 is an increase of \$0.2 million for Inmate Room and Board based on collection trends year-to-date.

The FY 2013 estimate for the City of Fairfax reimbursement for governmental services is expected to the level with FY 2012 absent the adjustment described above, resulting in an increase of \$0.6 million. In addition, the Sheriff's Office initiated negotiations with ICE for a new Intergovernmental Service Agreement in order to reimburse the County a rate closer to the actual daily cost of keeping inmates. The new daily rate is expected to rise by a minimum of 70.0 percent for each ICE detainee held in the County jail. The new rate is projected to result in a net revenue increase of \$162,000.

General Fund Revenue Overview

REVENUE FROM THE COMMONWEALTH/FEDERAL GOVERNMENT¹

	FY 2011 Actual	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	Increase/ (Decrease)	Percent Change
Baseline Funding including State approved reductions	\$136,132,404	\$127,493,644	\$132,404,756	\$132,716,643	\$311,887	0.2%
Reserve for State Cuts	0	(2,315,082)	(2,537,627)	(4,178,357)	(1,640,730)	64.7%
Net Funding	\$136,132,404	\$125,178,562	\$129,867,129	\$128,538,286	(\$1,328,843)	-1.0%

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 2013 Advertised Budget Plan estimate for Revenue from the Commonwealth and Federal Government of \$128,538,286 represents a net decrease of \$1,328,843, or 1.0 percent, from the *FY 2012 Revised Budget Plan*. An increase of \$0.6 million is associated with contract rate increases for services under the Virginia Comprehensive Services Act that will be offset with expenditure increases. Funding of \$0.3 million for programs to shelter the homeless has been moved from the General Fund to Fund 102, Federal/State Grant Fund, to more accurately reflect this federal funding stream. Furthermore, an additional \$1.6 million has been set aside in a reserve for potential state budget reductions that could occur during the 2012 General Assembly session for a total reserve of \$4.2 million. From FY 2009 through FY 2012, the state reduced funding to Fairfax County by approximately \$32 million, or \$8.0 million per year. In addition to the \$4.2 million reserve for state cuts, there is a decrease of \$4.3 million, reflected in baseline funding, 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 2013

Advertised Budget Plan



This section includes:

- Summary of General Fund Direct Expenditures (Page 96)
- Summary of General Fund Transfers (Page 99)
- Summary of Contributory Agencies (Page 103)

General Fund Disbursement Overview

General Fund Disbursement Overview

SUMMARY OF GENERAL FUND DIRECT EXPENDITURES

Category	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over/ (From) Revised	Percent Increase/ (Decrease)
Positions/ Staff Years	9,542/9397.31	9,549/9,404.31	9,684/9,529.81	9,653/9,497.58	(31)/(32.23)	(0.32%)/(0.34%)
Personnel Services	\$660,757,111	\$672,679,006	\$682,870,528	\$701,982,719	\$19,112,191	2.80%
Operating Expenses	331,749,713	345,473,612	393,505,611	349,038,740	(44,466,871)	(11.30%)
Recovered Costs	(40,377,359)	(44,628,451)	(44,584,524)	(46,637,404)	(2,052,880)	4.60%
Capital Equipment	2,243,064	0	978,206	0	(978,206)	(100%)
Fringe Benefits	233,953,137	262,890,861	266,037,207	282,704,352	16,667,145	6.26%
Total Direct Expenditures	\$1,188,325,666	\$1,236,415,028	\$1,298,807,028	\$1,287,088,407	(\$11,718,621)	(0.90%)

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 2013 Advertised Budget Plan direct expenditure level of \$1,287,088,407 represents a decrease of \$11,718,621 or 0.90 percent from the FY 2012 Revised Budget Plan direct expenditure level of \$1,298,807,028. The FY 2013 funding level reflects an increase of \$50,673,379, or 4.10 percent, over the FY 2012 Adopted Budget Plan direct expenditure level of \$1,236,415,028.

Personnel Services

In FY 2013, funding for Personnel Services totals \$701,982,719, an increase of \$19,112,191, or 2.80 percent, over the FY 2012 Revised Budget Plan funding level of \$682,870,528. Personnel Services increased \$29,303,713, or 4.36 percent, over the FY 2012 Adopted Budget Plan funding level of \$672,679,006. The net FY 2013 General Fund agency positions represent a decrease of 31/32.23 SYE positions over the FY 2012 Revised Budget Plan and an increase of 104/93.27 SYE positions over the FY 2012 Adopted Budget Plan. For agency-level detail, the FY 2013 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 \$649,151,550 reflects a net increase of \$26,714,033 or 4.29 percent over the FY 2012 Adopted Budget Plan. Of this amount, \$12.5 million is the result of the market rate adjustment approved by the Board of Supervisors at the *FY 2011 Carryover Review*. Another \$13.9 million increase in Regular Salaries results from the market rate adjustment of 2.18 percent for FY 2013. The two agencies with the largest increase in Personnel Services are the Police Department and the Fire and Rescue Department, both receiving over \$2.8 million. In addition, since FY 2008, the Police Department has seen significant reductions in Personnel Services in order to meet projected budget shortfalls. These reductions included the targeted reduction of 52 positions, civilianization of appropriate uniformed positions, reduction of approximately 30 percent in overtime, and management of vacancies. The cumulative effect of these reductions was the elimination of necessary flexibility for the Department to meet its requirements for 24/7 coverage of minimum staffing. In order to ensure that staffing can be maintained for the Department recurring funding of \$2.0 million is necessary at this time.

General Fund Disbursement Overview

- ◆ **Limited Term** position funding (temporary and part-time employees) reflects an increase of \$988,560, or 8.52 percent, from the FY 2012 Adopted Budget Plan. This increase is primarily the result of the Office of Elections requiring \$329,734 for additional limited term staff due to the 2012 President Election occurring November 6, 2012 and an increase of \$271,128 in the Department of Family Services associated with opening three School-Age Child Care (SACC) rooms.
- ◆ **Overtime Pay** funding reflects an increase of \$1,612,272, or 4.72 percent, from the FY 2012 Adopted Budget Plan level, primarily due to an increase in unscheduled overtime for the Police Department and for the Fire and Rescue Department, as part of budget reductions.
- ◆ **Position adjustments** in the FY 2013 Advertised Budget Plan reflect a net decrease of 31/32.23 SYE positions from the *FY 2012 Revised Budget Plan*. Position eliminations totaling 44/44.5 SYE positions as a result of budget reductions recommended in the FY 2013 budget, were partially offset by new positions in the following agencies:
 - 3/2.27 SYE positions for the Department of Family Services for SACC rooms at Lacey and Graham Road Elementary Schools;
 - 2/2.0 SYE positions for the Department of Transportation in support of redevelopment in Tysons;
 - 2/2.0 SYE positions for the Police Department for the expanded Animal Shelter; and
 - 6/6.0 SYE positions for Stormwater Services in the Department of Public Works and Environmental Services / Capital Facilities.

Fringe Benefits

In FY 2013, funding for Fringe Benefits totals \$282,704,352, an increase of \$16,667,145, or 6.26 percent, over the *FY 2012 Revised Budget Plan* level of \$266,037,207 and an increase of \$19,813,491 or 7.54 percent, over the FY 2012 Adopted Budget Plan level of \$262,890,861 primarily due to the following:

- ◆ FY 2013 employer contributions to the retirement systems total \$148,655,400, an increase of \$14,010,909, or 10.4 percent, over the FY 2012 Adopted Budget Plan. An increase of \$9,629,177 is based on increases in the employer contribution rates due to assumption changes made as part of a five-year experience study, results from the systems' annual valuations, and a reduction in the Social Security offset for service-connected disability retirees. An additional increase of \$143,672 is based on adjustments to reflect the inclusion of new positions. An increase of \$3,474,521 reflects a 2.18 percent market rate adjustment (MRA) in FY 2013, and an additional increase of \$2,917,149 reflects the full-year impact of a 2.0 percent MRA, effective September 24, 2011, approved as part of the *FY 2011 Carryover Review*. These increases are offset by a decrease of \$2,153,610 primarily attributable to anticipated savings based on year-to-date FY 2012 experience.
- ◆ Health Insurance premiums total \$84,174,923, an increase of \$6,148,101, or 7.9 percent, over the FY 2012 Adopted Budget Plan. An increase of \$4,003,767 reflects the impact of projected premium increases of 10.0 percent for all health insurance plans, effective January 1, 2013. An additional increase of \$95,807 is based on adjustments to reflect the inclusion of new positions. The remaining increase of \$2,048,527 represents the full-year impact of January 2012 premium adjustments and increases based on year-to-date FY 2012 experience.

General Fund Disbursement Overview

Operating Expenses

Operating Expenses total \$349,038,740, a decrease of \$44,466,871, or 11.30 percent, from the *FY 2012 Revised Budget Plan* funding level of \$393,505,611. Operating Expenses increased by \$3,565,128, or 1.03 percent, over the FY 2012 Adopted Budget Plan funding level of \$345,473,612. Major adjustments from the FY 2012 Adopted Budget Plan are as follows:

- ◆ An increase of \$740,000 in the Department of Finance for additional audit and implementation resources was the result of more robust audit requirements necessary to meet mandated reporting requirements for County-wide financial statements.
- ◆ A net increase of \$951,105 in Capital Facilities, primarily the result of contract and fuel factor rate increases for streetlight accounts.
- ◆ An increase of \$937,630 in Department of Vehicle Services charges, primarily for fuel-related costs accounting for significantly higher price per gallon estimates.
- ◆ A net increase of \$734,006 for housing costs and rental assistance, as a result of a \$1,000,000 permanent reallocation from the Reserve for Support of Community Organizations to the Office to Prevent and End Homelessness allowing short-term financial assistance and stabilization services to continue being provided to families and individuals at-risk of homelessness. This increase was partially offset by \$265,994 in reductions taken as part of balancing the budget.
- ◆ A net increase of \$335,803 in Facilities Management for custodial, utility, repair, and maintenance and landscaping costs associated with partial or full year operating costs for the scheduled opening of new or expanded facilities in FY 2013, including the Great Falls Fire and Rescue Station, West Ox Road Animal Shelter Renovation and Expansion, Fair Oaks Police Station Renovation and Expansion and Wolftrap Fire and Rescue Station.
- ◆ A \$456,973 decrease in postage costs shared primarily by the Department of Tax Administration and the Office of Elections as a result of one-time funding going to the Office of Elections to ensure that all County residents were informed of the reapportioning of districts and the Department of Tax Administration switching to a more financially prudent, technologically advanced system of inspecting parcels of land.

Capital Equipment

There is no Capital Equipment funding included for General Fund agencies in the FY 2013 Advertised Budget Plan, compared with the *FY 2012 Revised Budget Plan* funding level of \$978,206 and the FY 2012 Adopted Budget Plan level of \$0. Based on budget reductions, replacement of existing equipment and the purchase of new equipment will continue to be deferred.

Recovered Costs

Recovered Costs total \$46,637,404, an increase of \$2,052,880, or 4.60 percent, over the *FY 2012 Revised Budget Plan* level of \$44,584,524. Recovered Costs increase \$2,008,953, or 4.50 percent, from the FY 2012 Adopted Budget Plan level of \$44,628,451, primarily due to budget realignment to reflect FY 2012 expenditures in the Department of Neighborhood & Community Services.

General Fund Disbursement Overview

SUMMARY OF GENERAL FUND TRANSFERS

The FY 2013 Transfers Out from the General Fund total \$2,234,260,167, an increase of \$70,970,945, or 3.3 percent, over the *FY 2012 Revised Budget Plan* Transfers Out of \$2,163,289,222. 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 2013.

Major adjustments are summarized below.

	Increase/ (Decrease) Over FY 2012 Revised
Fund 090, Public School Operating	\$72,487,563
Fund 603, OPEB Trust Fund	8,000,000
Fund 119, Contributory Fund	3,160,646
Fund 106, Fairfax-Falls Church Community Services Board	2,265,912
Fund 100, County Transit Systems	2,092,257
Funds 200 and 201, Consolidated Debt Service	1,948,000
Fund 118, Consolidated Community Funding Pool	448,534
Fund 102, Federal/State Grant Fund	376,877
Fund 120, E-911 Fund	287,873
Fund 307, Sidewalk Construction	200,000
Fund 117, Alcohol Safety Action Program	171,958
Fund 141, Elderly Housing Programs	26,722
Fund 312, Public Safety Construction	(242,595)
Fund 304, Transportation Improvements	(250,000)
Fund 142, Community Development Block Grant	(284,190)
Fund 303, County Construction	(2,781,563)
Fund 501, County Insurance Fund	(6,037,049)
Fund 104, Information Technology	(10,900,000)
Total	\$70,970,945

Fund 090, Public School Operating

The FY 2013 General Fund transfer to Fund 090, Public School Operating, is \$1,683,322,285, an increase of \$72,487,563, or 4.5 percent, over the *FY 2012 Revised Budget Plan* transfer of \$1,610,834,722. The greatest share of the County budget is dedicated to Fairfax County Public Schools (FCPS), which underscores that education continues to be the highest priority. The transfer to Public School Operating and School Debt Service represents 52.5 percent of total General Fund Disbursements.

Fund 603, OPEB Trust Fund

The FY 2013 General Fund transfer to Fund 603, OPEB Trust Fund, is \$28,000,000, an increase of \$8,000,000, or 40.0 percent, over the *FY 2012 Revised Budget Plan* transfer of \$20,000,000. 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, the net OPEB asset has been depleted and is no longer available to offset the ARC. In accordance with the County's policy to maintain a net OPEB

General Fund Disbursement Overview

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 2013 Advertised Budget Plan](#).

Fund 119, Contributory Fund

The FY 2013 General Fund transfer to Fund 119, Contributory Fund, is \$15,573,588, an increase of \$3,160,646, or 25.5 percent, over the *FY 2012 Revised Budget Plan* transfer of \$12,412,942. More detail on the Contributory Fund follows the General Fund Disbursement Overview.

Fund 106, Fairfax-Falls Church Community Services Board

The FY 2013 General Fund transfer to Fund 106, Fairfax-Falls Church Community Services Board, is \$99,161,218, an increase of \$2,265,912, or 2.3 percent, over the *FY 2012 Revised Budget Plan* transfer of \$96,895,306. The net increase is primarily associated with increases for market rate adjustments and a 3 percent contract rate adjustment for providers of contracted services, offset by reductions and revenue enhancements utilized to balance the FY 2013 budget. Detailed information on the reductions and revenue enhancements can be found in Volume 2.

Fund 100, County Transit Systems

The FY 2013 General Fund transfer to Fund 100, County Transit Systems, supporting the FAIRFAX CONNECTOR and Virginia Railway Express (VRE) subsidy, is \$36,547,739, an increase of \$2,092,257, or 6.1 percent, over the *FY 2012 Revised Budget Plan* transfer of \$34,455,482. This increase will primarily support additional CONNECTOR bus replacement requirements in FY 2013, help support the purchase of 15 new buses associated with expanded Dulles Rail Phase I-related routes, and support an increase in VRE subsidy requirements. In addition to increased General Fund support for County Transit, additional commercial and industrial (C&I) tax funding will support expanded bus service identified within the Transit Development Plan, including HOT lanes bus service from the Burke VRE station, Lorton VRE station and Springfield to Tysons Corner scheduled to commence on or about January 1, 2013. Necessary contractual rate adjustments and fuel-related costs are also covered within this funding level.

Funds 200 and 201, Consolidated Debt Service

The FY 2013 General Fund transfer to Fund 200 and 201, Consolidated Debt Service, is \$284,792,428, an increase of \$1,948,000, or 0.7 percent, over the *FY 2012 Revised Budget Plan* transfer of \$282,844,428. This increase is primarily attributable to scheduled requirements for existing debt service.

Fund 118, Consolidated Community Funding Pool

The FY 2013 General Fund transfer to Fund 118, Consolidated Community Funding Pool, is \$9,419,221, an increase of \$448,534, or 5.0 percent, over the *FY 2012 Revised Budget Plan* transfer of \$8,970,687. This increase is associated with performance and leverage requirements for nonprofit organizations, and provides additional funding to community organizations to meet human service needs in the County.

Fund 102, Federal/State Grant Fund

The FY 2013 General Fund transfer to Fund 102, Federal/State Grant Fund, is \$4,627,729, an increase of \$376,877, or 8.9 percent, over the *FY 2012 Revised Budget Plan* transfer of \$4,250,852, as a result of an increase in Local Cash Match requirements in FY 2013. The transfer reflects the anticipated Local Cash Match needed to maximize the County's ability to leverage Federal and State grant funding. The Reserve for Local Cash Match is a projection of the County contributions required for anticipated and unanticipated grant awards. The growth in Local Cash Match requirements is due to anticipated increases in matching requirements for grants associated with the Department of Family Services, Department of Neighborhood and Community Services and Police Department.

General Fund Disbursement Overview

Fund 120, E-911 Fund

The FY 2013 General Fund transfer to Fund 120, E-911 Fund, is \$14,664,865, an increase of \$287,873, or 2.0 percent, over the *FY 2012 Revised Budget Plan* transfer of \$14,376,992, primarily to support compensation-related increases.

Fund 307, Pedestrian Walkway Improvements

The FY 2013 General Fund transfer to Fund 307, Pedestrian Walkway Improvements, is \$300,000, an increase of \$200,000 over the *FY 2012 Revised Budget Plan* transfer of \$100,000. This funding is included to meet emergency and critical maintenance requirements for County trails, sidewalks and pedestrian bridges. The increase of \$200,000 is included to perform a condition assessment of existing trails, sidewalks, roadways and service drives maintained by the County.

Fund 117, Alcohol Safety Action Program

The FY 2013 General Fund transfer to Fund 117, Alcohol Safety Action Program, is \$171,958. The FY 2013 transfer will help support financial management services related to the program. No transfer was required in FY 2012.

Fund 141, Elderly Housing Programs

The FY 2013 General Fund transfer to Fund 141, Elderly Housing Programs, is \$2,030,905, an increase of \$26,722, or 1.3 percent, over the *FY 2012 Revised Budget Plan* transfer of \$2,004,183, to support compensation-related increases.

Fund 312, Public Safety Construction

There is no transfer to Fund 312, Public Safety Construction, in FY 2013, reflecting a decrease of \$242,595 from the *FY 2012 Revised Budget Plan* transfer. The General Fund transfer in FY 2012 was associated with construction requirements to complete the renovation of the fourth courtroom in the original portion of the Jennings Judicial Center. Funding to complete the remaining 22 courtrooms is being considered as part of the fall 2012 bond referendum.

Fund 304, Transportation Improvements

There is no transfer to Fund 304, Transportation Improvements, in FY 2013, reflecting a decrease of \$250,000 from the *FY 2012 Revised Budget Plan* transfer. The General Fund transfer in FY 2012 was associated with the approval of the Traffic Calming Program to support traffic calming measures in residential neighborhoods.

Fund 142, Community Development Block Grant

There is no FY 2013 transfer to Fund 142, Community Development Block Grant. The FY 2012 transfer of \$284,190 was one-time support of the program given federal budget reductions.

Fund 303, County Construction

The FY 2013 General Fund transfer to Fund 303, County Construction, is \$15,137,806, a decrease of \$2,781,563, or 15.5 percent, from the *FY 2012 Revised Budget Plan* transfer of \$17,919,369. FY 2013 funding will be limited to only the most critical priority projects. The *FY 2012 Revised Budget Plan* included an additional \$3.0 million available at year-end to continue to address requirements associated with Americans with Disability Act (ADA) compliance.

General Fund Disbursement Overview

Fund 501, County Insurance Fund

The FY 2013 General Fund transfer to Fund 501, County Insurance Fund, is \$21,017,317, a decrease of \$6,037,049, or 22.3 percent, from the *FY 2012 Revised Budget Plan* transfer of \$27,054,366. This decrease is primarily associated with one-time increases during the *FY 2011 Carryover Review* for accrued liability adjustments. Accrued liability adjustments are based on an actuarial analysis that is performed every year by an outside actuary to estimate the ultimate value of losses for which the County is liable. Detailed information on the County Insurance Fund can be found in the Fund 501, County Insurance Fund, narrative in Volume 2 of the [FY 2013 Advertised Budget Plan](#).

Fund 104, Information Technology

The FY 2013 General Fund transfer to Fund 104, Information Technology, is \$5,281,579, a decrease of \$10,900,000, or 67.4 percent, from the *FY 2012 Revised Budget Plan* transfer of \$16,181,579. The decrease is due to one-time FY 2012 funding of \$10.0 million added at carryover to support anticipated milestone payments, infrastructure training, and other obligations for the FOCUS project and \$900,000 for hardware and system infrastructure requirements, application testing, and disaster recovery requirements for major County computer systems. It should be noted that the FY 2013 transfer amount is unchanged from the [FY 2012 Adopted Budget Plan](#) level. Detailed information on the Information Technology program may be found in the Fund 104, Information Technology, narrative in Volume 2 of the [FY 2013 Advertised Budget Plan](#).

Fund 119

Summary of Contributory Agencies

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 2013 funding totals \$15,623,588 and reflects an increase of \$3,410,646 or 27.9 percent over the FY 2012 Adopted Budget Plan funding level of \$12,212,942. The required Transfer In from the General Fund is \$15,573,588. Individual contributions are described in detail in the narrative of Fund 119, Contributory Fund, in Volume 2 of the FY 2013 Advertised Budget Plan.

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

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

Fairfax County	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
Legislative-Executive Functions/Central Service Agencies:				
Alliance for Innovation	\$6,000	\$6,000	\$6,000	\$6,000
Dulles Area Transportation Association	9,000	9,000	9,000	9,000
Metropolitan Washington Council of Governments	854,641	889,890	889,890	899,965
National Association of Counties	19,049	19,049	19,049	19,049
Northern Virginia Regional Commission	556,297	568,534	568,534	623,862
Northern Virginia Transportation Commission	186,288	174,499	174,499	169,504
Virginia Association of Counties	228,024	227,208	227,208	242,740
Virginia Institute of Government	20,000	20,000	20,000	20,000
Washington Airports Task Force	32,704	50,000	50,000	50,000
Subtotal Legislative-Executive	\$1,912,003	\$1,964,180	\$1,964,180	\$2,040,120
Public Safety:				
NOVARIS	\$9,577	\$14,677	\$14,677	\$9,577
Fairfax Partnership For Youth	40,375	40,375	40,375	40,350
Subtotal Public Safety	\$49,952	\$55,052	\$55,052	\$49,927
Health and Welfare:				
GMU Law and Mental Illness Clinic	\$51,678	\$0	\$0	\$0
Health Systems Agency of Northern Virginia	86,750	86,750	86,750	108,200
Medical Care for Children	237,000	237,000	237,000	237,000
Northern Virginia Healthcare Center/Birmingham Green				
Adult Care Residence	1,847,761	2,165,918	2,215,918	2,447,789
Volunteer Fairfax	305,247	305,247	305,247	305,247
Subtotal Health and Welfare	\$2,528,436	\$2,794,915	\$2,844,915	\$3,098,236

Fund 119

Summary of Contributory Agencies

Fairfax County	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
Parks, Recreation and Cultural:				
Arts Council of Fairfax County	\$181,694	\$231,694	\$231,694	\$231,694
Arts Council of Fairfax County - Arts Groups Grants	96,900	96,900	96,900	96,900
Challenge Grant Funding Pool for the Arts	444,125	444,125	444,125	444,125
Dulles Air and Space Museum	100,000	100,000	100,000	100,000
Fairfax Symphony Orchestra	236,032	236,032	236,032	236,032
Fort Belvoir Army Museum	100,000	100,000	100,000	100,000
Lorton Arts Foundation	1,000,000	750,000	750,000	3,350,000
Northern Virginia Regional Park Authority	1,979,537	1,979,537	1,979,537	1,979,537
Reston Historic Trust	16,150	16,150	16,150	16,150
Town of Herndon	0	40,000	40,000	40,000
Town of Vienna Teen Center	32,300	32,300	32,300	32,300
Wolf Trap Foundation for the Performing Arts	100,938	100,938	100,938	100,938
Subtotal Parks, Recreation & Cultural	\$4,287,676	\$4,127,676	\$4,127,676	\$6,727,676
Community Development:				
Architectural Review Board	\$2,826	\$2,826	\$2,826	\$2,826
Center for Chesapeake Communities	29,070	29,070	29,070	0
Commission for Women	6,916	6,916	6,916	6,916
Convention and Visitors Corporation	2,378,965	2,426,544	2,507,644	2,608,344
Earth Sangha	16,150	16,150	16,150	16,150
Fairfax County History Commission	21,013	21,013	21,013	21,013
Fairfax ReLeaf	41,990	41,990	41,990	41,990
Greater Reston Incubator	24,225	24,225	24,225	24,225
Northern Virginia Community College	90,181	89,856	89,856	90,636
Northern Virginia Conservation Trust	227,753	227,753	227,753	227,753
OpenDoor Housing Fund	31,776	31,776	31,776	31,776
Southeast Fairfax Development Corporation	183,320	183,320	183,320	183,320
VPI/UVA Education Center	50,000	50,000	50,000	50,000
Women's Center of Northern Virginia	27,023	27,023	27,023	27,023
Fairfax 2015 World Police and Fire Games	0	0	250,000	250,000
Subtotal Community Development	\$3,131,208	\$3,178,462	\$3,509,562	\$3,581,972
Nondepartmental:				
Fairfax Public Law Library	\$92,657	\$92,657	\$92,657	\$92,657
Employee Advisory Council	0	0	0	33,000
Subtotal Nondepartmental	\$92,657	\$92,657	\$92,657	\$125,657
Total County Contributions	\$12,001,932	\$12,212,942	\$12,594,042	\$15,623,588

FY 2013

Advertised Budget Plan



This section includes:

- Other Funds Overview (Page 106)
- Special Revenue Funds (Page 107)
- Debt Service Funds (Page 107)
- Enterprise Funds (Page 107)
- Internal Service Funds (Page 108)
- Trust and Agency Funds (Page 108)

Other Funds Overview

Other Funds Overview

OTHER FUNDS OVERVIEW

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

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

Other Funds expenditures are supported through a total available balance of \$8,356,328,033 (excluding the General Fund) and total revenues of \$3,267,112,487. The revenues are a decrease of \$763,214,120 or 18.94 percent from the *FY 2012 Revised Budget Plan* and an increase of \$229,808,919 or 7.57 percent over the FY 2012 Adopted Budget Plan. It should be noted that the decrease from the *FY 2012 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 2012 Adopted Budget Plan is due primarily to increased County and FCPS retirement fund-related revenues, health fund revenues, sewer fund revenues, school operating revenues and stormwater fund 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 2013 Advertised Budget Plan. Also, the FY 2013 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 2013 expenditures for Other Funds total \$5,239,775,943 (excluding General Fund direct expenditures), and reflect a decrease of \$1,346,257,818 or 20.44 percent from the *FY 2012 Revised Budget Plan* funding level of \$6,586,033,761. 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 2012, expenditures increase \$374,728,899 or 7.70 percent over the FY 2012 Adopted Budget Plan total of \$4,865,047,044. Nearly half of this increase, an amount of \$181,749,195, reflects an increase to the Public School Operating Fund.

The following is a brief summary of the various funds types. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview of this Overview Volume. A complete discussion of funding and program adjustments for all Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the FY 2013 Advertised Budget Plan. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview Volume. It should be noted that Special Revenue funding for the Fairfax County Public Schools is discussed in further detail in the FY 2013 Superintendent's Proposed Budget.

Other Funds Overview

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 2013, Special Revenue Fund expenditures total \$3,197,244,158, a decrease of \$444,987,800 or 12.22 percent from the *FY 2012 Revised Budget Plan* funding level of \$3,642,231,958 due primarily to the effect of significant carryover of unexpended project balances in the County and Regional Transportation Projects Fund and the Information Technology Fund as well as the carryover of unexpended grant balances previously approved by the Board of Supervisors in the Federal/State Grant Fund. Excluding adjustments in FY 2012, expenditures increase \$259,802,122 or 8.84 percent over the FY 2012 Adopted Budget Plan level of \$2,937,442,036.

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 2013 Debt Service expenditures total \$289,824,864.

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. FY 2013 Enterprise Funds expenditures for sewer operation and maintenance and sewer debt service total \$173,993,609, a decrease of \$203,884,328, or 53.96 percent from the *FY 2012 Revised Budget Plan* total of \$377,877,937 primarily due to the carryover of unexpended project balances and the appropriation of fund balance to provide funding for future treatment plant and treatment by contract requirements. Excluding adjustments in FY 2012, expenditures decreased \$1,123,084 or 0.64 percent from the FY 2012 Adopted Budget Plan total of \$175,116,693.



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

Other Funds Overview

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 2013 Internal Service expenditures total \$681,315,373, an increase of \$37,371,818 or 5.80 percent over the *FY 2012 Revised Budget Plan* level of \$643,943,555 primarily due to increased benefits paid out of the Health Benefits Fund and School Health and Flexible Benefits Fund. Excluding adjustments in FY 2012, expenditures increased \$55,579,597 or 8.88 percent over the FY 2012 Adopted Budget Plan total of \$625,735,776.

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. FY 2013 Trust and Agency funds combined expenditures total \$651,301,503, an increase of \$58,054,525 or 9.79 percent over the *FY 2012 Revised Budget Plan* funding level of \$593,246,978. This increase is primarily due to increases in the four existing retirement funds resulting from a higher number of retirees and higher individual payment levels. Excluding adjustments in FY 2012, combined Trust and Agency funds expenditures increase \$59,899,306 or 10.13 percent over the FY 2012 Adopted Budget Plan level of \$591,402,197.

FY 2013

Advertised Budget Plan



This section includes:

- Summary of Capital Construction Program (Page 110)
- Expenditure and Financing Summary Charts (Page 137)
- List of Funded Projects (Page 139)

Capital Projects Overview

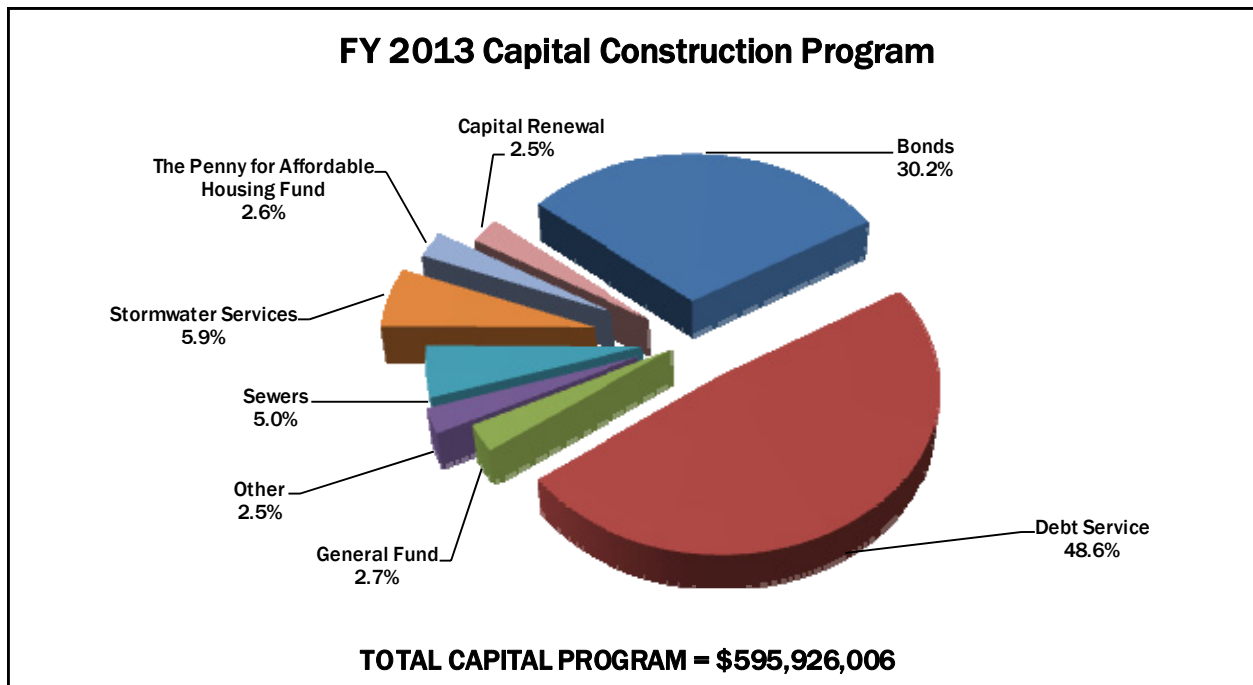
Capital Projects Overview

Summary of Capital Construction Program

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

The Fairfax County Capital Construction Program includes, but is not limited to: School construction of both new and renovated school facilities, park facilities, transportation improvements, libraries, trails/sidewalks, fire stations, government centers with police substations, stormwater management facilities, athletic field maintenance, the construction of housing units to provide affordable housing opportunities to citizens, commercial revitalization initiatives and the renovation/maintenance of County facilities. In addition, the Program includes contributions and obligations in support of the capital construction.

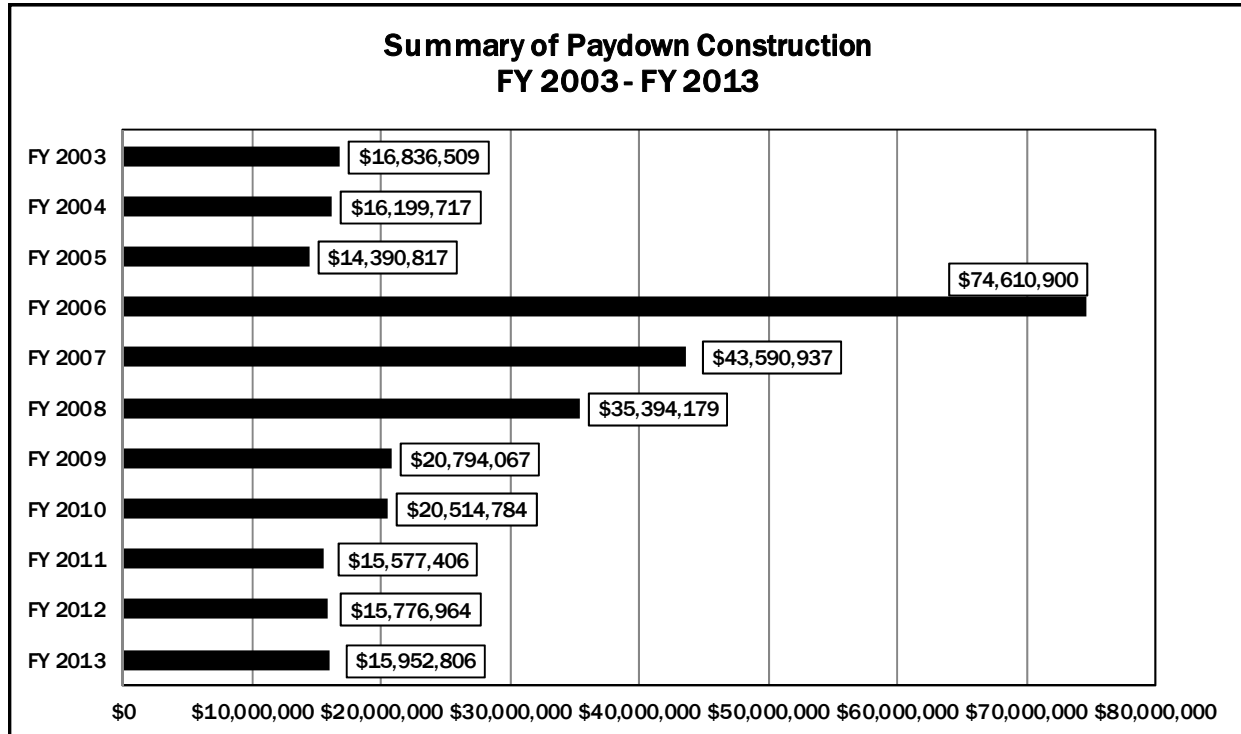
Funding in the amount of \$595,926,006 is included in FY 2013 for the County's Capital Construction Program. Of this amount, \$289,824,864 is included for debt service and \$306,101,142 is included for capital expenditures. The source of funding for capital expenditures includes: \$15,952,806 from the General Fund; \$15,000,000 in Short Term Borrowing for Capital Renewal; \$179,839,000 in General Obligation Bonds; \$30,000,000 in sewer system revenues; \$15,443,400 in Real Estate revenues supporting the Affordable Housing Program; \$35,155,455 in Stormwater Services revenue; and \$14,710,481 in financing from various other sources. Other sources of financing include, but are not limited to, transfers from other funds, pro rata share deposits, user fees, developer contributions and/or payments.



Capital Projects Overview

Capital Paydown Program

In FY 2013, an amount of \$15,952,806 has been included for the Capital Paydown Program. This level of support reflects a slight increase of \$175,842 over the FY 2012 Adopted Budget Plan level of \$15,776,964. 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 2013 Advertised Budget Plan paydown program of \$15.9 million represents 0.45 percent of General Fund disbursements.



This graph depicts the level of paydown funding between FY 2003 and FY 2013. 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:

Capital Projects Overview

ADA Compliance

FY 2013 funding in the amount of \$3,000,000 is included for the continuation of Americans with Disabilities Act (ADA) improvements required as part of the Department of Justice (DOJ) audit and identified in the settlement agreement signed by the Board of Supervisors on January 28, 2011. In May and June 2007, the United States Department of Justice conducted an audit of County government facilities and programs to determine compliance with the 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 to 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. Staff has categorized DOJ identified improvements by color: easy, inexpensive (green); more timely and costly (yellow); and difficult, time consuming, and/or expensive (red). In addition, the County and Parks are required as part of the agreement with the DOJ to perform assessments at all remaining facilities. These assessments are currently being conducted and will result in increased retrofitting requirements. Specific funding levels in FY 2013 include:

- ◆ Funding in the amount of \$1,000,000 is included for the continuation of Park Authority ADA improvements required as part of the Department of Justice audit. The FY 2013 funding will provide for the mitigation of violations categorized as “green” and “yellow” within Park facilities. Additional funding for Park violations categorized as “red” will be required in future years.
- ◆ Funding in the amount of \$2,000,000 is included for the continuation of ADA improvements at County owned facilities required as part of the Department of Justice audit. The FY 2013 funding will provide for the mitigation of violations categorized as “green” and “yellow” within County facilities. Additional funding for County violations categorized as “red” will be required in future years.

Athletic Field Maintenance and Sports Projects

FY 2013 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 synthetic turf field development, \$150,000 will be dedicated to the 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 2013 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

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weekly infield preparation on elementary, middle and high school game fields (110 fields); pre- or post-season infield renovations (200 fields); mowing and turf management on high school fields after June 1st (55 fields); and annual maintenance of irrigation systems (35 sites/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 2013 projection of revenue generated from the Athletic Services Fee and \$1,472,535 is supported by the General Fund.

- ◆ 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. 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 2013 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). FY 2013 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 \$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. Funding of \$500,000 had been dedicated to this program annually; however, since 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 for the turf field replacement program. Funding of \$150,000 is supported by 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 9 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 was 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 2013 level will allow the County to continue to plan for the gradual

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replacement of turf fields as they reach the end of their useful life, without a significant disruption in service.

- ◆ An amount of \$2,500,000 is included for athletic field maintenance efforts, athletic field lighting and irrigation on 275 Park Authority athletic fields of which 107 are lighted and 126 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 \$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 \$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. Of the total funding, an amount of \$75,000 is included for this program based on the FY 2013 projection of revenue generated from the Athletic Services Fee, and \$75,000 is supported by the General Fund.

Park Maintenance Projects

FY 2013 funding in the amount of \$1,470,076 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, Americans with Disability Act (ADA) retrofits, 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.

In order to balance the FY 2013 budget, the General Fund level of support for Park maintenance has been reduced by \$412,000 from the FY 2012 Adopted Budget Plan level of \$1,882,076. Reduced funding levels will result in the delay of the roof replacement of the Indoor Arena at Frying Pan Park and scheduled renovation of basketball and tennis courts at selected Fairfax County Park Authority facilities.

Specific funding levels in FY 2013 include:

- ◆ An amount of \$213,000 is included for general park maintenance at non-revenue supported Park facilities. These maintenance requirements include major non-recurring repairs and stabilization of 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 2013, funding is included to: repair and replace roofs at prioritized picnic shelters, nature centers

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and maintenance shops (\$138,000); and replace aged security systems at various sites throughout the County (\$75,000). FY 2013 funding represents a decrease of \$212,000 from the FY 2012 Adopted Budget Plan level of \$425,000 and defers the scheduled roof replacement for a 30-year old roof on the Indoor Arena at Frying Pan Park. The metal roof has exceeded its useful life and is experiencing leaking from cracks in the fiberglass panels. These leaks can affect spectator events at Frying Pan Park, as well as create muddy conditions for horses in the equestrian ring. This delay may result in increased costs for roof replacement in the future.

- ◆ An amount of \$787,076 is provided to fund annual requirements for Parks grounds maintenance at non-revenue supported parks. The Park Authority is responsible for the care of a total park acreage of approximately 23,000 acres of land, with 418 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. This funding is also used for contract mowing of approximately 484 acres of land and arboreal services in response to citizens' requests, as well as addressing multi-year deferred maintenance on the aging park infrastructure. FY 2013 funding represents a decrease of \$200,000 from the FY 2012 Adopted Budget Plan level of \$987,076 and is associated with a reduction in renovations for County basketball and tennis courts. This will reduce the amount of tennis and basketball court renovations by 50 percent allowing an average of six out of 259 tennis courts and four out of 140 basketball and tennis courts to be renovated. The current life expectancy of basketball and tennis courts is 10 years. As the courts become unsafe for citizen use, they may be taken out of service.
- ◆ An amount of \$470,000 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 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 2013 funding in the amount of \$2,227,383 has been included for costs related to on-going development efforts throughout the County. Of this amount, \$300,000 is supported by developer bonds, and \$1,927,383 is supported by the General Fund. Specific FY 2013 projects include:

- ◆ Funding of \$1,052,383 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 and includes approximately 2,340 acres of land and 1.48 million square feet of building space. Of the amount funded in FY 2013, \$755,263 will fund the Facilities Management Department's security, maintenance services, grounds maintenance and support staff. This is a reduction from the FY 2012 level based on actual expenditure requirements and savings associated with additional mowing services being performed by the Community Labor Force (CLF). The Community Labor Force is a safe, low-risk offender labor force, under the supervision of the deputy sheriffs who complete routine maintenance such as grass mowing, landscaping, graffiti removal and litter control. The remaining \$297,120 will fund Park Authority critical maintenance activities and support staff.
- ◆ 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.

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- ◆ Funding of \$700,000 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 2013, as well as respond to requests to prepare composite cost estimates to complete existing developer default projects. The total FY 2013 funding is supported by \$300,000 in anticipated developer default revenue, and \$400,000 in General Fund monies.

- ◆ Funding in the amount of \$300,000 is included to meet emergency and critical maintenance requirements for County trails, sidewalks and pedestrian bridges. Of this amount, \$100,000 is included for 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. In addition, \$200,000 is included to perform a condition assessment of existing trails, sidewalks and roadways maintained by the County. Currently, this critical pedestrian transportation network does not have an accurate condition assessment. The Department of Public Works and Environmental Services (DPWES) is responsible for maintaining approximately 220 miles of asphalt trails, 420 miles of concrete sidewalk, 65 pedestrian bridges, 17 miles of roadway service drives, and 4 miles of unimproved roads. Maintenance service levels have significantly fluctuated within these various maintenance programs based on funding constraints. Repairs are performed on a complaint basis only, and limited to addressing only emergency and safety related requirements. As determined by acceptable industry reinvestment standards, it is estimated that over \$5,000,000 could be required annually to provide for a comprehensive reinvestment program based on infrastructure life cycles of 20 to 50 years. This assessment will more accurately predict financial needs, and create a more proactive reinvestment program to replace the current complaint/failure driven program delivery.

- ◆ Funding of \$100,000 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.

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Obligations and Payments

FY 2013 funding in the amount of \$3,637,812 has been included for costs related to annual contributions and contractual obligations. Specific FY 2013 projects include:

- ◆ Funding of \$990,091 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 \$1,897,721 is included for Fairfax County's contribution to the Northern Virginia Community College (NVCC). Funding provides for the continued construction and maintenance of various capital projects on college campuses within the NVCC system. The County contribution has been gradually increased to the FY 2013 level of \$1.75 per capita due to the unprecedented 12 percent growth in the NVCC student enrollment and the corresponding capital program requirements. The NVCC currently serves approximately 78,000 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 continue to 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 \$1.75 rate is applied to the population figure provided by the Weldon Cooper Center.

Revitalization Initiatives

FY 2013 funding in the amount of \$920,000 has been included for revitalization efforts. This funding is supported entirely by the General Fund. Specific funding levels include:

- ◆ 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.
- ◆ An amount of \$405,000 is included to continue non-routine maintenance in five major commercial revitalization areas (Annandale, Route 1, Springfield, McLean and Baileys Crossroads). This funding provides for: fixing benches, furniture and 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.

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Environmental Initiatives

FY 2013 funding in the amount of \$350,000 has been included for environmental initiatives. These initiatives 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. In addition, an amount of \$58,140 has been provided in Fund 119, Contributory Fund to continue partnering with three non-profit agencies to support tree planting efforts throughout the County. Specific funding levels include:

- ◆ An amount of \$150,000 is included for lighting retrofits and upgrades at Fairfax County Park Authority facilities for energy efficiency and conservation. These energy saving retrofit replacements will reap long term, system-wide environmental and cost benefits.
- ◆ An amount of \$100,000 is included to provide for a Natural Landscape Program at selected County properties. This program aims to reduce current maintenance practices which include mowing, pruning, edging and the use of fertilizers, pesticides and herbicides. Natural landscaping practices will result in the cultivation of native plant species, improve runoff to local streams and reduce maintenance costs.
- ◆ An amount of \$75,000 is 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 4,500 trained volunteer leaders have contributed 18,000 hours of service since the Invasive Plant Removal Program's inception in 2005.
- ◆ An amount of \$25,000 is provided 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 as well as other strategic environmental initiatives. These strategic initiatives may include the establishment of a countywide contract for Environmentally Preferable Products (EPP) and services, continuation of the countywide greenhouse gas inventory and energy efficiency outreach and education campaigns.

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FY 2013 PAYDOWN PROJECTS

Project	FY 2013 Advertised
ADA Compliance	
(009406) ADA Compliance - Countywide	\$2,000,000
(009416) ADA Compliance - Park Authority	1,000,000
Subtotal	\$3,000,000
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	\$213,000
(009442) Park Authority - Grounds Maintenance	787,076
(009443) Park Authority - Facility Maintenance	470,000
Subtotal	\$1,470,076
On-Going Development Efforts	
(009444) Laurel Hill Development	\$1,052,383
(U00005) Survey Control Network Monumentation	75,000
(002200) Emergency Maintenance of Existing Trails	300,000
(U00060) Developer Defaults	400,000
(V00002) Emergency Road Repair	100,000
Subtotal	\$1,927,383
Obligations and Payments	
(007012) School-Age Child Care (SACC)	\$750,000
(008043) Northern Virginia Community College	1,897,721
(009494) Salona Property	990,091
Subtotal	\$3,637,812
Revitalization Initiatives	
(009422) Maintenance-CRP	\$405,000
(014272) Community Improvement Program Costs	515,000
Subtotal	\$920,000
Environmental Initiatives	
(009700) Environmental Initiatives	\$350,000
Subtotal	\$350,000
TOTAL PAYDOWN PROGRAM	\$15,952,806

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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 2013, the County will have a projected facility inventory of approximately 8.7 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, emergency generator replacement and window 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, a staff analysis indicated 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 2013 is the third and final appropriation for capital renewal projects supported by short-term borrowing. In FY 2011, \$5 million was appropriated and in FY 2012 \$15 million was appropriated, leaving an additional \$15 million to be appropriated in FY 2013. 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. Staff will maintain an even level of General Fund support by increasing debt service funding and decreasing General Fund transfers to Fund 317 during the next 10 years. 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 2013 funding in the amount of \$15,285,000 has been included for County capital renewal projects and is supported by short-term borrowing. Of this amount, \$15,000,000 is supported by the short term borrowing program and \$285,000 is supported by a transfer from Fund 105, Cable Communications. Specific funding levels in FY 2013 include:

- ◆ Funding of \$4,800,000 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: \$3,200,000 for the Government Center, \$500,000 for Crossroads Rehabilitation Center, \$300,000 for Clifton Fire Station, \$200,000 for the Burkeholder Building (which houses the Fire Marshall Office), and \$100,000 for the Adult Detention Center East Wing. These systems are beyond their useful life and consistently at risk of failure. They are requiring increased maintenance efforts due to age and stress on the systems and replacement components such as automatic transfer switches, emergency switch boards, emergency panels and an

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underground fuel tank are required to be upgraded to meet current code requirements. Lastly, funding in the amount of \$200,000 is included to replace the entire electrical distribution system at the Merrifield Fire Station which is aged, obsolete and creating a safety hazard, \$200,000 to replace the electrical main distribution panel board, all non-emergency sub panels, transformers and lighting system at the West Ox Department of Vehicle Services (DVS) Garage which are well beyond their useful life; and \$100,000 to replace the entire plumbing component including the water booster pumps for the Adult Detention Center West Wing. 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.

- ◆ Funding of \$1,200,000 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 includes: \$400,000 for the Old Courthouse, \$250,000 for the original building generator at the Government Center, \$250,000 for the Alban Garage, \$150,000 for the Centreville Fire Station; and \$150,000 for the Lorton Radio Tower which supports Public Safety operations. Although the generator at the Lorton Radio Tower is not beyond its projected useful life, this generator is deficient and showing signs of imminent failure. 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 \$6,025,000 will provide for planned elevator/escalator replacement and upgrades for systems that have outlived their useful life and are experiencing frequent breakdowns. Funding includes \$5,400,000 to address elevator replacement at the Pennino and Herry Buildings. These elevators are heavily used by both employees and the public. The electrical panels and mechanical systems are beyond their useful life and are beginning to fail resulting in breakdowns and entrapments. Elevators are requiring weekly operational maintenance due to the high levels of humidity which have caused corrosion to the system and component parts. Design funding was included in the FY 2012 budget and construction funding is now required to complete the project. In general, the useful life of elevators is 25 years; however, based on the number of maintenance calls, shutdowns and the difficulty in obtaining replacement parts, both elevators are recommended for replacement. In addition, an amount of \$625,000 is required for elevator replacement at the Herry and Pennino garages. During winter weather events, salt and snow drain down the elevator shaft and corrode mechanical elements resulting in frequent maintenance and replacement part requirements. These elevators are not equipped with heating elements to mitigate humidity levels and corrosion from weather events, resulting in daily shutdowns as well as entrapments for staff and patrons. These elevator replacement projects will satisfy all current code requirements, provide humidity control equipment to prevent future corrosion, and provide for the safety of users in these facilities.
- ◆ Funding in the amount of \$500,000 is included for the planned replacement of obsolete and aged fire alarm systems at the following County facilities: Crossroads Rehabilitation Center, Clifton Fire Station, Baileys Homeless Shelter and Chantilly Fire Station.
- ◆ An amount of \$435,000 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.

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The warranties on all of the roofs slated for replacement in FY 2013 have expired. Funding is included for roof repairs and replacement including: \$150,000 for the Lillian Carey Human Services Building, \$100,000 for Baileys Homeless Shelter; \$100,000 for Patrick Henry Library and \$85,000 for the Jermantown DVS Garage Radio Shop. In general, roof replacement is required every 20 years; however, leaking and damage caused by water infiltration to facilities can require more immediate attention.

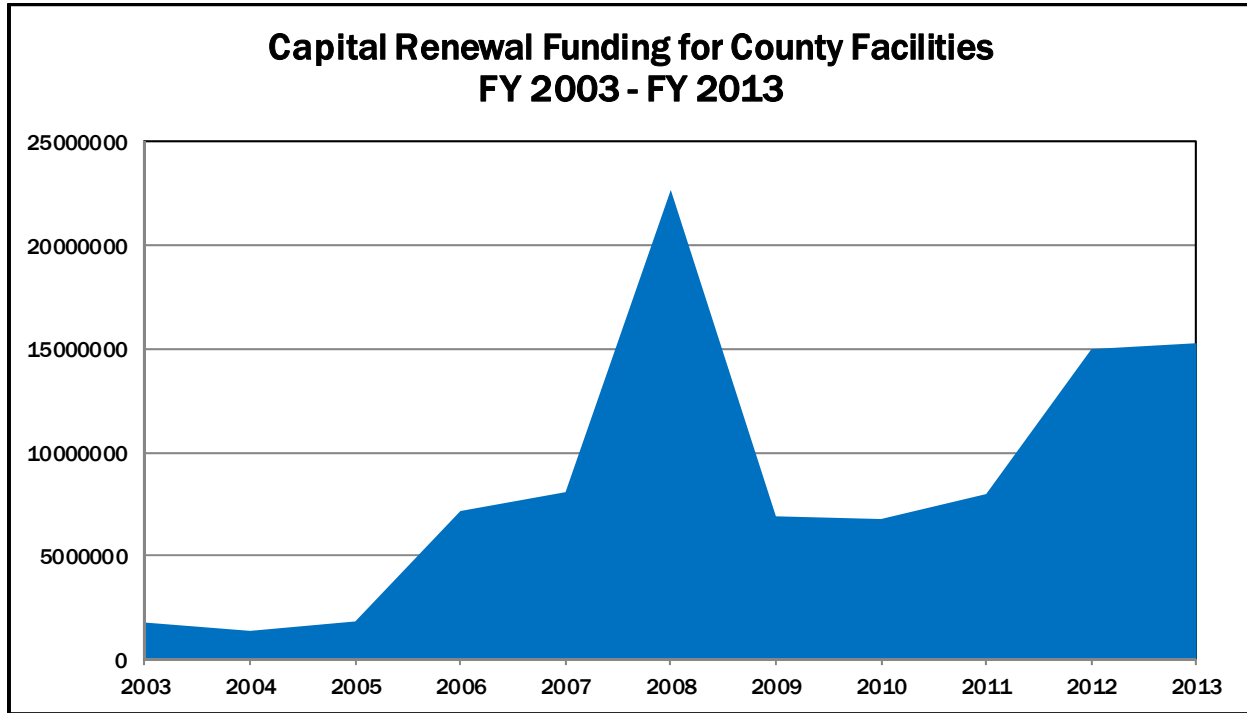
- ◆ Funding in the amount of \$500,000 is included for carpet replacement at County facilities in which carpet has deteriorated and is in unserviceable condition. The project also includes new carpet installation where existing composition tile flooring requires replacement, and it is cost beneficial to install carpet as a replacement floor finish. In general, the useful life of carpet tiles is 15 years; all of the carpet at these facilities has outlived its useful life due to the high volume of staff and patrons who utilize these facilities. FY 2013 funding is included for carpet replacement projects at various County libraries which include \$215,000 for Sherwood Regional Library, \$198,000 for Centreville Regional Library; and \$87,000 for the Patrick Henry Community Library. These library carpet tiles are severely worn from weather events which can result in health issues from the growth of mold and mildew, as well as tears and ripples which can cause safety issues for library staff and patrons in these high traffic areas.
- ◆ An amount of \$160,000 provides for the planned repair and maintenance of facility parking lots and garages throughout the County. Funding is required to repave the Pohick Regional Library parking lot based on rapid deterioration of asphalt. In general, paving will last 15 years; however, temperature changes, water penetration, chemicals used for snow removal, and fuel leaks from vehicles can cause the asphalt to deteriorate more rapidly.
- ◆ Funding in the amount of \$65,000 is provided for the planned repair and replacement of windows that have outlived their useful life. Funding is included for improvements to the Sherwood Library including the elimination of window pit wells and dormers, reframing smaller windows and resloping of the roof to eliminate drainage problems and water infiltration into the building.
- ◆ Funding of \$1,600,000 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 upgrades to electrical and mechanical systems, structural repairs, vandalism abatement, and other non-recurring construction and repair projects.
 - Funding in the amount of \$825,000 is included for critical emergency repairs at the Adult Detention Center. Of this amount, \$400,000 is included for the removal and replacement of the Concrete Terrazzo walkway based on rapid concrete deterioration. This is attributed to water infiltration, weather conditions, chemicals, debris and other contamination. The cement has become warped and uneven which has resulted in tripping and slippery conditions. This is a critical safety concern for staff and inmates who utilize this main walkway daily. In addition, funding in the amount of \$350,000 is included to recaulk all windows and expansion joints in the North Wing of the Adult Detention Center. Much of the original caulking has failed and water continues to leak into the building presenting an imminent safety hazard. Lastly, an amount of \$75,000 is included to replace wooden countertops at security stations throughout the facility. These countertops are original to the facility and have deteriorated due to age, chemicals and other contamination. This replacement will provide a more durable surface for Sheriff Deputies and improve overall health conditions.

Capital Projects Overview

- Funding in the amount of \$250,000 is included for the Burke Station Road Facilities Management Maintenance Building to replace the concrete retaining wall and perform associated slope work. The support structure is cracked due to soil pressure, tree roots and moisture from weather events. This has resulted in a safety hazard from debris spillage onto the roadway. This replacement will provide structural stability and a reduction in erosion issues at the facility.
- Funding in the amount of \$285,000 is included for the replacement of the Government Center auditorium seating and carpeting. Auditorium seating is original to the facility, is beyond its useful life and has deteriorated to the point that seats have been removed, arms rails are broken and the upholstery is worn. This has resulted in increased maintenance and a safety hazard for the public and staff who regularly attend meetings in the auditorium. FY 2013 funding will provide for a complete replacement of auditorium seating to prevent further deterioration and potential safety concerns. In addition, the original carpet is in advanced state of deterioration from wear and tear from staff and patrons who enter and exit the seating area. This carpet replacement will be completed simultaneously with the auditorium seating for optimal life. The Government Center auditorium is supported by the Communications Productions Division within Fund 105, Cable Communications. This Division is responsible for Channel 16 programming including an estimated 330 live meetings of the Board of Supervisors, Planning Commission, Board of Zoning Appeals, County Executive projects, Board-directed special programming, town meetings, and monthly video newsletters for members of the Board of Supervisors. Therefore, funding is transferred from Fund 105, Cable Communications to support the required replacement project within the auditorium.
- Lastly, \$240,000 is included to continue a second facility assessment which began in FY 2012. 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 represented approximately 50 percent of the inventory. In FY 2012 funding in the amount of \$215,000 was provided to conduct a facility assessment on 40 additional buildings, not previously evaluated. These assessments allow inspectors to evaluate major building systems, identify cost estimates associated with repair and replacement and plan for future renewal requirements. The continuation of this study in FY 2013 will allow for the evaluation of an additional 30 facilities not evaluated in 2004 or 2012 which are now aging and require a comprehensive review.

The following chart depicts capital renewal funding between FY 2003 and FY 2013, 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 2013 funding level represents continued increases in funding based on the proposed short-term borrowing plan.

Capital Projects Overview



Capital General Obligation Bond Program

The Board of Supervisors annually reviews cash requirements for capital projects financed by General Obligation bonds to determine the ongoing schedule for construction of currently funded projects as well as those capital projects in the early planning stages. The bond capital program is reviewed annually by the Board of Supervisors in association with the Capital Improvement Program (CIP), and revisions are made to cashflow estimates and appropriation levels as needed. The CIP is designed to balance the need for public facilities as expressed by the countywide land use plan with the fiscal capability of the County to meet those needs. The CIP serves as a general planning guide for the construction of general purpose, school, and public 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 8.54 percent, and net debt as a percentage of market value at 1.25 percent as of June 30, 2011.

Continual monitoring and adjustments to the County's CIP have been necessary, as economic conditions have changed. The FY 2013 - 2017 Capital Improvement Program (With Future Years to 2022) is released concurrently with the FY 2013 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.

Capital Projects Overview

In FY 2013, an amount of \$179,839,000 is included in General Obligation Bond funding. Specific funding levels in FY 2013 include:

- ◆ Funding in the amount of \$155,000,000 is included for various school construction projects financed by General Obligation Bonds. For details, see the [FY 2013 Superintendent's Proposed Budget](#).
- ◆ Funding in the amount of \$21,839,000 is included to support the 106-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars and buses.
- ◆ Funding of \$3,000,000 is included for the County annual contribution to the Northern Virginia Regional Park Authority (NVRPA) Capital program. The NVRPA Park system includes 23 parks and over 11,000 acres of land, over 100 miles of trails, numerous historic sites, five waterparks, two family campgrounds, three golf courses, a nature center, botanical gardens, rental cabins and cottages, five marinas, and nearly 30 miles of protected shoreline along major rivers and reservoirs. In Fairfax County, NVRPA owns nearly 8,000 acres – most of which protect environmentally sensitive watersheds along the Potomac, Bull Run and Occoquan Rivers. The NVRPA's capital improvement and land acquisition costs are shared by its six member jurisdictions: the counties of Fairfax, Loudoun and Arlington, and the cities of Fairfax, Alexandria and Falls Church. The primary focus of NVRPA's capital program is to continue the restoration, renovation and modernization of existing park facilities, many of which were developed or constructed more than 20 years ago. Other elements of the capital program include land acquisition, the development of interpretive and educational displays and the addition of park features to meet the needs of the public. FY 2012 represented the last year of a four year program supported by a Park Bond Referendum approved by voters in the fall of 2008. This referendum included \$12 million to sustain the County's contribution to the NVRPA capital budget for fiscal years 2009 through 2012. The next bond referendum is scheduled in fall 2012 and is proposed at \$12.0 million to sustain the County's capital contribution to the NVRPA for an additional four years. FY 2013 funding is included, pending the approval of the fall 2012 bond referendum.

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 implementation 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 and provide a dedicated funding source for both operating and capital project requirements, as authorized by Va. Code Ann. Sections 15.2-2400. 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, staffing 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. In FY 2013, the stormwater service rate is proposed at \$0.025 which is a \$0.010 increase over the FY 2012 level of \$0.015.

Capital Projects Overview

This rate increase is required to meet the increasing federal and state regulatory requirements pertaining to the Municipal Separate Storm Sewer System (MS4) Permit requirements, and State and Federal mandates associated with the Chesapeake Bay. It should be noted that the FY2013 budget recommendation is a phased approach for funding and staffing to support the anticipated regulatory increases. The FY 2013 levy of \$0.025 will generate \$49.75 million, supporting \$14.59 million for staff and operational costs, and \$35.16 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 and begin to meet state and EPA stormwater requirements. In support of the increased funding for the Stormwater Management program, an additional 22 positions are included in FY 2013. The Stormwater Management program anticipates adding additional positions in future years to meet the projected mandated workload requirements.

The increased fee is attributable to significant requirements and trends in the Stormwater program including increased requirements associated with the Stormwater regulatory program, stream and water quality improvements, dam and facility rehabilitation, conveyance system rehabilitation, and emergency flood control. In FY 2013, an amount of \$35,155,455 is included for Stormwater Services. Specific funding levels in FY 2013 include:

- ◆ Funding in the amount \$5,000,000 is included for the Stormwater Regulatory Program. The County is required by Federal Law to operate under the conditions of a state issued Municipal Separate Storm Sewer System (MS4) Permit. The MS4 Permit allows the County to discharge stormwater from its stormwater systems into state and federal waters. The County currently owns and/or operates approximately 7,000 piped outfalls within the stormwater system that are governed by the permit. The current permit was issued in 2002 and expired in 2007, and the County has been operating under a state issued administrative extension, while the state and the EPA agree to new permit requirements. A draft permit has been prepared for the County which indicates that significant enhancements to all facets of the program will be required. In addition to the requirements outlined in the draft permit conditions, a recent EPA audit of the County's program identified the need for the County to initiate a high risk and industrial site inspection program for private properties throughout the County. This is anticipated to require a robust inspection and enforcement program to monitor stormwater discharges from all industrial facilities in the County. The permit further requires the County to better document the stormwater management facility inventory, enhance public out-reach and education efforts, increase water quality monitoring efforts, provide stormwater management and stormwater control training to all County employees, and to thoroughly document all of these enhanced efforts. County staff is currently developing the procedures to implement these additional requirements.
- ◆ Funding in the amount of \$6,198,569 is included for Dam Safety and Facility Rehabilitation. The County currently has over 6,000 Stormwater management facilities in service, and by permit is responsible for inspecting and maintaining both County owned and privately owned facilities. This inventory increased by over 175 facilities between FY 2010 and FY 2011, and is projected to continually increase as new developments and redevelopment sites are required to install stormwater management controls. In addition, the County is required to provide a facility retrofit program to improve stormwater management controls on all existing stormwater management facilities that were developed and constructed prior to current standards being in place. This program includes maintaining the control structures, including the dams that control and treat the water flowing to County owned facilities. This program also includes the removal of sediments that occur in both wet and dry stormwater management facilities to ensure that adequate capacity is maintained to treat the

Capital Projects Overview

stormwater. This program results in approximately 25 retrofit projects annually that require redesign and construction management activities, as well as contract management and maintenance responsibilities.

- ◆ Funding in the amount of \$6,500,000 is included for Conveyance System Rehabilitation. The County owns and operates approximately 1,600 miles of underground stormwater pipe and paved channels with estimated replacement value of over one billion dollars. The County began performing internal inspections of the pipes in FY 2006. Of the initial pipes inspected, over 5 percent were in complete failure with an additional 15 percent requiring immediate repair. It is estimated that a fully funded rehabilitation and reinvestment program would require an investment of approximately \$10 million per year. The increased MS4 permit regulations relate to these 1,600 miles of existing conveyance systems and 43,000 stormwater structures. The permit requirements do not address the current backlog of operational maintenance and rehabilitation needs of the entire stormwater conveyance system infrastructure, but are additive by significantly increasing inspection, reporting and management actions related to the management of the stormwater infrastructure system. Additional funding and staff are required to review the digital imaging of pipe interiors, and develop corrective solutions that require design, construction management and oversight responsibilities. Acceptable industry standards indicate that one dollar re-invested in infrastructure saves seven dollars in the asset's life, and \$70 dollars if asset failure occurs. The goal of this program is to inspect pipes on a 10-year cycle, and rehabilitate pipes and paved channels before total failure occurs.
- ◆ Funding in the amount of \$11,000,000 is included for Stream and Water Quality Improvements. This program funds water quality projects necessary to mitigate the impacts to local streams and the Chesapeake Bay resulting from urban stormwater runoff. This includes water quality projects such as, the construction of stormwater management ponds, implementing low impact development techniques on stormwater facilities, stream restorations and approximately 1,700 water quality projects identified in the completed countywide Watershed Plans. In addition to the new permit requirements, the EPA, who is the federal regulator that oversees the Federal Clean-Water Act, which establishes the basis of the MS4 permit, completed an audit of the County's current Stormwater program in June 2011. This audit indicates that several elements of the program are non-compliant. The full impact of the audit findings have not been finalized, and any penalty's associated with audit findings have not yet been issued. In addition, the Chesapeake Bay Total Maximum Daily Load (TMDL) requirements are the regulatory process by which pollutants entering impaired water bodies are reduced. The Chesapeake Bay TMDL was established by the EPA and requires that MS4 communities, as well as other dischargers, significantly reduce the nitrogen, phosphorous and sediment loads entering waters draining to the Bay by 2025. Compliance with the Bay TMDL will require the County to undertake construction of new stormwater facilities, retrofit existing facilities and properties, and increase maintenance. Preliminary estimates indicate that the projects needed to bring the County's stormwater system into compliance with the Bay TMDL could cost in the range of \$70 to \$90 million, per year. The Bay TMDL facility retrofit requirement is additive to the current design and construction efforts associated with 1,700 Watershed Plan projects and ongoing stream and flood mitigation projects. A phased approach to increasing funding and staffing is recommended in order to address the audit findings and begin to address Chesapeake Bay TMDL requirements.
- ◆ Funding in the amount of \$5,900,000 is included for the Emergency and Flood Control Program. In addition to the more traditional single structure protection projects, this new program is recommended to provide funding to address the larger and more frequent flooding problems experienced in the County. These funds will be used to design solutions for areas experiencing

Capital Projects Overview

frequent and severe flooding that threaten citizen safety. Funds in this program will accumulate overtime to support large scale projects without the issuance of debt. This program previously supported flood control projects resulting from storm events that impacted storm systems and flooded residential properties. It is recommended that the program be expanded to include projects that threaten citizen safety, and this may require improvements along roadways. In FY 2006, major flooding generated approximately 70 flood control projects, and while the potential projects related to the more recent Tropical Storm Lee, are currently in the determination phase, these property floodings are anticipated to generate an additional 35 to 40 flood control projects. These projects will require scoping, design and construction activities. In addition to projects designed to protect individual structures, this program will provide funding for flood protection on a community basis, as well as address frequent flooding of transportation systems that threaten citizen safety.

- ◆ Lastly, FY 2013 funding of \$556,886 is included in Fund 125 for County contributions. Contributory funds in the amount of \$444,327 are provided to the Northern Virginia Soil and Water Conservation District (NVSWCD). The NVSWCD is an independent subdivision of the Commonwealth of Virginia that provides leadership in the conservation and protection of Fairfax County's soil and water resources. It is governed by a five-member Board of Directors, three of whom are elected every four years by the voters of Fairfax County and two who are appointed by the Virginia Soil and Water Conservation Board. Accordingly, the work of NVSWCD supports many of the environmental efforts set forth in the Board of Supervisors' Environmental Excellence 20-year Vision Plan. 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. In addition, an amount of \$112,559 is provided for the Occoquan Watershed Monitoring Program (OWMP) 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.

The Penny for Affordable Housing Fund

Fund 319, The Penny for Affordable Housing Fund, formerly known as the Housing Flexibility Fund, was established in FY 2006 and is designed to serve as a readily available local funding 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 2012, the fund has provided a total of \$119.6 million for affordable housing in Fairfax County; a total of \$15.4 million is provided in FY 2013.

Over the past years, 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

Capital Projects Overview

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 Apartments 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.

In FY 2013, Fund 319 funding of \$15,443,400, comprised of \$9,975,000 in Real Estate Tax Revenue, \$5,218,400 in operating revenue from the Wedgewood and Crescent Apartments and \$250,000 in Affordable Housing Partnership Program loan repayments, is allocated as follows: \$5,753,063 for Wedgewood for the annual debt service; \$4,318,400 to fund the Bridging Affordability Program portion of the Housing Blueprint; \$3,349,000 for Crescent Apartments for the annual debt service; and \$347,937 to be allocated to the Affordable/Workforce Housing Project for reallocation to specific projects when authorized by the Board of Supervisors. Additionally, \$1,675,000 in FY 2013 funding is identified for the Non Profit Blueprint Project, which could be combined with \$1,355,841 in available funding from the FY 2012 Affordable Workforce Housing project for a total balance of \$3,030,841 for the Non Profit Blueprint project in FY 2013.

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 3,390 miles of sewer lines, 65 pumping stations, and 59 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 Service Authority Plant, the District of Columbia Blue Plains Plant, Loudoun Water and the Arlington County Plant. Fairfax County utilizes all of these facilities to accommodate a total treatment capacity of 157 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 using "State of the Art" technology and meet a waste load allocation (cap) for the nutrients nitrogen



Capital Projects Overview

and phosphorous. A phased approach has been under way to renovate and upgrade current plant facilities to accommodate these more stringent nutrient discharge requirements. Until the "State of the Art" technology is installed, the County has a nitrogen discharge requirement of 7.0 milligrams per liter. Total funding of \$30,000,000 in FY 2013 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. Specific funding levels in FY 2013 include:

- ◆ Funding in the amount of \$3,800,000 is included to support the renovation of pumping stations within the Wastewater Management Program. FY 2013 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.
- ◆ Funding in the amount of \$210,000 will provide for improvements at the Robert P. McMath Facility. This funding will support interior repairs which include the replacement of interior lighting, multi-media projectors and training equipment, as well as conference room furniture replacement including chairs, tables and other furniture requirements.
- ◆ Funding in the amount of \$3,000,000 is provided for the annual appropriation requirement for the County's new Extension and Improvement (E&I) Program as approved by the Board of Supervisors on April 12, 2011. This new policy adjusts the Connection Charges such that the future cost of the E&I Program is shared equally between the County's Sewer Fund and the property owners seeking public sewer service.
- ◆ Funding in the amount of \$20,714,000 is provided for the systematic rehabilitation of the County's more than 3,390 miles of sanitary sewer lines. Rehabilitation includes techniques/products such as slip-lining, instituforn, and fold and form performed by outside contractors. Funding provides for the recurring repair, replacement and renovation of 20 miles of sewer lines using predominantly "no dig" technologies. Funding is also included to continue the systematic rehabilitation of the County's force mains. Currently Dead Run Force Main and Difficult Run Force Main are being evaluated for rehabilitation solutions.
- ◆ Funding in the amount of \$2,276,000 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. The projects are generally completed by out-house contractors and focus on more complex facility and equipment rehabilitation.

Other Financing

The remaining funding of \$13,025,481 supports various other projects financed by other sources of revenue. Specific funding levels in FY 2013 include:

Solid Waste:

- ◆ Funding of \$125,000 is included for an on-going project to repair and renovate the Newington Solid Waste equipment facility. This phase involves the repair and replacement of the exterior windows and doors on the 20 year old facility, which are experiencing leaking and are in an advance state of deterioration.

Capital Projects Overview

- ◆ Funding in the amount of \$1,200,000 is included for the renovation of the existing permit and receiving center at the I-66 Transfer Station. The building was opened in 1983 and currently houses the permit offices, main scales, and limited locker room facilities. The renovation work includes the installation of a new HVAC system, renovations to bathroom facilities and conference areas, modifications to the existing scale house and other related modifications to meet present needs and building codes.
- ◆ Funding in the amount of \$850,000 is included for the renovation of the truck ramp retaining wall that provides access to the lower level of the transfer station below the refuse chutes at the I-66 Transfer Station. The ramp and retaining wall were built in 1995 and have significantly settled and displaced with the current danger of collapsing.
- ◆ Funding in the amount of \$700,000 is included for I-95 Refusal Disposal capital projects. Of this amount, \$500,000 is included for the closure capping activities of portions of the ashfill and for the installation of the corresponding stormwater management structures. In addition, \$100,000 is for the installation and expansion of the leachate treatment facilities which include the leachate pumping stations, pipelines, and collection systems required to pretreat, process, and store wastewater that flows through the ashfill. The remaining \$100,000 is for the ongoing installation of methane gas recovery wells that extract methane gas from the ashfill's interior boundaries before it escapes into the atmosphere and the construction of a methane extraction facility that will provide the conversion and transportation infrastructure to allow the energy product to be utilized and sold commercially.

Housing:

- ◆ Funding of \$151,361 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 2013.
- ◆ Funding in the amount of \$200,000 is included as a planning factor FCRHA for project feasibility studies by non-profits and for-profits as approved by the Board of Supervisors.
- ◆ Funding in the amount of \$100,000 is included as a planning factor to rehabilitate Fairfax County Redevelopment and Housing Authority (FCRHA) non-public housing, residential properties in order to maintain to property safety and neighborhood and quality of life standards.

Other:

- ◆ Funding in the amount of \$8,072,120 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 more details, see the FY 2013 Superintendent's Proposed Budget.
- ◆ Funding in the amount of \$1,000,000 is included to support the Developer Streetlight Program. The County coordinates with Virginia Power for the installation of the streetlights throughout the County. Developers then make direct payments to the County. Upon completion of the installation, the streetlights are incorporated into the Fairfax County Streetlight Program inventory. This program is offset entirely by payments from developers.

Capital Projects Overview

- ◆ Funding in the amount of \$627,000 is included for capital improvements at the McLean Community Center Improvements which includes \$120,000 for MCC drainage systems and the Teen Center audio visual and booth projects; and capital replacements of \$507,000 for MCC restrooms, community hall partitions and signage, and Teen Center awnings.

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 expansion/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 2013 timeframe, a limited number of new facilities will be completed which will require additional operating funds. The following list represents major new facilities which will open during FY 2013 and beyond.

Capital Projects Overview

New, Renovated, or Expanded County Facilities in FY 2013

Facility	Fiscal Year Completion	Additional Positions	Estimated Net Operating Costs
FY 2013 New, Renovated, or Expanded Facilities			
Facilities Management Operating Costs	FY 2013	0/0.0 SYE	\$335,803
Fairfax County Animal Shelter	FY 2013	2/2.0 SYE	\$180,072
Total FY 2013 Costs		2/2.0 SYE	\$515,875

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.

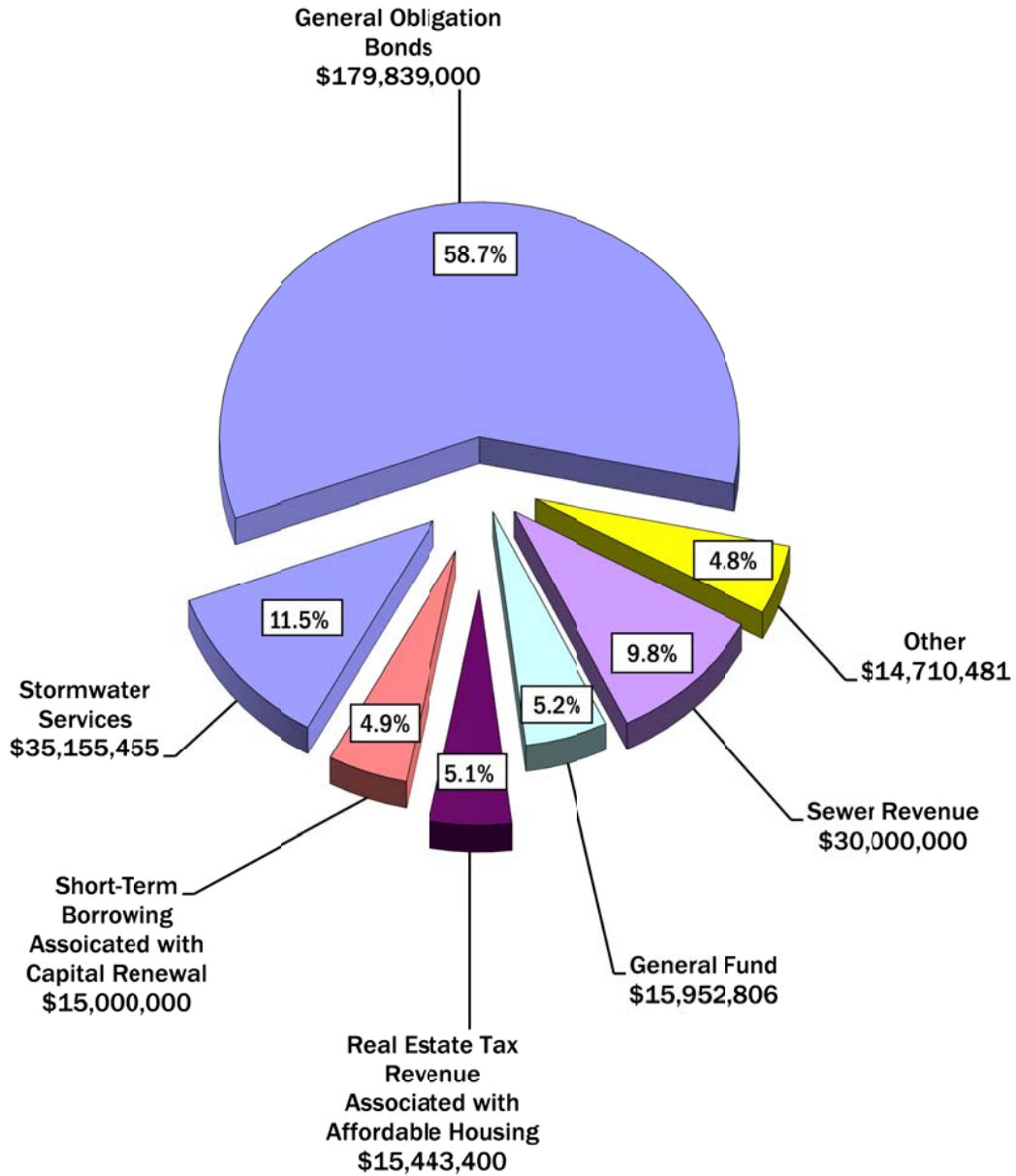
Facility	Fiscal Year Completion
Newington DVS Facility	FY 2013/FY 2014
Wolftrap Fire Station	FY 2013/FY 2014
Providence Community Center	FY 2014
Wiehle Ave Parking Garage	FY 2014
Fire and Rescue Training Academy Ren./Expansion	FY 2014
Reston Police Station Renovation/Expansion	FY 2014
Bailey's Crossroads Volunteer Fire Station	FY 2014
McLean Police Station Renovation/Expansion	FY 2015
Mid-County Human Services Center (Woodburn)	FY 2015
Herndon Fire Station	TBD
East County Human Services Center	TBD
Public Safety Headquarters	TBD
Woodrow Wilson Community Library	TBD
Jefferson Fire Station	TBD
Pohick Regional Library	TBD
John Marshall Community Library	TBD
Tysons Pimmit Regional Library	TBD
Reston Regional Library	TBD

Summary of FY 2013 Capital Construction Program

Major segments of the County's FY 2013 Capital Construction Program are presented in several pie charts that follow to visually demonstrate the FY 2013 funding sources for capital expenditures. Capital construction expenditures by fund are shown in the Summary Schedule of FY 2013 Funded Capital Projects. In addition, a list of all projects funded in FY 2013 and their funding sources has 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 2013 Superintendent's Proposed Budget](#).

Capital Projects Overview

CAPITAL CONSTRUCTION PROJECTS FY 2013 SOURCE OF FUNDS

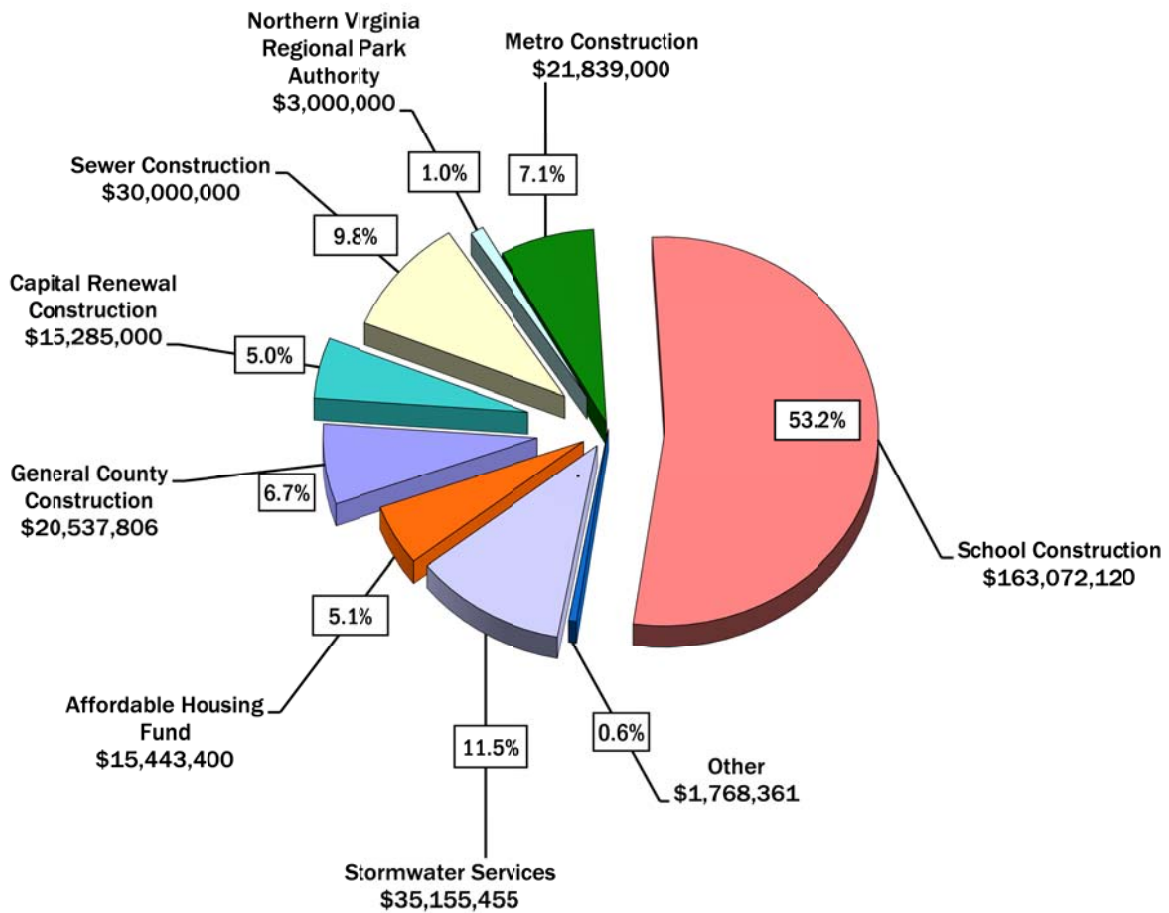


TOTAL = \$306,101,142

NOTE: This chart does not include debt service funding.

Capital Projects Overview

CAPITAL CONSTRUCTION PROJECTS FY 2013 EXPENDITURES

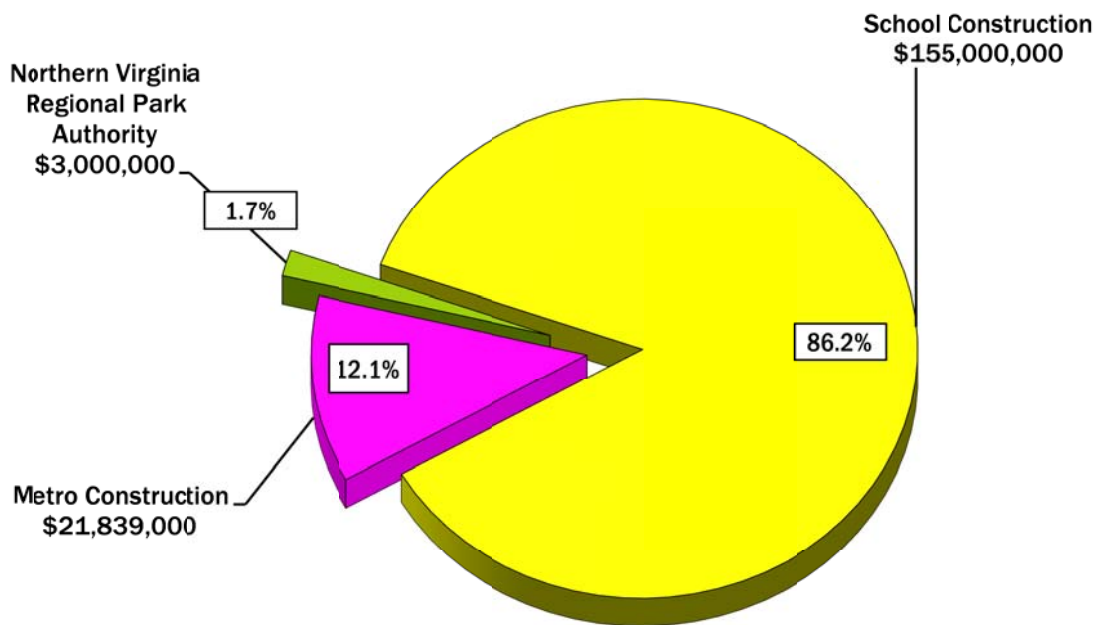


TOTAL = \$306,101,142

NOTE: This chart does not include debt service funding.

Capital Projects Overview

GENERAL OBLIGATION BOND FINANCED CAPITAL PROJECTS FY 2013 EXPENDITURES



TOTAL = \$179,839,000

SUMMARY SCHEDULE OF FY 2013 FUNDED CAPITAL PROJECTS

Fund/Title	EXPENDITURES				FY 2013 FINANCING			
	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	General Obligation Bonds ¹	General Fund	Federal/ State Aid	Other ²
SPECIAL REVENUE FUNDS³								
109 Refuse Collection and Recycling	\$10,866	\$100,000	\$871,713	\$125,000	\$0	\$0	\$0	\$125,000
110 Refuse Disposal	2,410,483	0	1,766,594	2,050,000	0	0	0	2,050,000
111 Reston Community Center	1,503,156	98,000	1,623,289	0	0	0	0	0
113 McLean Community Center	381,582	575,000	982,777	627,000	0	0	0	627,000
114 I-95 Refuse Disposal	581,511	0	13,402,634	700,000	0	0	0	700,000
125 Stormwater Services ⁴	8,137,606	17,029,468	29,325,460	35,155,455	0	0	0	35,155,455
144 Housing Trust Fund	77,529	348,814	4,841,856	451,361	0	0	0	451,361
Subtotal	\$13,102,733	\$18,151,282	\$52,814,323	\$39,108,816	\$0	\$0	\$0	\$39,108,816
DEBT SERVICE FUNDS								
200/201 Consolidated Debt Service	\$287,548,974	\$287,850,034	\$302,592,578	\$289,824,864	\$0	\$284,792,428	\$0	\$5,032,436
Subtotal	\$287,548,974	\$287,850,034	\$302,592,578	\$289,824,864	\$0	\$284,792,428	\$0	\$5,032,436
CAPITAL PROJECTS FUNDS								
301 Contributed Roadway Improvement Fund	\$594,287	\$0	\$40,365,503	\$0	\$0	\$0	\$0	\$0
302 Library Construction	4,997,368	0	13,761,293	0	0	0	0	0
303 County Construction	20,712,385	16,723,869	129,260,920	20,537,806	3,000,000	15,137,806	0	2,400,000
306 Northern Virginia Regional Park Authority ⁵	2,700,000	3,000,000	0	0	0	0	0	0
307 Pedestrian Walkway Improvements	600,075	100,000	4,187,750	300,000	0	300,000	0	0
309 Metro Operations and Construction ⁶	11,424,916	24,773,000	27,212,101	21,839,000	21,839,000	0	0	0
311 County Bond Construction ⁷	4,439,367	0	0	0	0	0	0	0
312 Public Safety Construction	14,364,436	442,595	114,624,702	0	0	0	0	0
315 Commercial Revitalization Program	177,966	0	3,920,268	0	0	0	0	0
316 Pro Rata Share Drainage Construction	3,174,532	0	6,977,884	0	0	0	0	0
317 Capital Renewal Construction	8,445,360	15,000,000	47,461,662	15,285,000	0	0	0	15,285,000
340 Housing Assistance Program	782,786	515,000	7,727,170	515,000	0	515,000	0	0
370 Park Authority Bond Construction	16,188,209	0	47,337,620	0	0	0	0	0
390 Public School Construction	162,465,201	163,084,711	439,120,632	163,072,120	155,000,000	0	0	8,072,120
Subtotal	\$251,066,888	\$223,639,175	\$881,957,505	\$221,548,926	\$179,839,000	\$15,952,806	\$0	\$25,757,120

SUMMARY SCHEDULE OF FY 2013 FUNDED CAPITAL PROJECTS

Fund/Title	EXPENDITURES				FY 2013 FINANCING			
	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	General Obligation Bonds ¹	General Fund	Federal/ State Aid	Other ²
Real Estate Tax Revenue								
318 Stormwater Management Program ⁸	\$8,755,236	\$0	\$0	\$0	\$0	\$0	\$0	\$0
319 The Penny for Affordable Housing Fund	10,824,709	14,668,400	29,092,284	15,443,400	0	0	0	15,423,400
Subtotal	\$19,579,945	\$14,668,400	\$29,092,284	\$15,443,400	\$0	\$0	\$0	\$15,423,400
ENTERPRISE FUNDS								
402 Sewer Construction Improvements	\$17,640,761	\$29,000,000	\$62,082,602	\$30,000,000	\$0	\$0	\$0	\$30,000,000
408 Sewer Bond Construction	68,204,481	0	171,413,199	0	0	0	0	0
Subtotal	\$85,845,242	\$29,000,000	\$233,495,801	\$30,000,000	\$0	\$0	\$0	\$30,000,000
TOTAL	\$657,143,782	\$573,308,891	\$1,499,952,491	\$595,926,006	\$179,839,000	\$300,745,234	\$0	\$115,321,772

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 In preparation for the implementation of the new Fairfax County Unified System (FOCUS), Fund 306, Northern Virginia Regional Park Authority (NVRPA) was eliminated and transferred to Fund 303, County Construction.

⁶ Reflects capital construction portion of Metro expenses net of State Aid.

⁷ Due to the small number of active projects in Fund 311, all balances were transferred to Fund 303, County Construction beginning in FY 2012.

⁸ In preparation for the implementation of the New Fairfax County Unified System (FOCUS), all stormwater projects in Fund 318 were transferred to Fund 125, Stormwater Services.

FY 2013 Funded Capital Projects
(For additional information see referenced Fund narratives)

Fund	Project	Project Name	FY 2013 Advertised Total	General Fund (Paydown)	General Obligation Bonds	Athletic Services Fee	Sewer Revenues	Stormwater Revenues	Penny for Affordable Housing	Short Term Borrowing	Other Revenues
109	109001	Newington Facility Enhancements	\$125,000								\$125,000
110	174008	Permit and Receiving Center	\$1,200,000								\$1,200,000
110	174009	Truck Ramp Retaining Wall	\$850,000								\$850,000
114	186440	I-95 Landfill Leachate Facility	\$100,000								\$100,000
114	186600	Methane Gas Recovery	\$100,000								\$100,000
114	186650	I-95 Landfill Closure	\$500,000								\$500,000
113	003601	McLean Community Center Improvements	\$627,000								\$627,000
125	FX0100	Stream and Water Quality Improvements	\$11,000,000					\$11,000,000			
125	FX0400	Dam Safety and Facility Rehabilitation	\$6,198,569					\$6,198,569			
125	FX8000	Emergency and Flood Control Program	\$5,900,000					\$5,900,000			
125	FX0600	Conveyance System Rehabilitation	\$6,500,000					\$6,500,000			
125	FX0700	Stormwater Regulatory Program	\$5,000,000					\$5,000,000			
125	SP0001	NVSWD Contribution	\$444,327					\$444,327			
125	SP0002	Occoquan Monitoring Contribution	\$112,559					\$112,559			
144	013906	Undesignated Project	\$151,361								\$151,361
144	014191	Rehabilitation of FCRHA Properties	\$100,000								\$100,000
144	014116	AHPP Tier III	\$200,000								\$200,000
303	005006	Parks Maintenance of FCPS Athletic Fields	\$722,535	\$722,535							
303	005009	Athletic Field Maintenance	\$2,500,000	\$2,500,000							
303	005012	Athletic Services Fee - Field Maintenance	\$1,000,000	\$750,000		\$250,000					
303	005013	Athletic Field Services - Turf Field Development	\$350,000			\$350,000					
303	005014	Athletic Service Fee- Custodial Support	\$275,000			\$275,000					
303	005016	FCPS Athletic Field Lighting Requirements	\$200,000	\$200,000							
303	005017	Athletic Services Fee - Turf Field Replacement	\$500,000	\$350,000		\$150,000					
303	005020	APRT Amenity Maintenance	\$50,000	\$50,000							
303	005021	Athletic Services Fee - Sport Scholarship	\$150,000	\$75,000		\$75,000					
303	007012	School Age Child Care (SACC) Contribution	\$750,000	\$750,000							
303	008043	No. Virginia Community College Contribution	\$1,897,721	\$1,897,721							
303	009406	ADA Compliance - FMD	\$2,000,000	\$2,000,000							
303	009416	ADA Compliance - Parks	\$1,000,000	\$1,000,000							
303	009417	Parks General Maintenance	\$213,000	\$213,000							
303	009422	Maintenance of Commercial Revitalization Areas	\$405,000	\$405,000							
303	009442	Parks Grounds Maintenance	\$787,076	\$787,076							
303	009443	Parks Facility/Equipment Maintenance	\$470,000	\$470,000							

FY 2013 Funded Capital Projects
(For additional information see referenced Fund narratives)

Fund	Project	Project Name	FY 2013 Advertised Total	General Fund (Paydown)	General Obligation Bonds	Athletic Services Fee	Sewer Revenues	Stormwater Revenues	Penny for Affordable Housing	Short Term Borrowing	Other Revenues
303	009444	Laurel Hill - FMD	\$755,263	\$755,263							
303	009444	Laurel Hill - Parks	\$297,120	\$297,120							
303	009494	Salona Payment	\$990,091	\$990,091							
303	009700	Environmental Initiatives	\$350,000	\$350,000							
303	U00005	Survey Control and Network Monumentation	\$75,000	\$75,000							
303	U00060	Developer Defaults	\$700,000	\$400,000							\$300,000
303	V00002	Emergency Road Repairs	\$100,000	\$100,000							
303	Z00002	Developer Streetlight Program	\$1,000,000								\$1,000,000
303	Z99999	Northern Virginia Regional Park Authority	\$3,000,000		\$3,000,000						
307	002200	Emergency Maintenance of Existing Trails	\$100,000	\$100,000							
307	G25009	Transportation Inventory Assessment	\$200,000	\$200,000							
309	N/A	Metro Operations and Construction Contribution	\$21,839,000		\$21,839,000						
317	003099	Emergency Building Repairs	\$1,600,000							\$1,315,000	\$285,000
317	003100	Fire Alarm System Replacement	\$500,000							\$500,000	
317	009051	HVAC Electrical Replacement	\$4,800,000							\$4,800,000	
317	009132	Roof Repairs and Replacement	\$435,000							\$435,000	
317	009133	Carpet Replacement	\$500,000							\$500,000	
317	009136	Parking Lot Replacement	\$160,000							\$160,000	
317	009431	Emergency Generator Replacement	\$1,200,000							\$1,200,000	
317	009600	Elevator/ Escalator Replacement	\$6,025,000							\$6,025,000	
317	009602	Window Replacement	\$65,000							\$65,000	
319	014049	Affordable/Workforce Housing	\$347,937						\$347,937		
319	014239	Crescent Apartments	\$3,349,000						\$3,349,000		
319	014268	Wedgewood	\$5,753,063						\$5,753,063		
319	014277	Bridging Affordability Program	\$4,318,400						\$4,318,400		
319	014321	Non-profit Blueprint Project	\$1,675,000						\$1,675,000		
340	014272	Community Improvement Program Costs	\$515,000	\$515,000							
390	N/A	Public School Construction	\$163,072,120		\$155,000,000						\$8,072,120
402	I00353	Pumping Stations	\$3,800,000				\$3,800,000				
402	X00442	Facility Improvements (Fred Oaks)	\$210,000				\$210,000				
402	X00828	Extension and Improvement Projects	\$3,000,000				\$3,000,000				
402	X00903	Replacement and Transmission	\$20,714,000				\$20,714,000				
402	X00912	Replacement and Renewal Treatment	\$2,276,000				\$2,276,000				
Total			\$306,101,142	\$15,952,806	\$179,839,000	\$1,100,000	\$30,000,000	\$35,155,455	\$15,443,400	\$15,000,000	\$13,610,481

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FY 2013

Advertised Budget Plan



This section includes:

- Household Tax Analysis (Page 142)
- Demographic Trends (Page 148)
- Economic Trends (Page 152)

Trends and Demographics

Trends and Demographics

HOUSEHOLD TAX ANALYSES

The following analyses illustrate the impact of selected County taxes on the "typical" household from FY 2007 to FY 2013. This period provides five years of actual data, estimates for FY 2012 based on year-to-date experience, and projections for FY 2013. Historical dollar amounts are converted to FY 2013 dollar equivalents for comparison purposes using the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore area. The Washington metropolitan area has experienced average annual inflation of 2.4 percent from FY 2007 to FY 2011. It should be noted that slight deflation occurred in FY 2009 due to the economic downturn. Moderate inflation returned in 2010 and the rate accelerated in FY 2011. Projections for inflation in FY 2012 and FY 2013 are based on a forecast of 3.0 percent in FY 2012 and 3.1 percent in FY 2013 using the January 2012 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 2007 - FY 2013

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 proposed FY 2013 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 2013, selected County General Fund taxes are projected to remain relatively stable, when compared to FY 2012, after adjusting for inflation. The "typical" household in Fairfax County is projected to pay \$5,616.33, \$62.09 less than in FY 2012, after adjusting for inflation. From FY 2007 to FY 2013, the inflation adjusted County taxes paid by the "typical" household have declined \$942.52. Note that taxes paid in FY 2007 through FY 2013 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.)

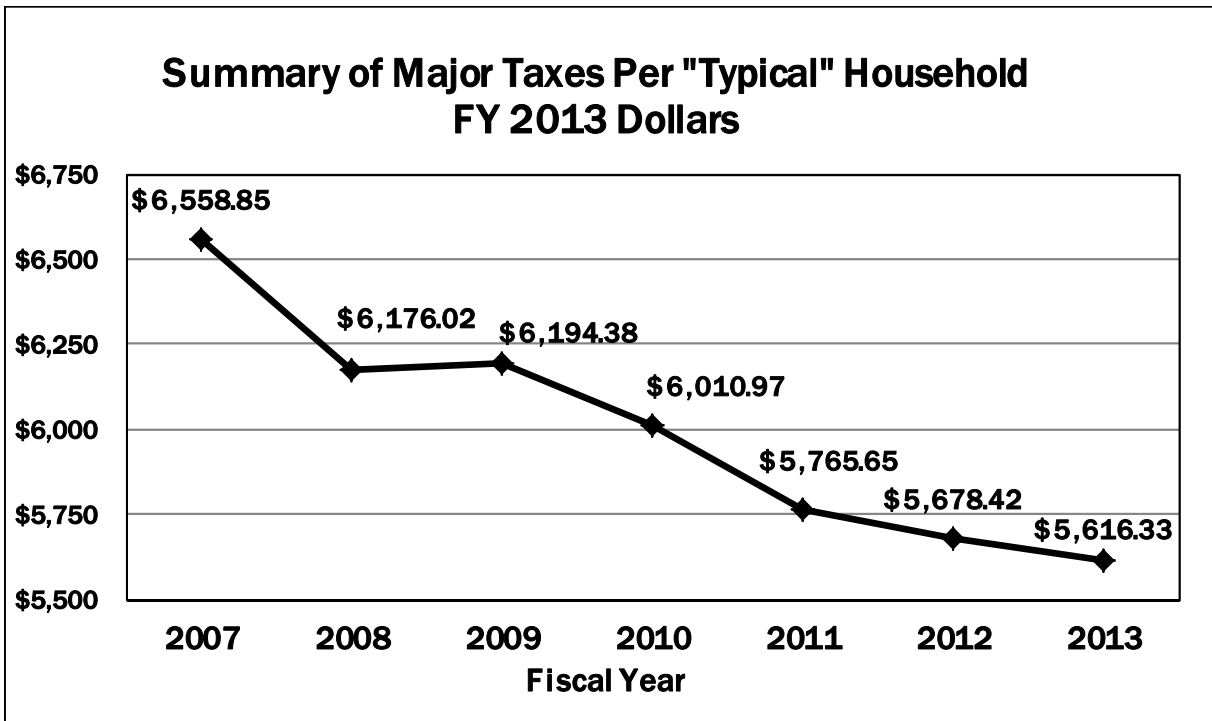
Trends and Demographics

Summary of Major Taxes Per "Typical" Household

	Number of Households	Real Estate Tax in FY 2013 Dollars	Personal Property Tax In FY 2013 Dollars ¹	Sales Tax In FY 2013 Dollars	Consumer Utility Tax In FY 2013 Dollars	Total Taxes in FY 2013 Dollars ¹
FY 2007	381,227	\$5,655.84	\$347.09	\$487.42	\$68.50	\$6,558.85
FY 2008	381,686	\$5,328.43	\$318.57	\$465.17	\$63.85	\$6,176.02
FY 2009	384,400	\$5,381.83	\$305.48	\$445.86	\$61.21	\$6,194.38
FY 2010	386,100	\$5,260.05	\$259.60	\$427.83	\$63.49	\$6,010.97
FY 2011	387,200	\$5,016.73	\$263.17	\$424.43	\$61.32	\$5,765.65
FY 2012²	388,500	\$4,914.98	\$278.62	\$424.60	\$60.22	\$5,678.42
FY 2013²	390,900	\$4,801.05	\$329.75	\$426.90	\$58.63	\$5,616.33

¹ Personal Property Taxes paid incorporate reductions in Personal Property Tax bills sent to citizens under the state's Personal Property Tax Relief program. The reductions were 66.67 percent in FY 2007, 67.0 percent in FY 2008, 68.5 percent in FY 2009, 70.0 percent in both FY 2010 and FY 2011, and 68.0 percent in FY 2012. The reduction in FY 2013 has been set at 63.0 percent. The difference in revenue will be paid to the County by the Commonwealth.

² Estimated.



Trends and Demographics

Real Estate Tax Per "Typical" Household

	Mean Assessed Value of Residential Property	Tax Rate per \$100	Tax per Household	Tax per Household In FY 2013 Dollars
FY 2007	\$544,541	\$0.89	\$4,846.41	\$5,655.84
FY 2008	\$542,409	\$0.89	\$4,827.44	\$5,328.43
FY 2009	\$525,132	\$0.92	\$4,831.21	\$5,381.83
FY 2010	\$457,898	\$1.04	\$4,762.14	\$5,260.05
FY 2011	\$433,409	\$1.09	\$4,724.16	\$5,016.73
FY 2012¹	\$445,533	\$1.07	\$4,767.20	\$4,914.98
FY 2013¹	\$448,696	\$1.07	\$4,801.05	\$4,801.05

¹ Estimated.

As shown in the preceding table, Real Estate Taxes per "typical" household are projected to increase \$33.85 between FY 2012 and FY 2013 to \$4,801.05, not adjusting for inflation. This increase is the result of the 0.71 percent increase in the mean assessed value of residential properties within the County. The proposed FY 2013 General Fund Real Estate Tax rate is \$1.07 per \$100 of assessed value, the same as FY 2012.

Since FY 2007, Real Estate Taxes have decreased \$45.36, or an average annual decrease of 0.2 percent per year, not adjusting for inflation. Adjusted for inflation, Real Estate Taxes per "typical" household are \$854.79 less than in FY 2007, an average annual decrease of 2.7 percent.

Trends and Demographics

Personal Property Tax Per "Typical" Household

	Personal Property Taxes			After PPTRA		
	Attributed to Individuals	Number of Households	Tax per Household	Tax per Household in FY 2013 Dollars	Adjusted Tax per Household ¹	Adjusted Tax per Household in FY 2013 Dollars ¹
FY 2007	\$340,181,270	381,227	\$892.33	\$1,041.36	\$297.41	\$347.09
FY 2008	\$333,823,546	381,686	\$874.60	\$965.37	\$288.62	\$318.57
FY 2009	\$334,648,575	384,400	\$870.57	\$969.79	\$274.23	\$305.48
FY 2010	\$302,475,782	386,100	\$783.41	\$865.32	\$235.02	\$259.60
FY 2011	\$319,851,985	387,200	\$826.06	\$877.22	\$247.82	\$263.17
FY 2012²	\$328,089,879	388,500	\$844.50	\$870.68	\$270.24	\$278.62
FY 2013²	\$348,380,190	390,900	\$891.23	\$891.23	\$329.75	\$329.75

¹ Personal Property Taxes paid incorporate reductions in Personal Property Tax bills sent to citizens under the state's Personal Property Tax Relief program. The reductions were 66.67 percent in FY 2007, 67.0 percent in FY 2008, 68.5 percent in FY 2009, 70.0 percent in both FY 2010 and FY 2011, and 68.0 percent in FY 2012. The reduction in FY 2013 has been set at 63.0 percent. The difference in revenue will be paid to the County by the Commonwealth.

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. 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 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, 70.00 percent in both FY 2010 and FY 2011, and 68.00 percent in FY 2012. The FY 2013 reimbursement percentage has been set at 63.00 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 \$59.51 between FY 2012 and FY 2013 to \$329.75 based on a 63.00 percent state share. The FY 2013 Personal Property Tax per "typical" household is \$32.34 more than what was paid in FY 2007, not adjusting for inflation. When adjustments are made for inflation, the "typical" household is projected to pay \$17.34 less in FY 2013 than FY 2007. There have been no changes to the Personal Property Tax rate of \$4.57 per \$100 of assessed value for individuals during the FY 2007 to FY 2013 period, except for mobile homes and boats, which are taxed at the prevailing Real Estate Tax rate each fiscal year.

Trends and Demographics

Vehicle Registration Fee

The FY 2013 Advertised Budget Plan also includes the 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.

Sales Tax Per "Typical" Household

	Total Sales Tax	Number of Households	Tax per Household	Tax per Household In FY 2013 Dollars
FY 2007	\$159,224,006	381,227	\$417.66	\$487.42
FY 2008	\$160,855,221	381,686	\$421.43	\$465.17
FY 2009	\$153,852,596	384,400	\$400.24	\$445.86
FY 2010	\$149,547,338	386,100	\$387.33	\$427.83
FY 2011	\$154,757,415	387,200	\$399.68	\$424.43
FY 2012¹	\$159,995,760	388,500	\$411.83	\$424.60
FY 2013¹	\$166,876,306	390,900	\$426.90	\$426.90

¹ Estimated.

As shown in the table above, FY 2013 Sales Tax paid per household is estimated to be \$426.90 or \$9.24 more than FY 2007, not adjusting for inflation. This represents an average annual increase of 0.4 percent since FY 2007. Adjusting for inflation, Sales Tax paid per household has decreased \$60.52 during the same period, representing an average annual decrease of 2.2 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.

Trends and Demographics

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 2013 Dollars
FY 2007	\$22,376,664	381,227	\$58.70	\$68.50
FY 2008	\$22,081,309	381,686	\$57.85	\$63.85
FY 2009	\$21,124,481	384,400	\$54.95	\$61.21
FY 2010	\$22,192,306	386,100	\$57.48	\$63.49
FY 2011	\$22,355,408	387,200	\$57.74	\$61.32
FY 2012¹	\$22,693,264	388,500	\$58.41	\$60.22
FY 2013¹	\$22,920,198	390,900	\$58.63	\$58.63

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 2007 through FY 2013. In FY 2013, the "typical" household will pay an estimated \$58.63 in Consumer Utility Taxes, a modest \$0.07 less than in FY 2007, without adjusting for inflation. From FY 2007 to FY 2013, the "typical" household has experienced an average annual decrease of 2.6 percent, or \$9.87 over the period, adjusted for inflation.

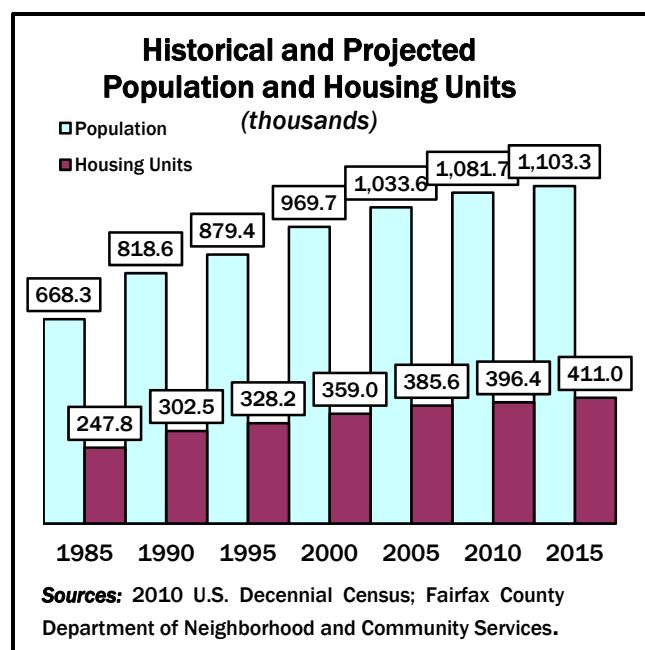
Trends and Demographics

DEMOGRAPHIC TRENDS

Demographic trends strongly influence Fairfax County's budget. Changing demographics or population characteristics affect both the 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.

Population and Housing

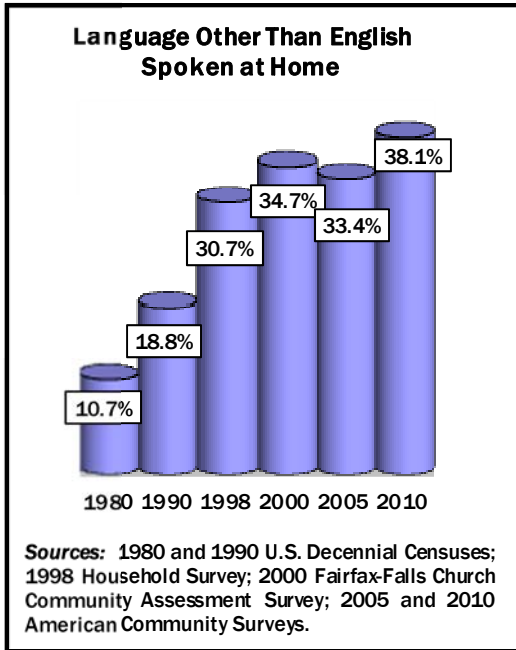
Some of the strongest demographic influences on Fairfax County expenditures and revenues are those associated with the growth in total population and housing units. During the 1980s, the County went through a period of notable population growth, adding over 220,000 residents. Growth moderated during 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.



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.

Trends and Demographics

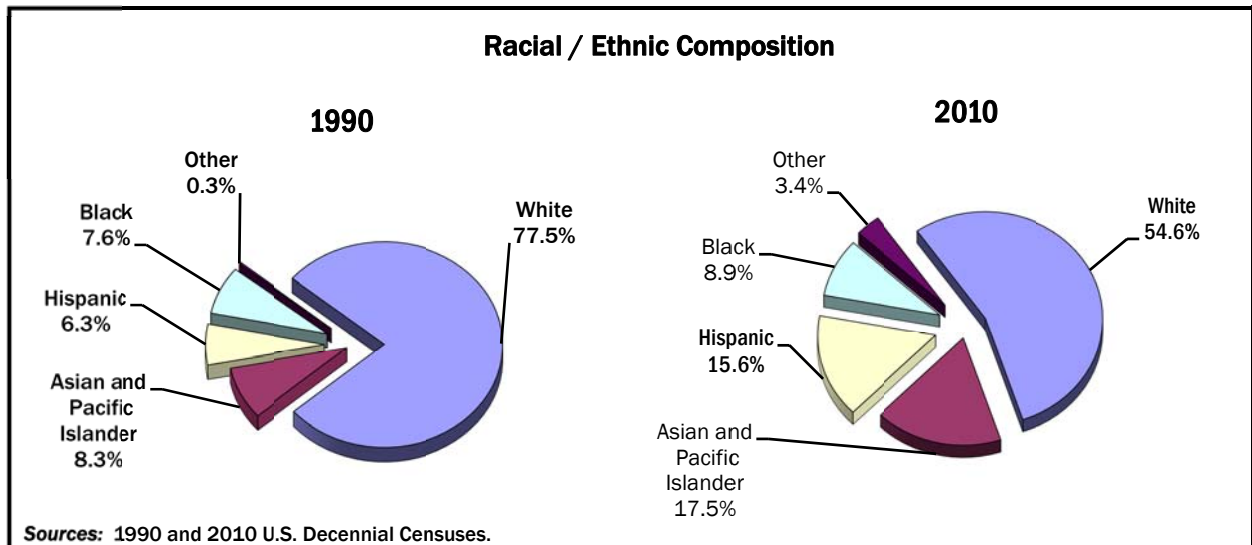
Cultural Diversity



Fairfax County’s population is rich in diversity. As of 2010, the number of persons, age five years and older, speaking a language other than English at home is estimated to be over 386,000 residents. This represents 38.1 percent 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 2011, total public school membership increased 13.2 percent, while ESOL enrollment grew approximately 68.2 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.



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.

Trends and Demographics

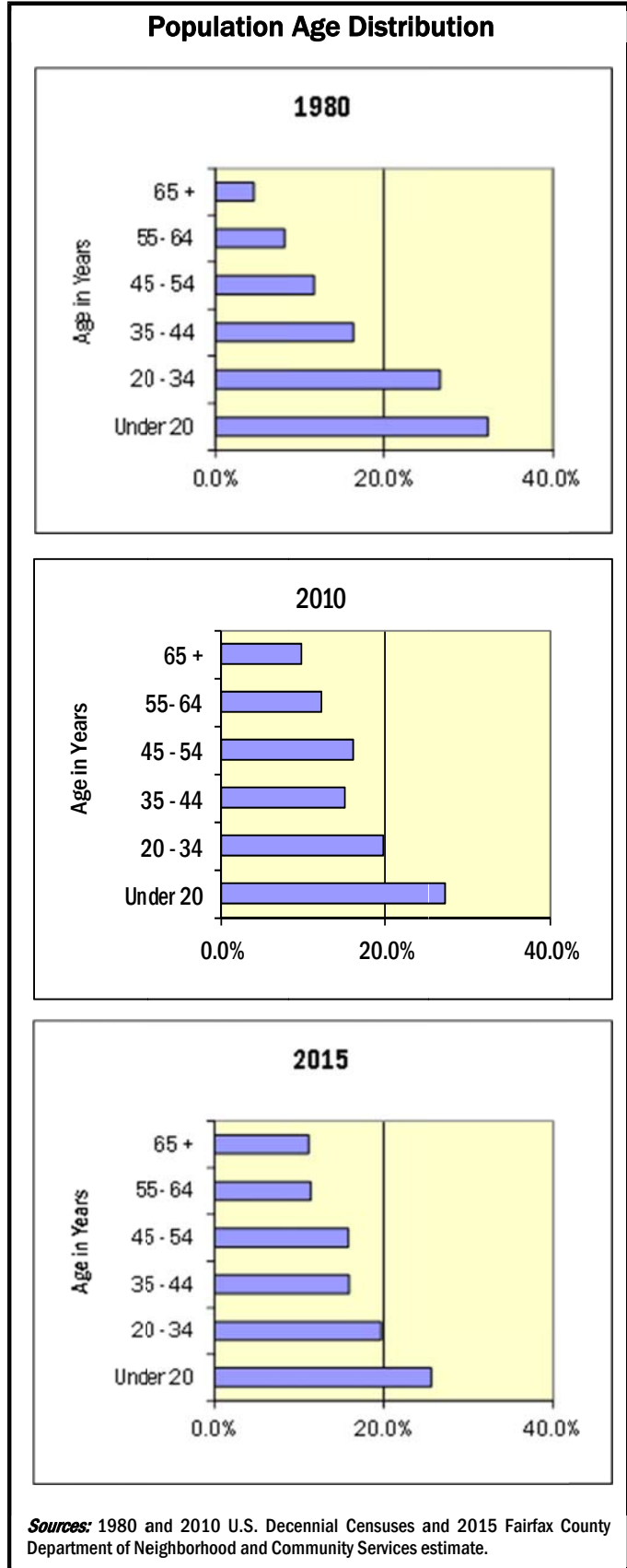
Population Age Distribution

Fairfax County's population has grown steadily older since 1980. Between 1980 and 2010, the percentage of children age 19 years and younger became a smaller proportion of the total population, dropping from 32.4 percent to 26.4 percent in 2010. 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 2010, as the first "baby boomers" began to enter into their fifties. This age group's sharp growth trend will begin to reverse between 2010 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 2010, 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.

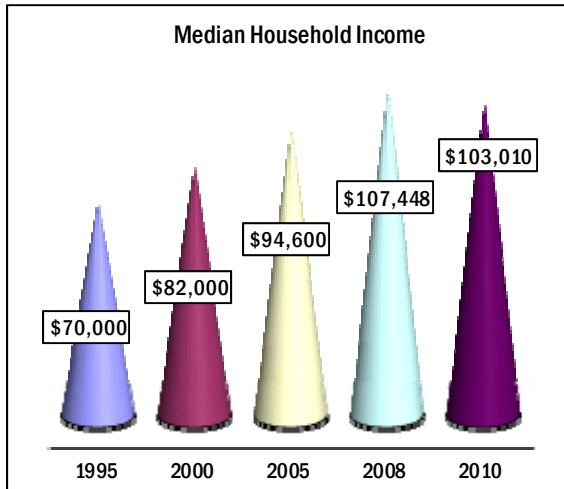
The age distribution of Fairfax County's population greatly impacts the demand and, therefore, the costs of providing many local government services. For example, the number, location, and size of school and day care facilities are directly affected by the number and proportion of children. Transportation 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.



Trends and Demographics

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.

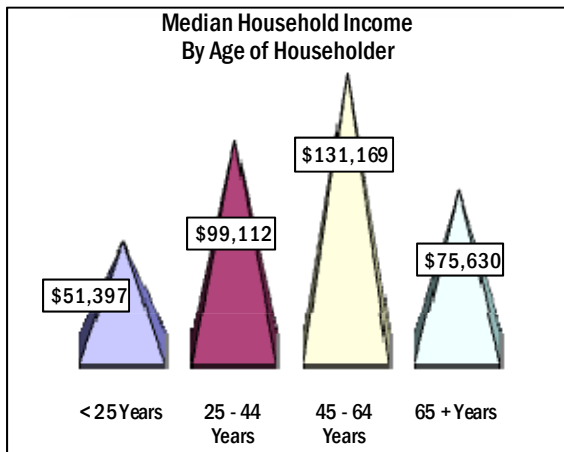
Household Income



Sources: 1989 from the 1990 U.S. Decennial Census; 1995, and 1997 from the 1996, and 1998 Household Survey; 2000 Fairfax-Falls Church Community Assessment Survey; 2005 - 2010 American Community Survey.

The median household income in Fairfax County was \$103,010 in 2010, the second highest in the nation for counties with a population of 250,000 or more after neighboring Loudoun County. Fairfax County's 2010 median household income increased 0.5 percent over 2009. Consequently, households in Fairfax County had slightly higher discretionary income to spend or save. Since 1995, median household income in the County has risen at a rate of 2.6 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.



Source: 2010 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 \$131,169 in 2010.

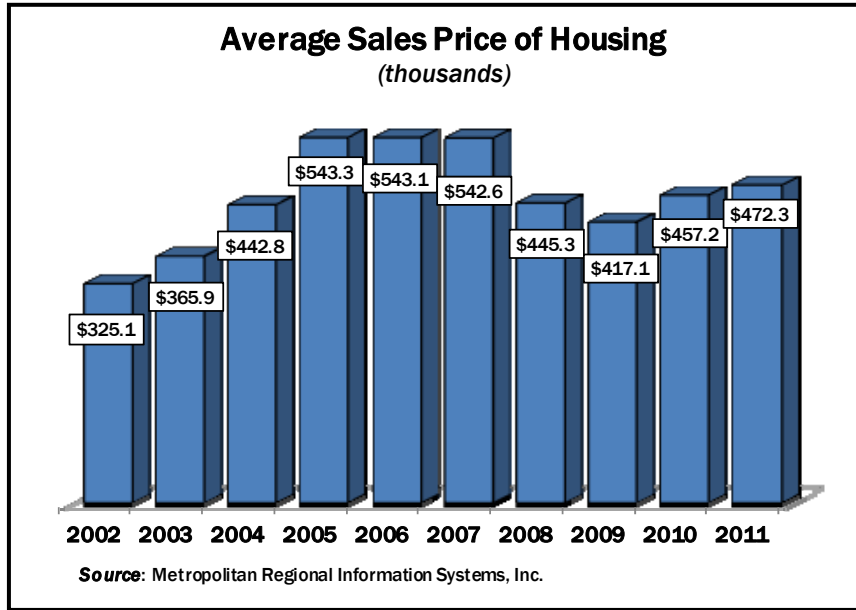
The median household income of people age 65 or older drops to \$75,630. A population containing a larger number of seniors, age 65 and older, will put downward pressure on tax revenues. These senior households are typically on a fixed income and have less discretionary money to spend. In addition, persons in this age group own fewer motor vehicles and may qualify for Real Estate Tax Relief.

Trends and Demographics

ECONOMIC TRENDS

Average Sales Price of Housing

Based on preliminary data from the Metropolitan Regional Information Systems, Inc. (MRIS), the average sales price for all types of homes sold in Fairfax County increased 3.3 percent from \$457,174 in 2010 to

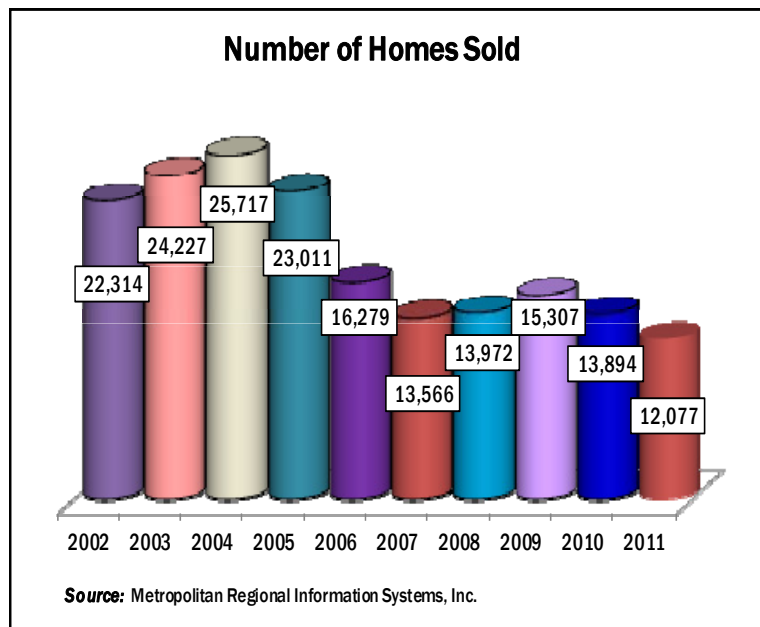


\$472,344 in 2011. This marks the second consecutive year in which the average sales price of homes sold increased, albeit modestly, after declining in the previous three years. The stagnant sales price encountered in 2006 signaled a rapid turnaround from the double-digit increases in sales price appreciation 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 2013, Real Estate Tax revenue is projected to comprise nearly 61 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

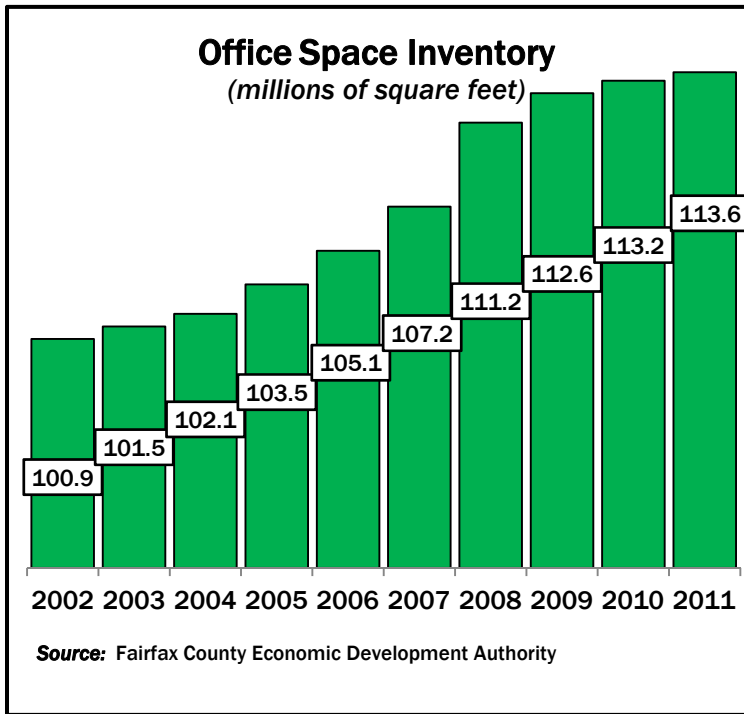
The number of homes sold in Fairfax County declined in 2011 for a second consecutive year. Based on preliminary data from MRIS, the number of homes sold in 2011 was 12,077, a 13.1 percent decrease from the 13,894 sold in 2010. From 2002 through 2004, the number of homes sold increased annually and peaked in 2004, when 25,717 homes were sold. In 2011, 53.0 percent fewer homes were sold than in 2004.



Based on preliminary data from the Metropolitan Regional Information Systems Inc., the average days on the market for active residential real estate listings in Fairfax County was 58 days for all of 2011 – 8 days slower than the 2010 level of 50 days.

Trends and Demographics

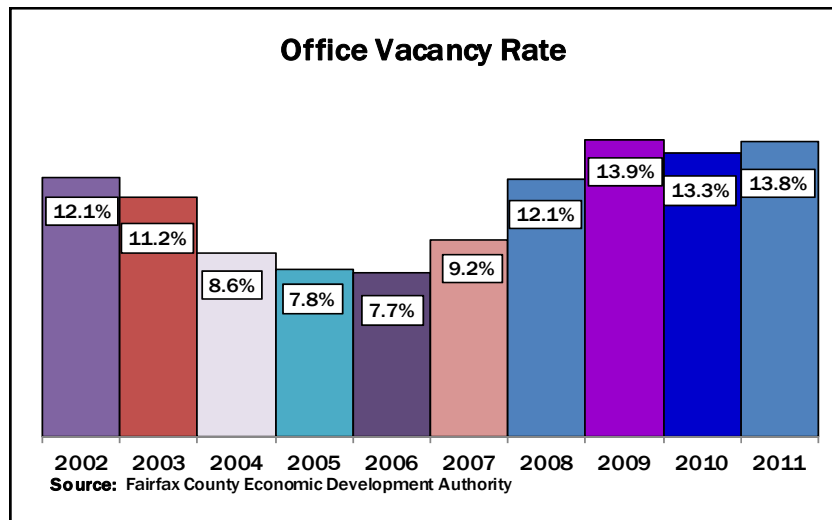
Office Space Inventory



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 12.7 million square feet to 113.6 million square feet as yearend 2011. The worldwide financial crisis experienced at the end of 2008 and the lack of available credit slowed down new office development,

but according to the Economic Development Authority the commercial office market in the County remained on the path to recovery. New office construction activity increased dramatically in 2011. At the end of 2011, there were nine buildings totaling 1.6 million square feet under construction. More than 73 percent of the new activity was 100 percent speculative. This interest in speculative development reflects confidence in the stability of the Fairfax County office market. The primary factors driving much of the new development are the construction of the Metrorail Silver Line along the Dulles Toll Road corridor and the completion of the Base Realignment and Closure Act (BRAC) developments along the Interstate 95 corridor in southeastern Fairfax County.

Office Vacancy Rates



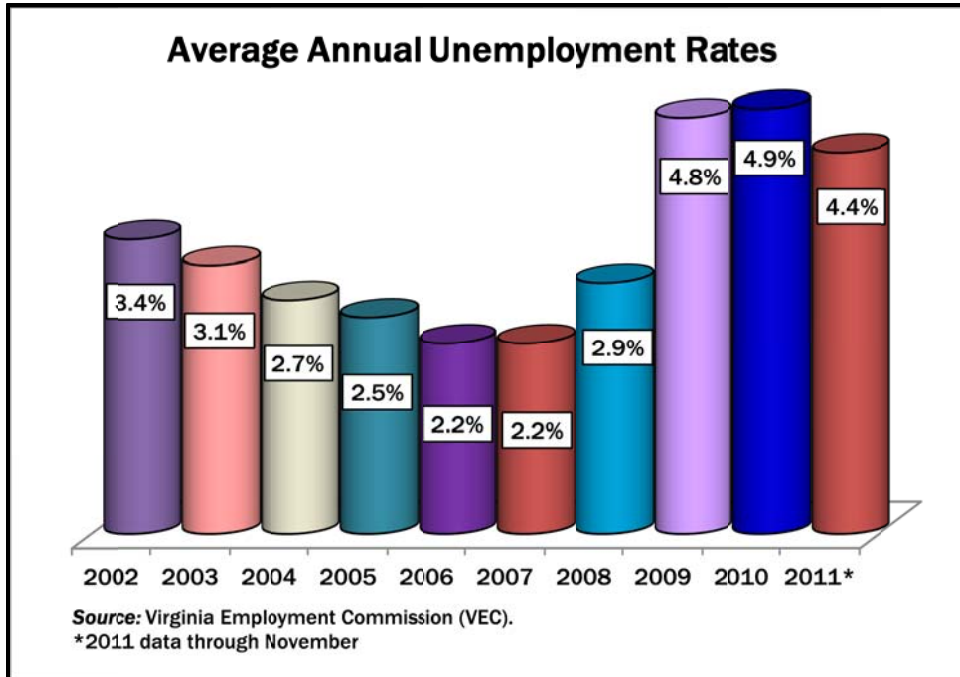
The inventory of office space rose an average of 600,000 square feet per year from 2001 through 2003. This along with record leasing activity in 2003 and 2004 resulted in declining office vacancy rates. Construction of new office space began to accelerate in 2005, adding an average of 2.1 million square feet per year through 2009 to the office inventory. By year-end 2009, the direct office vacancy rate increased to 13.9 percent, the highest on record since 1992. The direct vacancy rate at year-end 2011 was 13.8 percent. Including sublet space, the overall office vacancy rate was 15.7 percent, up from 15.3 percent. The increase in the vacancy rate is directly

related to the increase in the office space inventory. The increase in the vacancy rate is directly

Trends and Demographics

attributed to BRAC movements during the last half of 2011. The relocation of several defense related government agencies left more than a million square feet of vacant space on the market at the end of the year. Total leasing activity during 2011 topped 11.5 million square feet, down from the record 13.6 million square feet of leasing activity in 2010, but well above the five year-average of 10.8 million square feet.

Employment



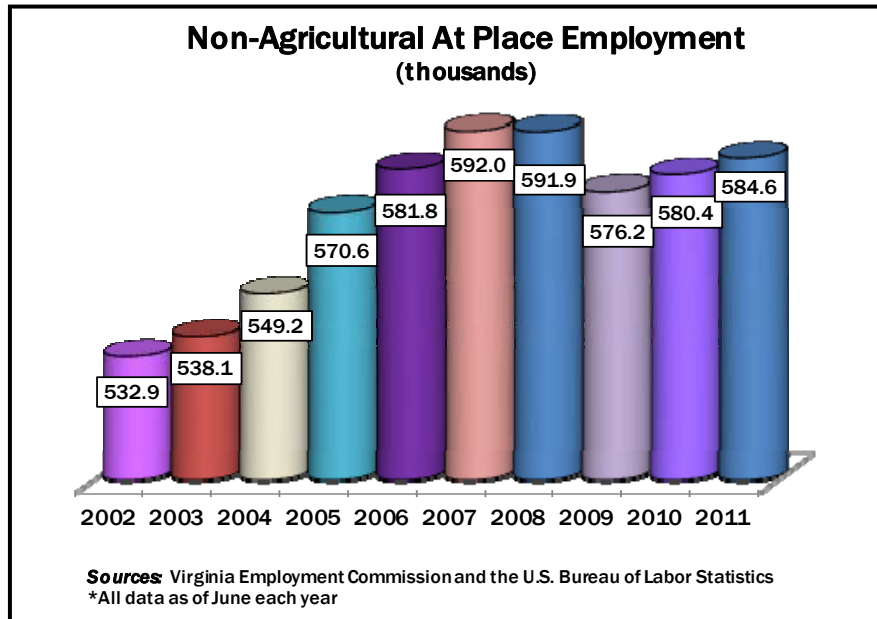
Unemployment rates show the strength of the Fairfax County economy by indicating how many Fairfax County residents are actively seeking but are unable to obtain employment. During the last decade, residents of Fairfax County have experienced low unemployment rates even during economic recessions. The 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. Through November 2011, the unemployment rate declined to 4.4 percent. It should be noted that in the last three recessions, the unemployment rate never exceeded 4.0 percent.

Trends and Demographics

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, before it increased a modest 0.7 percent in 2010. As of June 2011, the estimated number of non-agricultural jobs in the County totals 584,643. This represents an increase of approximately 4,300 jobs over 2010, or 0.7 percent.





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Advertised Budget Plan



This section includes:

- Financial Forecast Summary (Page 158)
- Revenue Forecast (Page 158)
- Disbursement Assumptions (Page 161)

Financial Forecast

Financial Forecast

Financial Forecast Summary

The following forecast provides preliminary revenue and disbursement projections for FY 2014 through FY 2016. 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 2014 property values will be based on calendar year 2012 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 2014 budget. This forecast projects that County General Fund revenue will increase 2.80 percent in FY 2014, 3.18 percent in FY 2015 and 3.26 percent in FY 2016.

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*, which 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 preliminary rate of 2.8 percent in the fourth quarter of 2011. The consensus from the December 2011 *Blue Chip Financial Forecasts* projects the economy will continue to grow at a similar rate from 2013 through 2016. The January 2012 employment report showed widespread job growth in the private sector and the U.S. jobless rate fell to 8.3 percent, its lowest level in three years. Nonfarm employment rose by 243,000 jobs, the most in nine months. Since September 2011, the U.S. has added an average of 183,000 jobs per month. The increase in jobs suggests that the national economy is gaining momentum.

The local economy is also improving. Moody's Analytics estimates that Gross County Product (GCP), adjusted for inflation, rose at a preliminary rate of 3.0 percent in 2011. The County's unemployment rate remains low at 4.2 percent as of December 2011, down from 4.4 percent in December 2010. The current unemployment rate equates to approximately 26,000 unemployed residents. Based on preliminary 2011 figures from the Bureau of Labor Statistics, the Northern Virginia area has more than regained the number of jobs lost during the recession. From peak employment in February 2008 to its trough in February 2010, the area lost 36,400 jobs. As of December 2011, there were 41,600 more jobs than in February 2010. This is a gain of 5,200 jobs above the pre-recession peak. Job growth in the area is expected to continue. Citing an educated workforce and resilient industries, the Brookings Institution recently ranked the Washington area first among major metropolitan areas for potential job creation.

Residential Housing Market

The number of homes sold in 2011 fell for the second consecutive year, but average sales prices rose. Based on information from the Metropolitan Regional Information System (MRIS), the number of homes sold fell 13.1 percent from 13,894 to 12,077. However, the average price of homes sold during the year rose 3.3 percent. This rate may overstate the improvement in the residential market as the MRIS data is impacted by the mix of homes sold. The Washington Metropolitan Area Case-Shiller home price index recorded a 0.5 percent increase in November 2011, one of just two markets 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. Regardless of the measure, home prices in Fairfax are stable. There are other signs that point to a stable residential market. For instance, the number of properties owned by

Financial Forecast

the mortgage lender totaled 749 in December 2011, an 11.0 percent decrease from the 842 a year earlier. The number of serious mortgage delinquencies has also declined from last year. As of the third quarter of 2011, 1.4 percent of prime loans and 10.0 percent of subprime loans were 90 or more days past due, compared to 2.0 percent and 14.9 percent, respectively, in the third quarter of 2010.

FY 2013 residential values rose for the second consecutive year, albeit a slight 0.71 percent. Residential values are anticipated to experience a slow upward climb during the forecast period, with projected increases of 1.0 percent in FY 2014 and 1.5 percent in both FY 2015 and FY 2016.

Nonresidential Real Estate

Nonresidential real estate values also increased for the second straight year, rising 8.21 percent. Office elevator properties (mid- and high-rises), the largest component of the nonresidential tax base at nearly 37 percent, rose 11.34 percent. The County's total office space inventory at the end of 2011 was 113.6 million square feet, a modest increase of 475,000 square feet over 2010. Even with a rise in rental rates, total leasing activity during 2011 topped 11.5 million square feet, down from the record 13.6 million square feet of leasing activity in 2010, but well above the five-year average of 10.8 million square feet. Office vacancy rates rose at year-end 2011, but the increase was directly related to Base Realignment and Closure Act (BRAC) movements during the last half of 2011. The relocation of several defense related government agencies left more than a million square feet of vacant space on the market at the end of the year when they relocated to Fort Belvoir. The consolidation of these agencies is sparking additional construction, as 10 million square feet of office development is in the pipeline in the surrounding area. The area around Fort Belvoir will also benefit by a large infrastructure investment by the federal government for transportation improvements.

Multi-family apartment properties, which make up over 21 percent of the nonresidential base, experienced an increase of 12.60 percent in FY 2013. Demand for apartments was strong during the year, which increased rental income. Reflecting rising consumer spending, retail property values increased 7.16 percent in FY 2013. The values of all types of nonresidential values are projected to rise at a moderate pace, with an overall increase of 6.00 percent during the forecast period.

New Construction

The Real Estate Tax base will also be impacted by new construction in the County. New office construction activity increased dramatically in 2011 spurred by the construction of the Metro Silver line in Tyson Corner and the Dulles corridor. At the end of 2011, there were nine buildings totaling 1.6 million square feet under construction. More than 73 percent of the new activity was 100 percent speculative. This interest in speculative development reflects confidence in the stability of the Fairfax County office market. New construction of multi-family properties will continue to be strong during the forecast period based on the number of recent building permits issued. From July 2011 through December 2011, new multi-family building permits rose 353 percent to 181 from the 40 issued during the same time the previous year. Residential construction is projected to be relatively modest during the forecast period, with a slight bump in FY 2015, partly due to construction in the Tysons Corner area. Based on current activity, total new construction is projected to add 0.80 percent to the overall real estate base in FY 2014. In FY 2015 and FY 2016, values are expected to rise 0.90 each year as a result of construction activity.

Total Real Estate

Based on the assumptions above, the total Real Estate Tax base is expected to continue to rise 3.10 percent in FY 2014, 3.60 percent in FY 2015 and 3.70 percent in FY 2016.

Financial Forecast

Personal Property Taxes

Current Personal Property Tax revenue, which represents approximately 16 percent of total General Fund revenue, is anticipated to experience an increase of 5.9 percent in FY 2013 as a result of an increase of 4.9 percent in vehicle levy. This robust growth is the result of an increase in the number of new model purchases and significantly lower depreciation of existing vehicles. Based on information from the Virginia Automobile Dealers Association, new model vehicle registration in Fairfax County rose 8.7 percent in calendar year 2011. In addition, a reduction in the supply of new vehicles increased prices of both new and used automobiles. The decrease in supply was a result of the earthquake and tsunami in Japan, which not only impacted Japanese automakers but also U.S. automakers that rely on parts from Japan. The disruption in production is diminishing and increases in Personal Property Taxes are anticipated to moderate to 2.5 percent per year during the forecast period.

Other Major Revenue Categories

Sales tax receipts are projected to rise a moderate 3.4 percent in FY 2012. As the economy continues to improve, an up-tick in consumer spending is expected, and Sales Tax receipts are projected to return to its pre-recession growth trend which averaged 4.3 percent from FY 1998 through FY 2008. This rate is projected for FY 2013 and each of the forecast years, FY 2014 through FY 2016. Business, Professional and Occupational License (BPOL) revenue is projected to rise 4.0 percent in FY 2012. As job growth accelerates due to improvements in the economy, BPOL is expected to rise 4.5 percent in FY 2013 through FY 2016. 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.

Building and permit fee revenue is projected to increase 3.0 percent in FY 2013. Due to the redevelopment around the Tysons area and Fort Belvoir, construction activity and fee revenue are forecasted to continue to grow approximately 3.0 percent in FY 2014 through FY 2016. 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 stated in January 2012 that "Economic conditions...are likely to warrant exceptionally low levels for the federal funds rate at least through late 2014." The average annual yield on County investments is anticipated to be 0.60 percent in FY 2013. This forecast holds that rate steady for FY 2014, with modest increases of 15 basis points in FY 2015 and FY 2016.

Due to budget shortfalls since FY 2009, the Commonwealth of Virginia significantly reduced funding to localities. From FY 2009 through FY 2012, funding to Fairfax County has been reduced approximately \$32 million, including cuts to state reimbursable salaries, Law Enforcement Funding and a "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 Governor's proposed FY 2012 – FY 2014 Biennium Budget reduces funding in several Human Service areas, but decreases the "flexible" reduction by \$0.7 million to \$3.8 million. Law Enforcement Funding is proposed to be held steady. While there were no significant additional funding reductions, previous cuts have not been restored. Therefore, for the purposes of this forecast, funding from the Commonwealth has been held at the FY 2013 level through FY 2016. Revenue from the federal government is also expected to remain even with FY 2013 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.

Financial Forecast

Based on the assumptions and estimates detailed above, General Fund revenues are projected to experience moderate increases of 2.80 percent, 3.18 percent and 3.26 percent from FY 2014 through FY 2016, respectively. Revenue growth rates for individual categories are shown in the following table:

PROJECTED REVENUE GROWTH RATES

Category	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Real Estate Tax - Assessment Base	3.27%	3.27%	3.10%	3.60%	3.70%
Equalization	2.67%	2.53%	2.30%	2.70%	2.80%
Residential	2.34%	0.71%	1.00%	1.50%	1.50%
Nonresidential	3.73%	8.21%	6.00%	6.00%	6.00%
Normal Growth	0.60%	0.74%	0.80%	0.90%	0.90%
Personal Property Tax - Current ¹	2.32%	5.85%	2.50%	2.50%	2.50%
Local Sales Tax	3.48%	3.38%	4.30%	4.30%	4.30%
Business, Professional and Occupational, License (BPOL) Taxes	4.73%	4.00%	4.50%	4.50%	4.50%
Recordation/Deed of Conveyance	-0.56%	-2.32%	1.00%	1.00%	1.00%
Interest Rate Earned on Investments	0.65%	0.60%	0.60%	0.75%	0.90%
Building Plan and Permit Fees	3.00%	3.00%	3.00%	3.00%	3.00%
Charges for Services	0.10%	4.39%	1.00%	1.00%	1.00%
State/Federal Revenue ¹	4.60%	-1.02%	0.00%	0.00%	0.00%
TOTAL REVENUE	0.78%	3.36%	2.80%	3.18%	3.26%

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 2014 through FY 2016 will remain at the FY 2013 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 2014 shortfall of approximately \$141 million. Moreover, with limited revenue growth anticipated over the next few years and funding requirements estimated to rise approximately 5 percent annually, deficits of \$213 million in FY 2015 and \$288 million in FY 2016 would be projected.



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FY 2013

Advertised Budget Plan



This section includes:

- Ten Principles of Sound Financial Management (Page 165)
- Long-Term Financial Policies (Page 168)
- Ten Fundamental Principles of Information Technology (Page 180)
- Financial Management Tools and Planning Documents (Page 182)

Long-Term Financial Policies and Tools

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 27 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 addition, the County received ICMA’s Certificate of Excellence, its newest and highest level of recognition for excellence in performance measurement, in 2009, 2010, and 2011. 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 2013, 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

Long-Term Financial Policies and Tools

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 \$2.93 billion of new debt at referendum, with \$2.06 billion for Schools.

Since 1975, the savings associated with the County having a "triple-A" bond rating is estimated at \$377.64 million. Including savings from the various refunding sales, the total benefit to the County equates to \$538.09 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.

Long-Term Financial Policies and Tools

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.

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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.

Long-Term Financial Policies and Tools

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 January 17, 2012, Fairfax County is one of only 39 counties in the country with "triple A" bond ratings from all three rating agencies.

Fairfax County Bond Rating Report Card



As of January 17, 2012 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 39 of the nation's 3,143 counties
- only 8 of the nation's 50 states
- only 34 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.

Long-Term Financial Policies and Tools

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.

Long-Term Financial Policies and Tools

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.

Long-Term Financial Policies and Tools

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.

Long-Term Financial Policies and Tools

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,
Clerk to the Board of Supervisors

Reserve Policies

The reserve policies adopted by the County are complimentary to the requirement for balanced budgets. Among the long standing policies are:

- that annual budgets be balanced between projected total funds available and total disbursements including funding for established reserves; and
- that it is imperative that positive cash balances exist in the General Fund at the end of each fiscal year; and
- that 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.

There are two primary General Fund reserves:

- Managed Reserve - 2 percent of General Fund Disbursements or \$69.2 million as of the *FY 2011 Carryover Review*
- Revenue Stabilization Fund Reserve - 3 percent of General Fund Disbursements or \$104.6 million as of the *FY 2011 Carryover Review*

Long-Term Financial Policies and Tools

A Managed Reserve (MR) 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. The MR has been maintained since 1983 and a withdrawal has never been made from it.

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. 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. The RSF was created in FY 2000 and fully funded in FY 2006. 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/only time in FY 2009. A withdrawal of \$18.7 million was a small part of the total plan approved by the Board with included significant reductions, a furlough for employees and application of other balances to address a \$64.7 million shortfall at the *FY 2009 Third Quarter Review*. As a result of available balances at FY 2009 year end, the full reserve has been replenished.

In addition to the Managed Reserve and the Revenue Stabilization Fund, the County has many reserves maintained within various funds. Among these reserves are those designated for replacement of equipment and facilities, identified for long term liabilities, to meet debt service requirements and as operating / rate stabilization reserves. As part of the annual budget process staff identifies potential changes to funding levels and brings to the Board policy decisions which need to be made in relation to Reserve Policies. In addition, at yearend, during the Carryover process, reserve balances are often reset as a result of actual fund balances and/or actuarial analyses. More detail about the size of reserves and the specific use for them is available in each agency narrative but the Board policies concerning reserves are summarized below.

Replacement Reserve Policies: The Board of Supervisor's has repeatedly reaffirmed the policy that the County 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. These reserves are necessary to provide a source of funding for planned replacement of major equipment or infrastructure over several years. 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

Long-Term Financial Policies and Tools

to these reserves are made annually to ensure funding is available at such time that the equipment must be replaced.

Outstanding Liability Policies: The Board of Supervisor's has also consistently funded reserve requirements for outstanding liabilities as they are identified and in conformance with accounting standards and practices. It is important to note that contributions to these liability reserves have been sustained even as reductions in services have been made demonstrating the commitment of the Board to meet its fiduciary responsibilities. An example of a liability reserve is the County's Self Insurance program which is evaluated each year by an actuary and the liability for all self-insured programs is identified. The accrued liability reserve identified as of year-end each year is funded during the Carryover Review. An additional reserve is also currently identified by County policy for catastrophic loss above and beyond the identified accrued liability. 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. As a result an annual required contribution (ARC) to meet the long term liability is funded by both the County and Schools.

Debt Service Reserve Policies: The majority of debt service reserves are maintained by a trustee as stipulated by the terms of the bond documents for the bonds which are being supported. However, as an Enterprise System of the County, Sewer Bond Debt Reserves were established in Funds 400, Sewer Revenue, 406, Sewer Bond Debt Reserve and 407, Sewer Bond Subordinate Debt Reserve to provide one year of principle and interest for the outstanding bond series as required by the Sewer System's General Bond Resolution.

Operating and Rate Stabilization Reserve Policies: The County has also identified reserves for potential operating adjustments that may be required and/or to help mitigate the need for significant shifts in tax rates or charges for services. The Boards of both the County and Schools have often approved set aside reserves to assist in budget development for the next year. These reserves have been established as the result of balances accumulated through expenditure savings and conservative revenue projections consistent with the policy that positive cash balances are available at year end.

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

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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

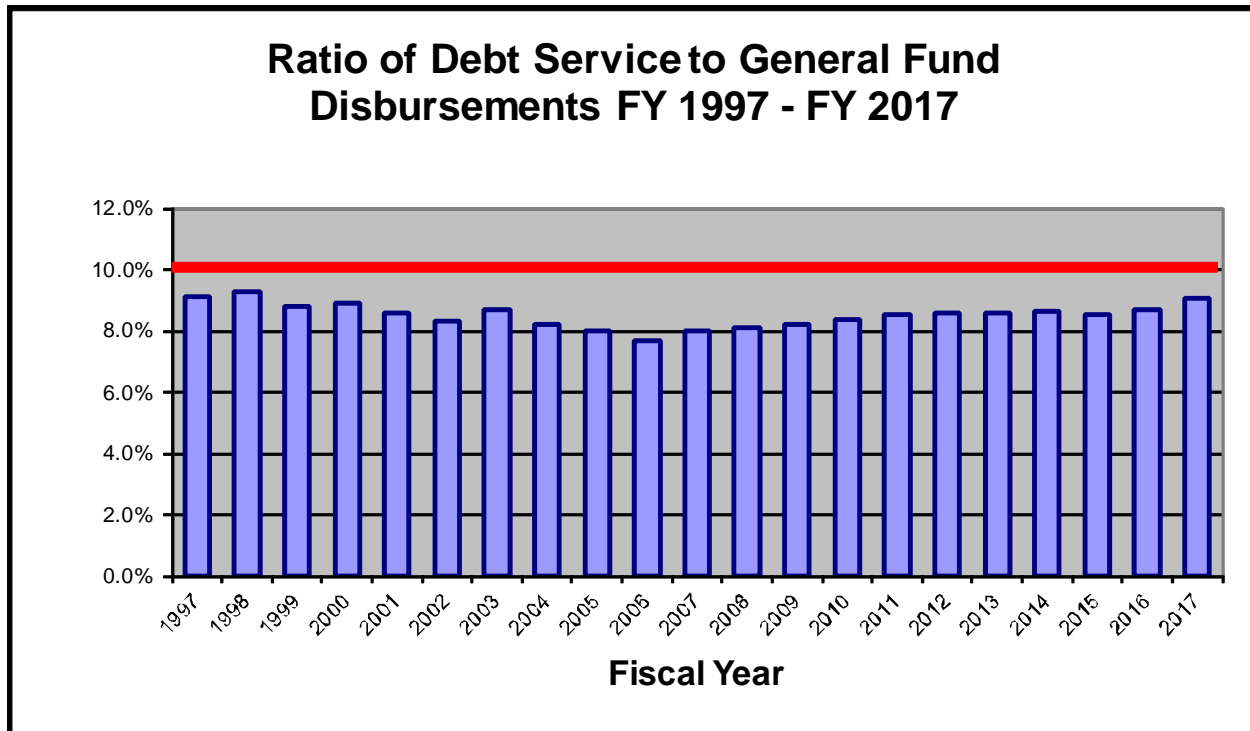
The Commonwealth of Virginia Constitution requires that long-term debt pledged by the full faith and credit of the County can only be approved by voter referendum. There is no statutory limit on the amount of debt the voters can approve. It is the County's own policy to manage debt within the guidelines 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

<u>Fiscal Year Ending</u>	<u>Debt Service Requirements¹</u>	<u>General Fund Disbursements</u>	<u>Percentage</u>
2009	276,105,000	3,354,860,267	8.23%
2010	277,370,000	3,309,904,535	8.38%
2011	285,551,000	3,343,688,525	8.54%
2012 (est.)	297,973,182	3,462,096,250	8.61%
2013 (est.)	302,705,781	3,521,348,574	8.60%

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.

Long-Term Financial Policies and Tools



Net Debt as a Percentage of Market Value of Taxable Property

<u>Fiscal Year Ending</u>	<u>Net Bonded Indebtedness¹</u>	<u>Estimated Market Value²</u>	<u>Percentage</u>
2009	2,131,273,000	245,145,594,000	0.87%
2010	2,318,699,000	222,671,526,000	1.04%
2011	2,554,051,000	203,621,876,000	1.25%
2012 (est.)	2,604,429,353	205,949,000,000	1.26%
2013 (est.)	2,698,936,070	212,662,937,400	1.27%

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.

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.

Long-Term Financial Policies and Tools

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.

Long-Term Financial Policies and Tools

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.

As directed by the Board of Supervisors, and with funding designated at the *FY 2010 Carryover Review*, the Department of Human Resources contracted with a benefits consultant to conduct a comprehensive retirement study. The preliminary results of this study were presented to the Board on January 17, 2012, and will be considered by the Board during their deliberations on the FY 2013 Adopted Budget Plan.

The School Board reviews the Educational Employees Supplemental Retirement plan annually and takes action to fund the County's obligation based on actuarial valuations that are usually performed annually. Benefits are defined in each system according to the requirements of an ordinance of the Fairfax County Code. Each retirement system is governed by a Board of Trustees whose function is the general administration and operation of the system. Each Board has full power to invest and reinvest the accumulated monies created by the systems in accordance with the laws of the Commonwealth as they apply to fiduciaries investing such funds. Investment managers are hired by each Board and operate under the direction of the Boards' investment objectives and guidelines. Each Board meets once a month to review the financial management of the funds and to rule on retirement applications.

Long-Term Financial Policies and Tools

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.

Long-Term Financial Policies and Tools

Grants

County policy requires that the initial application and acceptance of all grants over \$100,000 be approved by the Board of Supervisors. Each grant application is reviewed for the appropriateness and desirability of the program or service. Upon completion of the grant, programs are reviewed on a case-by-case basis to determine whether the program should be continued utilizing County funds. The County has no obligation to continue either grant-funded positions or grant-funded programs, if continued grant funding is not available.

Effective September 1, 2004, the Board of Supervisors established new County policy for grant applications and awards that meet certain requirements. If a grant is \$100,000 or less, with a required Local Cash Match of \$25,000 or less, with no significant policy implications, and if the grantor does not require Board of Supervisors' approval, the agency can work directly with the Department of Management and Budget to receive the award and reallocate funding from the anticipated/unanticipated reserve directly to the agency. If an award exceeds these limitations but was listed in the Anticipated Grant Awards table in the Adopted Budget for the current fiscal year, Board of Supervisors' approval is not required unless the actual funding received differs significantly from the projected funding listed in the budget. For any grant that does not meet all of the specified criteria, the agency must obtain Board of Supervisors' approval in order to apply for or accept the grant award.

Contributory Policies

To improve the general health and welfare of the community, as well as leverage scarce resources, it is the policy of the Board of Supervisors to make General Fund appropriations of specified amounts to various nonsectarian, nonprofit or quasi-government entities. Because public funds are being appropriated, funds provided to designated contributory agencies are currently made available contingent upon submission and review of financial reports. This oversight activity includes program reporting requirements that require designated contributories to describe accurately, in a manner prescribed by the County Executive, the level and quality of services provided to County residents.

Information Technology

The following ten strategic directions are fundamental principles upon which Fairfax County will base its Information Technology (IT) decisions in the upcoming years. These are intended to serve as guidelines to assist County managers in applying information technology to achieve business goals.

Ten Fundamental Principles of Information Technology

In addition to the Department of Information Technology's Mission and Goals, Fairfax County Information Technology (IT) projects and processes are guided by ten fundamental principles approved by the Board of Supervisors in 1996, and updated in 2003.

1. Our ultimate goal is to provide citizens, the business community, and County employees with timely, convenient access to appropriate information and services through the use of technology.
2. Business needs drive information technology solutions. Strategic partnerships will be established between the stakeholders and County so that the benefits of IT are leveraged to maximize the productivity of County employees and improve customer services.
3. Evaluate business processes for redesign opportunities before automating them. Use new technologies to make new business methods a reality. Exploit functional commonality across organizational boundaries.

Long-Term Financial Policies and Tools

Ten Fundamental Principles of Information Technology (Continued)

4. Manage Information Technology as an investment.
 - Annually allocate funds sufficient to cover depreciation to replace systems and equipment before life-cycle end. Address project and infrastructure requirements through a multi-year planning and funding strategy.
 - Manage use of funds at the macro level in a manner that provides for optimal spending across the investment portfolio aligned to actualized project progress.
 - Look for cost-effective approaches to improving "legacy systems". Designate systems as "classic" and plan their modernization. This approach will help extend investments and system utility.
 - Invest in education and training to ensure the technical staffs in central IT and user agencies understand and can apply current and future technologies.
5. Implement contemporary, but proven, technologies. Fairfax County will stay abreast of emerging trends through an ongoing program of technology evaluation. New technologies often will be introduced through pilot projects where both the automation and its business benefits and costs can be evaluated prior to any full-scale adoption.
6. Hardware and software shall adhere to open (vendor-independent) standards and minimize proprietary solutions. This approach will promote flexibility, inter-operability, cost effectiveness, and mitigate the risk of dependence on individual vendors.
7. Provide a solid technology infrastructure as the fundamental building block of the County's IT architecture to support reliability, performance and security of the County's information assets. Manage and maintain the enterprise network as an essential communications channel connecting people to information and process via contemporary server platforms and workstations. It will provide access for both internal and external connectivity; will be flexible, expandable, and maintainable; be fully integrated using open standards and capable of providing for the unimpeded movement of data, graphics, image, video, and voice.
8. Approach IT undertakings as a partnership of central management and agencies providing for a combination of centralized and distributed implementation. Combine the responsibility and knowledge of central management, agency staff, as well as outside contract support, within a consistent framework of County IT architecture and standards. Establish strategic cooperative arrangements with public and private enterprises to extend limited resources.
9. Consider the purchase and integration of top quality, commercial-off-the-shelf (COTS) software requiring minimal customization as the first choice to speed the delivery of new business applications. This may require redesigning some existing work processes to be compatible with beneficial common practice capabilities inherent in many off-the-shelf software packages, and, achieves business goals. In consideration of this, it is recognized that certain County agencies operate under business practices that have in established in response to specific local interpretations and constraints and that in these instances, the institutionalization of these business practices may make the acquisition of COTS software not feasible. Develop applications using modern, efficient methods and laborsaving tools in a collaborative application development environment following the architectural framework and standards. An information architecture supported by a repository for common information objects (e.g., databases, files, records, methods, application inventories); repeatable processes and infrastructures will be created, shared and reused.
10. Capture data once in order to avoid cost, duplication of effort and potential for error and share the data whenever possible. Establish and use common data and common databases to the fullest extent. A data administration function will be responsible for establishing and enforcing data policy, data sharing and access, data standardization, data quality, identification and consistent use of key corporate identifiers.

Long-Term Financial Policies and Tools

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.

Long-Term Financial Policies and Tools

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

Long-Term Financial Policies and Tools

City/County Management Association (ICMA). In 2009, 2010, and 2011 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, FY 2012 and FY 2013 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.

Long-Term Financial Policies and Tools

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 2013

Advertised Budget Plan



This section includes:

- Explanation of Schedules (Page 188)
- General Fund Statement (Page 190)
- Summary of General Fund Direct Expenditures (Page 193)
- Summary of Appropriated Funds by Fund Type (Page 195)
- Tax Rates and Assessed Valuation (Page 206)
- Summary of General Fund Revenue (Page 210)
- Summary of Positions (Page 226)

Note: For information on the FY 2013 Job Classification Plan and the FY 2013 Compensation Plan, please see the County's Department of Human Resources page at <http://www.fairfaxcounty.gov/hr/Class/CLASS.HTM>.

Financial, Statistical and Summary Tables

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 190)

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 193)

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 195)

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 196)

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 200)

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 203)

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 206)

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 208)

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 210)

Revenue from the Commonwealth

Summarizes revenues from the Commonwealth of Virginia by fund for the prior, current and upcoming fiscal year. (pages 224)

Revenue from the Federal Government

Summarizes revenues from the Federal government by fund for the prior, current and upcoming fiscal year. (pages 225)

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 226)

Personnel Services by Agency

Displays Personnel Services funding, organized by fund, program area, and agency or fund. (page 229)

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 231)

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 232)

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 234)

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 235)

Services for Older Adults

Summarizes contributions to services for seniors in General Fund and General Fund Supported agencies. (page 239)

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 246)

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 247)

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 263)

**FY 2013 ADVERTISED FUND STATEMENT
FUND 001, GENERAL FUND**

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2011 Carryover	Other Actions July - January	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) over Revised
Beginning Balance	\$240,276,899	\$131,175,478	\$104,437,366	\$623,117	\$236,235,961	\$128,063,659	(\$108,172,302)	(45.79%)
Revenue ^{1,2}								
Real Property Taxes	\$2,019,836,905	\$2,035,455,407	\$0	\$6,812,498	\$2,042,267,905	\$2,106,652,081	\$64,384,176	3.15%
Personal Property Taxes ³	301,972,456	306,818,444	0	4,416,686	311,235,130	341,252,929	30,017,799	9.64%
General Other Local Taxes	505,517,224	488,212,410	8,025,000	10,411,078	506,648,488	523,937,338	17,288,850	3.41%
Permit, Fees & Regulatory Licenses	34,267,179	30,152,648	0	3,860,407	34,013,055	34,802,539	789,484	2.32%
Fines & Forfeitures	16,563,245	16,868,801	0	(371,070)	16,497,731	16,579,948	82,217	0.50%
Revenue from Use of Money & Property	18,808,108	16,711,665	0	2,907,233	19,618,898	17,286,968	(2,331,930)	(11.89%)
Charges for Services	64,096,781	64,161,281	0	0	64,161,281	66,981,067	2,819,786	4.39%
Revenue from the Commonwealth ³	309,027,234	301,926,375	2,530,000	2,158,567	306,614,942	305,581,391	(1,033,551)	(0.34%)
Revenue from the Federal Government	38,419,114	34,566,131	0	0	34,566,131	34,270,839	(295,292)	(0.85%)
Recovered Costs/Other Revenue	12,502,027	12,079,289	10,000	(689,945)	11,399,344	12,096,329	696,985	6.11%
Total Revenue	\$3,321,010,273	\$3,306,952,451	\$10,565,000	\$29,505,454	\$3,347,022,905	\$3,459,441,429	\$112,418,524	3.36%
Transfers In								
105 Cable Communications	\$2,729,399	\$6,901,043	\$0	\$0	\$6,901,043	\$4,270,457	(\$2,630,586)	(38.12%)
106 Fairfax-Falls Church Community Services Board	1,329,839	0	0	0	0	0	0	-
503 Department of Vehicle Services	4,000,000	0	0	0	0	0	0	-
Total Transfers In	\$8,059,238	\$6,901,043	\$0	\$0	\$6,901,043	\$4,270,457	(\$2,630,586)	(38.12%)
Total Available	\$3,569,346,410	\$3,445,028,972	\$115,002,366	\$30,128,571	\$3,590,159,909	\$3,591,775,545	\$1,615,636	0.05%
Direct Expenditures								
Personnel Services	\$660,757,111	\$672,679,006	\$9,798,522	\$393,000	\$682,870,528	\$701,982,719	\$19,112,191	2.80%
Operating Expenses	331,749,713	345,473,612	48,466,480	(434,481)	393,505,611	349,038,740	(44,466,871)	(11.30%)
Recovered Costs	(40,377,359)	(44,628,451)	43,927	0	(44,584,524)	(46,637,404)	(2,052,880)	4.60%
Capital Equipment	2,243,064	0	936,725	41,481	978,206	0	(978,206)	(100.00%)
Fringe Benefits	233,953,137	262,890,861	3,146,346	0	266,037,207	282,704,352	16,667,145	6.26%
Total Direct Expenditures	\$1,188,325,666	\$1,236,415,028	\$62,392,000	\$0	\$1,298,807,028	\$1,287,088,407	(\$11,718,621)	(0.90%)

**FY 2013 ADVERTISED FUND STATEMENT
FUND 001, GENERAL FUND**

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2011 Carryover	Other Actions July - January	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) over Revised
Transfers Out								
090 Public School Operating ⁴	\$1,611,590,477	\$1,610,834,722	\$0	\$0	\$1,610,834,722	\$1,683,322,285	\$72,487,563	4.50%
100 County Transit Systems	31,992,047	34,455,482	0	0	34,455,482	36,547,739	2,092,257	6.07%
102 Federal/State Grant Fund	2,914,001	4,250,852	0	0	4,250,852	4,627,729	376,877	8.87%
103 Aging Grants & Programs	2,961,489	0	0	0	0	0	0	-
104 Information Technology	19,025,349	5,281,579	10,900,000	0	16,181,579	5,281,579	(10,900,000)	(67.36%)
106 Fairfax-Falls Church Community Services Board	93,127,107	95,725,326	1,169,980	0	96,895,306	99,161,218	2,265,912	2.34%
112 Energy Resource Recovery (ERR) Facility	1,745,506	0	0	0	0	0	0	-
117 Alcohol Safety Action Program	0	0	0	0	0	171,958	171,958	-
118 Consolidated Community Funding Pool	8,970,687	8,970,687	0	0	8,970,687	9,419,221	448,534	5.00%
119 Contributory Fund	12,038,305	12,162,942	250,000	0	12,412,942	15,573,588	3,160,646	25.46%
120 E-911 Fund	14,058,303	14,058,303	318,689	0	14,376,992	14,664,865	287,873	2.00%
141 Elderly Housing Programs	1,989,225	1,989,225	14,958	0	2,004,183	2,030,905	26,722	1.33%
142 Community Development Block Grant	0	0	284,190	0	284,190	0	(284,190)	(100.00%)
200 County Debt Service	121,660,143	119,373,864	0	0	119,373,864	120,035,364	661,500	0.55%
201 School Debt Service	160,208,882	163,470,564	0	0	163,470,564	164,757,064	1,286,500	0.79%
303 County Construction	12,392,861	14,919,369	3,000,000	0	17,919,369	15,137,806	(2,781,563)	(15.52%)
304 Transportation Improvements	0	0	250,000	0	250,000	0	(250,000)	(100.00%)
307 Sidewalk Construction	0	100,000	0	0	100,000	300,000	200,000	200.00%
309 Metro Operations & Construction	7,409,851	11,298,296	0	0	11,298,296	11,298,296	0	0.00%
312 Public Safety Construction	0	242,595	0	0	242,595	0	(242,595)	(100.00%)
317 Capital Renewal Construction	3,000,000	0	0	0	0	0	0	-
340 Housing Assistance Program	515,000	515,000	0	0	515,000	515,000	0	0.00%
501 County Insurance	22,887,317	21,017,317	6,037,049	0	27,054,366	21,017,317	(6,037,049)	(22.31%)
504 Document Services Division	2,398,233	2,398,233	0	0	2,398,233	2,398,233	0	0.00%
603 OPEB Trust Fund	13,900,000	20,000,000	0	0	20,000,000	28,000,000	8,000,000	40.00%
Total Transfers Out	\$2,144,784,783	\$2,141,064,356	\$22,224,866	\$0	\$2,163,289,222	\$2,234,260,167	\$70,970,945	3.28%
Total Disbursements	\$3,333,110,449	\$3,377,479,384	\$84,616,866	\$0	\$3,462,096,250	\$3,521,348,574	\$59,252,324	1.71%

FY 2013 ADVERTISED FUND STATEMENT FUND 001, GENERAL FUND

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2011 Carryover	Other Actions July - January	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) over Revised
Total Ending Balance	\$236,235,961	\$67,549,588	\$30,385,500	\$30,128,571	\$128,063,659	\$70,426,971	(\$57,636,688)	(45.01%)
Less:								
Managed Reserve	\$68,041,222	\$67,549,588	\$1,692,337		\$69,241,925	\$70,426,971	\$1,185,046	1.71%
Reserve for FY 2011/FY 2012 ⁵	23,953,143						0	-
FY 2010 Audit Adjustments ⁶	2,539,239						0	-
Additional FY 2011 Revenue ⁷	7,339,516						0	-
FY 2011 Third Quarter Reductions ⁸	9,580,000						0	-
Reserve for Board Consideration ⁹	4,722,358						0	-
Retirement Reserve ¹⁰	15,000,000						0	-
Reserve to address FY 2013 Budget Shortfall ¹¹			28,693,163		28,693,163		(28,693,163)	(100.00%)
FY 2011 Audit Adjustments ¹				623,117	623,117		(623,117)	(100.00%)
Additional FY 2012 Revenue ²				29,505,454	29,505,454		(29,505,454)	(100.00%)
Total Available	\$105,060,483	\$0	\$0	\$0	\$0	\$0	\$0	-

¹ In order to appropriately reflect actual revenues and expenditures in the proper fiscal year, FY 2011 revenues are increased \$1,143,893 and FY 2011 expenditures are increased \$520,776 to reflect audit adjustments as included in the FY 2011 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2012 Revised Budget Plan Beginning Balance reflects a net increase of \$623,117. Details of the FY 2012 audit adjustments will be included in the FY 2012 Third Quarter package. It should be noted that this amount has been set aside in reserve and utilized to balance the FY 2013 budget.

² FY 2012 Revised Budget Plan revenues reflect a net increase of \$29,505,454 based on revised revenue estimates as of fall 2011. The FY 2012 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 2013 budget.

³ 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.

⁴ The proposed County General Fund transfer for school operations in FY 2013 totals \$1,683.3 million, an increase of \$72.5 million, or 4.5 percent, over the FY 2012 Adopted Budget Plan. It should be noted that the Fairfax County Public Schools Superintendent's Proposed budget reflects a General Fund transfer of \$1,746.7 million, an increase of \$135.8 million, or 8.4 percent, over the FY 2012 Adopted Budget Plan. In their action on the Superintendent's Proposed budget on February 9, 2012, the School Board maintained the Superintendent's transfer request at \$1,746.7 million.

⁵ 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. This reserve was utilized to balance the FY 2012 budget.

⁶ 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 was utilized to balance the FY 2012 budget.

⁷ 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 was utilized to balance the FY 2012 budget.

⁸ As part of the FY 2011 Third Quarter Review, \$9,580,000 in reductions were taken and set aside in reserve. This amount was utilized to balance the FY 2012 budget.

⁹ 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.

¹⁰ As part of the FY 2010 Carryover Review, an amount of \$15,000,000 was set aside in reserve in Agency 89, Employee Benefits, for anticipated increases in the FY 2012 employer contribution rates for Retirement. This reserve was utilized to balance the FY 2012 budget.

¹¹ As part of the FY 2011 Carryover Review, a balance of \$28,693,163 was held in reserve to address the projected budget shortfall in FY 2013 and has been utilized to balance the FY 2013 budget.

FY 2013 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2011 Carryover	Other Actions July - January	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Legislative-Executive Functions / Central Services									
01	Board of Supervisors	\$4,532,657	\$4,876,387	\$65,718	\$0	\$4,942,105	\$5,059,225	\$117,120	2.37%
02	Office of the County Executive	5,565,950	5,989,394	123,152	0	6,112,546	6,353,978	241,432	3.95%
04	Department of Cable and Consumer Services	860,102	910,290	163,390	0	1,073,680	938,635	(135,045)	(12.58%)
06	Department of Finance	8,729,136	8,515,509	349,025	0	8,864,534	9,598,822	734,288	8.28%
11	Department of Human Resources	7,170,466	7,158,752	265,696	0	7,424,448	7,443,678	19,230	0.26%
12	Department of Purchasing and Supply Management	4,792,124	4,869,371	249,797	0	5,119,168	5,018,471	(100,697)	(1.97%)
13	Office of Public Affairs	1,206,973	1,086,384	63,353	0	1,149,737	1,110,737	(39,000)	(3.39%)
15	Office of Elections	2,499,191	3,016,036	457,356	0	3,473,392	3,659,627	186,235	5.36%
17	Office of the County Attorney	5,830,105	6,007,704	860,969	0	6,868,673	6,201,301	(667,372)	(9.72%)
20	Department of Management and Budget	2,757,249	2,710,598	38,479	0	2,749,077	2,729,690	(19,387)	(0.71%)
37	Office of the Financial and Program Auditor	279,390	330,227	4,550	0	334,777	342,816	8,039	2.40%
41	Civil Service Commission	343,638	429,297	5,151	0	434,448	422,090	(12,358)	(2.84%)
57	Department of Tax Administration	21,570,147	21,818,030	834,304	0	22,652,334	22,235,441	(416,893)	(1.84%)
70	Department of Information Technology	26,776,324	27,916,220	3,662,558	0	31,578,778	28,634,432	(2,944,346)	(9.32%)
Total Legislative-Executive Functions / Central Services		\$92,913,452	\$95,634,199	\$7,143,498	\$0	\$102,777,697	\$99,748,943	(\$3,028,754)	(2.95%)
Judicial Administration									
80	Circuit Court and Records	\$10,013,163	\$10,033,175	\$360,431	\$0	\$10,393,606	\$10,362,130	(\$31,476)	(0.30%)
82	Office of the Commonwealth's Attorney	2,491,478	2,525,464	37,208	0	2,562,672	2,635,633	72,961	2.85%
85	General District Court	2,153,317	2,149,128	83,930	0	2,233,058	2,179,322	(53,736)	(2.41%)
91	Office of the Sheriff	16,866,574	16,874,471	655,234	0	17,529,705	17,491,764	(37,941)	(0.22%)
Total Judicial Administration		\$31,524,532	\$31,582,238	\$1,136,803	\$0	\$32,719,041	\$32,668,849	(\$50,192)	(0.15%)
Public Safety									
04	Department of Cable and Consumer Services	\$856,981	\$788,456	\$10,209	\$0	\$798,665	\$731,362	(\$67,303)	(8.43%)
31	Land Development Services	8,346,808	8,356,264	753,631	0	9,109,895	8,555,353	(554,542)	(6.09%)
81	Juvenile and Domestic Relations District Court	20,095,470	20,163,367	894,415	0	21,057,782	20,724,522	(333,260)	(1.58%)
90	Police Department	162,921,830	160,613,847	3,120,278	0	163,734,125	168,046,486	4,312,361	2.63%
91	Office of the Sheriff	41,080,484	42,451,721	1,067,176	0	43,518,897	43,584,194	65,297	0.15%
92	Fire and Rescue Department	159,693,463	161,010,430	7,414,596	0	168,425,026	166,793,335	(1,631,691)	(0.97%)
93	Office of Emergency Management	1,785,650	1,759,744	522,505	0	2,282,249	1,791,988	(490,261)	(21.48%)
97	Department of Code Compliance	3,143,939	3,510,583	122,478	0	3,633,061	3,604,508	(28,553)	(0.79%)
Total Public Safety		\$397,924,625	\$398,654,412	\$13,905,288	\$0	\$412,559,700	\$413,831,748	\$1,272,048	0.31%

FY 2013 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2011 Carryover	Other Actions July - January	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Public Works									
08	Facilities Management Department	\$47,243,923	\$50,233,926	\$4,004,133	\$0	\$54,238,059	\$51,149,664	(\$3,088,395)	(5.69%)
25	Business Planning and Support	266,997	777,170	96,371	0	873,541	783,412	(90,129)	(10.32%)
26	Office of Capital Facilities	10,627,080	10,859,546	536,271	0	11,395,817	11,879,486	483,669	4.24%
87	Unclassified Administrative Expenses	3,489,020	3,681,627	783,853	0	4,465,480	3,644,811	(820,669)	(18.38%)
	Total Public Works	\$61,627,020	\$65,552,269	\$5,420,628	\$0	\$70,972,897	\$67,457,373	(\$3,515,524)	(4.95%)
Health and Welfare									
67	Department of Family Services	\$186,515,683	\$187,464,754	\$13,958,033	\$0	\$201,422,787	\$194,653,633	(\$6,769,154)	(3.36%)
68	Department of Administration for Human Services	10,846,959	10,771,592	583,048	0	11,354,640	11,602,923	248,283	2.19%
71	Health Department	46,655,718	50,928,317	3,839,479	0	54,767,796	51,973,789	(2,794,007)	(5.10%)
73	Office to Prevent and End Homelessness	8,966,602	10,460,606	2,224,259	0	12,684,865	11,809,731	(875,134)	(6.90%)
79	Department of Neighborhood and Community Services	25,266,476	25,934,861	1,029,930	0	26,964,791	26,023,088	(941,703)	(3.49%)
	Total Health and Welfare	\$278,251,438	\$285,560,130	\$21,634,749	\$0	\$307,194,879	\$296,063,164	(\$11,131,715)	(3.62%)
Parks and Libraries									
51	Fairfax County Park Authority	\$21,760,342	\$21,699,789	\$594,033	\$0	\$22,293,822	\$22,425,917	\$132,095	0.59%
52	Fairfax County Public Library	25,989,539	26,035,911	1,419,647	0	27,455,558	26,596,421	(859,137)	(3.13%)
	Total Parks and Libraries	\$47,749,881	\$47,735,700	\$2,013,680	\$0	\$49,749,380	\$49,022,338	(\$727,042)	(1.46%)
Community Development									
16	Economic Development Authority	\$6,824,003	\$7,045,506	\$47,887	\$0	\$7,093,393	\$7,178,017	\$84,624	1.19%
31	Land Development Services	11,821,127	12,624,026	285,609	0	12,909,635	12,262,225	(647,410)	(5.01%)
35	Department of Planning and Zoning	8,867,602	9,271,412	807,892	0	10,079,304	9,541,553	(537,751)	(5.34%)
36	Planning Commission	650,089	664,654	7,247	0	671,901	667,846	(4,055)	(0.60%)
38	Department of Housing and Community Development	5,824,425	5,928,757	95,785	0	6,024,542	5,635,141	(389,401)	(6.46%)
39	Office of Human Rights and Equity Programs	1,434,863	1,534,570	21,590	0	1,556,160	1,548,277	(7,883)	(0.51%)
40	Department of Transportation	7,594,184	6,777,644	2,904,497	0	9,682,141	7,144,745	(2,537,396)	(26.21%)
	Total Community Development	\$43,016,293	\$43,846,569	\$4,170,507	\$0	\$48,017,076	\$43,977,804	(\$4,039,272)	(8.41%)
Nondepartmental									
87	Unclassified Administrative Expenses	\$85,310	\$3,775,000	\$2,168,001	\$0	\$5,943,001	\$100,000	(\$5,843,001)	(98.32%)
89	Employee Benefits	235,233,115	264,074,511	4,798,846	0	268,873,357	284,218,188	15,344,831	5.71%
	Total Nondepartmental	\$235,318,425	\$267,849,511	\$6,966,847	\$0	\$274,816,358	\$284,318,188	\$9,501,830	3.46%
	Total General Fund Direct Expenditures	\$1,188,325,666	\$1,236,415,028	\$62,392,000	\$0	\$1,298,807,028	\$1,287,088,407	(\$11,718,621)	(0.90%)

FY 2013 ADVERTISED SUMMARY OF APPROPRIATED FUNDS BY FUND TYPE

	General Fund Group	Special Revenue Funds ¹	Debt Service Funds	Capital Projects Funds	Enterprise Funds ²	Internal Service Funds ^{3,4}	Trust Funds	Agency Funds	Total by Category
Beginning Fund Balance	\$232,706,513	\$306,068,323	\$0	\$22,599	\$123,652,670	\$148,297,937	\$7,673,643,650	\$0	\$8,484,391,692
Revenues									
Real Property Taxes	\$2,106,652,081	\$140,939,681	\$0	\$9,975,000	\$0	\$0	\$0	\$1,492,499	\$2,259,059,261
Personal Property Taxes ⁵	552,566,873	0	0	0	0	0	0	0	552,566,873
General Other Local Taxes	523,937,338	17,293,094	0	0	0	0	0	0	541,230,432
Permits, Fees & Regulatory	34,802,539	24,900,760	0	0	0	0	0	0	59,703,299
Fines & Forfeitures	16,579,948	2,455	0	0	0	0	0	0	16,582,403
Revenue from the Use of Money & Property	18,284,571	10,365,121	0	0	1,178,000	4,965,782	649,834,207	0	684,627,681
Charges for Services	66,981,067	190,568,580	0	1,100,000	183,663,364	64,426	0	0	442,377,437
Revenue from the Commonwealth ⁵	94,267,447	551,313,774	0	0	0	0	0	0	645,581,221
Revenue from the Federal Government	34,270,839	172,392,010	0	0	0	3,254,730	1,300,000	0	211,217,579
Sale of Bonds	0	0	0	179,839,000	0	0	0	0	179,839,000
Other Revenue	12,096,329	93,134,910	380,000	22,184,400	150,000	586,253,688	411,480,872	10,578,633	1,136,258,832
Total Revenue	\$3,460,439,032	\$1,200,910,385	\$380,000	\$213,098,400	\$184,991,364	\$594,538,626	\$1,062,615,079	\$12,071,132	\$6,729,044,018
Transfers In	\$4,270,457	\$1,927,820,462	\$289,444,864	\$35,412,222	\$171,750,000	\$28,035,853	\$28,000,000	\$0	\$2,484,733,858
Total Available	\$3,697,416,002	\$3,434,799,170	\$289,824,864	\$248,533,221	\$480,394,034	\$770,872,416	\$8,764,258,729	\$12,071,132	\$17,698,169,568
Expenditures by Category									
Legislative-Executive/Central Services	\$99,748,943	\$10,881,699	\$0	\$0	\$0	\$0	\$0	\$0	\$110,630,642
Education	0	2,525,154,121	0	163,072,120	0	389,402,997	227,980,539	0	3,305,609,777
Judicial Administration	32,668,849	731,069	0	0	0	0	0	0	33,399,918
Public Safety	413,831,748	63,621,144	0	0	0	0	0	0	477,452,892
Public Works	67,457,373	160,320,351	0	0	173,993,609	0	0	0	401,771,333
Health & Welfare	296,063,164	203,959,143	0	0	0	0	0	0	500,022,307
Parks, Recreation & Libraries	49,022,338	21,142,016	0	0	0	0	0	0	70,164,354
Community Development	43,977,804	206,233,958	0	46,901,510	0	0	0	12,071,132	309,184,404
Capital Improvements	0	0	0	36,122,806	0	0	0	0	36,122,806
Debt Service	0	0	289,824,864	0	0	0	0	0	289,824,864
Non-Departmental	284,318,188	5,200,657	0	0	0	291,912,376	412,742,331	0	994,173,552
Total Expenditures	\$1,287,088,407	\$3,197,244,158	\$289,824,864	\$246,096,436	\$173,993,609	\$681,315,373	\$640,722,870	\$12,071,132	\$6,528,356,849
Transfers Out	\$2,234,260,167	\$75,605,350	\$0	\$2,414,186	\$171,750,000	\$0	\$0	\$0	\$2,484,029,703
Total Disbursements	\$3,521,348,574	\$3,272,849,508	\$289,824,864	\$248,510,622	\$345,743,609	\$681,315,373	\$640,722,870	\$12,071,132	\$9,012,386,552
Ending Fund Balance	\$176,067,428	\$161,949,662	\$0	\$22,599	\$134,650,425	\$89,557,043	\$8,123,535,859	\$0	\$8,685,783,016

¹ Not reflected are the following adjustments to balance in FY 2013:

Fund 090, Public School Operating Fund, reflects \$600,000 as a transfer from Fund 105, Cable Communications. Fund 105 reflects this funding as a transfer to Fund 192, Public School Grants and Self-Supporting.

Fund 191, Public School Food and Nutrition Services, assumes carryover of General Reserve of \$16,983,484.

Fund 192, Public School Grants and Self-Supporting Programs, assumes available FY 2012 balance of \$686,953, does not reflect (\$600,000) as a transfer from Fund 105, Cable Communications (this amount is shown in Fund 090, Public School Operating Fund), and does not reflect a reduction in balance of (\$1,250,501) from an anticipated increase in FY 2013 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 2012 balance of \$86,271.

² Not reflected are the following adjustments to balance in FY 2013:

Fund 403, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of (\$25,000).

³ Not reflected are the following adjustments to balance in FY 2013:

Fund 591, Public School Health and Flexible Benefits, assumes carryover of claims stabilization reserve of \$48,259,277.

⁴ For presentation purposes, all County Internal Service Funds expenditures are included in the Nondepartmental Category.

⁵ 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 2013 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2011 Actual ¹	FY 2012 Adopted Budget Plan ²	FY 2012 Revised Budget Plan ^{3,4}	FY 2013 Advertised Budget Plan ⁵	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS						
G00 General Fund Group						
001 General Fund	\$3,321,010,273	\$3,306,952,451	\$3,347,022,905	\$3,459,441,429	\$112,418,524	3.36%
002 Revenue Stabilization Fund	815,350	0	0	997,603	997,603	-
Total General Fund Group	\$3,321,825,623	\$3,306,952,451	\$3,347,022,905	\$3,460,439,032	\$113,416,127	3.39%
G10 Special Revenue Funds						
090 Public School Operating	\$582,159,332	\$560,152,894	\$603,452,081	\$598,014,266	(\$5,437,815)	(0.90%)
100 County Transit Systems	33,790,238	40,888,622	42,388,622	29,392,195	(12,996,427)	(30.66%)
102 Federal/State Grant Fund	78,073,908	63,567,362	152,239,732	82,184,239	(70,055,493)	(46.02%)
103 Aging Grants & Programs	3,958,987	0	0	0	0	-
104 Information Technology	1,452,348	300,000	300,000	300,000	0	0.00%
105 Cable Communications	21,130,020	19,315,370	19,315,370	24,827,920	5,512,550	28.54%
106 Fairfax-Falls Church Community Services Board	52,865,662	50,402,751	40,864,432	42,198,401	1,333,969	3.26%
108 Leaf Collection	1,933,530	1,920,354	1,920,354	2,124,762	204,408	10.64%
109 Refuse Collection and Recycling Operations	21,353,838	20,693,934	20,693,934	21,071,810	377,876	1.83%
110 Refuse Disposal	50,202,534	51,242,247	51,242,247	50,253,752	(988,495)	(1.93%)
111 Reston Community Center	6,835,270	7,700,355	6,930,938	7,011,132	80,194	1.16%
112 Energy Resource Recovery (ERR) Facility	28,741,298	32,048,249	32,048,249	31,893,600	(154,649)	(0.48%)
113 McLean Community Center	4,952,389	5,290,432	5,290,432	5,039,038	(251,394)	(4.75%)
114 I-95 Refuse Disposal	5,958,218	6,880,668	6,880,668	8,003,548	1,122,880	16.32%
115 Burgundy Village Community Center	44,699	43,096	45,775	49,120	3,345	7.31%
116 Integrated Pest Management Program	1,937,794	1,752,316	1,752,316	1,793,417	41,101	2.35%
120 E-911 Fund	22,851,294	22,441,353	22,747,449	21,751,524	(995,925)	(4.38%)
121 Dulles Rail Phase I Transportation Improvement District	22,592,524	23,221,610	23,221,610	24,416,727	1,195,117	5.15%
122 Dulles Rail Phase II Transportation Improvement District	3,247,355	6,719,320	6,719,320	11,062,172	4,342,852	64.63%
124 County & Regional Transportation Projects	40,620,771	42,000,000	202,730,000	44,436,000	(158,294,000)	(78.08%)
125 Stormwater Services	27,903,576	28,800,000	29,325,460	49,750,000	20,424,540	69.65%
141 Elderly Housing Programs	2,262,661	2,349,439	2,429,993	2,299,568	(130,425)	(5.37%)
142 Community Development Block Grant	8,680,066	6,463,133	13,602,850	5,418,429	(8,184,421)	(60.17%)
143 Homeowner and Business Loan Programs	2,536,613	4,514,316	9,993,681	3,910,249	(6,083,432)	(60.87%)
144 Housing Trust Fund	559,939	348,814	348,814	451,361	102,547	29.40%
145 HOME Investment Partnerships Grant	2,351,758	2,692,612	9,810,213	2,383,767	(7,426,446)	(75.70%)
191 School Food & Nutrition Services	73,838,009	74,254,586	74,254,586	75,590,775	1,336,189	1.80%
192 School Grants & Self Supporting	46,555,293	45,382,516	60,882,529	44,928,175	(15,954,354)	(26.21%)
193 School Adult & Community Education	8,944,041	10,354,438	10,585,424	10,354,438	(230,986)	(2.18%)
Total Special Revenue Funds	\$1,158,333,965	\$1,131,740,787	\$1,452,017,079	\$1,200,910,385	(\$251,106,694)	(17.29%)

FY 2013 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2011 Actual ¹	FY 2012 Adopted Budget Plan ²	FY 2012 Revised Budget Plan ^{3,4}	FY 2013 Advertised Budget Plan ⁵	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G20 Debt Service Funds						
200/201 Consolidated Debt Service	\$3,694,957	\$378,770	\$378,770	\$380,000	\$1,230	0.32%
G30 Capital Project Funds						
301 Contributed Roadway Improvement Fund	\$463,020	\$110,000	\$400,375	\$110,000	(\$290,375)	(72.53%)
302 Library Construction	0	0	11,380,000	0	(11,380,000)	(100.00%)
303 County Construction	8,191,601	1,400,000	62,428,403	5,400,000	(57,028,403)	(91.35%)
304 Transportation Improvements	18,208,822	0	94,375,331	0	(94,375,331)	(100.00%)
306 Northern Virginia Regional Park Authority	2,700,000	3,000,000	0	0	0	-
307 Pedestrian Walkway Improvements	500,047	0	3,479,354	0	(3,479,354)	(100.00%)
309 Metro Operations & Construction	20,100,000	24,773,000	16,804,723	21,839,000	5,034,277	29.96%
311 County Bond Construction	9,337,508	0	0	0	0	-
312 Public Safety Construction	956,836	0	86,719,134	0	(86,719,134)	(100.00%)
314 Neighborhood Improvement Program	0	0	0	0	0	-
315 Commercial Revitalization Program	386,464	0	3,679,745	0	(3,679,745)	(100.00%)
316 Pro Rata Share Drainage Construction	3,175,828	0	6,970,317	0	(6,970,317)	(100.00%)
317 Capital Renewal Construction	387,502	15,000,000	29,000,000	15,000,000	(14,000,000)	(48.28%)
318 Stormwater Management Program	2,988,157	0	0	0	0	-
319 The Penny for Affordable Housing Fund	14,742,094	14,668,400	19,668,400	15,443,400	(4,225,000)	(21.48%)
340 Housing Assistance Program	6,684,961	0	4,670,061	0	(4,670,061)	(100.00%)
370 Park Authority Bond Construction	11,309,516	0	44,315,000	0	(44,315,000)	(100.00%)
390 School Construction	133,281,256	155,386,000	356,375,868	155,306,000	(201,069,868)	(56.42%)
Total Capital Project Funds	\$233,413,612	\$214,337,400	\$740,266,711	\$213,098,400	(\$527,168,311)	(71.21%)
TOTAL GOVERNMENTAL FUNDS	\$4,717,268,157	\$4,653,409,408	\$5,539,685,465	\$4,874,827,817	(\$664,857,648)	(12.00%)
PROPRIETARY FUNDS						
G40 Enterprise Funds						
400 Sewer Revenue	\$154,881,205	\$164,003,500	\$164,003,500	\$184,591,364	\$20,587,864	12.55%
406 Sewer Bond Debt Reserve	0	0	9,706,000	0	(9,706,000)	(100.00%)
408 Sewer Bond Construction	48,346,125	500,000	123,785,916	400,000	(123,385,916)	(99.68%)
Total Enterprise Funds	\$203,227,330	\$164,503,500	\$297,495,416	\$184,991,364	(\$112,504,052)	(37.82%)

FY 2013 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2011 Actual ¹	FY 2012 Adopted Budget Plan ²	FY 2012 Revised Budget Plan ^{3,4}	FY 2013 Advertised Budget Plan ⁵	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G50 Internal Service Funds						
501 County Insurance Fund	\$830,213	\$895,859	\$895,859	\$895,859	\$0	0.00%
503 Department of Vehicle Services	74,688,398	68,958,686	70,263,686	74,089,330	3,825,644	5.44%
504 Document Services Division	3,079,242	3,475,115	3,475,115	3,389,107	(86,008)	(2.47%)
505 Technology Infrastructure Services	26,471,117	27,578,688	27,578,688	27,725,734	147,046	0.53%
506 Health Benefits Fund	124,176,610	129,608,596	129,608,596	149,790,703	20,182,107	15.57%
590 School Insurance Fund	19,110,784	14,034,221	14,034,221	14,081,339	47,118	0.34%
591 School Health and Flexible Benefits	278,741,169	289,573,878	287,968,206	318,066,554	30,098,348	10.45%
592 School Central Procurement	11,891,884	14,000,000	14,000,000	6,500,000	(7,500,000)	(53.57%)
Total Internal Service Funds	\$538,989,417	\$548,125,043	\$547,824,371	\$594,538,626	\$46,714,255	8.53%
TOTAL PROPRIETARY FUNDS	\$742,216,747	\$712,628,543	\$845,319,787	\$779,529,990	(\$65,789,797)	(7.78%)
FIDUCIARY FUNDS						
G60 Trust Funds						
600 Uniformed Employees Retirement Trust Fund	\$299,629,255	\$144,539,401	\$144,539,401	\$158,254,115	\$13,714,714	9.49%
601 Fairfax County Employees' Retirement Trust Fund	717,895,461	350,110,336	350,110,336	378,863,125	28,752,789	8.21%
602 Police Retirement Trust Fund	253,219,426	112,581,103	112,581,103	124,634,407	12,053,304	10.71%
603 OPEB Trust Fund	24,419,825	5,199,562	5,199,562	5,543,233	343,671	6.61%
691 Educational Employees' Retirement	444,942,750	316,733,260	321,864,452	343,065,199	21,200,747	6.59%
692 Public School OPEB Trust Fund	51,015,525	39,289,000	48,284,000	52,255,000	3,971,000	8.22%
Total Trust Funds	\$1,791,122,242	\$968,452,662	\$982,578,854	\$1,062,615,079	\$80,036,225	8.15%
G70 Agency Funds						
700 Route 28 Taxing District	\$8,398,553	\$9,765,406	\$9,765,406	\$10,578,633	\$813,227	8.33%
716 Mosaic District Community Development Authority	0	0	0	1,492,499	1,492,499	-
Total Agency Funds	\$8,398,553	\$9,765,406	\$9,765,406	\$12,071,132	\$2,305,726	23.61%
TOTAL FIDUCIARY FUNDS	\$1,799,520,795	\$978,218,068	\$992,344,260	\$1,074,686,211	\$82,341,951	8.30%
TOTAL APPROPRIATED FUNDS	\$7,259,005,699	\$6,344,256,019	\$7,377,349,512	\$6,729,044,018	(\$648,305,494)	(8.79%)
Appropriated From (Added to) Surplus	(\$1,285,230,517)	(\$324,964,076)	\$452,607,626	(\$266,131,808)	(\$718,739,434)	(158.80%)
TOTAL AVAILABLE	\$5,973,775,182	\$6,019,291,943	\$7,829,957,138	\$6,462,912,210	(\$1,367,044,928)	(17.46%)
Less: Internal Service Funds	(\$538,989,417)	(\$548,125,043)	(\$547,824,371)	(\$594,538,626)	(\$46,714,255)	8.53%
NET AVAILABLE	\$5,434,785,765	\$5,471,166,900	\$7,282,132,767	\$5,868,373,584	(\$1,413,759,183)	(19.41%)

FY 2013 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2011 Actual ¹	FY 2012 Adopted Budget Plan ²	FY 2012 Revised Budget Plan ^{3,4}	FY 2013 Advertised Budget Plan ⁵	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
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EXPLANATORY NOTE:

The "Total Available" indicates the revenue in each fiscal year that is to be used to support expenditures. This amount is the total revenue adjusted by the amount of funding that is either appropriated from fund balance or added to fund balance. In some instances, adjustments to fund balance that are not currently reflected in the "Changes in Fund Balance" table also affect the "Total Available." Explanations for these adjustments are provided below. The "Total Available," plus (minus) the effect of these changes matches the expenditure totals by fiscal year on the "Expenditure by Fund/Summary of Appropriated Funds," net of any transfers between funds.

¹ **Not reflected are the following adjustments to balance in FY 2011:**

- Fund 090, Public School Operating, assumes carryover of FY 2010 Reserve of \$33,941,985
- Fund 191, School Food and Nutrition Services, change in inventory of (\$291,776)
- Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$25,000)
- Fund 501, County Insurance, net change in accrued liability of \$6,037,049
- Fund 590, Public School Insurance, net change in accrued liability of \$7,144,891

² **Not reflected are the following adjustments to balance in 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 2011 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

³ The FY 2012 Revised Budget Plan reflects revenues as contained in the Fairfax County Public Schools (FCPS) FY 2012 Midyear Review. Subsequent changes made by the School Board as part of the FCPS FY 2012 Third Quarter Review will be reflected at the FY 2012 Carryover Review.

⁴ **Not reflected are the following adjustments to balance in FY 2012:**

- Fund 090, Public School Operating, includes adjustment of \$18,763 to FY 2012 beginning balance
- Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$25,000)
- Fund 590, Public School Insurance, net change in accrued liability of \$2,023,690
- Fund 591, Public School Health and Flexible Benefits, claims stabilization reserve of \$52,012,885

⁵ **Not reflected are the following adjustments to balance in FY 2013:**

- Fund 090, Public School Operating, reflects \$600,000 as a transfer from Fund 105, Cable Communications. Fund 105 reflects this funding as a transfer to Fund 192, Public School Grants and Self-Supporting.
- Fund 191, Public School Food and Nutrition Services, assumes carryover of General Reserve of \$16,983,484
- Fund 192, Public School Grants and Self-Supporting Programs, assumes available FY 2012 balance of \$686,953, does not reflect (\$600,000) as a transfer from Fund 105, Cable Communications (this amount is shown in Fund 090, Public School Operating), and does not reflect a reduction in balance of (\$1,250,051) from an anticipated increase in FY 2013 expenditures as a result of the reconciliation of the transfer in from Fund 105, Cable
- Fund 193, Public School Adult and Community Education, assumes available FY 2012 balance of \$86,271
- Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$25,000)
- Fund 591, Public School Health and Flexible Benefits, claims stabilization reserve of \$48,259,277

FY 2013 ADVERTISED EXPENDITURES BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2011 Estimate	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan ¹	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS							
G00 General Fund Group							
001 General Fund	\$1,257,276,305	\$1,188,325,666	\$1,236,415,028	\$1,298,807,028	\$1,287,088,407	(\$11,718,621)	(0.90%)
G10 Special Revenue Funds							
090 Public School Operating ²	\$2,248,251,991	\$2,094,313,600	\$2,171,559,534	\$2,331,543,378	\$2,353,308,729	\$21,765,351	0.93%
100 County Transit Systems	101,406,721	72,646,671	98,000,389	123,325,134	99,781,260	(23,543,874)	(19.09%)
102 Federal/State Grant Fund	200,527,310	78,048,814	67,818,214	191,159,521	86,811,968	(104,347,553)	(54.59%)
103 Aging Grants & Programs	10,847,744	7,437,652	0	0	0	0	-
104 Information Technology	59,284,918	29,244,418	9,251,579	52,545,392	8,841,579	(43,703,813)	(83.17%)
105 Cable Communications	16,384,504	9,558,332	10,950,136	17,140,718	10,469,160	(6,671,558)	(38.92%)
106 Fairfax-Falls Church Community Services Board	153,586,823	149,919,221	146,255,981	137,887,642	141,359,619	3,471,977	2.52%
108 Leaf Collection	2,300,780	2,229,308	2,404,038	2,404,038	2,546,035	141,997	5.91%
109 Refuse Collection and Recycling Operations	20,908,316	18,646,378	20,238,318	22,068,596	21,963,179	(105,417)	(0.48%)
110 Refuse Disposal	61,407,069	48,675,351	51,244,631	54,488,466	53,462,576	(1,025,890)	(1.88%)
111 Reston Community Center	9,850,107	8,114,268	7,748,352	9,925,354	8,277,726	(1,647,628)	(16.60%)
112 Energy Resource Recovery (ERR) Facility	33,779,516	29,669,142	18,143,313	18,988,846	19,660,223	671,377	3.54%
113 McLean Community Center	5,968,797	4,919,038	5,579,357	6,105,990	6,070,810	(35,180)	(0.58%)
114 I-95 Refuse Disposal	23,540,506	8,221,057	8,211,546	22,541,694	9,869,255	(12,672,439)	(56.22%)
115 Burgundy Village Community Center	44,065	32,309	44,065	44,326	44,791	465	1.05%
116 Integrated Pest Management Program	3,282,472	2,070,117	3,023,352	3,107,495	3,069,083	(38,412)	(1.24%)
118 Consolidated Community Funding Pool	9,154,331	8,871,622	8,970,687	9,253,396	9,419,221	165,825	1.79%
119 Contributory Fund	12,038,305	12,001,932	12,212,942	12,594,042	15,623,588	3,029,546	24.06%
120 E-911 Fund	47,068,932	34,316,433	37,245,287	49,118,474	38,539,515	(10,578,959)	(21.54%)
121 Dulles Rail Phase I Transportation Improvement District	66,000,000	47,300,851	25,000,000	45,000,000	52,066,583	7,066,583	15.70%
122 Dulles Rail Phase II Transportation Improvement District	500,000	232,424	500,000	500,000	500,000	0	0.00%
124 County & Regional Transportation Projects	142,589,301	32,053,872	22,540,528	241,321,178	17,734,014	(223,587,164)	(92.65%)
125 Stormwater Services	31,869,191	19,579,507	28,800,000	49,151,811	49,750,000	598,189	1.22%
141 Elderly Housing Programs	5,201,767	4,263,430	4,159,501	4,948,132	4,206,682	(741,450)	(14.98%)
142 Community Development Block Grant	17,122,933	8,482,381	6,463,133	14,580,965	5,418,429	(9,162,536)	(62.84%)
143 Homeowner and Business Loan Programs	8,629,710	3,017,534	4,514,316	10,126,492	3,910,249	(6,216,243)	(61.39%)
144 Housing Trust Fund	4,235,632	77,529	348,814	4,841,856	451,361	(4,390,495)	(90.68%)
145 HOME Investment Partnerships Grant	9,069,673	1,989,720	2,692,612	10,188,569	2,383,767	(7,804,802)	(76.60%)
191 School Food & Nutrition Services	87,778,280	70,927,597	87,846,533	92,915,497	92,574,259	(341,238)	(0.37%)
192 School Grants & Self Supporting ³	96,567,320	61,801,484	64,834,169	93,231,784	68,289,788	(24,941,996)	(26.75%)
193 School Adult & Community Education	11,469,416	9,944,090	10,840,709	11,183,172	10,840,709	(342,463)	(3.06%)
Total Special Revenue Funds	\$3,500,666,430	\$2,878,606,082	\$2,937,442,036	\$3,642,231,958	\$3,197,244,158	(\$444,987,800)	(12.22%)
G20 Debt Service Funds							
200/201 Consolidated Debt Service	\$298,986,562	\$287,548,974	\$287,850,034	\$302,592,578	\$289,824,864	(\$12,767,714)	(4.22%)

FY 2013 ADVERTISED EXPENDITURES BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2011 Estimate	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan ¹	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
G30 Capital Project Funds							
301 Contributed Roadway Improvement Fund	\$41,453,288	\$594,287	\$0	\$40,365,503	\$0	(\$40,365,503)	(100.00%)
302 Library Construction	18,758,661	4,997,368	0	13,761,293	0	(13,761,293)	(100.00%)
303 County Construction	46,144,454	20,712,385	16,723,869	129,260,920	20,537,806	(108,723,114)	(84.11%)
304 Transportation Improvements	124,109,947	15,676,715	0	105,898,233	0	(105,898,233)	(100.00%)
306 Northern Virginia Regional Park Authority	2,700,000	2,700,000	3,000,000	0	0	0	-
307 Pedestrian Walkway Improvements	4,030,357	600,075	100,000	4,187,750	300,000	(3,887,750)	(92.84%)
309 Metro Operations & Construction	21,920,231	16,874,147	33,965,733	36,404,834	30,943,110	(5,461,724)	(15.00%)
311 County Bond Construction	78,529,272	4,439,367	0	0	0	0	-
312 Public Safety Construction	121,714,044	14,364,436	442,595	114,624,702	0	(114,624,702)	(100.00%)
315 Commercial Revitalization Program	4,098,234	177,966	0	3,920,268	0	(3,920,268)	(100.00%)
316 Pro Rata Share Drainage Construction	10,404,336	3,174,532	0	6,977,884	0	(6,977,884)	(100.00%)
317 Capital Renewal Construction	40,519,520	8,445,360	15,000,000	47,461,662	15,285,000	(32,176,662)	(67.80%)
318 Stormwater Management Program	16,913,243	8,755,236	0	0	0	0	-
319 The Penny for Affordable Housing Fund	19,864,899	10,824,709	14,668,400	29,092,284	15,443,400	(13,648,884)	(46.92%)
340 Housing Assistance Program	8,355,876	782,786	515,000	7,727,170	515,000	(7,212,170)	(93.34%)
370 Park Authority Bond Construction	62,736,313	16,188,209	0	47,337,620	0	(47,337,620)	(100.00%)
390 School Construction	575,242,805	162,465,201	163,084,711	439,120,632	163,072,120	(276,048,512)	(62.86%)
Total Capital Project Funds	\$1,197,495,480	\$291,772,779	\$247,500,308	\$1,026,140,755	\$246,096,436	(\$780,044,319)	(76.02%)
TOTAL GOVERNMENTAL FUNDS	\$6,254,424,777	\$4,646,253,501	\$4,709,207,406	\$6,269,772,319	\$5,020,253,865	(\$1,249,518,454)	(19.93%)
PROPRIETARY FUNDS							
G40 Enterprise Funds							
401 Sewer Operation and Maintenance	\$89,828,572	\$84,646,658	\$93,287,604	\$91,553,047	\$93,687,778	\$2,134,731	2.33%
402 Sewer Construction Improvements	50,723,363	17,640,761	29,000,000	62,082,602	30,000,000	(32,082,602)	(51.68%)
403 Sewer Bond Parity Debt Service	19,827,531	16,253,905	26,104,805	26,104,805	23,549,186	(2,555,619)	(9.79%)
406 Sewer Bond Debt Reserve	0	0	0	0	0	0	0.00%
407 Sewer Bond Subordinate Debt Service	24,910,740	24,845,462	26,724,284	26,724,284	26,756,645	32,361	0.12%
408 Sewer Bond Construction	228,100,596	68,204,481	0	171,413,199	0	(171,413,199)	(100.00%)
Total Enterprise Funds	\$413,390,802	\$211,591,267	\$175,116,693	\$377,877,937	\$173,993,609	(\$203,884,328)	(53.96%)
G50 Internal Service Funds							
501 County Insurance Fund	\$22,111,815	\$28,035,713	\$21,777,676	\$21,792,725	\$22,523,548	\$730,823	3.35%
503 Department of Vehicle Services	77,875,191	74,983,789	69,398,301	79,606,638	80,538,514	931,876	1.17%
504 Document Services Division	7,640,509	5,588,104	6,050,787	6,478,178	6,084,209	(393,969)	(6.08%)
505 Technology Infrastructure Services	30,655,413	28,342,886	29,483,564	30,946,458	34,052,702	3,106,244	10.04%
506 Health Benefits Fund	133,712,937	124,261,241	129,853,306	134,748,443	148,713,403	13,964,960	10.36%
590 School Insurance Fund	17,872,964	16,843,118	18,884,727	16,390,022	16,577,166	187,144	1.14%
591 School Health and Flexible Benefits	323,613,352	328,444,189	336,287,415	339,981,091	366,325,831	26,344,740	7.75%
592 School Central Procurement	14,000,000	12,126,377	14,000,000	14,000,000	6,500,000	(7,500,000)	(53.57%)
Total Internal Service Funds	\$627,482,181	\$618,625,417	\$625,735,776	\$643,943,555	\$681,315,373	\$37,371,818	5.80%
TOTAL PROPRIETARY FUNDS	\$1,040,872,983	\$830,216,684	\$800,852,469	\$1,021,821,492	\$855,308,982	(\$166,512,510)	(16.30%)

FY 2013 ADVERTISED EXPENDITURES BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2011 Estimate	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan ¹	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
FIDUCIARY FUNDS							
G60 Trust Funds							
600 Uniformed Employees Retirement Trust Fund	\$77,763,515	\$70,289,824	\$79,650,095	\$79,654,662	\$90,429,197	\$10,774,535	13.53%
601 Fairfax County Employees' Retirement Trust Fund	213,982,858	202,111,908	220,823,834	220,845,147	248,781,882	27,936,735	12.65%
602 Police Retirement Trust Fund	58,963,783	54,106,521	61,716,542	61,721,109	65,905,261	4,184,152	6.78%
603 OPEB Trust Fund	17,700,229	13,923,151	7,144,556	7,146,085	7,625,991	479,906	6.72%
691 Educational Employees' Retirement	170,034,426	165,618,093	179,749,264	180,274,611	190,645,039	10,370,428	5.75%
692 Public School OPEB Trust Fund	30,723,000	30,527,063	32,552,500	33,804,500	37,335,500	3,531,000	10.45%
Total Trust Funds	\$569,167,811	\$536,576,560	\$581,636,791	\$583,446,114	\$640,722,870	\$57,276,756	9.82%
G70 Agency Funds							
700 Route 28 Taxing District	\$10,646,111	\$8,363,398	\$9,765,406	\$9,800,864	\$10,578,633	\$777,769	7.94%
716 Mosaic District Community Development Authority	88,400,000	0	0	0	1,492,499	1,492,499	-
Total Agency Funds	\$99,046,111	\$8,363,398	\$9,765,406	\$9,800,864	\$12,071,132	\$2,270,268	23.16%
TOTAL FIDUCIARY FUNDS	\$668,213,922	\$544,939,958	\$591,402,197	\$593,246,978	\$652,794,002	\$59,547,024	10.04%
TOTAL APPROPRIATED FUNDS	\$7,963,511,682	\$6,021,410,143	\$6,101,462,072	\$7,884,840,789	\$6,528,356,849	(\$1,356,483,940)	(17.20%)
Less: Internal Service Funds ⁴	(\$627,482,181)	(\$618,625,417)	(\$625,735,776)	(\$643,943,555)	(\$681,315,373)	(\$37,371,818)	5.80%
NET EXPENDITURES	\$7,336,029,501	\$5,402,784,726	\$5,475,726,296	\$7,240,897,234	\$5,847,041,476	(\$1,393,855,758)	(19.25%)

¹The FY 2012 Revised Budget Plan reflects expenditures as contained in the Fairfax County Public Schools (FCPS) FY 2012 Midyear Review. Subsequent changes made by the School Board as part of the FCPS FY 2012 Third Quarter Review will be reflected at the FY 2012 Carryover Review.

² Pending School Board approval, FY 2013 expenditures for Fund 090, Public School Operating, are reduced by \$63,347,534 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 2012 Carryover Review.

³The FY 2013 Advertised Budget Plan reflects expenditures based on the transfer from Fund 105, Cable Communications, as shown in the FY 2013 Superintendent's Proposed budget. As the advertised transfer from Fund 105 was higher than that included in the Superintendent's Proposed budget, the increased expenditures the transfer supports will be reflected at the FY 2012 Carryover Review.

⁴Total Appropriated Funds Expenditures are reduced by Internal Service Fund Expenditures, as the amounts are already included.

FY 2013 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	Balance 6/30/10	Balance 6/30/11	Balance 6/30/12	Balance 6/30/13	Appropriated From/ (Added to) Surplus
GOVERNMENTAL FUNDS					
G00 General Fund Group					
001 General Fund	\$240,276,899	\$236,235,961	\$128,063,659	\$70,426,971	\$57,636,688
002 Revenue Stabilization Fund	103,827,504	104,642,854	104,642,854	105,640,457	(997,603)
Total General Fund Group	\$344,104,403	\$340,878,815	\$232,706,513	\$176,067,428	\$56,639,085
G10 Special Revenue Funds					
090 Public School Operating	\$155,788,704	\$260,709,316	\$118,091,613	\$15,400,000	\$102,691,613
100 County Transit Systems	23,678,258	29,752,106	4,946,111	110,957	4,835,154
102 Federal/State Grant Fund	29,093,113	32,032,208	742,262	742,262	0
103 Aging Grants & Programs	3,896,167	3,378,991	0	0	0
104 Information Technology	37,418,534	30,393,813	0	0	0
105 Cable Communications	21,519,673	24,288,130	7,746,933	4,521,764	3,225,169
106 Fairfax-Falls Church Community Services Board	5,783,119	526,828	398,924	398,924	0
108 Leaf Collection	3,510,308	3,214,530	2,730,846	2,309,573	421,273
109 Refuse Collection and Recycling Operations	8,559,226	11,266,686	9,892,024	9,000,655	891,369
110 Refuse Disposal	13,787,425	15,314,608	12,068,389	8,859,565	3,208,824
111 Reston Community Center	8,746,167	7,467,169	4,472,753	3,206,159	1,266,594
112 Energy Resource Recovery (ERR) Facility	21,578,204	22,395,866	35,455,269	47,688,646	(12,233,377)
113 McLean Community Center	12,551,599	12,584,950	11,769,392	10,737,620	1,031,772
114 I-95 Refuse Disposal	53,175,316	50,912,477	35,251,451	33,385,744	1,865,707
115 Burgundy Village Community Center	258,254	270,644	272,093	276,422	(4,329)
116 Integrated Pest Management Program	3,250,878	3,118,555	1,763,376	487,710	1,275,666
118 Consolidated Community Funding Pool	183,644	282,709	0	0	0
119 Contributory Fund	291,881	328,254	147,154	97,154	50,000
120 E-911 Fund	12,062,616	14,655,780	2,661,747	538,621	2,123,126
121 Dulles Rail Phase I Transportation Improvement District	90,099,993	65,391,666	43,613,276	15,963,420	27,649,856
122 Dulles Rail Phase II Transportation Improvement District	0	3,014,931	9,234,251	19,796,423	(10,562,172)
124 County & Regional Transportation Projects	60,351,365	58,050,650	0	0	0
125 Stormwater Services	3,869,191	12,193,260	0	0	0
141 Elderly Housing Programs	1,843,707	1,832,163	1,318,207	1,441,998	(123,791)
142 Community Development Block Grant	496,240	693,925	0	0	0
143 Homeowner and Business Loan Programs	3,876,924	3,396,003	3,263,192	3,263,192	0
144 Housing Trust Fund	4,239,692	4,722,102	229,060	229,060	0
145 HOME Investment Partnerships Grant	16,318	378,356	0	0	0
191 School Food & Nutrition Services	16,042,275	18,660,911	0	0	0
192 School Grants & Self Supporting	13,216,096	14,855,343	0	0	0
193 School Adult & Community Education	797,797	197,748	0	0	0
Total Special Revenue Funds	\$609,982,684	\$706,280,678	\$306,068,323	\$178,455,869	\$127,612,454

FY 2013 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	Balance 6/30/10	Balance 6/30/11	Balance 6/30/12	Balance 6/30/13	Appropriated From/ (Added to) Surplus
G20 Debt Service Funds					
200/201 Consolidated Debt Service	\$12,468,562	\$14,742,544	\$0	\$0	\$0
G30 Capital Project Funds					
301 Contributed Roadway Improvement Fund	\$40,316,395	\$40,075,128	\$0	\$0	\$0
302 Library Construction	7,378,661	2,381,293	0	0	0
303 County Construction	20,938,093	21,403,670	0	0	0
304 Transportation Improvements	8,740,795	11,272,902	0	0	0
306 Northern Virginia Regional Park Authority	0	0	0	0	0
307 Pedestrian Walkway Improvements	708,424	608,396	0	0	0
309 Metro Operations & Construction	1,732,294	10,407,378	0	0	0
310 Storm Drainage Bond Construction	0	0	0	0	0
311 County Bond Construction	22,206,837	27,104,978	0	0	0
312 Public Safety Construction	40,870,573	27,462,973	0	0	0
314 Neighborhood Improvement Program	250,939	0	0	0	0
315 Commercial Revitalization Program	32,025	240,523	0	0	0
316 Pro Rata Share Drainage Construction	6,271	7,567	0	0	0
317 Capital Renewal Construction	23,519,520	18,461,662	0	0	0
318 Stormwater Management Program	13,400,170	7,633,091	0	0	0
319 The Penny for Affordable Housing Fund	5,506,499	9,423,884	0	0	0
340 Housing Assistance Program	(3,852,467)	2,564,708	22,599	22,599	0
370 Park Authority Bond Construction	7,901,313	3,022,620	0	0	0
390 School Construction	94,573,900	75,306,105	0	0	0
Total Capital Project Funds	\$284,230,242	\$257,376,878	\$22,599	\$22,599	\$0
TOTAL GOVERNMENTAL FUNDS	\$1,250,785,891	\$1,319,278,915	\$538,797,435	\$354,545,896	\$184,251,539
PROPRIETARY FUNDS					
G40 Enterprise Funds					
400 Sewer Revenue	\$86,560,787	\$96,391,992	\$94,206,908	\$107,048,272	(\$12,841,364)
401 Sewer Operation and Maintenance	16,887,651	5,640,993	87,946	150,168	(62,222)
402 Sewer Construction Improvements	26,223,363	33,082,602	0	0	0
403 Sewer Bond Parity Debt Service	(2,773,887)	3,597,208	3,022,363	448,177	2,574,186
406 Sewer Bond Debt Reserve	16,555,123	16,555,123	26,261,123	26,261,123	0
407 Sewer Bond Subordinate Debt Service	1,510,452	1,164,990	74,330	317,685	(243,355)
408 Sewer Bond Construction	67,485,639	47,627,283	0	400,000	(400,000)
Total Enterprise Funds	\$212,449,128	\$204,060,191	\$123,652,670	\$134,625,425	(\$10,972,755)

FY 2013 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	Balance 6/30/10	Balance 6/30/11	Balance 6/30/12	Balance 6/30/13	Appropriated From/ (Added to) Surplus
G50 Internal Service Funds					
501 County Insurance Fund	\$40,515,660	\$42,234,526	\$48,392,026	\$47,781,654	\$610,372
503 Department of Vehicle Services	44,890,336	40,594,945	31,251,993	24,802,809	6,449,184
504 Document Services Division	2,298,809	2,188,180	1,583,350	1,286,481	296,869
505 Technology Infrastructure Services	5,641,038	5,583,372	4,029,705	2,323,040	1,706,665
506 Health Benefits Fund	27,473,477	27,388,846	22,248,999	23,326,299	(1,077,300)
590 School Insurance Fund	31,488,395	40,900,952	40,568,841	38,073,014	2,495,827
591 School Health and Flexible Benefits	49,703,020	0	0	0	0
592 School Central Procurement	457,516	223,023	223,023	223,023	0
Total Internal Service Funds	\$202,468,251	\$159,113,844	\$148,297,937	\$137,816,320	\$10,481,617
TOTAL PROPRIETARY FUNDS	\$414,917,379	\$363,174,035	\$271,950,607	\$272,441,745	(\$491,138)
FIDUCIARY FUNDS					
G60 Trust Funds					
600 Uniformed Employees Retirement Trust Fund	\$991,072,541	\$1,220,411,972	\$1,285,296,711	\$1,353,121,629	(\$67,824,918)
601 Fairfax County Employees' Retirement Trust Fund	2,469,080,091	2,984,863,644	3,114,128,833	3,244,210,076	(130,081,243)
602 Police Retirement Trust Fund	836,033,056	1,035,145,961	1,086,005,955	1,144,735,101	(58,729,146)
603 OPEB Trust Fund	62,653,494	87,050,168	105,103,645	131,020,887	(25,917,242)
691 Educational Employees' Retirement	1,607,663,423	1,886,988,080	2,028,577,921	2,180,998,081	(152,420,160)
692 Public School OPEB Trust Fund	19,562,623	40,051,085	54,530,585	69,450,085	(14,919,500)
Total Trust Funds	\$5,986,065,228	\$7,254,510,910	\$7,673,643,650	\$8,123,535,859	(\$449,892,209)
G70 Agency Funds					
700 Route 28 Taxing District	\$303	\$35,458	\$0	\$0	\$0
716 Mosaic District Community Development Authority	0	0	0	0	0
Total Agency Funds	\$303	\$35,458	\$0	\$0	\$0
TOTAL FIDUCIARY FUNDS	\$5,986,065,531	\$7,254,546,368	\$7,673,643,650	\$8,123,535,859	(\$449,892,209)
TOTAL APPROPRIATED FUNDS	\$7,651,768,801	\$8,936,999,318	\$8,484,391,692	\$8,750,523,500	(\$266,131,808)

**GENERAL FUND PROPERTY TAX RATES
FY 2003 - FY 2013
(per \$100 assessed valuation)**

Tax Category	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 Adopted	FY 2013 Advertised Proposed
Real Estate	\$1.21	\$1.16	\$1.13	\$1.00	\$0.89	\$0.89	\$0.92	\$1.04	\$1.09	\$1.07	\$1.07
Public Service	1.21	1.16	1.13	1.00	0.89	0.89	0.92	1.04	1.09	1.07	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
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
Machinery and Tools	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Research and Development	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Mobile Homes ³	1.21	1.16	1.13	1.00	0.89	0.89	0.92	1.04	1.09	1.07	1.07
Public Service	1.21	1.16	1.13	1.00	0.89	0.89	0.92	1.04	1.09	1.07	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 2003 - FY 2013

Tax Category	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 Adopted	FY 2013 Advertised Proposed
Sewage Rates											
Sewer Charge (per 1,000 gal.)	\$2.95	\$3.03	\$3.20	\$3.28	\$3.50	\$3.74	\$4.10	\$4.50	\$5.27	\$6.01	\$6.55
Availability Fee - Single Family Home	\$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	\$240	\$270	\$315	\$330	\$345	\$345	\$345	\$345	\$345
Disposal (per ton)	\$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	\$0.015	\$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
Dranesville - McLean ¹	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.026	\$0.024	\$0.024	\$0.023	\$0.022
Hunter Mill - Reston ¹	\$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	\$0.18	\$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	\$0.15
Integrated Pest Management Program ¹	\$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	\$0.025

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 2011-2013**

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
ASSESSED VALUATION OF TAXABLE PROPERTY				
Real Estate				
Local Assessment	\$187,780,076,910	\$193,918,874,000	\$193,918,874,000	\$200,263,343,910
Public Service Corporations	839,163,242	852,112,360	875,703,682	875,703,682
Supplemental Assessments	276,194,457	290,878,310	290,878,310	267,381,570
Less: Tax Relief for Elderly/Disabled	(2,252,160,464)	(2,942,043,671)	(2,492,852,424)	(2,496,029,265)
Less: Exonerations/Certificates/Tax Abatements	(888,002,994)	(1,152,812,673)	(1,036,098,359)	(1,152,812,673)
Less: Tax Increment Financing (TIF) ¹	0	0	0	(139,485,890)
Total Real Estate Taxable Valuation	\$185,755,271,151	\$190,967,008,326	\$191,556,505,209	\$197,618,101,334
Personal Property				
Vehicles	\$9,745,776,108	\$9,743,856,908	\$10,092,938,927	\$10,654,139,787
Business Property (excluding vehicles)	2,395,150,794	2,606,680,455	2,498,030,280	2,636,929,049
Mobile Homes	18,367,508	20,765,488	19,070,349	20,130,724
Other Personal Property ²	16,231,214	16,811,015	16,944,931	17,887,124
Public Service Corporations	2,592,442,710	2,593,903,543	2,598,825,515	2,598,825,515
Total Personal Property Valuation	\$14,767,968,334	\$14,982,017,409	\$15,225,810,002	\$15,927,912,199
Total Taxable Property Valuation	\$200,523,239,485	\$205,949,025,735	\$206,782,315,211	\$213,546,013,533
TAX RATE (per \$100 assessed value)				
Real Estate				
Regular-Local Assessment	\$1.09	\$1.07	\$1.07	\$1.07
Public Service Corporations-Equalized	1.09	1.07	1.07	1.07
Personal Property				
Vehicle/Business/Other	\$4.57	\$4.57	\$4.57	\$4.57
Public Service Corporations-Equalized	1.09	1.07	1.07	1.07
Mobile Homes	1.09	1.07	1.07	1.07

¹ Tax Increment Financing (TIF) includes the Mosaic District and reflects the difference between the 2007 base assessed value and the current assessed value.

² Other Personal Property includes boats, trailers, and miscellaneous.

**ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS
GENERAL FUND, FISCAL YEARS 2011-2013**

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
LEVIES AND COLLECTIONS				
Property Tax Levy				
Real Estate Tax Levy	\$2,024,746,409	\$2,043,346,988	\$2,050,185,170	\$2,114,513,684
Personal Property Tax Levy	504,576,080	514,973,527	522,621,755	550,117,635
Total Property Tax Levy	\$2,529,322,489	\$2,558,320,515	\$2,572,806,925	\$2,664,631,319
Property Tax Collections				
Collection of Current Taxes ³	\$2,519,767,097	\$2,544,252,293	\$2,555,481,477	\$2,650,208,452
Percentage of Total Levy Collected	99.6%	99.5%	99.3%	99.5%
Net Collections of Delinquent Taxes	22,696,208	18,985,502	18,985,502	18,985,502
Total Property Tax Collections	\$2,542,463,305	\$2,563,237,795	\$2,574,466,979	\$2,669,193,954
Yield of \$0.01 per \$100 of Real Estate Tax Collections	\$18,774,699	\$19,283,037	\$19,347,082	\$19,951,957
Yield of \$0.01 per \$100 of Personal Property Tax Collections	\$1,035,608	\$1,052,445	\$1,062,065	\$1,127,692

³ 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 \$9.34 million, \$9.65 million and \$9.98 million in FY 2011, FY 2012 and FY 2013, respectively.

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
<u>TOTAL REAL PROPERTY TAXES</u>						
Real Estate Tax - Current	\$1,999,643,268	\$2,016,645,891	\$2,023,205,962	\$2,087,590,138	\$64,384,176	3.2%
R. E. Tax - Public Service Corps	9,145,114	9,117,602	9,370,029	9,370,029	0	0.0%
Subtotal R. E. Tax - Current	\$2,008,788,382	\$2,025,763,493	\$2,032,575,991	\$2,096,960,167	\$64,384,176	3.2%
R. E. Tax Penalties - Current	\$4,093,465	\$4,418,412	\$4,418,412	\$4,418,412	\$0	0.0%
R. E. Tax Interest - Current	74,696	63,249	63,249	63,249	0	0.0%
R. E. Tax Delinquent - 1st Year	4,224,615	3,501,818	3,501,818	3,501,818	0	0.0%
R. E. Tax Penalties - 1st Year Delinquent	467,101	599,927	599,927	599,927	0	0.0%
R. E. Tax Interest - 1st Year Delinquent	56,253	63,872	63,872	63,872	0	0.0%
R. E. Tax Delinquent - 2nd Year	1,331,449	487,374	487,374	487,374	0	0.0%
R. E. Tax Penalties - 2nd Year Delinquent	103,428	59,885	59,885	59,885	0	0.0%
R. E. Tax Interest - 2nd Year Delinquent	26,038	14,745	14,745	14,745	0	0.0%
R. E. Tax - Prior Years	611,250	271,147	271,147	271,147	0	0.0%
R. E. PSC - Penalty Current	54,783	2,038	2,038	2,038	0	0.0%
R. E. PSC - Interest Current	1,416	42	42	42	0	0.0%
R.E. PSC - Delinquent	4,029	209,405	209,405	209,405	0	0.0%
Subtotal R. E. Tax - Delinquents	\$11,048,523	\$9,691,914	\$9,691,914	\$9,691,914	\$0	0.0%
TOTAL REAL PROPERTY TAXES	\$2,019,836,905	\$2,035,455,407	\$2,042,267,905	\$2,106,652,081	\$64,384,176	3.2%
<u>PERSONAL PROPERTY TAXES</u>						
Personal Property Tax - Current	\$261,734,462	\$269,434,468	\$273,820,502	\$303,838,301	\$30,017,799	11.0%
P. P. Tax - Public Service Corps	28,590,309	28,090,388	28,121,040	28,121,040	0	0.0%
Subtotal P. P. Tax - Current	\$290,324,771	\$297,524,856	\$301,941,542	\$331,959,341	\$30,017,799	9.9%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
P. P. Tax Penalties - Current	\$4,302,797	\$3,116,868	\$3,116,868	\$3,116,868	\$0	0.0%
P. P. Tax Interest - Current	307,861	112,356	112,356	112,356	0	0.0%
P. P. Tax Delinquent - 1st Year	3,164,603	3,349,339	3,349,339	3,349,339	0	0.0%
P. P. Tax Penalties - 1st Year Delinquent	788,263	322,809	322,809	322,809	0	0.0%
P. P. Tax Interest - 1st Year Delinquent	171,460	113,084	113,084	113,084	0	0.0%
P. P. Tax Delinquent - 2nd Year	1,025,520	1,048,590	1,048,590	1,048,590	0	0.0%
P. P. Tax Penalties - 2nd Year Delinquent	246,591	86,142	86,142	86,142	0	0.0%
P. P. Tax Interest - 2nd Year Delinquent	84,030	50,898	50,898	50,898	0	0.0%
P. P. Tax Delinquent - 3rd Year	1,197,741	630,749	630,749	630,749	0	0.0%
P. P. Tax Penalties - 3rd Year Delinquent	245,088	60,806	60,806	60,806	0	0.0%
P. P. Tax Interest - 3rd Year Delinquent	132,691	67,334	67,334	67,334	0	0.0%
P. P. Tax Prior Years	(18,960)	334,613	334,613	334,613	0	0.0%
Subtotal P. P. Tax - Delinquent	\$11,647,685	\$9,293,588	\$9,293,588	\$9,293,588	\$0	0.0%
TOTAL PERSONAL PROPERTY TAXES	\$301,972,456	\$306,818,444	\$311,235,130	\$341,252,929	\$30,017,799	9.6%
GENERAL OTHER LOCAL TAXES						
Short-Term Daily Rental	\$390,096	\$347,541	\$347,541	\$347,541	\$0	0.0%
Vehicle Registration Fee	27,459,817	27,270,000	27,459,817	27,871,714	411,897	1.5%
Auto Delinquent - DMV Hold	(51,194)	0	0	0	0	--
Bank Franchise Tax	16,523,093	9,248,658	11,500,000	11,500,000	0	0.0%
Cigarette Tax	8,949,345	9,051,472	9,051,472	9,051,472	0	0.0%
Gross Receipts Tax on Rental Cars	2,319,595	2,390,775	2,390,775	2,462,498	71,723	3.0%
Land Transfer Fees	23,909	29,232	24,000	24,000	0	0.0%
Communication Sales and Use Tax	50,724,263	52,312,013	48,026,604	50,724,263	2,697,659	5.6%
Subtotal	\$106,338,925	\$100,649,691	\$98,800,209	\$101,981,488	\$3,181,279	3.2%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
Sales Tax - Local	\$154,673,244	\$150,067,655	\$159,910,760	\$166,791,306	\$6,880,546	4.3%
Sales Tax - Mobile Home	84,171	107,250	85,000	85,000	0	0.0%
Subtotal Sales Tax	\$154,757,415	\$150,174,905	\$159,995,760	\$166,876,306	\$6,880,546	4.3%
Deed of Conveyance Tax	\$4,762,400	\$4,615,112	\$4,615,112	\$4,661,263	\$46,151	1.0%
Recordation Tax	21,621,287	20,758,376	21,621,287	20,965,960	(655,327)	-3.0%
Subtotal Deed of Conveyance/Recordation	\$26,383,687	\$25,373,488	\$26,236,399	\$25,627,223	(\$609,176)	-2.3%
Transient Occupancy Tax	\$8,818,768	\$8,753,478	\$9,083,332	\$9,355,833	\$272,501	3.0%
Transient Occupancy Tax -- Additional	9,520,763	9,706,177	9,806,386	10,100,577	294,191	3.0%
Subtotal Transient Occupancy Tax	\$18,339,532	\$18,459,655	\$18,889,718	\$19,456,410	\$566,692	3.0%
TOTAL Other Local Taxes	\$305,819,559	\$294,657,739	\$303,922,086	\$313,941,427	\$10,019,341	3.3%
Electric Utility Tax - Dominion Virginia Power	\$34,401,660	\$34,509,360	\$34,509,360	\$34,854,454	\$345,094	1.0%
Electric Utility Tax - No. Va. Elec.	1,594,329	1,852,138	1,852,138	1,870,660	18,522	1.0%
Subtotal Electric Utility Tax	\$35,995,989	\$36,361,498	\$36,361,498	\$36,725,114	\$363,616	1.0%
Gas Utility Tax - Washington Gas	\$8,904,309	\$9,153,276	\$9,153,276	\$9,244,810	\$91,534	1.0%
Gas Utility Tax - Columbia Gas of VA	516,421	514,970	514,970	520,120	5,150	1.0%
Subtotal Gas Utility Tax	\$9,420,730	\$9,668,246	\$9,668,246	\$9,764,930	\$96,684	1.0%
TOTAL Consumer Utility Tax	\$45,416,719	\$46,029,744	\$46,029,744	\$46,490,044	\$460,300	1.0%
Electric Consumption Tax	\$2,938,823	\$3,351,949	\$2,938,821	\$2,953,515	\$14,694	0.5%
Natural Gas Consumption Tax	805,115	818,249	818,249	822,340	4,091	0.5%
Total Consumption Tax	\$3,743,938	\$4,170,198	\$3,757,070	\$3,775,855	\$18,785	0.5%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
BPOL Tax - Amusements	\$182,738	\$214,466	\$214,466	\$214,466	\$0	0.0%
BPOL Tax - Builders and Developers	259,547	299,065	299,065	299,065	0	0.0%
BPOL Tax - Business Service Occupation	34,350,881	33,461,610	36,048,670	38,031,347	1,982,677	5.5%
BPOL Tax - Personal Service Occupation	6,061,346	5,824,606	6,824,606	6,824,606	0	0.0%
BPOL Tax - Contractors	8,182,251	7,534,338	8,559,338	8,813,883	254,545	3.0%
BPOL Tax - Hotels and Motels	1,330,913	1,332,977	1,353,750	1,407,900	54,150	4.0%
BPOL Tax - Prof. & Spec Occupations	16,324,713	16,570,395	16,884,325	17,826,995	942,670	5.6%
BPOL Tax - Rent of House, Apt & Condo	11,098,223	11,114,346	11,114,346	11,620,346	506,000	4.6%
BPOL Tax - Repair Service	2,126,155	2,155,753	2,155,753	2,273,662	117,909	5.5%
BPOL Tax - Retail Merchants	25,706,191	24,076,572	27,076,572	28,159,635	1,083,063	4.0%
BPOL Tax - Wholesale Merchants	1,499,197	1,246,121	1,246,121	1,308,427	62,306	5.0%
BPOL Tax - Real Estate Brokers	1,363,579	1,252,544	1,252,544	1,315,171	62,627	5.0%
BPOL Tax - Money Lenders	1,259,521	1,246,068	1,246,068	1,295,911	49,843	4.0%
BPOL Tax - Telephone Companies	1,975,997	1,962,580	1,962,580	2,021,457	58,877	3.0%
BPOL Tax - Consultant/Specialist	32,518,068	32,261,580	33,899,676	35,477,411	1,577,735	4.7%
BPOL Tax - Research and Development	855,222	760,444	760,444	798,466	38,022	5.0%
Subtotal BPOL - Current	\$145,094,542	\$141,313,465	\$150,898,324	\$157,688,748	\$6,790,424	4.5%
BPOL Tax - Penalties & Interest - Current Year	\$85,115	\$71,456	\$71,456	\$71,456	\$0	0.0%
BPOL Tax - Delinquent Taxes - Prior Years	4,835,530	1,594,528	1,594,528	1,594,528	0	0.0%
BPOL Tax - Delinquent Penalty & Interest - Prior Years	521,821	375,280	375,280	375,280	0	0.0%
Subtotal BPOL - Delinquents	\$5,442,466	\$2,041,264	\$2,041,264	\$2,041,264	\$0	0.0%
TOTAL Business, Professional & Occupational Licenses	\$150,537,008	\$143,354,729	\$152,939,588	\$159,730,012	\$6,790,424	4.4%
TOTAL GENERAL OTHER LOCAL TAXES	\$505,517,224	\$488,212,410	\$506,648,488	\$523,937,338	\$17,288,850	3.4%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
<u>PERMITS, FEES & REGULATORY LICENSES</u>						
Building Permits	\$7,266,803	\$6,286,342	\$7,484,807	\$7,709,350	\$224,543	3.0%
Electrical Permits	2,057,857	1,503,115	2,119,592	2,183,180	63,588	3.0%
Plumbing Permits	1,329,918	1,160,298	1,369,815	1,410,910	41,095	3.0%
Mechanical Permits	1,498,850	1,093,976	1,543,816	1,590,130	46,314	3.0%
Cross Connection Charges	539,183	511,499	555,359	572,020	16,661	3.0%
Home Improvement Inspection Licenses	23,637	4,261	24,346	25,077	731	3.0%
Elevator Inspection Licenses	1,585,990	1,534,157	1,633,570	1,682,577	49,007	3.0%
Appliance Permits	328,094	282,462	337,937	348,075	10,138	3.0%
Building Re-inspection Fees	11,237	8,679	11,575	11,922	347	3.0%
Electrical Re-inspection Fees	16,767	11,693	17,270	17,788	518	3.0%
Plumbing Re-inspection Fees	7,470	5,060	7,694	7,925	231	3.0%
Mechanical Re-inspection Fees	8,549	2,598	8,805	9,069	264	3.0%
Plan Resubmission Fee -New Construction	233,190	162,896	240,185	247,391	7,206	3.0%
Plan Resubmission Fee - Alteration Construction	394,167	288,185	405,992	418,172	12,180	3.0%
Subtotal Inspection Services	\$15,301,711	\$12,855,221	\$15,760,763	\$16,233,586	\$472,823	3.0%
Site Plan Fees	\$2,845,792	\$2,881,154	\$2,881,154	\$2,967,590	\$86,436	3.0%
Subdivision Plat Fees	212,985	178,219	219,375	225,956	6,581	3.0%
Subdivision Plan Fees	1,560,848	1,046,740	1,609,666	1,657,955	48,289	3.0%
Landfill Special Fees	0	8,542	0	0	0	--
Utility Permit Fees	0	1,599	23,073	23,765	692	3.0%
Developer Bond Extension	431,074	580,657	431,074	444,006	12,932	3.0%
Inspection - Site Plans	2,237,043	2,342,032	2,342,032	2,412,293	70,261	3.0%
Inspection - Subplans	687,197	649,145	707,813	729,047	21,234	3.0%
Subtotal Design Review	\$7,974,938	\$7,688,088	\$8,214,187	\$8,460,612	\$246,425	3.0%
TOTAL Inspection Services and Design Review	\$23,276,650	\$20,543,309	\$23,974,950	\$24,694,198	\$719,248	3.0%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
Zoning Fees	\$2,106,293	\$1,736,735	\$2,170,918	\$2,170,918	\$0	0.0%
Sign Permit Fees	105,375	90,000	106,800	107,870	1,070	1.0%
Quarry Inspection Fees	0	25,169	3,000	3,000	0	0.0%
Board of Zoning Appeals Fees	347,340	273,722	273,722	273,722	0	0.0%
Wetlands Permits	300	900	900	900	0	0.0%
Non-Residential Use Permits Fees (NON-RUP's fees)	123,240	114,361	126,000	126,000	0	0.0%
Zoning Compliance Letters/Temp Special Permits	184,178	192,300	192,300	192,300	0	0.0%
TOTAL Zoning Revenue	\$2,866,725	\$2,433,187	\$2,873,640	\$2,874,710	\$1,070	0.0%
Dog Licenses & Dangerous Dog Fees	\$940,838	\$883,845	\$883,845	\$883,845	\$0	0.0%
Auto Graveyard Licenses	200	100	100	100	0	0.0%
Bondsmen Licenses	0	30	30	30	0	0.0%
Dance Hall Licenses	3,040	1,840	1,840	1,840	0	0.0%
Fortune Teller Licenses	1,000	2,000	2,000	2,000	0	0.0%
Mixed Drink Establishment Licenses	141,147	154,300	154,300	154,300	0	0.0%
Land Use Assessment Application Fees	428	1,241	1,241	1,241	0	0.0%
Massage Therapist Permits	38,425	33,925	39,300	39,500	200	0.5%
Election Filing Fees	9,501	1,000	1,000	1,000	0	0.0%
Concealed Weapon Permits	105,802	101,147	110,000	112,200	2,200	2.0%
Precious Metal & Gem Dealers / Pawnbrokers Licenses	9,250	7,850	9,250	9,250	0	0.0%
Solicitors Licenses	11,520	10,000	11,520	11,520	0	0.0%
Going Out of Business Fees	65	780	780	780	0	0.0%
Fire Prevention Code Permits	1,373,642	1,343,074	1,400,000	1,405,000	5,000	0.4%
Fire Marshal Fees	3,445,779	2,924,977	3,445,779	3,500,000	54,221	1.6%
Acceptance Test Overtime Fees	18,432	22,000	23,810	23,810	0	0.0%
Home Childcare Permits	23,837	24,891	24,891	24,891	0	0.0%
Tax Abatement Application Fees	0	500	500	500	0	0.0%
Alarm Systems Registrations	127,915	136,810	136,810	136,810	0	0.0%
Taxicab Licenses	141,020	138,195	142,745	144,120	1,375	1.0%
Subtotal Misc. Permits, Fees & Licenses	\$6,391,841	\$5,788,505	\$6,389,741	\$6,452,737	\$62,996	1.0%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
Sanitation Inspection Licenses	\$1,650	\$2,400	\$2,400	\$2,400	\$0	0.0%
Septic Tank Permits	38,835	37,639	41,125	42,360	1,235	3.0%
Septic Tank Truck Licenses	72,268	72,434	72,434	72,434	0	0.0%
Well Water Supply Permits	29,000	27,900	27,900	27,900	0	0.0%
Well Water Supply Licenses	850	2,650	2,650	2,650	0	0.0%
Routine Water Sample Fees	7,290	7,500	7,500	7,500	0	0.0%
Swimming Pool Licenses	249,931	246,730	246,730	251,665	4,935	2.0%
Portable Toilet Fees	715	600	600	600	0	0.0%
Private Schools/Day Care Center Licenses	15,620	15,490	15,490	15,490	0	0.0%
Food Establishment Operating Permits	220,370	346,660	90,625	90,625	0	0.0%
State Share Septic Tank Permits	60,375	58,140	61,725	61,725	0	0.0%
State Share Well Permit Fees	42,315	41,100	47,700	47,700	0	0.0%
Miscellaneous Environmental Fees	7,805	15,468	7,805	7,805	0	0.0%
Alternate Discharge Permits	415	525	525	525	0	0.0%
Site Development Review	16,235	14,663	17,075	17,075	0	0.0%
Building Permits Review	51,900	38,735	38,735	38,735	0	0.0%
Public Establishment Review	69,150	60,300	16,100	16,100	0	0.0%
Hotel Permits--State Health Fee	35,355	34,200	5,240	5,240	0	0.0%
Restaurants--State Health Fee	771,775	329,423	52,425	52,425	0	0.0%
Camps/Campgrounds--State Health Fee	3,420	1,140	240	240	0	0.0%
Plan Review--State Health Fee	21,090	19,950	5,700	5,700	0	0.0%
Alternative Sewage Systems Plan Review	15,600	14,000	14,000	14,000	0	0.0%
Subtotal Health Dept. Permits, Fees & Licenses	\$1,731,964	\$1,387,647	\$774,724	\$780,894	\$6,170	0.8%
TOTAL Misc. Permits Fees & Licenses	\$8,123,805	\$7,176,152	\$7,164,465	\$7,233,631	\$69,166	1.0%
TOTAL PERMITS, FEES & REGULATORY LICENSES	\$34,267,179	\$30,152,648	\$34,013,055	\$34,802,539	\$789,484	2.3%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
<u>FINES AND FORFEITURES</u>						
Courthouse Maintenance Fees	\$495,765	\$461,460	\$520,550	\$531,000	\$10,450	2.0%
Criminal Justice Academy Fee on Criminal Offenses	206,733	213,427	218,015	222,375	4,360	2.0%
Juvenile & Domestic Relations Court (J&DR) Fines/Interest	1,709	1,311	1,311	1,311	0	0.0%
General District Court Fines/Interest	98,474	96,000	96,000	96,000	0	0.0%
Circuit Court Fines and Penalties	157,879	153,192	165,000	168,000	3,000	1.8%
County Fines/Penalties	21,673	47,747	21,347	21,347	0	0.0%
County Fines - J&DR Court	79,659	92,320	79,659	79,659	0	0.0%
General District Court Fines	7,670,029	8,072,962	7,670,029	7,670,029	0	0.0%
Court Security Fees	2,061,477	2,142,960	2,142,960	2,142,960	0	0.0%
Jail Fees / DNA Fees	84,087	85,987	85,987	87,700	1,713	2.0%
Parking Violations	3,130,713	3,187,306	3,187,306	3,250,000	62,694	2.0%
Collection Agency Fees	2,948	0	0	0	0	--
State Set-Off Debt Service (SOF)	207,446	212,008	207,446	207,446	0	0.0%
County Fee - Administrative - Collections of Delinquent Taxes	1,665,919	1,483,355	1,483,355	1,483,355	0	0.0%
Attorney Fee - Collection of Delinquent Taxes	5,376	7,722	7,722	7,722	0	0.0%
Alarm Ordinance Violations	673,358	611,044	611,044	611,044	0	0.0%
TOTAL FINES AND FORFEITURES	\$16,563,245	\$16,868,801	\$16,497,731	\$16,579,948	\$82,217	0.5%

REVENUE FROM USE OF MONEY & PROPERTY

Interest on Investments	\$14,899,618	\$12,747,824	\$15,621,503	\$13,141,516	(\$2,479,987)	-15.9%
ACCA Rent	7,518	7,518	7,518	7,518	0	0.0%
Rent of Real Estate	2,748,938	2,752,956	2,752,956	2,869,000	116,044	4.2%
Sale of Equipment	42,951	11,500	42,951	42,951	0	0.0%
Cafeteria Commissions/Vending Machines	89,798	106,289	106,289	106,289	0	0.0%
Sale of Salvage	10,447	4,100	4,100	4,100	0	0.0%
Sale of Vehicles	13,823	67,954	67,954	67,954	0	0.0%
Bicycle Locker Rentals	1,390	1,080	1,080	1,080	0	0.0%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
Lewinsville School Rent	161,049	163,064	164,265	167,550	3,285	2.0%
Hollin Hall School Rent	180,234	183,837	184,739	188,434	3,695	2.0%
Monopole Leases	652,343	665,543	665,543	690,576	25,033	3.8%
TOTAL REV. FROM USE OF MONEY & PROPERTY	\$18,808,108	\$16,711,665	\$19,618,898	\$17,286,968	(\$2,331,930)	-11.9%

CHARGES FOR SERVICES

EMS Transport Fee	\$14,119,738	\$15,492,187	\$15,492,187	\$15,492,187	\$0	0.0%
Copying Machine Revenue - DPWES	22,374	34,155	22,374	22,374	0	0.0%
Copying Machine Revenue - Misc.	98,761	116,567	116,567	116,567	0	0.0%
Reimbursement for Recorded Tapes/FOIA Fees	8,500	11,071	11,071	11,071	0	0.0%
Proposed Vacation Fees	0	800	800	800	0	0.0%
Precinct Locator Sales	0	30	30	30	0	0.0%
Refuse Collection Fees	2,897	13,000	2,900	2,900	0	0.0%
Parental Support - Boys Probation House	19,406	19,240	19,240	19,240	0	0.0%
Parental Support - Girls Probation House	1,442	5,566	5,566	5,566	0	0.0%
Parental Support - Supervised Visitation	9,908	10,892	10,892	10,892	0	0.0%
Commonwealth's Attorney Fees	19,229	13,085	19,229	19,229	0	0.0%
Police Reports and Photo Fees	272,851	290,843	290,843	160,843	(130,000)	-44.7%
Sheriff Fees	66,271	66,271	66,271	66,271	0	0.0%
Police Reimbursement	1,159,745	897,967	1,162,654	1,162,654	0	0.0%
Animal Shelter Fees	92,061	91,663	91,663	92,580	917	1.0%
Miscellaneous Charges for Services	8,117	8,800	8,800	8,800	0	0.0%
Seniors on the Go	63,640	79,090	64,350	65,000	650	1.0%
Parking Garage Fees	882,267	813,407	895,500	908,930	13,430	1.5%
Adoption Service Fees	6,758	5,408	5,408	5,408	0	0.0%
Street Sign Fees	1,675	2,180	2,180	2,180	0	0.0%
Restricted Parking Fees / Residential Permit Parking Decals	520	2,000	2,000	2,000	0	0.0%
Comprehensive Plan Sales	0	500	0	0	0	--
Sales - Mapping Division	32,094	23,088	23,088	23,088	0	0.0%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
Copay - Inmate Medical	15,060	19,247	19,247	19,247	0	0.0%
Coin-Operated Copiers	150,474	161,178	150,474	150,474	0	0.0%
Library Database Fees	18,885	29,272	18,885	18,885	0	0.0%
Library Overdue Penalties	1,390,536	1,681,948	1,390,536	1,390,536	0	0.0%
Employee Child Care Center Fees	1,048,149	1,043,453	1,090,888	1,093,196	2,308	0.2%
School Age Child Care (SACC) Fees	32,688,368	31,824,727	31,824,727	34,705,318	2,880,591	9.1%
County Clerk Fees	5,093,638	4,626,050	4,626,050	4,626,050	0	0.0%
Domestic Violence Services Client Fees - ADAPT	70,102	65,209	70,100	70,100	0	0.0%
FASTRAN Rider Fees	18,862	18,500	18,500	18,500	0	0.0%
Subtotal Misc. Charges for Services	\$57,382,327	\$57,467,394	\$57,523,020	\$60,290,916	\$2,767,896	4.8%
Senior+ Monthly Participant Fees	\$41,224	\$42,000	\$42,000	\$42,000	\$0	0.0%
Senior Center Annual Participant Fees	161,455	152,000	152,000	152,000	0	0.0%
James Lee Theatre	11,975	10,500	10,500	10,500	0	0.0%
Recreation Athletic Programs	427,992	325,000	325,000	325,000	0	0.0%
Recreation Community Use Fees	25,828	56,113	56,113	56,113	0	0.0%
Recreation Classes Fees	1,739,843	1,850,000	1,850,000	1,944,286	94,286	5.1%
Recreation Neighborhood Center Fees	255,669	240,411	240,411	275,411	35,000	14.6%
Custodial Fees	206,137	221,719	221,719	221,719	0	0.0%
Subtotal Recreation Revenue	\$2,870,123	\$2,897,743	\$2,897,743	\$3,027,029	\$129,286	4.5%
Pre-Screening for Nursing Homes	\$78,595	\$73,377	\$81,737	\$85,006	\$3,269	4.0%
Speech Fees	150,892	164,387	150,892	150,892	0	0.0%
Hearing Fees	48,773	27,387	49,260	49,750	490	1.0%
Vital Statistic Fees	559,317	569,974	569,974	575,675	5,701	1.0%
Dental Health Fees	17,447	12,180	17,447	17,500	53	0.3%
Pharmacy Fees	20	50	50	25	(25)	-50.0%
X-Ray Fees	19,075	21,887	21,887	21,887	0	0.0%
General Medical Clinic Fees	864,542	812,834	812,834	812,834	0	0.0%
Family Planning Services	45,918	47,404	45,918	45,918	0	0.0%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
Medicaid Dental Fees	65,535	79,757	65,535	65,535	0	0.0%
Lab Services Fees	379,355	368,941	388,990	392,880	3,890	1.0%
Administrative Fees - Health Dept	2,282	3,290	3,290	3,290	0	0.0%
Activities of Daily Living - Personal Care Service	280	0	0	0	0	--
Non-Medicaid Pediatric Clinic Visits	11	30	30	30	0	0.0%
Non-Medicaid Maternal Clinic Visits	57,857	58,445	58,445	60,973	2,528	4.3%
Sewage Disposal/Well Water Evaluation	9,100	9,200	9,200	9,200	0	0.0%
Adult Day Health Care Fees	1,241,162	1,286,716	1,204,744	1,145,227	(59,517)	-4.9%
Adult Day Health Care Medicaid Reimbursement	304,171	260,285	260,285	226,500	(33,785)	-13.0%
Subtotal Health Dept Revenue	\$3,844,332	\$3,796,144	\$3,740,518	\$3,663,122	(\$77,396)	-2.1%
TOTAL CHARGES FOR SERVICES	\$64,096,781	\$64,161,281	\$64,161,281	\$66,981,067	\$2,819,786	4.4%

RECOVERED COSTS

City of Fairfax Public Assistance	\$867,612	\$831,133	\$867,612	\$867,612	\$0	0.0%
City of Fairfax Shared Govt. Expenses	3,359,438	3,365,697	2,344,340	2,951,632	607,292	25.9%
City of Fairfax - FASTRAN/Employment	25,678	12,839	12,839	12,839	0	0.0%
Falls Church Public Assistance	637,167	698,559	698,559	698,559	0	0.0%
Falls Church - FASTRAN/Employment	14,119	14,119	14,119	14,119	0	0.0%
Falls Church Health Dept. Services	265,590	244,949	265,590	265,590	0	0.0%
Inmate Room and Board	755,485	580,116	755,485	917,485	162,000	21.4%
Boarding of Prisoners	248,316	295,253	295,253	295,253	0	0.0%
Professional Dues Deduction	38,361	36,534	39,650	41,240	1,590	4.0%
Recovered Costs - Circuit Court	98	200	200	200	0	0.0%
Recovered Costs - General District Court	134,406	128,000	134,406	134,406	0	0.0%
Misc. Recovered Costs - Other	25,435	130,078	114,527	35,435	(79,092)	-69.1%
Misc. Recovered Costs - Fire and Rescue Hazmat	0	5,000	5,000	5,000	0	0.0%
Credit Card Charges	(63)	0	0	0	0	--
Child Care Services for Other Jurisdictions	143,292	122,715	122,715	122,715	0	0.0%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
CPAN, Circuit Court Computer Service	292,754	317,606	317,606	317,606	0	0.0%
Golden Gazette	66,502	83,343	83,343	83,343	0	0.0%
Police Academy Cost Recovery	13,450	16,100	13,450	13,450	0	0.0%
FASTRAN	75,119	78,554	78,554	78,554	0	0.0%
Reimbursement - School Health	3,850,171	3,877,215	3,877,215	3,877,215	0	0.0%
TOTAL RECOVERED COSTS	\$10,812,930	\$10,838,010	\$10,040,463	\$10,732,253	\$691,790	6.9%
<u>REVENUE FROM THE COMMONWEALTH</u>						
"Flexible" cut - State requires locality to pick funding stream to cut	(\$4,535,144)	(\$4,535,144)	(\$4,312,599)	(\$4,312,599)	\$0	0.0%
Reserve for State Aid Reductions	0	(2,315,082)	(2,537,627)	(4,178,357)	(1,640,730)	64.7%
Total	(4,535,144)	(6,850,226)	(6,850,226)	(8,490,956)	(1,640,730)	24.0%
State Shared Rolling Stock Tax	\$105,405	\$105,405	\$105,405	\$105,405	\$0	0.0%
State Shared Law Enforcement (HB 599)	24,594,728	23,731,261	23,731,261	23,731,261	0	0.0%
State Indirect Aid	17,450	54,217	54,217	54,217	0	0.0%
Subtotal Non-Categorical State Aid	\$24,717,583	\$23,890,883	\$23,890,883	\$23,890,883	\$0	0.0%
State Shared Commonwealth Atty. Expenses	\$1,542,228	\$1,456,403	\$1,456,403	\$1,456,403	\$0	0.0%
State Shared Sheriff Expenses	14,072,119	11,913,552	14,072,119	14,072,119	0	0.0%
State Shared Dept. of Tax Admin./Finance Expenses	2,211,909	1,536,130	1,536,130	1,536,130	0	0.0%
State Shared General Registrar/ Electoral Board Expenses	87,440	84,476	84,476	84,476	0	0.0%
State Shared Retirement - Commonwealth Atty.	30,582	29,848	29,848	29,848	0	0.0%
State Shared General Retirement - Sheriff	315,504	300,534	300,534	300,534	0	0.0%
State Shared Retirement - Dept. of Tax Admin./Finance	47,178	55,172	55,172	55,172	0	0.0%
State Shared Retirement - Circuit Court	173,241	143,185	143,185	143,185	0	0.0%
Subtotal Shared Expenses	\$18,480,201	\$15,519,300	\$17,677,867	\$17,677,867	\$0	0.0%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
Libraries State Aid	\$517,901	\$517,949	\$517,949	\$517,949	\$0	0.0%
Virginia Share Public Assistance Programs	42,500,011	41,462,873	43,992,873	44,600,052	607,179	1.4%
Va. Juvenile Crime Control Act Funding	608,873	537,194	621,170	621,170	0	0.0%
State Share J&DR Court Residential Services	2,511,688	2,650,404	2,566,428	2,566,428	0	0.0%
State Share Adult Detention Center	2,502,318	2,504,911	2,504,911	2,504,911	0	0.0%
Subtotal Categorical State Aid	\$48,640,791	\$47,673,331	\$50,203,331	\$50,810,510	\$607,179	1.2%
State Reimb. - General District Court	\$82,956	\$67,293	\$67,293	\$67,293	\$0	0.0%
State Reimb. - Health Department	8,834,894	8,834,894	8,834,894	8,834,894	0	0.0%
State Reimb. - Residential Beds - JDC	4,450	10,850	10,850	10,850	0	0.0%
State Reimb. - Commonwealth Atty. Witness Expense	35,009	16,400	16,400	16,400	0	0.0%
State Reimb. - Police Intoxication	5,000	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	0	0.0%
Subtotal State Recovered Costs	\$10,409,859	\$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	\$0	0%
TOTAL REVENUE FROM THE COMMONWEALTH	\$309,027,234	\$301,926,375	\$306,614,942	\$305,581,391	(\$1,033,551)	-0.3%
REVENUE FROM THE FEDERAL GOVT.						
J&DR Court - USA Grant	\$111,064	\$121,660	\$121,660	\$121,660	\$0	0.0%
USDA Grant - Office for Children/Human Svc.	21,567	44,689	44,689	44,689	0	0.0%
Criminal Alien Assistance Program	603,472	0	0	0	0	--
Federal Emergency Assistance	556,865	0	0	0	0	--
Federal Aid - Miscellaneous	267,456	0	0	0	0	--
Federal Stimulus - DFS	1,270,085	0	0	0	0	--
Subtotal Categorical Federal Aid	\$2,830,508	\$166,349	\$166,349	\$166,349	\$0	0.0%

FY 2011 - FY 2013 GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2011 ACTUAL	FY 2012 ADOPTED BUDGET PLAN	FY 2012 REVISED BUDGET PLAN	FY 2013 ADVERTISED BUDGET PLAN	INCREASE / (DECREASE) OVER REVISED	% INCREASE/ DECREASE OVER REVISED
DFS Federal and Federal Pass-Through	\$35,286,225	\$34,050,490	\$34,050,490	\$34,050,490	\$0	0.0%
Office to Prevent & End Homelessness	262,768	295,292	295,292	0	(295,292)	-100.0%
Payments in Lieu of Taxes - Federal	39,613	54,000	54,000	54,000	0	0.0%
TOTAL REVENUE FROM THE FEDERAL GOVERNMENT	\$38,419,114	\$34,566,131	\$34,566,131	\$34,270,839	(\$295,292)	-0.9%
Combined State & Federal Public Assistance	\$77,786,236	\$75,513,363	\$78,043,363	\$78,650,542	\$607,179	0.8%
MISCELLANEOUS REVENUE						
Litigation Proceeds	\$99,873	\$55,700	\$115,000	\$115,000	\$0	0.0%
Miscellaneous Revenue - Environ Mgmt.	52,333	40,000	40,000	40,000	0	0.0%
Miscellaneous Revenue - Maint. & Const.	(56,474)	29,831	29,831	29,831	0	0.0%
Miscellaneous Revenue - Contract Rebates	1,033,661	980,763	1,039,065	1,044,260	5,195	0.5%
Miscellaneous Revenue - Various	557,794	127,854	127,854	127,854	0	0.0%
TOTAL MISCELLANEOUS REVENUE	\$1,687,187	\$1,234,148	\$1,351,750	\$1,356,945	\$5,195	0.4%
OTHER REVENUE						
Miscellaneous Revenue	\$0	\$0	\$0	\$0	\$0	--
Linebarger Collection Fees	(1,843)	0	0	0	0	--
Revenue from Local Jurisdictions	3,753	7,131	7,131	7,131	0	0.0%
TOTAL OTHER REVENUE	\$1,910	\$7,131	\$7,131	\$7,131	\$0	0.0%
Total Recovered Costs/Misc./Other Revenue	\$12,502,027	\$12,079,289	\$11,399,344	\$12,096,329	\$696,985	6.1%
GRAND TOTAL GENERAL FUND REVENUE	\$3,321,010,273	\$3,306,952,451	\$3,347,022,905	\$3,459,441,429	\$112,418,524	3.4%

FY 2013 ADVERTISED REVENUE FROM THE COMMONWEALTH ¹

Fund/Fund Title	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
001 General Fund ²	\$309,027,234	\$301,926,375	\$306,614,942	\$305,581,391	(\$1,033,551)	(0.34%)
090 Public School Operating	450,198,584	442,112,660	472,067,233	500,929,069	28,861,836	6.11%
102 Federal/State Grant Fund	17,331,949	10,280,173	19,583,422	21,933,141	2,349,719	12.00%
103 Aging Grants & Programs	1,018,933	0	0	0	0	-
106 Fairfax-Falls Church Community Services Board	21,513,286	20,702,674	13,092,108	12,871,445	(220,663)	(1.69%)
109 Refuse Collection and Recycling Operations	115,003	0	0	0	0	-
113 McLean Community Center	1,900	0	0	0	0	-
116 Integrated Pest Management Program	65,000	0	0	0	0	-
120 E-911 Fund	4,806,328	4,000,000	4,306,096	4,000,000	(306,096)	(7.11%)
191 School Food & Nutrition Services	778,151	791,612	791,612	836,574	44,962	5.68%
192 School Grants & Self Supporting	8,296,404	9,713,520	9,809,079	10,058,302	249,223	2.54%
193 School Adult & Community Education	627,631	685,243	685,243	685,243	0	0.00%
303 County Construction	210,000	0	0	0	0	-
304 Transportation Improvements	1,382,720	0	1,695,331	0	(1,695,331)	(100.00%)
307 Pedestrian Walkway Improvements	194,969	0	1,553,271	0	(1,553,271)	(100.00%)
315 Commercial Revitalization Program	0	0	1,477,745	0	(1,477,745)	(100.00%)
Total Revenue from the Commonwealth	\$815,568,092	\$790,212,257	\$831,676,082	\$856,895,165	\$25,219,083	3.03%

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 \$54,222,593 to the Northern Virginia Transportation Commission (NVTC) in FY 2013 as a credit to help offset Fairfax County's Operating Subsidy and \$4,409,628 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 2013 ADVERTISED REVENUE FROM THE FEDERAL GOVERNMENT

Fund/Fund Title	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
001 General Fund	\$38,419,114	\$34,566,131	\$34,566,131	\$34,270,839	(\$295,292)	(0.85%)
090 Public School Operating	76,651,735	63,197,897	76,163,572	41,367,235	(34,796,337)	(45.69%)
102 Federal/State Grant Fund	58,412,085	51,375,182	91,468,867	57,688,741	(33,780,126)	(36.93%)
103 Aging Grants & Programs	2,260,572	0	0	0	0	-
106 Fairfax-Falls Church Community Services Board	7,783,636	6,419,420	4,497,228	4,245,895	(251,333)	(5.59%)
142 Community Development Block Grant	8,442,272	6,463,133	13,602,850	5,418,429	(8,184,421)	(60.17%)
145 HOME Investment Partnerships Grant	1,626,908	2,692,612	9,810,213	2,383,767	(7,426,446)	(75.70%)
191 School Food & Nutrition Services	26,565,963	25,979,065	25,979,065	27,929,822	1,950,757	7.51%
192 School Grants & Self Supporting	35,554,213	33,602,281	48,398,729	32,695,982	(15,702,747)	(32.44%)
193 School Adult & Community Education	794,483	662,139	828,125	662,139	(165,986)	(20.04%)
200 County Debt Service	3,182,291	0	0	0	0	-
301 Contributed Roadway Improvement Fund	101,934	0	290,375	0	(290,375)	(100.00%)
303 County Construction	5,899,805	0	3,506,651	0	(3,506,651)	(100.00%)
307 Pedestrian Walkway Improvements	80,388	0	993,571	0	(993,571)	(100.00%)
311 County Bond Construction	537,812	0	0	0	0	-
318 Stormwater Management Program	2,987,613	0	0	0	0	-
340 Housing Assistance Program	6,684,961	0	313,228	0	(313,228)	(100.00%)
370 Park Authority Bond Construction	100,000	0	0	0	0	-
408 Sewer Bond Construction	4,525,425	0	0	0	0	-
506 Health Benefits Fund	2,005,086	0	0	0	0	-
591 School Health and Flexible Benefits	5,364,782	2,773,827	4,213,158	3,254,730	(958,428)	5.26%
603 OPEB Trust Fund	1,322,067	1,200,000	1,200,000	1,300,000	100,000	8.33%
Total Revenue from the Federal Government	\$289,303,145	\$228,931,687	\$315,831,763	\$211,217,579	(\$104,614,184)	(33.12%)

FY 2013 ADVERTISED PERSONNEL SERVICES SUMMARY
(All Funds Excluding the School Board)

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised
Regular Positions					
<i>General Fund</i>	9,542	9,549	9,684	9,653	(31)
<i>General Fund Supported</i>	1,472	1,496	1,593	1,595	2
<i>Other Funds</i>	1,017	1,025	1,001	1,028	27
Total	12,031	12,070	12,278	12,276	(2)
Regular Salaries					
<i>General Fund</i>	\$598,687,651	\$679,984,991	\$689,971,549	\$706,739,817	\$16,768,268
<i>General Fund Supported</i>	96,529,770	107,736,518	105,136,687	109,848,677	4,711,990
<i>Other Funds</i>	51,067,732	57,724,130	59,664,131	62,255,597	2,591,466
Total	\$746,285,153	\$845,445,639	\$854,772,367	\$878,844,091	\$24,071,724
Limited Term					
<i>General Fund</i>	\$20,726,204	\$11,597,678	\$11,666,487	\$12,586,238	\$919,751
<i>General Fund Supported</i>	7,259,893	3,166,451	3,148,393	3,251,634	103,241
<i>Other Funds</i>	4,236,639	2,537,688	2,768,120	3,071,351	303,231
Total	\$32,222,736	\$17,301,817	\$17,583,000	\$18,909,223	\$1,326,223
Shift Differential					
<i>General Fund</i>	\$4,001,028	\$4,497,389	\$4,494,553	\$4,486,237	(\$8,316)
<i>General Fund Supported</i>	570,626	791,770	791,770	797,841	6,071
<i>Other Funds</i>	73,809	70,758	72,637	63,837	(8,800)
Total	\$4,645,463	\$5,359,917	\$5,358,960	\$5,347,915	(\$11,045)
Extra Compensation					
<i>General Fund</i>	\$37,342,228	\$34,146,422	\$34,742,454	\$35,758,694	\$1,016,240
<i>General Fund Supported</i>	4,162,180	5,965,321	6,050,615	6,265,872	215,257
<i>Other Funds</i>	1,831,400	1,945,174	1,974,163	2,028,913	54,750
Total	\$43,335,808	\$42,056,917	\$42,767,232	\$44,053,479	\$1,286,247

FY 2013 ADVERTISED PERSONNEL SERVICES SUMMARY
(All Funds Excluding the School Board)

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised
Position Turnover					
<i>General Fund</i>	\$0	(\$57,547,474)	(\$58,004,515)	(\$57,588,267)	\$416,248
<i>General Fund Supported</i>	0	(8,618,347)	(8,663,808)	(8,876,223)	(212,415)
<i>Other Funds</i>	0	(2,039,579)	(2,070,707)	(2,158,229)	(87,522)
Total	\$0	(\$68,205,400)	(\$68,739,030)	(\$68,622,719)	\$116,311
Total Salaries					
<i>General Fund</i>	\$660,757,111	\$672,679,006	\$682,870,528	\$701,982,719	\$19,112,191
<i>General Fund Supported</i>	108,522,469	109,041,713	106,463,657	111,287,801	4,824,144
<i>Other Funds</i>	57,209,580	60,238,171	62,408,344	65,261,469	2,853,125
Total	\$826,489,160	\$841,958,890	\$851,742,529	\$878,531,989	\$26,789,460
Fringe Benefits					
<i>General Fund</i>	\$233,953,137	\$262,890,861	\$266,037,207	\$282,704,352	\$16,667,145
<i>General Fund Supported</i>	34,635,266	31,249,000	30,813,423	31,880,594	1,067,171
<i>Other Funds</i>	158,183,749	157,189,342	162,875,262	177,525,727	14,650,465
Total	\$426,772,152	\$451,329,203	\$459,725,892	\$492,110,673	\$32,384,781
Fringe Benefits as a Percent of					
Total Personnel Services	34.1%	34.9%	35.1%	35.9%	
Total Costs of Personnel Services					
<i>General Fund</i>	\$894,710,248	\$935,569,867	\$948,907,735	\$984,687,071	\$35,779,336
<i>General Fund Supported</i>	143,157,735	140,290,713	137,277,080	143,168,395	5,891,315
<i>Other Funds</i>	215,393,329	217,427,513	225,283,606	242,787,196	17,503,590
Grand Total	\$1,253,261,312	\$1,293,288,093	\$1,311,468,421	\$1,370,642,662	\$59,174,241

FY 2013 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Market Rate Adjustment ¹	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Legislative-Executive Functions / Central Services										
01	Board of Supervisors	\$4,436,430	\$0	\$0	\$96,710	\$0	\$0	\$0	(\$45,865)	\$4,487,275
02	Office of the County Executive	5,734,838	0	0	119,918	157,935	0	0	(327,315)	5,685,376
04	Department of Cable and Consumer Services	755,664	0	0	16,473	10,658	0	2,841	(86,205)	699,431
06	Department of Finance	5,007,863	0	0	105,095	0	0	0	(511,641)	4,601,317
11	Department of Human Resources	6,251,626	0	0	134,722	0	0	15,996	(288,194)	6,114,150
12	Department of Purchasing and Supply Management	3,739,544	0	0	81,740	75,482	0	6,253	(367,436)	3,535,583
13	Office of Public Affairs	1,222,894	0	0	27,586	36,133	0	0	(91,775)	1,194,838
15	Office of Elections	1,470,368	0	0	32,054	1,033,750	0	255,402	(85,484)	2,706,090
17	Office of the County Attorney	6,530,257	0	0	142,360	0	0	0	(412,840)	6,259,777
20	Department of Management and Budget	2,852,291	0	0	63,487	0	0	0	(375,397)	2,540,381
37	Office of the Financial and Program Auditor	304,022	0	0	6,628	0	0	0	0	310,650
41	Civil Service Commission	275,805	0	0	6,274	57,729	0	0	0	339,808
57	Department of Tax Administration	17,581,599	0	0	383,278	188,785	0	205,032	(1,825,436)	16,533,258
70	Department of Information Technology	22,279,490	0	0	485,692	108,160	0	30,411	(1,623,515)	21,280,238
Total Legislative-Executive Functions / Central Services		\$78,442,691	\$0	\$0	\$1,702,017	\$1,668,632	\$0	\$515,935	(\$6,041,103)	\$76,288,172
Judicial Administration										
80	Circuit Court and Records	\$8,839,450	\$0	\$0	\$192,382	\$143,268	\$0	\$81,599	(\$893,145)	\$8,363,554
82	Office of the Commonwealth's Attorney	2,815,263	0	0	61,216	0	0	0	(328,530)	2,547,949
85	General District Court	1,184,866	0	0	25,830	43,663	14,271	9,968	(61,048)	1,217,550
91	Office of the Sheriff	13,052,779	0	0	285,054	0	6,500	1,341,185	(1,295,524)	13,389,994
Total Judicial Administration		\$25,892,358	\$0	\$0	\$564,482	\$186,931	\$20,771	\$1,432,752	(\$2,578,247)	\$25,519,047
Public Safety										
04	Department of Cable and Consumer Services	\$701,960	\$0	\$0	\$17,154	\$0	\$0	\$0	(\$116,930)	\$602,184
31	Land Development Services	8,782,353	0	0	194,637	0	0	0	(1,841,704)	7,135,286
81	Juvenile and Domestic Relations District Court	19,043,276	0	0	419,538	649,344	173,109	403,728	(1,894,376)	18,794,619
90	Police Department	128,124,778	0	129,734	2,804,608	0	1,330,195	17,370,177	(6,412,975)	143,346,517
91	Office of the Sheriff	38,579,656	0	0	844,307	0	470,699	3,099,812	(4,709,707)	38,284,767
92	Fire and Rescue Department	135,850,312	0	0	2,971,690	302,385	2,339,624	11,356,745	(9,707,478)	143,113,278
93	Office of Emergency Management	1,210,542	0	0	26,543	0	0	0	(14,201)	1,222,884
97	Department of Code Compliance	3,035,800	0	0	66,180	244,634	0	44,217	(303,569)	3,087,262
Total Public Safety		\$335,328,677	\$0	\$129,734	\$7,344,657	\$1,196,363	\$4,313,627	\$32,274,679	(\$25,000,940)	\$355,586,797

FY 2013 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Market Rate Adjustment ¹	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Public Works										
08	Facilities Management Department	\$12,222,967	\$0	\$0	\$266,461	\$0	\$4,200	\$264,823	(\$908,830)	\$11,849,621
25	Business Planning and Support	1,079,686	0	0	24,072	0	0	0	(10,441)	1,093,317
26	Office of Capital Facilities	9,414,701	0	211,963	205,241	0	0	0	(230,692)	9,601,213
	Total Public Works	\$22,717,354	\$0	\$211,963	\$495,774	\$0	\$4,200	\$264,823	(\$1,149,963)	\$22,544,151
Health and Welfare										
67	Department of Family Services	\$86,036,178	\$0	\$111,200	\$1,878,967	\$3,052,322	\$2,836	\$985,675	(\$9,286,043)	\$82,781,135
68	Department of Administration for Human Services	10,778,405	0	0	225,443	0	0	0	(829,941)	10,173,907
71	Health Department	36,333,644	0	0	800,046	279,853	0	0	(2,399,080)	35,014,463
73	Office to Prevent and End Homelessness	640,051	0	0	13,953	0	0	0	0	654,004
79	Department of Neighborhood and Community Services	13,699,941	0	0	300,292	2,867,534	15,982	73,737	(1,405,429)	15,552,057
	Total Health and Welfare	\$147,488,219	\$0	\$111,200	\$3,218,701	\$6,199,709	\$18,818	\$1,059,412	(\$13,920,493)	\$144,175,566
Parks, Recreation and Libraries										
51	Fairfax County Park Authority	\$20,745,680	\$0	\$0	\$457,203	\$2,351,148	\$10,762	\$111,286	(\$2,297,392)	\$21,378,687
52	Fairfax County Public Library	20,947,960	0	0	513,735	631,421	118,059	0	(1,765,822)	20,445,353
	Total Parks, Recreation and Libraries	\$41,693,640	\$0	\$0	\$970,938	\$2,982,569	\$128,821	\$111,286	(\$4,063,214)	\$41,824,040
Community Development										
16	Economic Development Authority	\$3,393,966	\$0	\$0	\$73,988	\$23,270	\$0	\$8,240	(\$229,539)	\$3,269,925
31	Land Development Services	12,249,405	0	0	277,414	0	0	0	(2,781,758)	9,745,061
35	Department of Planning and Zoning	9,569,872	0	0	210,631	0	0	0	(933,436)	8,847,067
36	Planning Commission	435,330	0	0	9,899	183,924	0	9,430	0	638,583
38	Department of Housing and Community Development	4,332,466	0	0	96,070	144,840	0	82,137	(371,696)	4,283,817
39	Office of Human Rights and Equity Programs	1,518,330	0	0	34,103	0	0	0	(124,201)	1,428,232
40	Department of Transportation	7,891,315	0	159,939	174,684	0	0	0	(393,677)	7,832,261
	Total Community Development	\$39,390,684	\$0	\$159,939	\$876,789	\$352,034	\$0	\$99,807	(\$4,834,307)	\$36,044,946
Nondepartmental										
87	Unclassified Administrative Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
89	Employee Benefits	0	282,704,352	0	0	0	0	0	0	282,704,352
	Total Nondepartmental	\$0	\$282,704,352	\$0	\$0	\$0	\$0	\$0	\$0	\$282,704,352
	Total General Fund	\$690,953,623	\$282,704,352	\$612,836	\$15,173,358	\$12,586,238	\$4,486,237	\$35,758,694	(\$57,588,267)	\$984,687,071

FY 2013 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Market Rate Adjustment ¹	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
GENERAL FUND SUPPORTED FUNDS										
106	Fairfax-Falls Church Community Services Board	\$70,917,761	\$20,107,722	\$425,853	\$1,549,752	\$3,112,945	\$487,014	\$1,055,107	(\$6,319,910)	\$91,336,244
120	E-911 Fund	12,544,059	4,816,254	0	273,460	0	148,400	4,829,442	(844,377)	21,767,238
141	Elderly Housing Programs	785,065	256,530	0	17,115	40,671	3,364	49,612	(62,012)	1,090,345
501	County Insurance Fund	1,097,255	350,970	0	23,920	0	0	0	(89,640)	1,382,505
503	Department of Vehicle Services	16,033,668	4,438,121	0	349,535	0	138,020	235,304	(1,208,046)	19,986,602
504	Document Services Division	600,746	183,929	0	13,096	32,114	7,463	32,998	(20,560)	849,786
505	Technology Infrastructure Services	5,106,079	1,727,068	0	111,313	65,904	13,580	63,409	(331,678)	6,755,675
	Total General Fund Supported Funds	\$107,084,633	\$31,880,594	\$425,853	\$2,338,191	\$3,251,634	\$797,841	\$6,265,872	(\$8,876,223)	\$143,168,395
OTHER FUNDS										
105	Cable Communications	\$3,729,038	\$1,128,174	\$0	\$79,442	\$309,366	\$0	\$77,362	(\$85,931)	\$5,237,451
109	Refuse Collection and Recycling Operations	7,523,425	2,479,469	0	164,011	336,187	0	440,178	(398,012)	10,545,258
110	Refuse Disposal	7,290,020	2,768,843	0	158,922	0	0	533,625	(139,915)	10,611,495
111	Reston Community Center	2,530,920	1,202,559	0	53,568	1,199,682	3,677	45,647	(21,263)	5,014,790
112	Energy Resource Recovery (ERR) Facility	558,555	253,069	0	12,176	0	0	23,769	(4,896)	842,673
113	McLean Community Center	1,489,046	721,171	0	32,462	707,644	10,626	35,871	(128,189)	2,868,631
114	I-95 Refuse Disposal	2,376,770	916,439	0	51,814	36,697	0	88,447	(31,482)	3,438,685
115	Burgundy Village Community Center	0	1,311	0	0	17,834	0	0	0	19,145
116	Integrated Pest Management Program	920,542	290,256	0	20,068	0	0	10,370	0	1,241,236
124	County & Regional Transportation Projects	1,405,158	455,269	0	30,632	0	0	0	0	1,891,059
125	Stormwater Services	9,596,862	3,125,731	1,610,095	195,542	201,559	0	172,048	(616,594)	14,285,243
142	Community Development Block Grant	1,293,296	501,799	0	0	0	0	0	0	1,795,095
145	HOME Investment Partnerships Grant	133,413	51,764	0	0	0	0	0	0	185,177
401	Sewer Operation and Maintenance	18,390,193	7,336,801	0	400,906	187,882	49,534	597,650	(731,947)	26,231,019
506	Health Benefits Fund	48,000	147,992,051	0	0	74,500	0	0	0	148,114,551
600	Uniformed Employees Retirement Trust Fund	304,918	127,479	0	6,641	0	0	592	0	439,630
601	Fairfax County Employees' Retirement Trust Fund	1,422,952	594,901	0	30,990	0	0	2,762	0	2,051,605
602	Police Retirement Trust Fund	304,918	127,479	0	6,641	0	0	592	0	439,630
603	OPEB Trust Fund	81,876	7,451,162	0	1,785	0	0	0	0	7,534,823
	Total Other Funds	\$59,399,902	\$177,525,727	\$1,610,095	\$1,245,600	\$3,071,351	\$63,837	\$2,028,913	(\$2,158,229)	\$242,787,196
	Total All Funds	\$857,438,158	\$492,110,673	\$2,648,784	\$18,757,149	\$18,909,223	\$5,347,915	\$44,053,479	(\$68,622,719)	\$1,370,642,662

¹ The total General Fund impact of the Market Rate Adjustment for General Fund and General Fund Supported funds including Fringe Benefits is \$22.35 million.

FY 2013 ADVERTISED SUMMARY OF EMPLOYEE BENEFIT COSTS BY CATEGORY

BENEFIT CATEGORY	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
FRINGE BENEFITS						
Group Health Insurance						
Expenditures	\$76,215,780	\$84,318,386	\$84,318,386	\$91,814,126	\$7,495,740	8.9%
Reimbursements	(6,029,723)	(6,291,564)	(6,291,564)	(7,639,203)	(1,347,639)	21.4%
Net Cost	\$70,186,057	\$78,026,822	\$78,026,822	\$84,174,923	\$6,148,101	7.9%
Dental Insurance						
Expenditures	\$5,041,580	\$5,131,684	\$5,131,684	\$5,400,013	\$268,329	5.2%
Reimbursements	(1,969,533)	(1,922,884)	(1,922,884)	(2,251,800)	(328,916)	17.1%
Net Cost	\$3,072,047	\$3,208,800	\$3,208,800	\$3,148,213	(\$60,587)	(1.9%)
Group Life Insurance						
Expenditures	\$3,347,619	\$3,460,117	\$3,460,117	\$3,539,841	\$79,724	2.3%
Reimbursements	(1,427,371)	(1,430,812)	(1,430,812)	(1,610,711)	(179,899)	12.6%
Net Cost	\$1,920,248	\$2,029,305	\$2,029,305	\$1,929,130	(\$100,175)	(4.9%)
FICA						
Expenditures	\$56,013,397	\$58,856,677	\$60,005,974	\$59,717,309	(\$288,665)	(0.5%)
Reimbursements	(15,594,996)	(15,683,253)	(15,912,450)	(16,275,253)	(362,803)	2.3%
Net Cost	\$40,418,401	\$43,173,424	\$44,093,524	\$43,442,056	(\$651,468)	(1.5%)
Employees' Retirement						
Expenditures	\$69,720,292	\$83,258,022	\$84,667,243	\$95,466,950	\$10,799,707	12.8%
Reimbursements	(23,547,358)	(27,393,954)	(27,820,218)	(30,866,668)	(3,046,450)	11.0%
Net Cost	\$46,172,934	\$55,864,071	\$56,847,025	\$64,600,282	\$7,753,257	13.6%
Unfunded Retirement						
Expenditures	\$45,817,015	\$50,121,640	\$50,900,211	\$52,932,388	\$2,032,177	4.0%
Reimbursements	(2,990,534)	(3,296,051)	(3,344,167)	(3,473,293)	(129,126)	3.9%
Net Cost	\$42,826,481	\$46,825,589	\$47,556,044	\$49,459,095	\$1,903,051	4.0%
Police Retirement						
Expenditures	\$29,174,611	\$31,954,831	\$32,467,668	\$34,596,023	\$2,128,355	6.6%
Reimbursements	0	0	0	0	0	-
Net Cost	\$29,174,611	\$31,954,831	\$32,467,668	\$34,596,023	\$2,128,355	6.6%
Retirement Reserve	\$0	\$0	\$0	\$0	\$0	-
Virginia Retirement System	\$466,743	\$770,125	\$770,125	\$519,325	(\$250,800)	(32.6%)
Line of Duty	\$2,155	\$575,000	\$575,000	\$700,000	\$125,000	21.7%
Flexible Spending Accounts	\$0	\$125,000	\$125,000	\$125,000	\$0	0.0%
Unemployment Compensation	\$659,037	\$727,894	\$727,894	\$403,686	(\$324,208)	(44.5%)
Capital Project Reimbursements	(\$1,432,712)	(\$868,667)	(\$868,667)	(\$1,056,723)	(\$188,056)	21.6%
Language Proficiency Pay	\$487,135	\$478,667	\$478,667	\$483,915	\$5,248	1.1%
Total Fringe Benefits:						
Expenditures	\$286,945,364	\$319,778,043	\$323,627,969	\$345,698,576	\$22,070,607	6.8%
Reimbursements	(52,992,227)	(56,887,182)	(57,590,762)	(63,173,651)	(5,582,889)	9.7%
Total Fringe Benefits	\$233,953,137	\$262,890,861	\$266,037,207	\$282,524,925	\$16,487,718	6.2%
OPERATING EXPENSES						
Training/Task Forces	\$933,575	\$822,850	\$2,475,350	\$1,182,850	(\$1,292,500)	(52.2%)
Employees Advisory Council	31,178	29,814	29,814	0	(29,814)	(100.0%)
Employee Assistance Program	315,225	330,986	330,986	330,986	0	0.0%
Total Operating Expenses	\$1,279,978	\$1,183,650	\$2,836,150	\$1,513,836	(\$1,322,314)	(46.6%)
TOTAL EXPENDITURES	\$288,225,342	\$320,961,693	\$326,464,119	\$347,212,412	\$20,748,293	6.4%
TOTAL REIMBURSEMENTS	(\$52,992,227)	(\$56,887,182)	(\$57,590,762)	(\$63,173,651)	(\$5,582,889)	9.7%
NET COST TO THE COUNTY	\$235,233,115	\$264,074,511	\$268,873,357	\$284,038,761	\$15,165,404	5.6%

FY 2013 ADVERTISED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

#	Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
Legislative-Executive Functions / Central Services							
01	Board of Supervisors	\$4,487,275	\$1,807,127	\$571,950	\$0	\$0	\$6,866,352
02	Office of the County Executive	5,685,376	2,289,630	668,602	0	0	8,643,608
04	Department of Cable and Consumer Services	699,431	281,677	3,350,191	(3,110,987)	0	1,220,312
06	Department of Finance	4,601,317	1,853,055	5,749,202	(751,697)	0	11,451,877
11	Department of Human Resources	6,114,150	2,462,307	1,329,528	0	0	9,905,985
12	Department of Purchasing and Supply Management	3,535,583	1,423,859	1,771,691	(288,803)	0	6,442,330
13	Office of Public Affairs	1,194,838	481,188	155,781	(239,882)	0	1,591,925
15	Office of Elections	2,706,090	1,089,804	953,537	0	0	4,749,431
17	Office of the County Attorney	6,259,777	2,520,954	408,046	(466,522)	0	8,722,255
20	Department of Management and Budget	2,540,381	1,023,069	189,309	0	0	3,752,759
37	Office of the Financial and Program Auditor	310,650	125,106	32,166	0	0	467,922
41	Civil Service Commission	339,808	136,848	82,282	0	0	558,938
57	Department of Tax Administration	16,533,258	6,658,318	5,702,183	0	0	28,893,759
70	Department of Information Technology	21,280,238	8,570,034	14,146,067	(6,791,873)	0	37,204,466
Total Legislative-Executive Functions / Central Services		\$76,288,172	\$30,722,976	\$35,110,535	(\$11,649,764)	\$0	\$130,471,919
Judicial Administration							
80	Circuit Court and Records	\$8,363,554	\$3,368,193	\$1,998,576	\$0	\$0	\$13,730,323
82	Office of the Commonwealth's Attorney	2,547,949	1,026,117	87,684	0	0	3,661,750
85	General District Court	1,217,550	490,335	961,772	0	0	2,669,657
91	Office of the Sheriff	13,389,994	5,392,454	4,101,770	0	0	22,884,218
Total Judicial Administration		\$25,519,047	\$10,277,099	\$7,149,802	\$0	\$0	\$42,945,948
Public Safety							
04	Department of Cable and Consumer Services	\$602,184	\$242,513	\$129,178	\$0	\$0	\$973,875
31	Land Development Services	7,135,286	2,873,541	1,420,067	0	0	11,428,894
81	Juvenile and Domestic Relations District Court	18,794,619	7,569,019	1,929,903	0	0	28,293,541
90	Police Department	143,346,517	57,728,892	25,397,375	(697,406)	0	225,775,378
91	Office of the Sheriff	38,284,767	15,418,143	5,555,427	(256,000)	0	59,002,337
92	Fire and Rescue Department	143,113,278	57,634,962	23,680,057	0	0	224,428,297
93	Office of Emergency Management	1,222,884	492,483	569,104	0	0	2,284,471
97	Department of Code Compliance	3,087,262	1,243,310	517,246	0	0	4,847,818
Total Public Safety		\$355,586,797	\$143,202,863	\$59,198,357	(\$953,406)	\$0	\$557,034,611

FY 2013 ADVERTISED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

# Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
Public Works						
08 Facilities Management Department	\$11,849,621	\$4,772,111	\$50,031,058	(\$10,731,015)	\$0	\$55,921,775
25 Business Planning and Support	1,093,317	440,304	182,873	(492,778)	0	1,223,716
26 Office of Capital Facilities	9,601,213	3,866,626	8,904,905	(6,626,632)	0	15,746,112
87 Unclassified Administrative Expenses	0	0	3,810,841	(166,030)	0	3,644,811
Total Public Works	\$22,544,151	\$9,079,041	\$62,929,677	(\$18,016,455)	\$0	\$76,536,414
Health and Welfare						
67 Department of Family Services	\$82,781,135	\$33,337,839	\$113,998,055	(\$2,125,557)	\$0	\$227,991,472
68 Department of Administration for Human Services	10,173,907	4,097,263	1,493,159	(64,143)	0	15,700,186
71 Health Department	35,014,463	14,101,118	16,959,326	0	0	66,074,907
73 Office to Prevent and End Homelessness	654,004	263,382	11,155,727	0	0	12,073,113
79 Department of Neighborhood and Community Services	15,552,057	6,263,166	18,778,339	(8,307,308)	0	32,286,254
Total Health and Welfare	\$144,175,566	\$58,062,768	\$162,384,606	(\$10,497,008)	\$0	\$354,125,932
Parks, Recreation & Libraries						
51 Fairfax County Park Authority	\$21,378,687	\$8,609,682	\$4,719,283	(\$3,672,053)	\$0	\$31,035,599
52 Fairfax County Public Library	20,445,353	8,233,807	6,151,068	0	0	34,830,228
Total Parks, Recreation & Libraries	\$41,824,040	\$16,843,489	\$10,870,351	(\$3,672,053)	\$0	\$65,865,827
Community Development						
16 Economic Development Authority	\$3,269,925	\$1,316,873	\$3,908,092	\$0	\$0	\$8,494,890
31 Land Development Services	9,745,061	3,924,557	2,602,041	(84,877)	0	16,186,782
35 Department of Planning and Zoning	8,847,067	3,562,914	694,486	0	0	13,104,467
36 Planning Commission	638,583	257,172	29,263	0	0	925,018
38 Department of Housing and Community Development	4,283,817	1,725,190	1,863,824	(512,500)	0	7,360,331
39 Office of Human Rights and Equity Programs	1,428,232	575,181	120,045	0	0	2,123,458
40 Department of Transportation	7,832,261	3,154,229	563,825	(1,251,341)	0	10,298,974
Total Community Development	\$36,044,946	\$14,516,116	\$9,781,576	(\$1,848,718)	\$0	\$58,493,920
Non-Departmental						
87 Unclassified Administrative Expenses	\$0	\$0	\$100,000	\$0	\$0	\$100,000
89 Employee Benefits	0	0	1,513,836	0	0	1,513,836
Total Non-Departmental	\$0	\$0	\$1,613,836	\$0	\$0	\$1,613,836
GENERAL FUND DIRECT EXPENDITURES	\$701,982,719	\$282,704,352	\$349,038,740	(\$46,637,404)	\$0	\$1,287,088,407

FY 2013 ADVERTISED SUMMARY OF GENERAL FUND OPERATING EXPENDITURES BY OBJECT CODE

Object Code	Description	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
302	Professional Consultant/Contracts	\$77,891,077	\$80,529,225	\$96,287,873	\$86,432,154	(\$9,855,719)	(\$0)
304	Commercial Office Supplies	169,608	280,881	280,881	279,709	(1,172)	(0)
306	Central Store Charges	2,666,479	2,472,020	2,510,839	2,361,153	(149,686)	(0)
308	Operating Supplies	9,543,762	10,698,454	12,045,624	10,908,512	(1,137,112)	(0)
309	Operating Equipment	3,130,986	2,536,599	4,554,695	2,572,751	(1,981,944)	(0)
310	Operating Expenses	9,972,459	12,168,021	16,107,694	11,862,995	(4,244,699)	(0)
312	Wearing Apparel	2,137,693	3,403,047	4,579,826	3,294,555	(1,285,271)	(0)
314	Postage	4,530,402	6,022,036	6,864,726	5,565,063	(1,299,663)	(0)
316	Telecommunications	11,217,870	13,557,476	16,498,734	13,297,990	(3,200,744)	(0)
318	Commercial Printing Services	163,608	504,148	548,022	501,456	(46,566)	(0)
320	Rent of Equipment	508,016	690,250	698,784	689,250	(9,534)	(0)
322	Rent of Real Estate	15,796,645	16,569,375	17,238,259	16,499,514	(738,745)	(0)
324	Utilities	20,094,862	22,142,907	22,911,487	23,094,012	182,525	0
326	Interjurisdictional Payments	236,801	286,866	297,395	286,866	(10,529)	(0)
328	Repairs and Maintenance	4,945,620	5,569,613	6,659,216	5,824,386	(834,830)	(0)
330	Books and Related Material	3,766,224	3,680,933	4,101,019	3,625,778	(475,241)	(0)
331	Computer Software & Operating Equipment	4,040,580	2,800,510	3,606,385	2,648,644	(957,741)	(0)
332	Memberships & Subscriptions	536,681	445,607	446,525	440,543	(5,982)	(0)
336	Automotive Supplies	114,118	181,647	281,003	192,147	(88,856)	(0)
338	Building Materials and Supplies	1,744,086	1,604,310	1,681,960	1,579,310	(102,650)	(0)
340	Auto Mileage Allowance	1,467,640	1,917,594	1,468,529	1,910,052	441,523	0
342	DVS Charges	28,152,250	28,233,255	28,472,824	29,170,885	698,061	0
344	Technology Application Services	757,435	521,515	613,757	521,515	(92,242)	(0)
346	Cooperative Computer Center Charges	23,111,606	24,428,666	24,463,692	24,561,028	97,336	0
348	Document Services	1,584,806	1,760,493	1,772,845	1,692,371	(80,474)	(0)
350	Other Internal Charges	4,618,744	3,772,157	6,298,460	3,827,694	(2,470,766)	(0)
352	Insurance and Surety Bonds	446,651	308,069	308,069	308,069	0	0
356	Welfare Expenses	56,183,760	58,138,292	60,718,448	54,958,441	(5,760,007)	(0)
360	Payments to Boards and Commissions	331,798	349,777	354,047	160,312	(193,735)	(1)
362	Contributions to Boards, Authorities, and Commissions/Childcare Subsidies	32,040,900	29,351,045	36,650,478	28,351,045	(8,299,433)	(0)
366	Tuition/Training	5,566	0	366,100	360,000	(6,100)	(0)
368	Conferences/Travel	2,120,061	2,939,752	3,853,309	2,818,154	(1,035,155)	(0)
370	Food	4,835,422	4,779,818	4,872,477	4,879,126	6,649	0
372	Manpower Client Payroll	8,147	0	58,564	0	(58,564)	(1)
378	Contingencies	369,293	358,325	358,325	358,325	0	0
380	Housing Costs/Rental Assistance	2,508,057	2,470,929	4,674,740	3,204,935	(1,469,805)	(0)
TOTAL OPERATING EXPENSES		\$331,749,713	\$345,473,612	\$393,505,611	\$349,038,740	(\$44,466,871)	(11.30%)

FAIRFAX COUNTY
FY 2011 - FY 2013 County Funded Programs
for School-Related Services

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
General Fund Transfers				
General Fund Transfer to School Operating Fund	\$1,611,590,477	\$1,610,834,722	\$1,610,834,722	\$1,683,322,285
General Fund Transfer to School Debt Service	160,208,882	163,470,564	163,470,564	164,757,064
Subtotal	\$1,771,799,359	\$1,774,305,286	\$1,774,305,286	\$1,848,079,349
Police Department				
School Resource Officers (55/55.0 SYE)	\$5,490,163	\$4,796,830	\$6,043,266	\$6,212,229
Non-Billable Overtime Hours	280,735	250,834	285,109	292,592
School Crossing Guards (64/64.0 SYE)	2,449,951	2,776,445	2,530,391	2,595,849
Subtotal	\$8,220,849	\$7,824,109	\$8,858,766	\$9,100,670
Fire Department				
Fire safety programs for pre-school through middle school aged students	\$153,503	\$148,266	\$173,201	\$175,617
Subtotal	\$153,503	\$148,266	\$173,201	\$175,617
Health Department				
School Health (274/202.98 SYE)	\$8,662,808	\$13,399,906	\$13,802,525	\$14,184,477
Subtotal	\$8,662,808	\$13,399,906	\$13,802,525	\$14,184,477
Community Services Board (CSB) - Mental Health Services				
Pre-Kindergarten programming (10/1.5 SYE)	\$78,148	\$117,462	\$119,223	\$119,811
Elementary school programming (1/0.01 SYE)	741	741	752	756
Middle school programming (1/0.01 SYE)	741	741	752	756
High school and alternative school programming (12/0.23 SYE)	18,555	18,555	18,833	18,926
Subtotal	\$98,185	\$137,499	\$139,560	\$140,249
Community Services Board (CSB) - Intellectual Disability Services				
Elementary school programming (2/1.25 SYE)	\$211,987	\$211,987	\$215,167	\$216,226
Middle school programming (24/0.17 SYE)	17,163	17,163	17,421	17,506
High school and alternative school programming (40/1.11 SYE)	223,746	223,746	227,102	228,220
Subtotal	\$452,896	\$452,896	\$459,690	\$461,952
Community Services Board (CSB) - Alcohol and Drug Services				
Elementary school programming (4/2.75 SYE)	\$203,744	\$203,744	\$206,800	\$207,819
Middle school programming (15/4.58 SYE)	425,704	425,704	430,280	434,219
High school and alternative school programming (30/20.75 SYE)	2,127,832	2,127,832	2,159,752	2,170,391
Subtotal	\$2,757,280	\$2,757,280	\$2,796,832	\$2,812,429

FAIRFAX COUNTY
FY 2011 - FY 2013 County Funded Programs
for School-Related Services

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
Community Services Board (CSB) - Infant and Toddler Connection Services				
Pre-Kindergarten programming (44/0.56 SYE)	\$55,198	\$55,198	\$56,026	\$56,302
Subtotal	\$55,198	\$55,198	\$56,026	\$56,302
Department of Family Services				
Net Cost of the School-Age Child Care (SACC) Program (654/594.83 SYE) - includes general services and services for special needs clients, partially offset by program revenues ¹	\$9,217,320	\$10,198,668	\$10,060,508	\$9,988,251
Net Cost of the Head Start Program - General Fund (Higher Horizons, Gum Springs (18/18.0 SYE), Schools' Contract)	6,167,295	6,259,436	6,300,533	6,456,277
Head Start Federal Grant Funding (Local Cash Match) ²	1,009,146	969,786	1,185,687	1,019,786
Virginia Preschool Initiative Grant Funding (Local Cash Match)	49,500	50,000	101,287	100,000
Comprehensive Services Act (special education programs not in Fairfax County Public Schools)	18,218,854	16,202,190	19,656,587	19,014,386
County contribution to Schools for SACC space	750,000	750,000	750,000	750,000
Subtotal	\$35,412,115	\$34,430,080	\$38,054,602	\$37,328,700
Department of Neighborhood and Community Services				
After School Programs at Fairfax County Middle Schools	\$3,091,221	\$3,118,173	\$3,118,173	\$3,118,173
After School Partnership Program	145,000	145,000	145,000	145,000
Field improvements ³	1,335	200,000	512,966	200,000
Therapeutic recreation	55,550	40,035	59,924	60,824
Subtotal	\$3,293,106	\$3,503,208	\$3,836,063	\$3,523,997
Fairfax County Park Authority				
Maintenance of Fairfax County Public Schools' athletic fields	\$1,773,160	\$1,772,535	\$2,519,594	\$1,772,535
Subtotal	\$1,773,160	\$1,772,535	\$2,519,594	\$1,772,535
TOTAL: County Funding for School Related Services	\$1,832,678,459	\$1,838,786,263	\$1,845,002,145	\$1,917,636,277

¹ Includes Fringe Benefits for merit employees in an effort to more accurately reflect true costs associated with the SACC program and to be consistent with SACC rate setting methodology.

² This includes Local Cash Match funding for Federal Head Start and Early Head Start for the Higher Horizons, Gum Springs and Schools' contracts.

³ 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 2011 - FY 2013 Additional County Funded Programs
for General Youth Services

	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
Additional County Funded Youth Programs				
	\$14,355,635	\$19,466,166	\$23,095,737	\$20,305,380
Family Services - Net cost of services for children (excluding SACC and Head Start)				
Juvenile and Domestic Relations District Court - Residential Services	3,069,277	2,722,593	2,891,427	2,830,076
Department of Neighborhood and Community Services - Therapeutic	1,110,999	800,710	1,198,477	1,216,479
Department of Neighborhood and Community Services - Teen Centers (excluding Club 78)	1,345,650	1,569,073	1,352,275	1,376,924
Department of Neighborhood and Community Services - Community Centers	1,830,651	1,856,029	1,938,136	1,920,164
Department of Neighborhood and Community Services - Net cost Extension/Community Education	48,676	71,000	73,324	71,000
Department of Neighborhood and Community Services - Youth Sports Scholarship	149,998	150,000	150,067	150,000
Fairfax County Park Authority - Athletic Field Maintenance (non-school fields)	2,712,383	2,500,000	2,860,047	2,500,000
Subtotal: Additional County Funded Programs for General Youth Services (Non-School)	\$24,623,269	\$29,135,571	\$33,559,490	\$30,370,023
TOTAL: County Funded Programs for Youth (Includes Both School and Non-School Programs)	\$1,857,301,728	\$1,867,921,834	\$1,878,561,635	\$1,948,006,300

FAIRFAX COUNTY

FY 2011 - FY 2013 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 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
Additional County-Administered Programs for School-Related Services				
Department of Family Services - Head Start Grant Funding ¹	\$5,190,831	\$5,143,148	\$5,187,713	\$5,051,148
Department of Family Services - Early Head Start Grant Funding ¹	3,971,884	3,274,405	3,950,264	3,973,291
Department of Family Services - Virginia Preschool Initiative ¹	2,933,491	2,957,000	3,426,615	3,745,000
Subtotal: County-Administered Programs	\$12,096,206	\$11,374,553	\$12,564,592	\$12,769,439
 GRAND TOTAL	 \$1,869,397,934	 \$1,879,296,387	 \$1,891,126,227	 \$1,960,775,739

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 136,105 persons age 65 and older living in Fairfax County, representing 11.9 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 2013 Advertised Budget Plan](#). Following the table is a description of the programs, as well as utilization data by age if available. In FY 2013, services to older adults total \$75.4 million or 2.1 percent of General Fund Disbursements of \$3.5 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 4.5 percent of the remaining General Fund Disbursements.

Services for Older Adults

County Funded Programs for Older Adults¹

	FY 2011 Actual	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
Facilities Management Department			
Lease for the Lorton Senior Center at Gunston Plaza (Operated by the Department of Neighborhood and Community Services)	\$92,484	\$97,747	\$99,702
Department of Neighborhood and Community Services			
Senior Center and Senior Plus Program	\$3,066,082	\$3,388,961	\$3,538,923
Seniors-On-the-Go! Taxi Cab Voucher Program	179,385	369,839	371,323
Congregate Meals	442,769	451,806	461,655
Subtotal Department of Neighborhood and Community Services	\$3,688,236	\$4,210,606	\$4,371,901
Fairfax County Public Library			
Programs Primarily Used by Older Adults	\$276,876	\$248,155	\$248,155
Department of Tax Administration			
Tax Relief for the Elderly and Disabled	\$24,534,596	\$26,142,956	\$26,707,513
Department of Family Services			
Adult Protective Services	\$1,337,768	\$1,604,706	\$1,578,561
Long-Term Care Services	3,824,369	7,890,214	6,107,593
Adult Services	2,374,305	2,515,082	2,626,566
Medical Respite	176,635	215,163	0
Transportation Services	2,472,128	2,833,704	2,833,704
Subtotal Department of Family Services	\$10,185,205	\$15,058,869	\$13,146,424
Health Department			
Long-Term Care Developmental Services ²	\$3,532,299	\$3,777,443	\$3,649,675
Fire and Rescue Department			
Senior Safety Programs ³	\$47,071	\$54,648	\$55,556
Subtotal - General Fund	\$42,356,767	\$49,590,424	\$48,278,926

Services for Older Adults

County Funded Programs for Older Adults¹

Name and Description of Service	FY 2011 Actual	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan
Fund 102, Federal/State Grant Fund			
Community-Based Social Services	\$1,530,732	\$1,303,970	\$800,613
Ombudsman	542,784	700,188	739,453
Fee for Service	274,583	261,231	243,007
Congregate Meals	2,216,235	3,725,532	1,808,816
Home-Delivered Meals	1,659,833	1,745,314	1,177,033
Care-Coordination	725,597	761,306	724,847
Caregiver Support	384,194	436,321	373,478
ARRA Funding ⁴	103,593	44,445	0
Subtotal Fund 102	\$7,437,551	\$8,978,307	\$5,867,247
Fund 106, Community Services Board			
Countywide Older Adults and Families Program	\$1,016,481	\$1,022,915	\$1,043,373
Fund 119, Contributory Fund			
Northern Virginia Healthcare Center/Birmingham	\$1,847,761	\$2,215,918	\$2,447,789
Green Adult Care Residence			
Fund 141, Elderly Housing Programs⁵			
Lewinsville Senior Residence, Little River Glen, and Lincolnia Center	\$4,263,430	\$4,948,132	\$4,206,682
Fund 309, Metro Operations and Construction			
MetroAccess ⁶	\$11,347,290	\$12,409,775	\$13,278,459
Fund 505, Technology Infrastructure Services			
Computer Labs	\$308,840	\$324,314	\$324,314
Subtotal - General Fund Supported	\$26,221,353	\$29,899,361	\$27,167,864
TOTAL SPENDING ON SENIOR PROGRAMS	\$68,578,120	\$79,489,785	\$27,167,864

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 Includes the Alzheimer's Family Day Center.

³ 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.

⁴ Funding received as part of the American Recovery and Reinvestment Act of 2009.

⁵ 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.

⁶ 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.

Services for Older Adults

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. In FY 2011, 171 older adults were newly enrolled in the program. In FY 2012, the program is averaging approximately 14 new consumers per month.

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 2011, 7,932 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 2011, 1,005 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 2011, 2,455 clients were served.

Services for Older Adults

Transportation Services

Human Services Transportation 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.

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 2011, 11,366 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.

Services for Older Adults

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 2011, 100 adults age 60 and over received 9,601 hours of service.

Congregate Meals

Congregate Meals are provided in 31 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 2011, 260,646 congregate meals were served. More than 2,644 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 2011, 203,267 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 2011, 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 2011, 60 clients received services through the Adult Day Health Care respite scholarship, 12 clients through the bathing and respite program, 60 clients through the Discretionary Fund, and 52 clients received assisted transportation services, taking 1,382 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 1,755 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 CSB is currently expanding geriatric expertise within the broader workforce. 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 178 clients for a total of 760 service hours in FY 2011.

Services for Older Adults

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 2011, 133 Fairfax County citizens over the age of 55 were served in the facility (97 in the nursing facility and 36 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

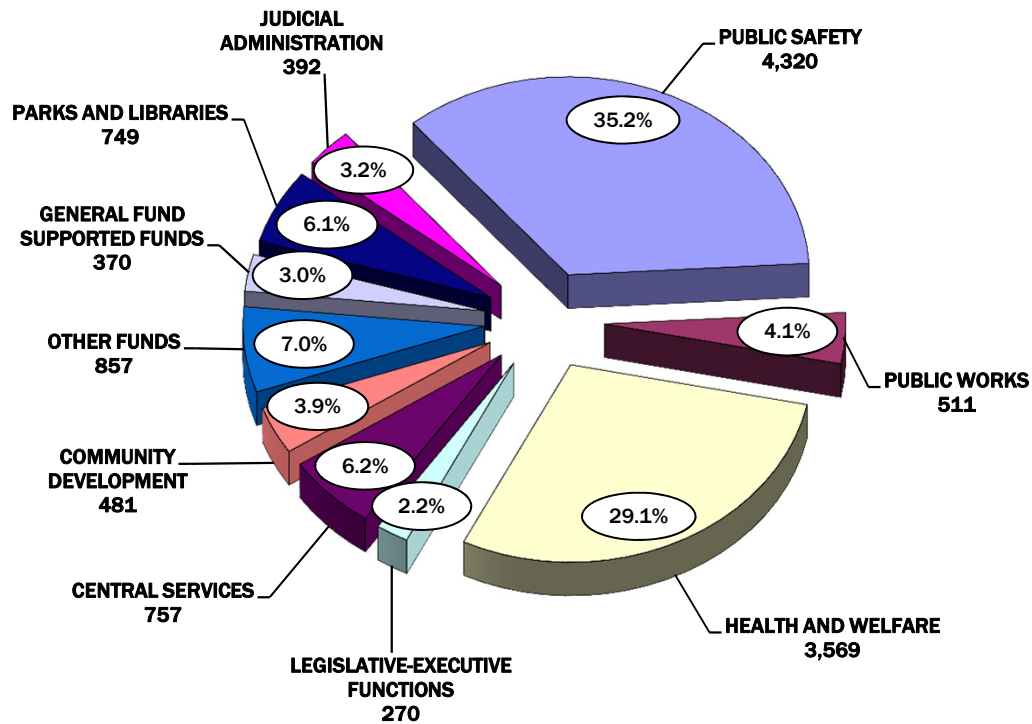
MetroAccess is a door-to-door paratransit service for people with disabilities who are not able to use fixed-route forms (bus and rail) of public transportation due to functional limitations that relate to their disability. MetroAccess provided approximately 223,256 completed stops for Fairfax County 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 2013 REGULAR POSITIONS ALL FUNDS



TOTAL REGULAR POSITIONS = 12,276

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 2013

Authorized Positions - All Funds

Fiscal Years ¹	From	To	Abolished	New Facilities	Other Changes	Other Reviews	Total Change	Population ²	Positions Per 1,000 Residents
FY 1991 to FY 1992	11,164	11,124	(153)	41	20	52	(40)	832,130	13.57
FY 1992 to FY 1993	11,124	10,628	(588)	0	13	79	(496)	844,500	12.58
FY 1993 to FY 1994	10,628	10,685	(88)	62	56	27	57	857,496	12.46
FY 1994 to FY 1995	10,685	10,870	(157)	94	131	117	185	871,268	12.48
FY 1995 to FY 1996	10,870	11,016	(49)	60	76	59	146	889,526	12.38
FY 1996 to FY 1997	11,016	10,782	(477)	150	(14)	107	(234)	905,888	11.90
FY 1997 to FY 1998	10,782	10,802	(56)	4	43	29	20	921,789	11.72
FY 1998 to FY 1999	10,802	10,911	(35)	26	41	77	109	938,912	11.62
FY 1999 to FY 2000	10,911	11,108	(17)	106	26	82	197	958,060	11.59
FY 2000 to FY 2001	11,108	11,317	0	25	107	77	209	977,058	11.58
FY 2001 to FY 2002	11,317	11,385	(2)	14	39	17	68	994,401	11.45
FY 2002 to FY 2003	11,385	11,498	(48)	70	1	90	113	1,008,263	11.40
FY 2003 to FY 2004	11,498	11,443	(124)	49	0	20	(55)	1,017,194	11.25
FY 2004 to FY 2005	11,443	11,547	(4)	56	0	52	104	1,027,972	11.23
FY 2005 to FY 2006	11,547	11,742	(21)	163	50	3	195	1,035,479	11.34
FY 2006 to FY 2007	11,742	11,936	0	159	16	19	194	1,039,409	11.48
FY 2007 to FY 2008	11,936	12,024	0	55	15	18	88	1,043,601	11.52
FY 2008 to FY 2009	12,024	12,101	0	0	33	44	77	1,048,842	11.54
FY 2009 to FY 2010	12,101	11,796	(308)	2	0	1	(305)	1,066,858	11.06
FY 2010 to FY 2011	11,796	12,031	(191)	4	11	411	235	1,083,889	11.10
FY 2011 to FY 2012	12,031	12,278	0	3	36	208	247	1,088,225	11.28
FY 2012 to FY 2013	12,278	12,276	(36)	5	29	0	(2)	1,092,578	11.24
Total	11,164	12,276	(2,354)	1,148	729	1,589	1,112		

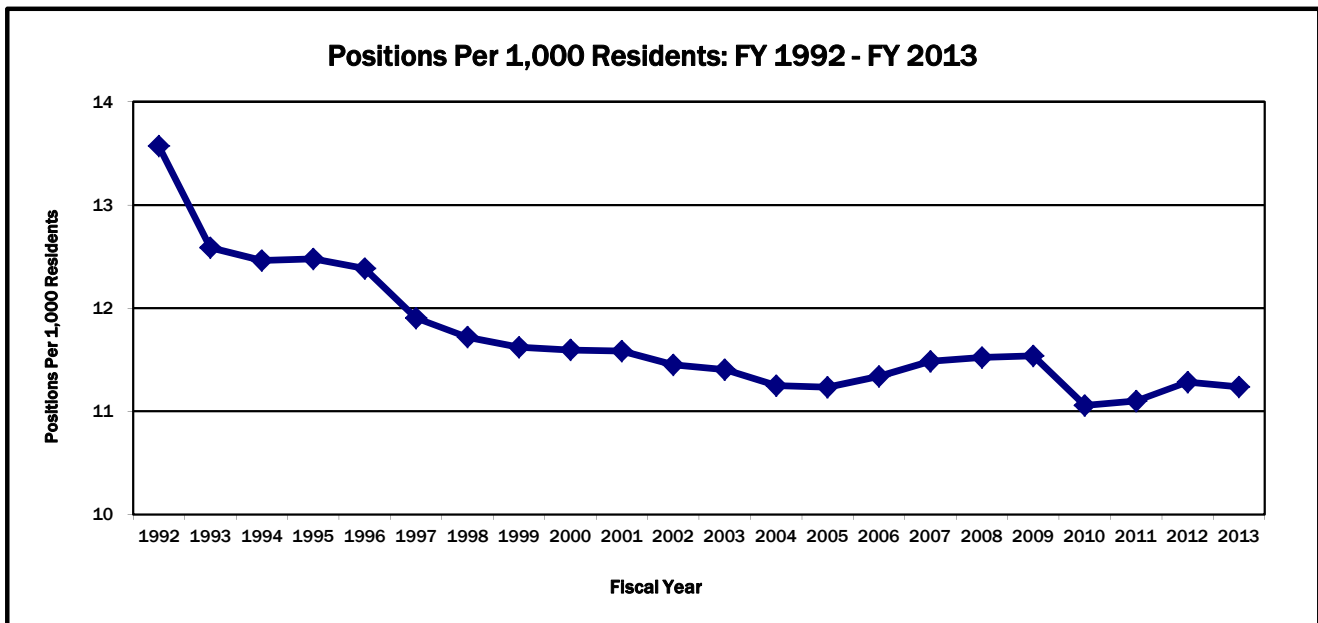
In addition, a total of 168 project positions have been abolished since FY 1991, resulting in a total of 2,522 abolished positions. This results in a net increase of 944 positions through the FY 2013 Advertised Budget Plan. Despite the net addition of positions, Positions Per 1,000 Residents have decreased dramatically during the period between FY 1992 and FY 2013, from 13.57 (including the 168 project positions) to 11.24, a 17.2 percent decrease.

() Denotes Abolished Positions

¹ Fiscal Year totals reflect actuals except for the current and budget year which reflect latest budgeted position counts.

² Population numbers used to compute Positions Per 1,000 Residents are provided by the Department of Neighborhood and Community Services and adjusted for fiscal year.

During the period FY 1992 - FY 2013, the following chart depicts the trend in merit regular positions per 1,000 residents:



Summary of Position Changes

FY 2013 Position Actions Total Change - (2) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW POSITIONS			34
Family Services		SACC - Graham Road and Lacey	3
Capital Facilities		Stormwater Services requirements	3
Transportation		Tysons redevelopment	2
Police		Animal Shelter expansion	2
Community Services Board		Intellectual Disability case management	2
Community Services Board		Medical Detoxification	3
Stormwater Services		Stormwater Services requirements	19
REDUCTIONS/REALIGNMENTS			(36)
Cable and Consumer Services		Transfer Financial Manager to Cable Communications	(1)
Public Affairs		Transfer Courthouse front desk function to Circuit Court	(2)
Public Affairs		Transfer Housing public affairs support from Housing	1
Management and Budget		Budget Analyst	(1)
Land Development Services		Call Center	(1)
Land Development Services		Inspections	(2)
Land Development Services		Division management	(2)
Land Development Services		Transfer Urban Forestry to Stormwater Services	(7)
Housing and Community Development		Transfer Housing public affairs support to Public Affairs	(1)
Parks		Administrative and financial support	(3)
Parks		Heritage Resources	(1)
Tax Administration		Administrative Assistant	(1)
Health		Braddock Glen Adult Day Health Care Center	(5)
Neighborhood and Community Services		Access Fairfax	(2)
Circuit Court		Transfer of Courthouse front desk function from Public Affairs	2
Police		Administrative Assistant	(1)
Police		Marine Patrol	(2)
Police		Weapons of Mass Destruction coordinator	(1)
Police		Cadet program	(5)
Fire and Rescue		HAZMAT staffing	(6)

Summary of Position Changes

FY 2013 Position Actions Total Change - (2) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	Cable Communications	Transfer Financial Manager from Cable and Consumer Services	1
	Community Services Board	Transfer Youth Resource Team to grant funding	(2)
	Community Services Board	Prevention and Student Assistance Services	(1)
	Stormwater Services	Transfer Urban Forestry from Land Development Services	7

Summary of Position Changes

FY 2012 Position Actions Total Change - 247 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
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
OTHER CHANGES DURING FISCAL YEAR			208
County Executive/Community Revitalization		Tyson's redevelopment	2
Finance		Financial system support	2
Land Development Services		Tyson's redevelopment	1
Land Development Services		Redistribution of positions	(1)
Library		Part time position adjustments	17
Administration for Human Services		Part time position adjustments	1
Family Services		Merit Position Conversion	102
Family Services		Part time position adjustments	1

Summary of Position Changes

FY 2012 Position Actions Total Change - 247 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	Family Services	Foster Child Transportation	(2)
	Neighborhood and Community Services	Foster Child Transportation	2
	Neighborhood and Community Services	Merit Position Conversion	9
	Fire and Rescue	World Police and Fire games	1
	Community Services Board	Merit Position Conversion	97
	Refuse Collection and Recycling Stormwater Services	Redistribution of positions	(1)
	Stormwater Services	Specialized maintenance requirements	1
	Community Development Block Grant	Merit Position Conversion	(22)
	HOME Investment Partnerships Grant	Merit Position Conversion	(2)

Summary of Position Changes

FY 2011 Position Actions Total Change - 235 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
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

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	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

Summary of Position Changes

FY 2011 Position Actions Total Change - 235 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
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

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	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

FY 2013 ADVERTISED POSITION SUMMARY (GENERAL FUND)

#	Agency Title	FY 2011		FY 2012						FY 2013		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE		
		Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE			Advertised Positions	Advertised SYE
Legislative-Executive Functions / Central Services															
01	Board of Supervisors	75	75.00	75	75.00	0	0.00	0	0.00	75	75.00	75	75.00	0	0.00
02	Office of the County Executive	53	53.00	53	53.00	0	0.00	2	2.00	55	55.00	55	55.00	0	0.00
04	Department of Cable and Consumer Services	16	16.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
06	Department of Finance	64	64.00	64	64.00	0	0.00	2	2.00	66	66.00	66	66.00	0	0.00
11	Department of Human Resources	84	84.00	84	84.00	0	0.00	0	0.00	84	84.00	84	84.00	0	0.00
12	Department of Purchasing and Supply Management	55	55.00	55	55.00	0	0.00	0	0.00	55	55.00	55	55.00	0	0.00
13	Office of Public Affairs	20	20.00	20	20.00	0	0.00	0	0.00	20	20.00	19	19.00	(1)	(1.00)
15	Office of Elections	25	25.00	25	25.00	0	0.00	0	0.00	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	60	60.00	60	60.00	0	0.00
20	Department of Management and Budget	34	34.00	34	34.00	0	0.00	0	0.00	34	34.00	33	33.00	(1)	(1.00)
37	Office of the Financial and Program Auditor	3	3.00	3	3.00	0	0.00	0	0.00	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	3	3.00	3	3.00	0	0.00
57	Department of Tax Administration	284	284.00	284	284.00	0	0.00	0	0.00	284	284.00	283	283.00	(1)	(1.00)
70	Department of Information Technology	251	251.00	251	251.00	0	0.00	0	0.00	251	251.00	251	251.00	0	0.00
Total Legislative-Executive Functions / Central Services		1,027	1,027.00	1,026	1,026.00	0	0.00	4	4.00	1,030	1,030.00	1,027	1,027.00	(3)	(3.00)
Judicial Administration															
80	Circuit Court and Records	161	161.00	161	161.00	0	0.00	0	0.00	161	161.00	163	163.00	2	2.00
82	Office of the Commonwealth's Attorney	37	37.00	37	37.00	0	0.00	0	0.00	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	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	171	171.00	171	171.00	0	0.00
Total Judicial Administration		390	390.00	390	390.00	0	0.00	0	0.00	390	390.00	392	392.00	2	2.00
Public Safety															
04	Department of Cable and Consumer Services	12	12	12	12	0	0	0	0	12	12	11	11	(1)	(1.00)
31	Land Development Services	125	125	112	112	0	0	1	1	113	113	112	112	(1)	(1.00)
81	Juvenile and Domestic Relations District Court	307	305.50	307	305.50	0	0.00	0	0.00	307	305.50	307	305.50	0	0.00
90	Police Department	1,712	1,712.00	1,712	1,712.00	0	0.00	0	0.00	1,712	1,712.00	1,705	1,705.00	(7)	(7.00)
91	Office of the Sheriff	431	430.50	431	430.50	0	0.00	0	0.00	431	430.50	431	430.50	0	0.00
92	Fire and Rescue Department	1,497	1,497.00	1,497	1,497.00	0	0.00	1	1.00	1,498	1,498.00	1,492	1,492.00	(6)	(6.00)
93	Office of Emergency Management	13	13.00	13	13.00	0	0.00	0	0.00	13	13.00	13	13.00	0	0.00
97	Department of Code Compliance	44	44.00	44	44.00	0	0.00	0	0.00	44	44.00	44	44.00	0	0.00
Total Public Safety		4,141	4,139.00	4,128	4,126.00	0	0.00	2	2.00	4,130	4,128.00	4,115	4,113.00	(15)	(15.00)
Public Works															
08	Facilities Management Department	203	203.00	199	199.00	0	0.00	0	0.00	199	199.00	199	199.00	0	0.00
25	Business Planning and Support	5	5.00	12	12.00	0	0.00	0	0.00	12	12.00	12	11.50	0	(0.50)
26	Office of Capital Facilities	125	125.00	126	126.00	0	0.00	0	0.00	126	126.00	129	129.00	3	3.00
Total Public Works		333	333.00	337	337.00	0	0.00	0	0.00	337	337.00	340	339.50	3	2.50

FY 2013 ADVERTISED POSITION SUMMARY (GENERAL FUND)

#	Agency Title	FY 2011		FY 2012								FY 2013		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
		Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Health and Welfare															
67	Department of Family Services ¹	1,404	1,343.58	1,402	1,341.58	100	100.00	1	1.00	1,503	1,442.58	1,506	1,444.85	3	2.27
68	Department of Administration for Human Services	158	158.00	158	158.00	0	0.00	1	0.00	159	158.00	159	158.00	0	0.00
71	Health Department	654	582.98	666	594.98	0	0.00	0	0.00	666	594.98	661	589.98	(5)	(5.00)
73	Office to Prevent and End Homelessness	6	6.00	7	7.00	0	0.00	0	0.00	7	7.00	7	7.00	0	0.00
79	Department of Neighborhood and Community Services ¹	206	205.75	207	206.75	11	11.00	0	0.00	218	217.75	216	215.75	(2)	(2.00)
Total Health and Welfare		2,428	2,296.31	2,440	2,308.31	111	111.00	2	1.00	2,553	2,420.31	2,549	2,415.58	(4)	(4.73)
Parks and Libraries															
51	Fairfax County Park Authority	360	358.00	360	358.00	0	0.00	0	0.00	360	358.00	356	354.00	(4)	(4.00)
52	Fairfax County Public Library	376	367.00	376	367.00	0	0.00	17	8.50	393	375.50	393	375.50	0	0.00
Total Parks and Libraries		736	725.00	736	725.00	0	0.00	17	8.50	753	733.50	749	729.50	(4)	(4.00)
Community Development															
16	Economic Development Authority	34	34.00	34	34.00	0	0.00	0	0.00	34	34.00	34	34.00	0	0.00
31	Land Development Services	155	155.00	160	160.00	0	0.00	(1)	(1.00)	159	159.00	148	148.00	(11)	(11.00)
35	Department of Planning and Zoning	124	124.00	124	124.00	0	0.00	0	0.00	124	124.00	124	124.00	0	0.00
36	Planning Commission	7	7.00	7	7.00	0	0.00	0	0.00	7	7.00	7	7.00	0	0.00
38	Department of Housing and Community Development	43	43.00	43	43.00	0	0.00	0	0.00	43	43.00	42	42.00	(1)	(1.00)
39	Office of Human Rights and Equity Programs	18	18.00	18	18.00	0	0.00	0	0.00	18	18.00	18	18.00	0	0.00
40	Department of Transportation	106	106.00	106	106.00	0	0.00	0	0.00	106	106.00	108	108.00	2	2.00
Total Community Development		487	487.00	492	492.00	0	0.00	(1)	(1.00)	491	491.00	481	481.00	(10)	(10.00)
Total General Fund Positions		9,542	9,397.31	9,549	9,404.31	111	111.00	24	14.50	9,684	9,529.81	9,653	9,497.58	(31)	(32.23)

¹ As part of the FY 2012 Adopted Budget Plan, the Board of Supervisors approved the transfer of funding previously classified as a grant but which did not meet the definition of a grant in the new legacy computer replacement system (FOCUS). Included in the *FY 2011 Carryover Review* was an adjustment to the County's position count as it relates to the transfer of those grants and the conversion of the grant positions to Merit Regular.

FY 2013 ADVERTISED POSITION SUMMARY (GENERAL FUND SUPPORTED AND OTHER FUNDS)

Fund	FY 2011		FY 2012								FY 2013		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
General Fund Supported														
106 Fairfax-Falls Church Community Services Board	897	894.25	921	918.25	97	96.00	0	0.50	1,018	1,014.75	1,020	1,016.75	2	2.00
120 E-911 Fund	205	205.00	205	205.00	0	0.00	0	0.00	205	205.00	205	205.00	0	0.00
141 Elderly Housing Programs	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
501 County Insurance Fund	14	14.00	14	14.00	0	0.00	0	0.00	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	258	258.00	258	258.00	0	0.00
504 Document Services Division	10	10.00	10	10.00	0	0.00	0	0.00	10	10.00	10	10.00	0	0.00
505 Technology Infrastructure Services	73	73.00	73	73.00	0	0.00	0	0.00	73	73.00	73	73.00	0	0.00
Total General Fund Supported	1,472	1,469.25	1,496	1,493.25	97	96.00	0	0.50	1,593	1,589.75	1,595	1,591.75	2	2.00
Other Funds														
105 Cable Communications	46	46.00	51	51.00	0	0.00	0	0.00	51	51.00	52	52.00	1	1.00
109 Refuse Collection and Recycling Operations	150	150.00	150	150.00	0	0.00	(1)	(1.00)	149	149.00	149	149.00	0	0.00
110 Refuse Disposal	144	144.00	144	144.00	0	0.00	0	0.00	144	144.00	144	144.00	0	0.00
111 Reston Community Center	47	47.00	50	50.00	0	0.00	0	0.00	50	50.00	50	50.00	0	0.00
112 Energy Resource Recovery (ERR) Facility	12	12.00	12	12.00	0	0.00	0	0.00	12	12.00	12	12.00	0	0.00
113 McLean Community Center	31	27.95	31	27.95	0	0.00	0	0.23	31	28.18	31	28.18	0	0.00
114 I-95 Refuse Disposal	41	41.00	41	41.00	0	0.00	0	0.00	41	41.00	41	41.00	0	0.00
116 Integrated Pest Management Program	12	12.00	12	12.00	0	0.00	0	0.00	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	19	19.00	19	19.00	0	0.00
125 Stormwater Services	144	144.00	144	144.00	0	0.00	1	1.00	145	145.00	171	171.00	26	26.00
142 Community Development Block Grant	22	22.00	22	22.00	0	0.00	(22)	(22.00)	0	0.00	0	0.00	0	0.00
145 HOME Investment Partnerships Grant	2	2.00	2	2.00	0	0.00	(2)	(2.00)	0	0.00	0	0.00	0	0.00
401 Sewer Operation and Maintenance	321	320.50	321	320.50	0	0.00	0	0.00	321	320.50	321	320.50	0	0.00
601 Fairfax County Employees' Retirement Trust Fund	25	25.00	25	25.00	0	0.00	0	0.00	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	1	1.00	1	1.00	0	0.00
Total Other Funds	1,017	1,013.45	1,025	1,021.45	0	0.00	(24)	(23.77)	1,001	997.68	1,028	1,024.68	27	27.00
Total All Funds	12,031	11,880.01	12,070	11,919.01	208	207.00	0	(8.77)	12,278	12,117.24	12,276	12,114.01	(2)	(3.23)

FY 2013 ADVERTISED POSITION SUMMARY (GENERAL FUND STATE POSITIONS)

Agency Title	FY 2011		FY 2012								FY 2013		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Circuit Court and Records	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
Juvenile and Domestic Relations District Court	43	43.00	43	43.00	0	0.00	0	0.00	43	43.00	43	43.00	0	0.00
General District Court	93	91.10	93	91.10	0	0.00	0	0.00	93	91.10	93	91.10	0	0.00
Office of the Sheriff	27	26.50	27	26.50	0	0.00	0	0.00	27	26.50	27	26.50	0	0.00
Total General Fund	178	175.60	178	175.60	0	0.00	0	0.00	178	175.60	178	175.60	0	0.00

FY 2013 ADVERTISED POSITION SUMMARY (GRANT POSITIONS)

Fund/ Agency Title	FY 2011		FY 2012								FY 2013		Increase/ (Decrease) Positions	Increase/ (Decrease) SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Fund 102, Federal/State Grant Fund														
Department of Planning and Zoning	3	3.00	3	3.00	0	0.00	0	0.00	3	3.00	1	1.00	(2)	(2.00)
Office of Human Rights and Equity Programs	5	5.00	5	5.00	0	0.00	0	0.00	5	5.00	5	5.00	0	0.00
Department of Transportation	12	12.00	12	12.00	0	0.00	0	0.00	12	12.00	12	12.00	0	0.00
Department of Family Services	229	225.50	229	225.50	(60)	(60.50)	1	0.50	170	165.50	161	156.50	(9)	(9.00)
Health Department	57	57.00	57	57.00	0	0.00	0	0.00	57	57.00	57	57.00	0	0.00
Fairfax-Falls Church Community Services Board	0	0.00	0	0.00	50	49.50	0	0.00	50	49.50	68	66.50	18	17.00
Department of Neighborhood and Community Services	4	4.00	4	4.00	0	0.00	4	4.00	8	8.00	5	5.00	(3)	(3.00)
Circuit Court and Records	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Juvenile and Domestic Relations District Court	5	4.50	5	4.50	0	0.00	0	0.00	5	4.50	0	0.00	(5)	(4.50)
Office of the Commonwealth's Attorney	2	2.00	2	2.00	0	0.00	0	0.00	2	2.00	0	0.00	(2)	(2.00)
General District Court	9	8.50	9	8.50	0	0.00	0	0.30	9	8.80	9	8.80	0	0.00
Police Department	8	8.00	8	8.00	0	0.00	(2)	(2.00)	6	6.00	6	6.00	0	0.00
Fire and Rescue Department	18	17.00	18	17.00	0	0.00	(1)	(1.00)	17	16.00	17	16.00	0	0.00
Emergency Management	4	4.00	4	4.00	0	0.00	0	0.00	4	4.00	4	4.00	0	0.00
Total Federal/State Grant Fund ¹	356	350.50	356	350.50	(10)	(11.00)	2	1.80	348	341.30	345	337.80	(3)	(3.50)
Fund 103, Aging Grants and Programs														
Department of Community and Recreation Services	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Department of Family Services	42	41.50	42	41.50	(42)	(41.50)	0	0.00	0	0.00	0	0.00	0	0.00
Department of Neighborhood and Community Services	9	9.00	9	9.00	(9)	(9.00)	0	0.00	0	0.00	0	0.00	0	0.00
Total Aging Grants and Programs	51	50.50	51	50.50	(51)	(50.50)	0	0.00	0	0.00	0	0.00	0	0.00
Fund 106, Community Services Board														
Fairfax-Falls Church Community Services Board	151	149.50	147	145.50	(141)	(139.50)	(6)	(6.00)	0	0.00	0	0.00	0	0.00
Total Community Services Board	151	149.50	147	145.50	(141)	(139.50)	(6)	(6.00)	0	0.00	0	0.00	0	0.00
Fund 142, Community Development Block Grant														
Department of Housing and Community Development	0	0.00	0	0.00	0	0.00	22	22.00	22	22.00	22	22.00	0	0.00
Total Community Development Block Grant	0	0.00	0	0.00	0	0.00	22	22.00	22	22.00	22	22.00	0	0.00
Fund 145, HOME Investments Partnership Grant														
Department of Housing and Community Development	0	0.00	0	0.00	0	0.00	2	2.00	2	2.00	2	2.00	0	0.00
Total HOME Investments Partnership Grant	0	0.00	0	0.00	0	0.00	2	2.00	2	2.00	2	2.00	0	0.00

¹ The FY 2013 Advertised Budget Plan includes 21/20.5 SYE positions resulting from awards that may continue in FY 2013 with funding from an existing award. This total includes 2/2.0 SYE positions for the Department of Planning and Zoning, 9/9.0 SYE positions for the Department of Family Services, 3/3.0 SYE positions for the Department of Neighborhood and Community Services, 5/4.5 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 2013, they are not reflected in the Agency Position Summary Table in Fund 102, Federal/State Grant Fund.

FY 2013

Advertised Budget Plan



This section includes:

- Glossary of Frequently Used Budget Terms (Page 262)
- Acronyms (Page 286)
- Index of All Three Budget Volumes (Page 289)

Glossary and Index

Glossary and Index

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. In Fairfax County, governmental and agency funds are accounted for on a modified accrual basis of accounting in which 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.

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.

Glossary and Index

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.

Appropriation Controls – 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. Spending is generally controlled either at the bottom line of appropriation categories such as Personnel Services, Operating Expenses, Recovered Costs (Work Performed for Others), or Capital Equipment (for operating agencies) or the bottom-line of a project budget, e.g., for capital construction funds. Balances in individual account lines can be positive or negative, but must balance out to \$0. Agencies cannot process expenditures that exceed their budgets or exceed balances in a commitment item category, e.g., Personnel Services. In addition, agencies cannot transfer funds from one fund to another fund without authorization from the Board of Supervisors. Agencies cannot adjust their bottom-line budget expenditures upwards without authorization from the Board of Supervisors. Typically, the Board of Supervisors approves agency bottom-line expenditure increases during the next budget review cycle, i.e., Third Quarter or Carryover. In the meantime, the Department of Management and Budget (DMB) can provide a temporary allocation until the Board takes such action. With adequate justification and DMB approval, agencies can perform a budget transfer of funds from one category to another, e.g., from Personnel Services to Operating Expenses, as long as there is no change to the agency's bottom-line budget and the budget transfer must occur within the same agency and/or fund.

Appropriated Fund – Funds budgeted and authorized by the Board of Supervisors for County agencies and funds to incur liabilities for the acquisition of goods and services. These funds, which include revenues derived from governmental sources, require annual appropriation by the Board of Supervisors for legal spending authority by agencies.

Arbitrage – With respect to the issuance of municipal securities, arbitrage usually refers to the difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher yielding taxable securities. Internal Revenue Service regulations govern arbitrage on the proceeds from issuance of governmental securities.

Assessed Property Value – The estimated actual value set upon real estate or other taxable property by the County Property Appraiser (Department of Tax Administration) as a basis for levying real estate tax. Real property is assessed as of January 1 each year at the estimated fair market value of all land and improvements, with the resulting taxes being payable in the subsequent fiscal year. Real estate taxes are due in equal installments, on July 28 and December 5. Unpaid taxes automatically constitute liens on real property which must be satisfied prior to sale or transfer, and after three years, foreclosure proceedings can be initiated.

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.

Assets - Resources owned or held by a government which have monetary value. Assets may be tangible or intangible and are expressed in terms of cost or some other value. Assets are probable future economic benefits obtained or controlled by the government as a result past transactions or events.

Glossary and Index

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.

Authorized but Unissued Bonds - Bonds authorized by the Board of Supervisors following a referendum, but not issued to the bond markets. Bonds approved after July 1, 1991 have a maximum of 10 years available by law in which to be issued.

Balanced Budget – A budget is balanced when projected total funds available equal total expenditures, including established reserves. All local governments in the Commonwealth of Virginia must adopt a balanced budget as a requirement of state law no later than by July 1.

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 Proceeds – The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

Glossary and Index

Bond Rating – A rating (made by an established bond rating company) from a schedule of grades indicating the probability of timely repayment of principal and interest on bonds issued. 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.

Bond Rating – A process whereby the voters of a governmental unit are given the opportunity to approve or disapprove a proposed issue of municipal securities. An election is most commonly required in connection with General Obligation Bonds. Requirements for voter approval may be imposed by constitution, statute or local ordinance.

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.

Glossary and Index

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 Facilities – Fixed assets, such as buildings or land.

Capital Improvement Program (CIP) – 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 Paydown – Capital construction funded with current year General Fund revenues as opposed to construction financed through the issuance of bonds. This is also referred to as “pay-as-you-go” construction.

Capital Project – Major construction, acquisition, or renovation activities which add value to a government’s physical assets or significantly increase their useful life.

Capital Renewal – Capital renewal is the planned replacement of building subsystems such as roofs, electrical systems, HVAC systems and plumbing systems that have reached the end of their useful life. Major capital renewal investments are required in facilities to replace old, obsolete building subsystems that have reached the end of their life cycle.

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 appropriations previously approved by the Board of Supervisors and for commitments to pay for goods and services at the end of one fiscal year are reappropriated in the next fiscal year. Typically, funds carried over are nonrecurring expenditures, such as capital projects or capital equipment items.

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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.

Class – A group of positions which are sufficiently alike in general duties and responsibilities to warrant the use of the same title, specification and pay range.

Classification – The grouping of positions in regards to:

- kinds of duties performed and responsibilities;
- level of duties performed;
- requirements as to education, knowledge and experience and ability;
- tests of fitness; and ranges of pay.

Class Series – A number of classes of positions which are substantially similar as to the types of work involved and differ only in rank as determined by the level of the duties and degree of responsibility involved and the amount of training and experience required.

Class Specification – A written description of a class consisting of a class title, a general statement of the level of work, a statement of the distinguishing features of work, some examples of work, and the minimum qualifications for the class.

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.

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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.

Costs of Issuance – The expenses associated with the sale of a new issue of municipal securities, including such items as printing, legal and rating agency fees, and others.

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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 Limit – The maximum amount of debt which an issuer of municipal securities is permitted to incur under constitutional, statutory or charter provisions.

Debt Service – The amount of money necessary to pay interest on an outstanding debt; the principal of maturing serial bonds and the required contributions to a sinking fund for term bonds. Debt service on bonds may be calculated on a calendar year, fiscal year, or bond fiscal year basis.

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 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.

Department – All office, divisions and other work units, which are under the control of a single department head. Example: Community Services Board (CSB).

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.

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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.

ENSNI – Estimate, No Scope, No Inflation. Term used in the Fairfax County CIP to describe funding estimates for future capital projects which have not yet been scoped and are developed using today's dollars without considering inflation.

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. There are three basic types of expenditures: operating, capital and debt. Operating expenditures are, in a broad sense, current day-to-day expenses such as salaries, supplies, and purchase of equipment or property below a certain dollar threshold or useful life. Usually, these are items which are consumed during the fiscal year in which they are purchased or acquired.

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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 replaces our budget, finance, procurement, and human resources systems with a single, unified system.

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'

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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 – At the end of a fiscal year, if there are more resources than expenditures, the remainder is called “fund balance.” This is sometimes referred to as “carried forward fund balance” because the resources can be “carried” into the next fiscal year. This is an important resource because some may be used in combination with revenues to fund new expenses. Fund balance may be restricted or unrestricted, reserved for a specific purpose or unreserved and used for future requirements. Restricted fund balance may be set aside for funding certain programs and activities. A fund balance represents the residual funding on an annual basis from revenues and transfers-in less expenditures and transfers-out. 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

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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 an 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 Direct Expenditures – These are General Fund expenditures for County agencies and they are organized by Program Area categories.

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 Fund Disbursements consist of two parts: (1) General Fund transferred support to other funds and (2) General Fund direct expenditures or agency expenditures. Some agencies, e.g., Housing, may have funds that reside both in the General Fund and other funds.

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.

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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 physical 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 – The amount paid by a borrower as compensation for the use of borrowed money. This amount is generally an annual percentage of the principal amount.

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.

Issuing Bonds – To “issue” bonds means to sell, deliver, and receive payment for bonds. The County may issues bonds throughout the year upon determining the amount of cash necessary to implement projects during that year.

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.

Lease Purchase – This method of financing allows the County to construct or acquire property and pay for it over a period of time by installment payments rather than an outright purchase. The time payments include an interest charge which is typically reduced because the lessor does not have to pay income tax on the interest revenue.

Liability – An obligation incurred in past or current transactions requiring present or future settlement.

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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 Composite Index (LCI) – The Commonwealth of Virginia’s Local Composite Index (CI) determines a school division’s ability to pay education costs fundamental to the Commonwealth’s Standards of Quality (SOQ). The Composite Index is calculated using three indicators of a locality’s ability-to-pay:

- True value of real property (weighted 50 percent)
- Adjusted gross income (weighted 40 percent)
- Taxable retail sales (weighted 10 percent)

Each locality’s index is adjusted to maintain an overall statewide local share of 45 percent and an overall state share of 55 percent.

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.

Long-Term Debt – Debt with a maturity of more than one year after the date of issuance.

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.

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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.

Non-Appropriated Funds – These funds do not require annual appropriation by the Board of Supervisors and represent activities that are supported by non-governmental revenue sources such as direct fees for service or revolving loan programs. The legal spending authority is based on revenue availability and may be derived from an action by the Board in response to state, or federal mandate. The appropriation control for these funds resides with the respective boards associated specifically with the funded programs, e.g., Fairfax County Redevelopment and Housing Authority (Funds 940-969), Alcohol Safety Action Program Policy Board (Fund 117), and the Park Authority Board (Funds 170 and 371). These boards are separate legal entities.

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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-As-You-Go Financing – The portion of capital outlay which is financed from current revenue, rather than by borrowing.

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.

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Per Capita – A measurement of the proportion of some statistic to an individual resident determined by dividing the statistic by the current population.

Per Capita Debt – The amount of an issuing municipality's outstanding debt divided by the population residing in the municipality. This is used as an indication of the issuer's credit position since it can be used to compare the proportion of debt borne per resident with that borne by the residents of other municipalities.

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 reduces the Personal Property Tax on the first \$20,000 of the value for vehicles owned by individuals. From FY 2000 to FY 2002, the PPTRA reduced the Personal Property Taxes paid by individuals by 27.5 percent, 47.5 percent, and 70 percent respectively, with an offsetting reimbursement paid to the County by the Commonwealth. Due to the Commonwealth's lower than anticipated General Fund revenue growth, the reimbursement remained at 70 percent from 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. 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 of tax relief will vary.

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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 (Status B) 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 (Status T) is an employee working fewer than 900 hours annually and not eligible for benefits.
- 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.

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- 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.

Principal – The face amount of a security payable on the maturity date.

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.

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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”).

Rating Agencies – The organizations which provide publicly available ratings of the credit quality of securities issuers. The term is most often used to refer to the nationally recognized agencies, Moody’s Investors Service, Inc., Standard & Poor’s Corporation, and Fitch Investors.

Reallocation – With adequate justification and DMB approval, agencies can perform a budget transfer of funds from one category to another, e.g., from Personnel Services to Operating Expenses, as long as there is no change to the agency’s bottom-line budget and the budget transfer must occur within the same agency and/or fund.

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.

Reduction in Force (RIF) - A permanent elimination of an excess number of filled merit positions.

Referendum – A referendum is a means by which a legislative body requests the electorate to approve or reject proposals such as Constitutional amendments, long-term borrowing; and other special laws.

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.

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Reserves – A portion of the fund balance or retained earnings legally segregated for specific purposes. Reserves are like a family’s “rainy day” savings accounts. Reserves are lump sum dollars set aside in a budget for unanticipated needs or for specific future needs. Reserves are not distributed or allocated to operating expenditures or capital expenditures because the specific requirements for the reserves are not known at the time of budget adoption or because bond documents require their establishment. The County is required to amend its budget in order to allocate reserve funds to an operating or capital project account. In many cases, a reserve can only be used for a specific purpose.

Revenue – Monies received from all sources (with exception of fund balances) that will be used to fund expenditures in a fiscal year. In the broadest sense, a revenue is an increase in financial resources. Revenues are funds received by the County from its activities or external sources such as real estate taxes, property taxes, local sales tax, fees for services, fines, grants, payments from other governments, etc.

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.

Secondary Class – A class equal to or lower in grade than the employee’s active class to which he/she has previously been assigned for at least one year. Secondary class also includes lower classes in the employee’s current active class series.

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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.

Short-Term Debt – Debt with a maturity of less than one year after the date of issuance.

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).

Status B Employees – Status B or exempt-benefit employees are scheduled to work between 1,040 and 1,560 hours per calendar year, and may not work in excess of 1,560 hours during the calendar year. Individuals in these positions are eligible for limited employee benefits, including medical, vision and dental insurance coverage, and participation in flexible spending programs, but are not eligible to earn leave or receive holiday pay.

Status T Employees – Status T employees may work a maximum of 900 hours per calendar year. If you work 900 hours before the end of the calendar year, you will be separated from employment for the balance of that year, but remain eligible for rehire beginning the next calendar year. Individuals in these positions are not eligible for employee benefits.

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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.

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Total Project Estimate – A capital project Total Project Estimate (TPE) is composed of funds already expended, currently appropriated, proposed or adopted in the budget year, and proposed for future years. In short, it is the total amount proposed to be expended over the life of the project.

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. Further complicating the structure of the budget and the process of adopting a budget are numerous movements of dollars among the funds and they are, therefore, internal to the County structure. The amount transferred out of one fund is recorded (“Transfers In”) and the amount transferred into another fund is also recorded (“Transfers Out”). The County records this movement of funds as a “transfer” in the budget and in the accounting system in order to more accurately represent financial activity. Transfers provide money to programs that may not have adequate revenue from grants or fees generated by the program.

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 a specific purpose.

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.

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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

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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

ENSNI – Estimate, No Scope, No Inflation

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

LCI – Local Composite Index

LOBs – Lines of Business

MPSTOC – McConnell Public Safety and Transportation Operations Center

MWCOG – Metropolitan Washington Council of Governments

MRA – Market Rate Adjustment

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

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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

P/T – Part-Time

Rec-PAC – See Rec-PAC (in Glossary)

SAC – Selection Advisory Committee

SACC – School-Age Child Care

SAR – Supplemental Appropriation Resolution

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

UASI – Urban Areas Security Initiative

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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