

How to Read the Budget

Volume 2 contains information on non-General Fund budgets or “Other Funds.” A fund accounts for a specific set of activities that a government performs. For example, refuse disposal is an activity and therefore, a fund that is classified as a Special Revenue Fund.

Each County fund is represented with its own narrative that contains programming and budgetary information. Each fund will have its own narrative that contains program and budgetary information. The narratives have several elements including:

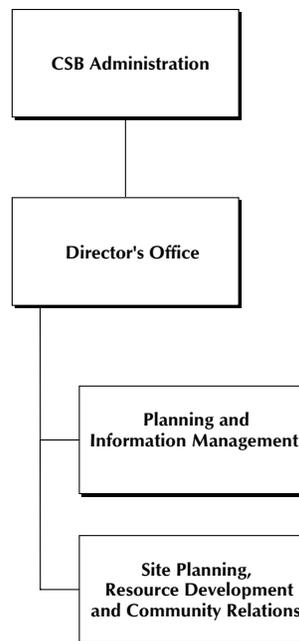
- Organization Chart
- Agency Mission and Focus
- New Initiatives and Recent Accomplishments in Support of the County Vision
- Budget and Staff Resources
- Funding Adjustments
- Cost Centers (funding and position detail)
- Cost Center Specific Goals, Objectives and Key Performance Measures
- Performance Measurement Results
- Fund Statement
- Summary of Capital Projects
- Project Detail Tables

Not all narratives will contain each of these components. For example, funds that are classified as Capital Funds will not have organization charts because staff positions are not budgeted in these funds; that is, they only provide funding for the purchase and construction of capital construction projects. However, Capital Funds do have a summary of capital projects that lists the cost of each project in a fund. A brief example of each section follows.

Organization Chart:

The organization chart displays the organizational structure of each fund. An example depicting the organizational structure of the Community Services Board - Administration is shown below.

COMMUNITY SERVICES BOARD ADMINISTRATION



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Agency Mission and Focus:

The agency mission is a broad statement reflecting intended accomplishments for achievement of the agency's public purpose. It describes the unique contribution of the organization to the County government and/or residents receiving services and provides a framework within which an agency operates. The agency focus section includes a description of the agency's programs and services. The agency's relationship with County boards, authorities or commissions may be discussed here, as well as key drivers or trends that may be influencing how the agency is conducting business. The focus section is also designed to inform the reader about the strategic direction of the agency and the challenges that it is currently facing. Highlights of these challenges can be found in the "Thinking Strategically" box in the focus section.

New Initiatives and Recent Accomplishments in Support of the County Vision:

To further strengthen the link between the budget and the strategic direction of both the County and each agency, each agency's new initiatives and recent accomplishments are presented by County vision element. There are seven County vision elements which are depicted by small icons. The vision elements include:



Maintaining Safe and Caring Communities



Building Livable Spaces



Connecting People and Places



Maintaining Healthy Economies



Practicing Environmental Stewardship



Creating a Culture of Engagement



Exercising Corporate Stewardship

Individual agency narratives identify strategic issues, which were developed during the agency strategic planning efforts, link new initiatives and recent accomplishments as well as core services to the vision elements and expand the use of performance measures to clearly define how well the agency is delivering a specific service.

Budget and Staff Resources:

It is important to note that expenditures are summarized in three categories. *Personnel Services* consist of expenditure categories including regular pay, shift differential, limited and part-time salaries, and overtime pay. *Operating Expenses* are the day-to-day expenses involved in the administration of the agency, such as office supplies, printing costs, repair and maintenance for equipment, and utilities. *Capital Equipment* includes items that have a value that exceeds \$5,000 and an expected lifetime of more than one year, such as an automobile or other heavy equipment. In addition, some agencies will also have a fourth expenditure category entitled *Recovered Costs*. Recovered Costs are reimbursements from other County agencies for specific services or work performed or reimbursements of work associated with capital construction projects. These reimbursements are reflected as a negative figure in the agency's budget, thus offsetting expenditures.

A Summary Table is provided as a summary of the agency's positions, expenditures less recovered costs, and income/revenue (if applicable).

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Funding Adjustments:

This section summarizes changes to the budget. The first section includes adjustments from the *FY 2006 Revised Budget Plan* necessary to support the FY 2007 program. In addition, any adjustments resulting from the Board of Supervisors deliberations on the Advertised budget are highlighted here.

The second section includes revisions to the current year budget that have been made since its adoption. All adjustments as a result of the *FY 2005 Carryover Review*, the *FY 2006 Third Quarter Review*, and any other changes through April 24, 2006 are reflected here. Funding adjustments are presented programmatically. For example, the entire cost to open a new facility is presented in one place and includes personnel costs, Operating Expenses and other costs.

Cost Centers:

As an introduction to the more detailed information contained for each functional area or Cost Center, a list of the cost centers is included with a graphic representation of the FY 2007 budget by Cost Center. In addition, each Cost Center is highlighted by several icons which indicate the various vision elements that are supported by the programs and services within the Cost center. A listing of the staff resources for each cost center is also included.

Key Performance Measures:

Most cost centers include goals, objectives and performance indicators. Goals are broad statements of purpose, generally indicating what service or product is provided, for whom, and why. Objectives are outcome-based statements of specifically what will be accomplished during the budget year. Ideally, these objectives should support the goal statement, reflect the planned benefit(s) to customers, be written to allow measurement of progress and describe a quantifiable target. Indicators are the first-level data for reporting performance on those objectives.

A Family of Measures is provided to present an overall view of a program so that factors such as cost can be balanced with customer satisfaction and the outcome ultimately achieved. The concept of a Family of Measures encompasses the following types of indicators and serves as the structure for a performance measurement model that presents a comprehensive picture of program performance as opposed to a single-focus orientation.

- Input: Value of resources used to produce an output.
- Output: Quantity or number of units produced.
- Efficiency: Inputs used per unit of output.
- Service Quality: Degree to which customers are satisfied with a program, or the accuracy or timeliness with which the product/service is provided.
- Outcome: Qualitative consequences associated with a program.

Performance Measurement Results:

This section includes a discussion and analysis of how the agency's performance measures relate to the provision of activities, programs, and services stated in the agency mission. The results of current performance measures are discussed, as well as action plans for future-year improvement of performance targets.

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Fund Statement:

A fund statement provides a breakdown of all collected revenues and total expenditures and disbursements for a given fiscal year. It also provides the total funds available at the beginning of a fiscal year and an ending balance. An example follows:

		FUND STATEMENT					
Fund Type	Fund Type H94, FCRHA General Revenue				Fund 940, FCRHA General Operating	Fund	
	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan		
Revenue Categories	Beginning Balance	\$7,718,018	\$7,517,158	\$8,960,854	\$8,362,296	\$8,658,171	← Funds available at the beginning of the fiscal year
	Revenue:						
	Investment Income	\$92,130	\$131,298	\$131,298	\$89,074	\$89,074	
	Monitoring/Developing Fees	1,917,005	778,882	778,882	466,566	466,566	
	Rental Income	70,716	63,912	63,912	63,912	63,912	
	Program Income	1,271,811	1,240,866	1,240,866	1,243,687	1,243,687	
	Other Income	561,862	423,299	423,299	395,562	395,562	
	Total Revenue	\$3,913,524	\$2,638,257	\$2,638,257	\$2,258,801	\$2,258,801	
	Total Available	\$11,631,542	\$10,155,415	\$11,599,111	\$10,621,097	\$10,916,972	← Revenue available for expenditure during the fiscal year
Expenditure Categories	Expenditures:						
	Personnel Services ¹	\$1,883,226	\$2,085,777	\$2,085,777	\$2,236,145	\$2,236,145	
	Operating Expenses	787,462	848,811	855,163	848,811	848,811	
	Total Expenditures	\$2,670,688	\$2,934,588	\$2,940,940	\$3,084,956	\$3,084,956	
Total Funds Available minus Total Disbursements	Total Disbursements	\$2,670,688	\$2,934,588	\$2,940,940	\$3,084,956	\$3,084,956	
	Ending Balance^{1,2}	\$8,960,854	\$7,220,827	\$8,658,171	\$7,536,141	\$7,832,016	
	Debt Service Reserve on						
	One University Plaza	\$278,106	\$278,106	\$278,106	\$278,106	\$278,106	← Ending Balance minus escrow reserves
	Cash with Fiscal Agent ³	4,409,603	4,926,236	4,926,236	5,011,666	5,011,666	
	Unreserved Ending Balance⁴	\$4,273,145	\$2,016,485	\$3,453,829	\$2,246,369	\$2,542,244	←

¹ The FY 2007 Ending Balance decreases due to increased expenditures associated with the County's Pay for Performance System.

² In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been made which increased the FY 2005 ending balance by \$295,875. A commensurate impact was reflected in the balance carried forward to FY 2006. In particular, revenues increased \$295,000 and Operating Expenses decreased \$875. These adjustments were included in the FY 2005 Comprehensive Annual Financial Report (CAFR). Details of the FY 2005 audit adjustments were also included in the FY 2006 Third Quarter Package.

³ The FY 2006 Budget Plan increased to reflect actual balance held with fiscal agent escrow accounts.

⁴ It is anticipated that a portion of the reduction in fund balance in FY 2007 will be restored in FY 2008 with the collection of a developer fee of \$950,000 for Little River Glen III. Current estimates for completion of Phase I of this project is the summer or fall of 2007. Based on the uncertainty of completion, the developers fee was not included in FY 2007 revenue estimates

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Summary of Capital Projects:

A summary of capital projects is included in all Capital Project Funds, and selected Enterprise Funds, Housing Funds and Special Revenue Funds that support capital expenditures. The summary of capital projects provides detailed financial information about each capital project within each fund, including: total project estimates, prior year expenditures, revised budget plans, and proposed funding levels. The summary of capital projects may include some projects without a Total Project Estimate amount. These projects are considered "Continuing" projects, or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

FY 2007 Summary of Capital Projects

Fund: 301 Contributed Roadway Improvements

Project #	Description	Total Project Estimate	FY 2005 Actual Expenditures	FY 2006 Revised Budget	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan
007700	Fairfax Center Reserve	\$7,421,183	\$75,392.46	\$1,715,667.49	\$715,179	\$715,179
007701	Route 50/Waples Mill Interchange	4,593,237	602,328.90	3,261,899.86	0	0
007702	Tall Timbers Drive	1,200,000	185.72	1,199,814.28	0	0
008800	Centreville Reserve	1,842,875	151.18	1,182,244.02	84,981	84,981
008801	Stone Road	1,004,903	133,404.04	772,876.12	0	0
008802	Clifton Road	5,278,595	2,252,291.89	1,512,399.44	0	0
008803	Route 29 Widening	1,210,851	254,798.15	956,052.85	0	0
009900	Miscellaneous Contributions	17,033,089	1,293,491.56	11,058,590.12	1,882,169	1,882,169
009901	Primary Improvements	424,584	0.00	424,584.00	0	0
009902	Secondary Improvements	1,033,765	92,530.00	55,797.00	0	0
009903	Bridge Design/Construction	8,369	0.00	8,369.00	0	0
009904	Intersection/Interchange	385,282	0.00	311,975.00	0	0
009906	Signal Installations	501,707	100,000.00	46,137.57	0	0
009908	Transit Improvements	32,325	0.00	5,381.59	0	0
009909	Reston East Park-N-Ride	103,862	0.00	103,862.00	0	0
009911	Tysons Corner Reserve	11,480,645	259.16	10,360,451.43	819,789	819,789
009913	Dolley Madison Blvd	8,945,941	3,106.55	1,352,167.14	0	0
009914	Job Access/Reserve Commute Pedestrian Improvements	498,900	0.00	498,900.00	0	0
Total		\$63,000,113	\$4,807,939.61	\$34,827,168.91	\$3,502,118	\$3,502,118

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Project Detail Tables:

Project detail tables are included for each capital project funded in FY 2007. This table includes financial information and a narrative description of the project, including project location, description, and the source of funding which will support the FY 2007 funded amount (i.e., general funds, general obligation bonds, transfers from other funds, or other). The example below is for Maintenance – Commercial Revitalization Program, and can be found in Fund 303, County Construction.

009442	Parks – Grounds Maintenance
Countywide	Countywide
<p>Description and Justification: This project provides for grounds maintenance at non-revenue producing countywide parks. Grounds maintenance includes the upkeep of sidewalks and parking lots, mowing of wooded and grassy areas, bridges, recreation and irrigation equipment, picnic equipment, tennis courts and trails. FY 2007 funding in the amount of \$987,076 is included for grounds maintenance needs at designated Park Authority sites throughout the County. An inflation factor of 2.59 percent associated with increases in personnel based contracts has been applied.</p>	

	Total Project Estimate	Prior Expenditures	FY 2005 Expenditures	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan	FY 2007 Adopted Budget Plan	Future Years
Land Acquisition		\$0	\$0	\$0	\$0	\$0	\$0
Design and Engineering		5,269	0	0	0	0	0
Construction		0	0	876,494	987,076	987,076	0
Other		3,148,241	892,762	441,103	0	0	0
Total	Continuing	\$3,153,510	\$892,762	\$1,317,597	\$987,076	\$987,076	\$0

Source of Funding				
General Fund	General Obligation Bonds	Transfers from Other Funds	Other	Total Funding
\$0	\$0	\$0	\$987,076	\$987,076