

Fairfax County, Virginia

Fiscal Year 2005 Advertised Budget Plan

Overview



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

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

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

Fairfax County Vision Elements

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

Maintaining Safe and Caring Communities -

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

Building Livable Spaces -

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

Connecting People and Places -

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

Maintaining Healthy Economies -

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

Practicing Environmental Stewardship -

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

Creating a Culture of Engagement -

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

Corporate Stewardship -

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Fairfax County
Virginia**

For the Fiscal Year Beginning

July 1, 2003

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, 2003.

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 2005 Advertised Budget

July 1, 2003

Distribution of the FY 2005 budget development guide. Fiscal Year 2004 begins.



August - September 2003

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



September - December 2003/ January 2004

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



February 12, 2004

School Board advertises its FY 2005 Budget.



February 23, 2004

County Executive's presentation of the FY 2005 Advertised Budget Plan.



March 1, 2004

Complete distribution of the FY 2005 Advertised Budget Plan.

July 1, 2004

Fiscal Year 2005 begins.



June 30, 2004

Distribution of the FY 2005 Adopted Budget Plan. Fiscal Year 2004 ends.



April 26, 2004

Adoption of the FY 2005 budget plan, Tax Levy and Appropriation Ordinance by the Board of Supervisors.



April 19, 2004

Board action on *FY 2004 Third Quarter Review*. Board mark-up of the FY 2005 proposed budget.



March 29, 30, and 31, 2004

Public hearings on proposed FY 2005 budget, *FY 2004 Third Quarter Review* and FY 2005-2009 Capital Improvement Program (with Future Years to 2014) (CIP).



March 2004

Board authorization for publishing FY 2005 tax and budget advertisement.



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

FOR ADDITIONAL INFORMATION

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

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



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

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

Fairfax City Regional

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

Reston Regional

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

Centreville Regional

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

Great Falls

9830 Georgetown Pike
Great Falls, VA 22066-2617
(703) 757-8560

John Marshall

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

Dolley Madison

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

Thomas Jefferson

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

George Mason Regional

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

Sherwood Regional

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

Tysons-Pimmit Regional

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

Herndon Fortnightly

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

Lorton

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

Richard Byrd

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

Kingstowne

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

Pohick Regional

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

Chantilly Regional

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

Martha Washington

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

Kings Park

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

Patrick Henry

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

Woodrow Wilson

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

Access Services

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

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

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

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

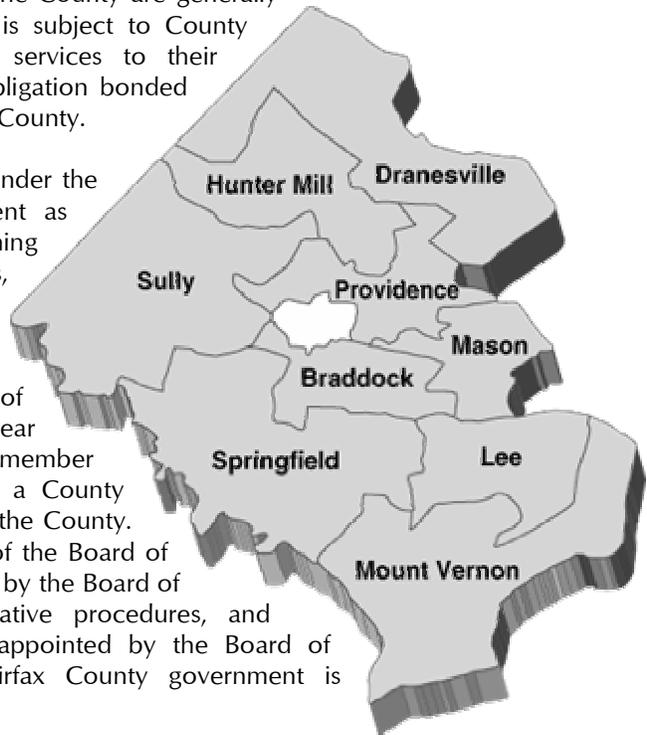
County Organization

Fairfax County Government

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

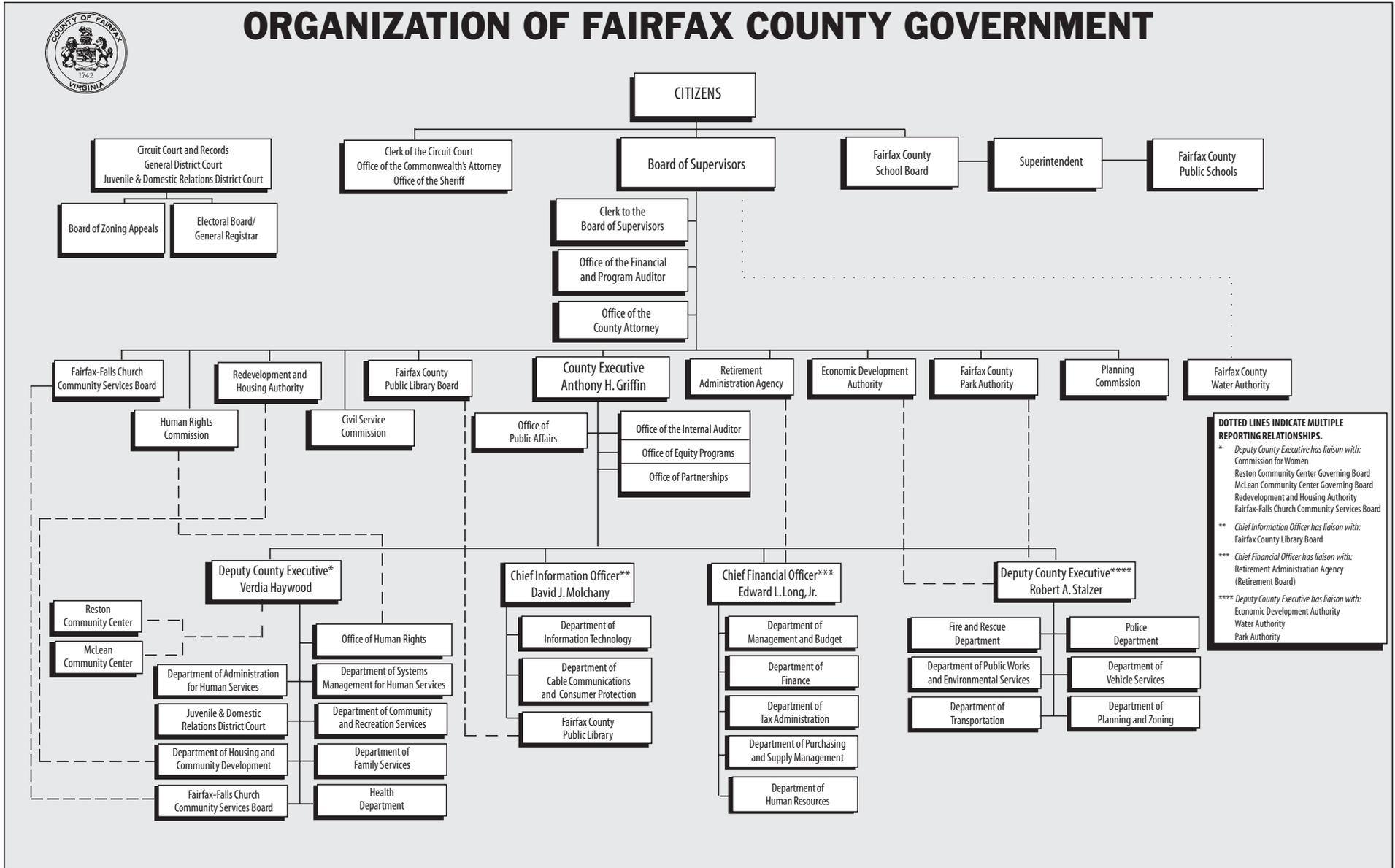
In Fairfax County, there are three incorporated towns - Clifton, Herndon and Vienna - which are overlapping units of government within the County. With certain limitations prescribed by the *Code of Virginia*, the ordinances and regulations of the County are generally effective in them. Property in these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

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





ORGANIZATION OF FAIRFAX COUNTY GOVERNMENT



DOTTED LINES INDICATE MULTIPLE REPORTING RELATIONSHIPS.

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

** Chief Information Officer has liaison with:
Fairfax County Library Board

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

**** Deputy County Executive has liaison with:
Economic Development Authority
Water Authority
Park Authority

County Organization

BOARDS, AUTHORITIES AND COMMISSIONS

Appeal Groups

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

Management Groups

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

Regional Agencies to which Fairfax County Contributes

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

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

County Organization

BOARDS, AUTHORITIES AND COMMISSIONS

Advisory Groups

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
Architectural Review Board
Athletic Council
Character Counts Task Force
Child Care Advisory Council
Commission on Aging
Commission for Women
Community Action Advisory Board
Community Improvement Committee
Community Policy and Management Team for Services to At-Risk Youth and Families
Consumer Protection Commission
Countywide Non-Motorized Transportation (Trails) Committee
Criminal Justice Advisory Board
Employer Child Care Council
Engineering Standards Review Committee
Environmental Quality Advisory Council
Fairfax County Animal Services Advisory Commission
Fairfax Area Disability Services Board
Fairfax County Community Criminal Justice Board
Fairfax Community Long Term Care Coordinating Council
Fairfax County Commission on Organ and Tissue Donation and Transplantation
Fairfax County Construction Trades Advisory Board
Fairfax County Human Services Council
Fairfax County Wetlands Board
Geotechnical Review Board
Health Care Advisory Board
A. Heath Onthank Memorial Award Selection Committee
History Commission
Information Technology Policy Advisory Committee
Juvenile Court Citizen Advisory Council
Laurel Hill Adaptive Reuse Plan Advisory Committee
Oversight Committee on Drinking and Driving
Planning Commission
Road Viewers Board
Security Alarm System Commission
Small Business Commission, Fairfax County
Telecommunications Land Use Regulations Task Force
Tenant Landlord Commission
Transportation Advisory Commission

How to Read the Budget

THE BUDGET

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

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

The Budget Overview summarizes the budget, thereby allowing a complete examination of the budget through this document. The Overview contains the County Executive's message to the Board of Supervisors; a summary of the County's fiscal condition, allocation of resources, financial history; and projections of future revenues and expenditure requirements. Also included is information on the County's taxes and fees; demographic trends; direct spending by County departments; transfers to other public organizations, such as the 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 detailed budget schedules and tables organized by accounting classification and program area summaries. Budgets are presented by program area, department and agency. Also included are an organizational chart, goals, objectives, and performance indicators for each department and agency.

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

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

BASIS OF ACCOUNTING AND BUDGETING

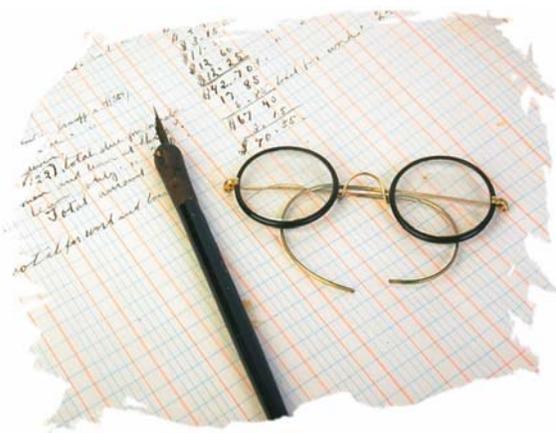
A budget is a formal document that enables the County to plan for the future, measure the performance of County services, and help the public to understand where revenues come from and how they are spent on County services. The budget serves many purposes and addresses different needs depending on the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

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

How to Read the Budget

Accounting Basis

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



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

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

GASB – 34

During FY 2005, the County continues to use the new Governmental Accounting Standards Board's (GASB) Statement Number 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, financial reporting model, otherwise known as GASB-34. These new standards changed the entire reporting process for local governments. The standards required new entity-wide financial statements, in addition to the current fund statements and other additional reports such as Management Discussion and Analysis. Infrastructure values will be reported, and various changes in accounting have been implemented. Full implementation of the defined GASB-34 components occurred in FY 2002 and were reflected in the FY 2002 Comprehensive Annual Financial Report (CAFR).



Budgetary Basis

Annual budgets spanning the fiscal year (July 1 – June 30) are prepared on an accounting basis, with certain exceptions. For Governmental Funds, the value of donated food is not budgeted, but is reported in financial statements. In addition, while the full value of capital lease transactions is recorded when initiated for financial purposes, only the lease payment due in a given year is included in the budget. For Proprietary Funds, depreciation expenses are not budgeted, but are recorded and reported for financial purposes.

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

The budget is controlled at certain legal and managerial/administrative levels. The *Code of Virginia* requires that the County adopt a balanced budget. The adopted Fiscal Planning Resolution places legal restrictions on expenditures at the agency or fund level. Managerial budgetary control is maintained and controlled at the fund, department, and character (i.e., Personnel Services, Operating Expenses, Recovered Costs, and Capital Equipment) or project level. Personnel Services include regular pay, fringe benefits, and extra compensation. Operating Expenses are the day-to-day costs involved in the administration of an agency. Capital Equipment reflects items that have a value of

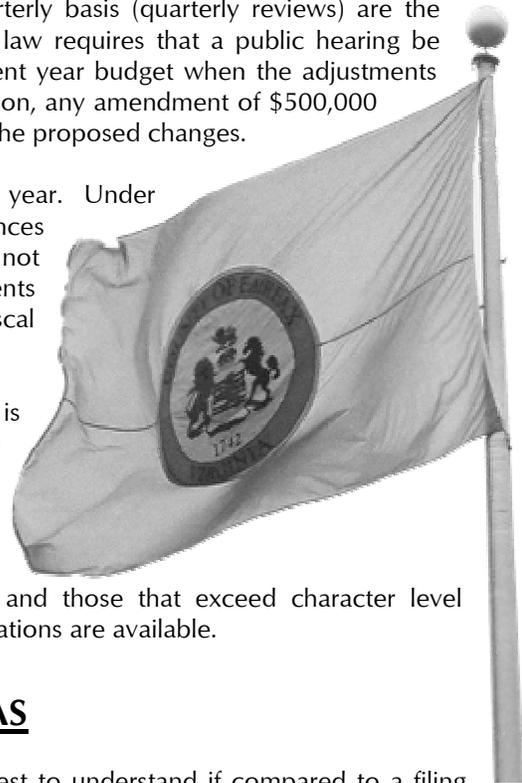
How to Read the Budget

more than \$5,000 and an expected lifetime of more than one year, and Recovered Costs are reimbursements from other County agencies for specific services that have been provided.

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

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

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



DEPARTMENTS AND PROGRAM AREAS

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

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

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

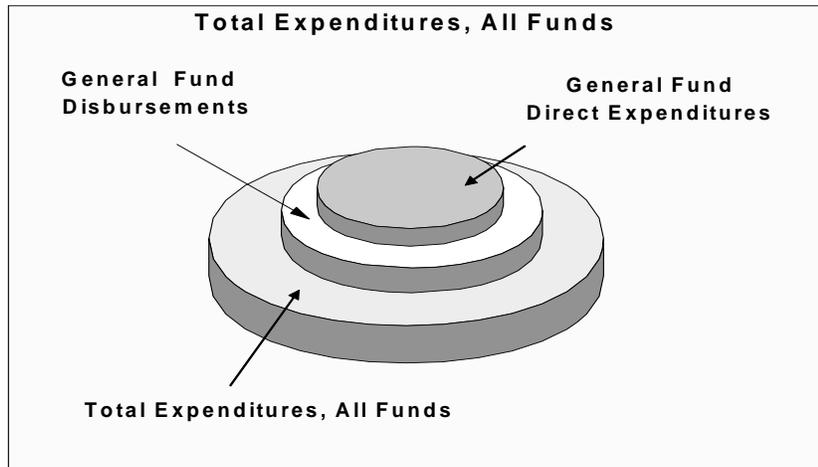
How to Read the Budget

COUNTY EXPENDITURES AND REVENUES

County Expenditures

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

- ◆ In the smallest circle are the General Fund Direct Expenditures that support the day-to-day operations of most County agencies.
- ◆ The second largest circle is General Fund Disbursements. This circle includes General Fund Direct Expenditures and General Fund transfers to other funds, such as the Fairfax County Public Schools, Metro transportation system, and the County's debt service. The transfer of funding to the County Public Schools, including debt service, accounts for 53.0 percent of the County's disbursements in FY 2005.
- ◆ The largest circle is Total Expenditures. It represents expenditures from all appropriated funds.



How to Read the Budget

County Revenues

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

- ◆ The General Fund portion of Total Revenues consists of several major components, the two largest being Real Estate Tax revenues and Personal Property Tax revenues. In FY 2005, these categories are estimated to account for approximately 60.7 percent and 17.1 percent of the total General Fund revenues, respectively. Please note that a portion of the Personal Property Taxes are paid to the County by the State. These funds are included in the aforementioned Personal Property Tax total, rather than in Revenue from the Commonwealth. Local Taxes, which include Local Sales Tax receipts, Consumer Utility Taxes, and Business Professional and Occupational License Taxes, comprise approximately 14.0 percent of General Fund revenues in FY 2005. 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 8.2 percent of the total.
- ◆ Total Revenues consist of all revenues received by all appropriated funds in the County. Total Revenues include all General Fund revenues, as well as sewer bond revenue, refuse collection and disposal fees, and revenue from the sale of bonds.

How to Read the Budget

FINANCIAL STRUCTURE

<u>Fund/Fund</u>	<u>Type Title</u>	<u>Purpose</u>	<u>Revenue</u>	<u>Budgeting Basis</u>	<u>Accounting Basis</u>
GOVERNMENTAL FUNDS					
General Fund (Volume 1)	Accounts for the cost of general County government.	Primarily from general property taxes, other local taxes, revenue from the use of money and property, license and permit fees, and State shared taxes.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual	Modified Accrual
Revenue Stabilization Fund (Volume 2)	Established by the Board of Supervisors in FY 2000 to provide a mechanism for maintaining a balanced budget without resorting to tax increases and/or expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy.	Minimum of 40 percent of non-recurring balances identified at the Carryover and Third Quarter Reviews transferred to the Fund until a maximum balance of 3 percent of General Fund Disbursements is attained.	Modified Accrual, donated food not included, only lease payment due in FY Included	Modified Accrual	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	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	Modified Accrual
Capital Project Funds (Volume 2)	Account for financial resources used for all general County and School construction projects other than Enterprise Fund construction.	General Fund transfers, bond proceeds, and miscellaneous contributions.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual	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	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	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	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	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.

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

Citizen involvement and understanding of the budget are a key part of the review process. Public hearings for the County Executive's FY 2005 Advertised Budget Plan and the FY 2005 - FY 2009 Capital Improvement Program (CIP) will be held on March 29, 30, and 31, 2004 at the Government Center.

The mark-up of the FY 2005 budget will occur on Monday, April 19, 2004, and the Board of Supervisors will formally adopt the FY 2005 Budget Plan on Monday, April 26, 2004.

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

July

The End-of-Year Closeout

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

Carryover Review

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

Budget Process

THE BUDGET CYCLE

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

September

Budget Submissions

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

Board of Supervisors' Action on the Carryover Review

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

September						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7

November						
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

September through November

Review of Budget Submissions

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

December						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7

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

December through Early January

Department of Management and Budget

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

Senior Management Meetings

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

County Executive Meetings

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

Budget Process

THE BUDGET CYCLE

February						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						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	

February

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

March						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1

April						
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			

March through April

Third Quarter Review

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

Public Hearings

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

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

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

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

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

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

June

Adopted Budget Plan Distributed

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

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FAIRFAX COUNTY

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V I R G I N I A

February 23, 2004

Honorable Board of Supervisors
County of Fairfax
Fairfax, Virginia

Chairman, Ladies and Gentlemen:

I am pleased to transmit to the Board of Supervisors and the citizens of Fairfax County my budget proposal for Fiscal Year 2005 which totals \$4,651,562,710 including General Fund Disbursements of \$2,734,445,214, a 4.47 percent increase over the *FY 2004 Revised Budget Plan*. The FY 2005 Advertised Budget Plan represents a balanced budget that is in conformance with the Board's Budget Guidelines, which limit County and School expenditure increases to the projected growth in available revenues.

FY 2005 presents both a challenge and an opportunity to look at the County's budget and services beyond just the next year, but from a broader, multi-year perspective. For the past three years, we have faced the dilemma of a revenue base where growth has come entirely from residential real estate taxes. We have had to carefully balance the need for taxpayer relief against County and Schools' requirements and services, and we have been forced to review program area against program area. In doing so, we have directed available County resources toward priorities such as education and public safety, while making reductions to central agencies and trimming administrative/managerial functions.

To a large extent, we have been successful, reducing the tax rate by seven cents since FY 2002 from \$1.23 to \$1.16 per \$100 of assessed value. The reduction in the tax rate saved County taxpayers on average \$225 annually by FY 2004. However, in order to achieve this reduction within the constraints of our revenue picture, we have had to cut \$101 million cumulatively from the County budget over the past three fiscal years. This action afforded taxpayers some relief and provided additional support to Fairfax County Public Schools (FCPS), particularly in the face of funding shortfalls at the state level.

As the Board is aware, these cuts have not been without consequence. Reductions in administrative functions and direct service programs have had an impact on customer service, such as longer wait times. Program reductions and eliminations have resulted in the loss of valuable services for some residents. In making the annual reductions necessary to bring the budget into balance, we have been forced to defer investment in some infrastructure, which has the potential of increasing costs down the road. Residents also feel the impact of these actions through increased fees and fares intended to recover more of the cost of services. Collectively these actions add up, and I believe we have reached the point where trimming around the edges is no longer effective or desirable.

It is understandable why many people want to live and do business in Fairfax County. We enjoy a high quality of life with attractive neighborhoods, excellent schools and safe streets, wide-ranging recreational and cultural opportunities, outstanding opportunities for jobs and business growth, and a government that is responsive to residents' needs. However, this quality of life and the services that support it have a cost. Our challenge over the coming years is to weigh these costs against County

County Executive Summary

resources, to balance these services against the ability of our residents to fund them, and to gauge how we can address these needs in the future. We must find a reasonable equilibrium. We will never be able to please everyone, but we must at least determine the right balance between our needs and our resources.

By several accounts, the character of the FY 2005 budget year is similar to those of recent years. For the fourth consecutive year, we are seeing double-digit growth in residential real estate assessments. This trend continues to result from the booming housing market that is fueled by historically low mortgage rates, the constrained supply of housing and improvement in the local economy. Similar trends are seen in our neighboring jurisdictions. Like you, I am extremely concerned about the burden this places on homeowners. Particularly since the non-residential sector, while registering modest gains, continues to decline in its proportion of the real estate base. The Commercial/Industrial percentage stands at 18.20 percent for FY 2005, which is the lowest percentage in more than 20 years.

The FY 2005 budget I am presenting relies on projected revenue growth of \$168.9 million or 6.57 percent. This entire increase in revenues is from rising real estate assessments; all other categories combined will actually decrease approximately \$1.0 million in FY 2005. This 6.57 percent growth in revenue in FY 2005 will probably be the next 10 years' highest, particularly in the context of the reduced base we have experienced in recent years with revenue categories suppressed due to subdued economic conditions. Dr. Stephen Fuller, Director of the Center for Regional Analysis, believes that 2004 will be the strongest year of economic growth in this decade. Projections for the next several years trend toward an annual growth rate in County revenues of 5.5 to 6.0 percent.

I have sought to minimize spending increases in the FY 2005 budget to the extent possible, limiting General Fund direct expenditures to an increase of 2.5 percent over FY 2004 for baseline funding adjustments and requirements associated with new facilities planned to come on-line in FY 2005. The only expanded initiative is the Public Safety Operations Center where the volume and complexity of calls to our 911 center have nearly surpassed current staff capacity to respond within acceptable timeframes, requiring us to take action. In accordance with the Board's budget guidelines, the Fairfax County Public Schools operating transfer increase is equal to the projected revenue growth of 6.57 percent, an increase of \$81.5 million in the Schools operating transfer. Total disbursements are proposed at \$2.734 billion, an increase of 4.47 percent over FY 2004.

This proposed budget represents a modest fiscal plan. It funds only the "basics of government" - the level of service we currently provide, including the cost of doing business, mandates, contractual obligations and other existing commitments. Among these basic costs are compensation and benefits, which are significantly impacted by market conditions. A good example is the rising cost of health insurance. Nationally, health spending rose from 13.3 percent of the Gross Domestic Product in 2000 to 14.9 percent in 2002. From 1992 to 1999, the share was stable. The County health care experience has closely mirrored the national trend. Medical and prescription claims costs for the County have more than doubled since FY 1999. Premium increases of 25 percent for the County's self insured health insurance are anticipated for FY 2005, requiring both employees and the County to increase their contributions.

The FY 2005 budget does not fund new programs or initiatives, worthy as some may be. It cannot support, without significant adjustment, additional real estate tax relief, more funding for Schools or other priorities identified by the Board, community and/or County agencies. During the development of this budget, I have reviewed staff and resource shortages with County agencies resulting from greater demand for County services related to human services, education, public safety and homeland security.

County Executive Summary

Given the constraints of this budget and the cost to fund baseline programs, there is no funding to address these priorities without changing our core County services. I believe that after three years of significant cost-cutting, including the elimination of programs and services, we are now at a critical juncture. We must now make even more difficult choices about our direction for the future.

I anticipate considerable dialogue with the Board and the public regarding actions to take in order to ensure a budget that addresses our priorities, while not unduly burdening taxpayers. In conjunction with the baseline budget I am proposing, I am also providing a list of options for potential budget reductions should the Board wish to take action to reduce the tax rate further or undertake other budget initiatives. Many of these options will have short-term savings but longer term consequences as we make changes to our core services. I believe this conversation is difficult but necessary. These choices will include further reductions to services, the impact of which will directly affect County residents.

During discussions on the FY 2005 budget, I also plan to provide updates to the revenue forecast. The additional time will provide an opportunity to evaluate more recent collections data as well as a revised economic forecast to assess the possibility of additional revenue in FY 2005. If the economic recovery and its impact on various key County revenue categories is stronger than projected, this additional revenue may help mitigate the extent of cuts required. I intend to update the Board with this revenue information prior to action on the budget in April. The FY 2005 proposed budget will also serve as a catalyst to assist both County and School staff in strategic planning, as well as in resource identification and establishment of service priorities, both for FY 2005 and the future.

Strategic Linkages

Over the past two years, I have directed agencies to prepare strategic plans that identify their mission, vision and values, as well as address the environment in which they operate in order to identify goals and objectives that will guide their actions for the future and identify necessary resources. Building on Fairfax County's already established accountability model, we will also ensure that performance toward achieving these strategic plans is monitored, managed and reported.

In order to ensure consistency through the County, we first undertook an extensive effort to identify the County's Core Purpose and Vision Elements (see adjacent box). All agency strategic plans must link to this overarching framework. This was an internally driven initiative that represents the collective visioning of County staff. Now that we have presented it formally in the annual budget document, I anticipate productive discussion with you, as well as the public.

COUNTY CORE PURPOSE

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

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

Concurrent with that process, we also engineered a major budget process redesign in order to incorporate strategic planning processes and linkages in the annual budget. This document represents countless hours of staff effort to redesign the budget to more clearly communicate linkages based on County priorities, track and communicate program performance, and develop measures that identify countywide progress on achieving the County's Core Purpose and Vision Elements. While we are very proud of these efforts to date, we recognize that they reflect the first step of what will be an evolving process to further strengthen the ties between strategic planning, resource allocation and performance measurement.

County Executive Summary

THE ECONOMY

The National Economy

Economic conditions at the national level have a ripple effect on the local economy. The National Bureau of Economic Research (NBER) first declared the 2001 recession “officially over” in July 2003, then later stated that it actually ended in November 2001 after only an eight-month period of true recessionary conditions. The confusion was due to the fact that the recovery has been so anemic that many consumers and businesses did not appreciably feel the improvement. However, the U.S. economy grew at its fastest rate in nearly 20 years in the third quarter of 2003, boosted by robust consumer spending that carried into the closing months of 2003 according to the U.S. Commerce Department. In the three months from July through September, Gross Domestic Product (GDP) advanced at an 8.2 percent annual rate, more than double the 3.1 percent pace posted in the second quarter. It then cooled to 4.0 percent in the fourth quarter, which translated to an annual rate of 3.1 percent, which still represents healthy growth. Many economists predict that business activity will post its best growth in four years in 2004, with expectations that GDP will gain as much as 4.5 percent.

After peaking at 6.4 percent in June 2003, the national unemployment rate fell to 5.7 percent in January 2004. Lower unemployment is forecasted for 2004; however, it is not expected to drop much below the 2003 annual average of 6 percent nationally. Concern about slow job growth and historically low inflation has kept the Federal Reserve from boosting short-term interest rates. It is expected that they will not take action on short-term rates until mid-2004. Long-term rates will likely move up as well due to the growing budget deficit, which is projected to exceed \$500 billion. Economists attribute the rising deficit to the tax cuts, occupation and rebuilding of Iraq and Afghanistan, and homeland security requirements which continue to draw resources from other domestic issues.

Modest inflation is expected next year, in line with the Consumer Price Index (CPI) growth of 1.9 percent in 2003. However, there will be exceptions in certain sectors as health care, energy, education, household repairs and accounting services continue to rise faster than the overall CPI.

The State Economy

Virginia’s economy continues to improve. In December 2003, the unemployment rate dropped another 0.1 percentage point to 3.3 percent. This was the lowest monthly figure in Virginia in 31 months since a 3.2 percent level in May 2001. Northern Virginia had the lowest unemployment rate in the State at 2.0 percent in December. According to the Chief Economist of the Virginia Employment Commission, “... Northern Virginia appears poised to resume its 1980s and 1990s job growth leadership.”

Despite this moderate growth in the economy, Governor Warner and the General Assembly have faced the difficult task of closing a \$6.0 billion deficit over the past biennium. This entailed eliminating more than 50 agencies, boards and commissions; abolishing approximately 5,000 positions, cutting every agency except public education by an average of 20 percent; and producing significant savings through government-wide efficiency plans. Even with assumptions of economic growth and no new programs, Virginia still faces a \$1.2 billion shortfall in the next two-year budget. At the same time, the costs for many core services including education, Medicaid and the adult prison system are expected to rise, some significantly over the next decade. One-time budget fixes as have been done in the past will not correct this long-term structural deficit.

To provide a long-term solution, the Governor has proposed a restructuring of the tax system, which is promoted as a plan that will make the tax system fairer, meet Virginia’s Constitutional commitment to provide education funding and protect the Commonwealth’s fiscal integrity. As I noted to the Board in early January, the Governor’s proposed budget is a good first step in stabilizing the state’s fiscal

County Executive Summary

structure. It contains a strengthened commitment to K-12 education funding, replenishing the Rainy Day Fund to help preserve the Commonwealth's AAA bond rating, and begins to address the multi-year underfunding of a number of locally provided services. The proposal, which must be adopted by the General Assembly, also includes a provision to allow local governments additional revenue options such as increasing cigarette taxes to help alleviate the burden on residential taxpayers. It should be noted that my budget proposal does not assume higher revenue from these potential options, pending action by the General Assembly.

The Local Economy

We continue to see gains in the local economy. The Fairfax County Coincident Index, which represents the current state of the County's economy has been positive for the past four months in a row and for the first time in ten months was positive on a monthly over-the-year basis. The local economy's performance is stronger than its average performance over the past year. Despite a slight drop in total employment after nine monthly gains and a slight decline in sales tax revenue, consumer confidence gained for a third month and transient occupancy tax collections registered a strong increase, showing a positive trend for three of the past four months.

Fairfax County's economic expansion gained further momentum in November even though some indicators were slightly negative. The positive trend in the economy's leading indicators over the past six months suggests that the expansion is spreading across the breadth of the economy. This is a sign of growing strength. Consumer spending had been the one major segment that lagged over the past two years; however, with confidence building, consumers are increasing their spending for automobiles and retail goods, while the housing sector, which has been robust throughout the slowdown, continues to register strong growth.

After two years of fits and starts, it is encouraging to see the local economy gaining traction. It is anticipated that job growth will increase slowly over the coming year, peaking in 2005, while gains in consumer spending and business investment will fuel broad-based growth across the County's lagging sectors. The key variable in the County's economic performance will be federal spending, especially procurement for technology-related services. Growth in this area is expected next year that will generate the new jobs needed to absorb the County's surplus office space.

THE IMPACT OF THE ECONOMY ON THE COUNTY BUDGET

As the Board is aware, economic factors as well as intergovernmental relationships have a considerable impact on the County's General Fund revenues, both in FY 2004 and FY 2005.

Status of the FY 2004 Budget

Staff has been closely reviewing FY 2004 revenue receipts to date and has updated projections for the remainder of the fiscal year. At this time, we anticipate FY 2004 revenues to be somewhat higher than estimated in the *FY 2004 Revised Budget Plan*. This increase is reflected in the schedules and summaries included in this budget volume.

At this time, FY 2004 revenue estimates assume a net increase of \$12.46 million over the Revised Budget Plan, an increase of 0.5 percent. The majority of the increase is due to revenue categories that continue to react positively to improvement in the local and national economies. Recordation Tax/Deed of Conveyance collections and Clerk's Fees are projected to increase \$14.2 million over the estimate based on the higher number of refinancings than previously anticipated due to continued low

County Executive Summary

interest rates. The FY 2004 budget had assumed that collections would begin to taper off as the pool of refinancing opportunities diminished and interest rates began to edge upward. However, revenue in this category has continued to increase. The revised estimate assumes that FY 2004 revenue will reach the FY 2003 level of receipts.

Sales tax and BPOL tax receipts also show strong collections in FY 2004 to date and as such, these categories have been adjusted to show a 3.0 percent and 2.5 percent growth rate, respectively, for a total increase of \$6.9 million. Through November 2003, sales tax collections are up nearly 12 percent; however, holiday sales data will be crucial to the overall fiscal year collections in this category. In addition, based on increased supplemental assessments as a result of ongoing construction and final Public Service Corporation (PSC) assessments that are completed by the state, an additional \$2.8 million is anticipated from current real estate taxes in FY 2004.

Lastly, investment interest is increased \$1.7 million based on higher than projected portfolio size and the portion of the total investment portfolio associated with the General Fund. Due to continued low interest rates, the actual investment yield is trending lower than forecasted.

Offsetting these increases is a reduction of \$8.8 million in the current personal property tax revenue estimate. This reduction is due primarily to a reduction in business levy based on current billings and reflects business investment through CY 2002. In addition, revenue from the County's new mobile telecommunications tax is anticipated to be down approximately \$4.0 million based on implementation issues associated with the numerous companies involved in collecting the tax as well as the actual number of accounts and usage. The net impact of these revised revenue estimates and the General Fund balance as of the *FY 2003 Carryover Review* is a total balance of \$22.4 million.

I will be recommending a number of essential expenditure adjustments as part of the *FY 2004 Third Quarter Review*. The largest adjustment requires \$18.7 million to complete the financing necessary for the construction of the County's Public Safety Operations Center (PSOC), which will house the Public Safety Communications Center (PSCC) and the Emergency Operations Center (EOC). This facility, planned for the Camp 30 site, will ensure adequate space, technology, security and communications to manage the volume of 911 emergency calls handled by the PSCC. There has been an 80 percent increase in calls handled by the Center since it opened in 1985 and the operations floor cannot support additional equipment to expand call-taking or dispatching capacity required to efficiently manage the increase in call volume. It will also provide for a new EOC. The County's current EOC is inadequate in terms of space, equipment and technology to support representatives from more than 30 County and state/regional agencies during an emergency operation. In addition, the EOC lacks system redundancy for electricity and telephone service. This equipment is needed to ensure that essential utilities will continue to operate during and following an emergency.

To date, a total of \$39,234,908 has been appropriated to the PSOC project as a result of a previously approved bond referendum and strategic decisions by the Board to earmark available funds for this vital project. This total includes \$29 million in bond funds approved by voters during the Fall 2002 Referendum and \$250,000 in General Fund monies for master planning and site evaluation. In addition, \$9,984,908 in General Fund monies was included as part of the *FY 2003 Carryover Review*. The recommended Third Quarter adjustment of \$18.7 million will provide the funds needed to construct the facility. It is essential that these funds be made available at Third Quarter so that the project can proceed toward a scheduled opening date of FY 2007. Although the adjustment of \$18.7 million will fund the PSOC through construction, additional funds will be necessary for the facility's information technology and equipment requirements.

County Executive Summary

Furthermore, I anticipate other requirements at Third Quarter. We are assessing the cost of our response and recovery work as a result of Hurricane Isabel, and a number of County agencies may require supplemental funding to offset the cost of this response. Additional funding will also be required to stabilize our health insurance and self insurance funds. Details of these adjustments will be included in the *FY 2004 Third Quarter Review* that will be provided in March for the Board's consideration.

FY 2005 Revenues

For FY 2005, some improvement in several revenue categories is anticipated as a result of the improving economy. However, others are decreasing based on various factors. The net result is that with the exception of Real Estate Taxes, we are not seeing any other real growth in revenue. FY 2005 General Fund revenues are projected to be \$2,740,650,049, an increase of \$168,882,135 or 6.57 percent over the *FY 2004 Revised Budget Plan*. This level of revenue growth in FY 2005 is due entirely to an 11.36 percent increase in Real Estate Tax revenue. All other categories reflect a net decrease of approximately \$1.0 million from FY 2004. Of particular concern, revenue from real estate taxes will make up 60.5 percent of the total revenue base, up from 58 percent in FY 2004. In FY 2000, this figure was approximately 50 percent.

This increase reflects the strength of the housing market in the County and throughout the Northern Virginia area. As a result of sustained increases in both sales volume and sales price, the majority of residential properties in the County will receive valuation increases. All types of residential property experienced increases in value for FY 2005. While townhouse and condominium property values experienced significant increases due to equalization, changes in the assessed value of single family homes have had the most impact on the total residential base because they represent nearly 74 percent of the total. In FY 2005, every 0.1 percentage point change in the collection rate on the locally assessed Real Estate Tax levy yields a revenue change of \$1.7 million, while every penny on the tax rate yields \$14.5 million in revenue.

The FY 2005 Real Estate estimate is based on a 12.04 percent increase in the FY 2005 valuation of real property, as compared to the FY 2004 Real Estate Land Book. In addition, the FY 2005 Advertised Budget Plan includes an increase in the maximum level of assets allowed for Real Estate Tax relief eligibility from \$190,000 to the State maximum of \$240,000 as directed by the Board of Supervisors. This change in the Tax Relief Program is anticipated to reduce revenue by approximately \$3.9 million in FY 2005.

I continue to be extremely concerned about the decline in the Commercial/Industrial percentage of the County's Real Estate Tax base. For FY 2005, it is 18.20 percent, a drop of 0.94 percentage points from the FY 2004 level of 19.14 percent. FY 2005 marks the fourth consecutive decline in the Commercial/Industrial percentage and is due to the larger increase experienced in the residential portion of the Real Estate Tax base.

Among the other major revenue categories, the picture is mixed. We are finally seeing a return to healthy Sales Tax revenue growth. In FY 2002, Sales Tax receipts declined 5.9 percent from the level achieved in FY 2001. This decrease was only the second time in 30 years that Sales Tax receipts had fallen from their previous year's level. In FY 2003, Sales Tax receipts rose just 1.0 percent above the level achieved in FY 2002. Yet Sales Tax receipts through January, representing retail purchases from June through November (FY 2004), are up a robust 11.7 percent over the same period of FY 2003. Retail sales during, and immediately after the holidays will have a significant impact on the overall growth rate of Sales Tax receipts. We will not know the December figure until February 2004. The FY 2004 Sales Tax receipt estimate will also be reviewed during the *FY 2004 Third Quarter Review* for possible adjustment.

County Executive Summary

Interest on Investments is another revenue category with extreme variation over the past few years. The County's investment income has been severely affected by interest rate reductions made by the Federal Reserve. In order to combat growing weakness in the economy, the Fed reduced interest rates 13 times between 2001 and 2004. In FY 2003, the annual average yield on the County's portfolio was 1.49 percent and interest earned on investments was \$17.8 million. Total revenue in this category dropped from \$56.3 million in FY 2001 to \$15.1 million in FY 2004, a level that is not expected to increase appreciably for FY 2005.

A category that has actually benefited from low mortgage interest rates is Recordation/Deed of Conveyance Taxes. Revenue in this category more than doubled from \$13 million in FY 2000 to \$27 million in FY 2004 as a result of tremendous activity associated with home sales and refinancings. During the first six months of FY 2004, Recordation revenues increased 21.2 percent and Deed of Conveyance revenues rose 32.2 percent over the same period in FY 2003. Receipts in these categories have grown due to the continued strong demand relative to the housing supply as well as rising median sales prices. Increased mortgage refinancing due to low mortgage rates has also boosted Recordation collections. As a result of higher than expected collections, the FY 2004 estimate for Recordation and Deed of Conveyance Taxes was increased \$10.7 million during the fall 2003 revenue review. The category was not increased above the FY 2003 Actual level, however, because recordation receipts began coming down in November and December compared to the same months in FY 2003, despite strong growth in the first four months of FY 2004. This trend is anticipated to continue in FY 2005 as interest rates start climbing upward and the available pool of refinancing opportunities dries up.

General Assembly action on the Governor's proposed budget and tax restructuring plan will also have an impact on the County budget. While my proposed budget does not anticipate additional revenue as a result of Governor Warner's plan, should the General Assembly choose not to supplement its budget with additional revenue, it will be necessary for them to make draconian cuts in state programs to address a projected \$1.2 billion shortfall. Aid to local governments and education will most certainly be affected. We will monitor developments during the General Assembly session and provide any necessary changes to the Board as part of the FY 2005 Add-On Process.

Overview of FY 2005 Budget

Details of the FY 2005 Advertised Budget Plan are included in this Overview volume as well as Volumes 1 and 2. The following pages include a Summary General Fund Statement and two pie charts that show the sources of revenue for the General Fund, as well as the distribution of disbursements. They are followed by a section of budget highlights.

County Executive Summary

Summary General Fund Statement (in millions of dollars)

	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	Percent Inc/(Dec) Over Revised
Beginning Balance¹	\$118.89	\$52.35	(\$66.55)	-55.97%
Revenue²	\$2,571.77	\$2,740.65	\$168.88	6.57%
Transfers In	\$1.40	\$1.67	\$0.27	19.36%
Total Available	\$2,692.06	\$2,794.66	\$102.60	3.81%
Direct Expenditures	\$979.67	\$1,004.21	\$24.54	2.50%
Transfers Out				
School Transfer ³	\$1,240.85	\$1,322.37	\$81.52	6.57%
School Debt Service	120.90	126.53	5.63	4.66%
<i>Subtotal Schools</i>	<i>\$1,361.75</i>	<i>\$1,448.90</i>	<i>\$87.16</i>	<i>6.40%</i>
Metro	\$12.27	\$18.14	\$5.87	47.85%
Community Services Board	80.60	82.89	2.29	2.85%
Capital Paydown	18.86	10.49	(8.37)	-44.40%
Information Technology	9.45	11.63	2.18	23.10%
County Debt Service	98.45	100.02	1.57	1.59%
Other Transfers	56.29	58.16	1.87	3.32%
<i>Subtotal County</i>	<i>\$275.92</i>	<i>\$281.33</i>	<i>\$5.41</i>	<i>1.96%</i>
Total Transfers Out	\$1,637.67	\$1,730.24	\$92.57	5.65%
Total Disbursements	\$2,617.34	\$2,734.45	\$117.09	4.47%
Ending Balance	\$74.72	\$60.22	(\$14.50)	-19.41%
Less:				
Managed Reserve	\$52.35	\$54.69	\$2.34	4.47%
PSOC/EOC Construction Funding at Third Quarter ⁴	\$18.65		(\$18.65)	-
Third Quarter Requirements - Related to Hurricane Isabel, Premium Stabilization, Other ⁵	\$3.72		(\$3.72)	-
Reserve for changing economic conditions ⁶		\$5.53	\$5.53	-
Total Available	\$0.00	\$0.00	\$0.00	-

¹ The FY 2004 Revised Beginning Balance reflects audit adjustments for revenue and expenditures as included in the FY 2003 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2004 Revised beginning balance reflects a net reduction in available balance of \$86,350, based on an increase of \$1,002,084 for expenditure requirements offset by an increase in revenues of \$915,734.

² FY 2004 Revised Budget Plan revenues reflect an increase of \$12,457,681 based on revised revenue estimates of November 2003. The FY 2004 Third Quarter Review will contain a detailed explanation of these changes.

³ In accordance with the Board adopted guidelines for the FY 2005 Budget, the proposed County General Fund transfer for school operations in FY 2005 totals \$1,322,374,187, an increase of \$81,523,866 or 6.57% over the FY 2004 Revised Budget Plan transfer. It should be noted that the actual transfer request approved by the School Board on February 12, 2004 is \$1,361,212,802, an increase of \$120,362,481 or 9.7% over the FY 2004 transfer level. In order to fully fund this \$38,838,615 increase over the Budget Guidelines, additional resources would need to be considered by the Board of Supervisors.

⁴ The FY 2004 Revised Budget Plan ending balance reflects reserve funding of \$18.65 million which includes the \$10 million set aside reserve identified at Carryover and \$8.7 million in additional funding based on the FY 2004 revised revenue estimates. This amount is held in reserve for anticipated FY 2004 Third Quarter Review disbursement requirements related to the construction of the Public Safety Operations/Emergency Operations Center. Further details will be included as part of the FY 2004 Third Quarter Review package.

⁵ The FY 2004 Revised Budget Plan ending balance reflects available funding of \$3.72 million based on the available FY 2004 revised revenue estimate balance after PSOC/EOC requirements. This amount is held in reserve for anticipated FY 2004 Third Quarter Review disbursement requirements, including requirements related to Hurricane Isabel, anticipated premium stabilization requirements and other requirements. Further details will be included as part of the FY 2004 Third Quarter Review package.

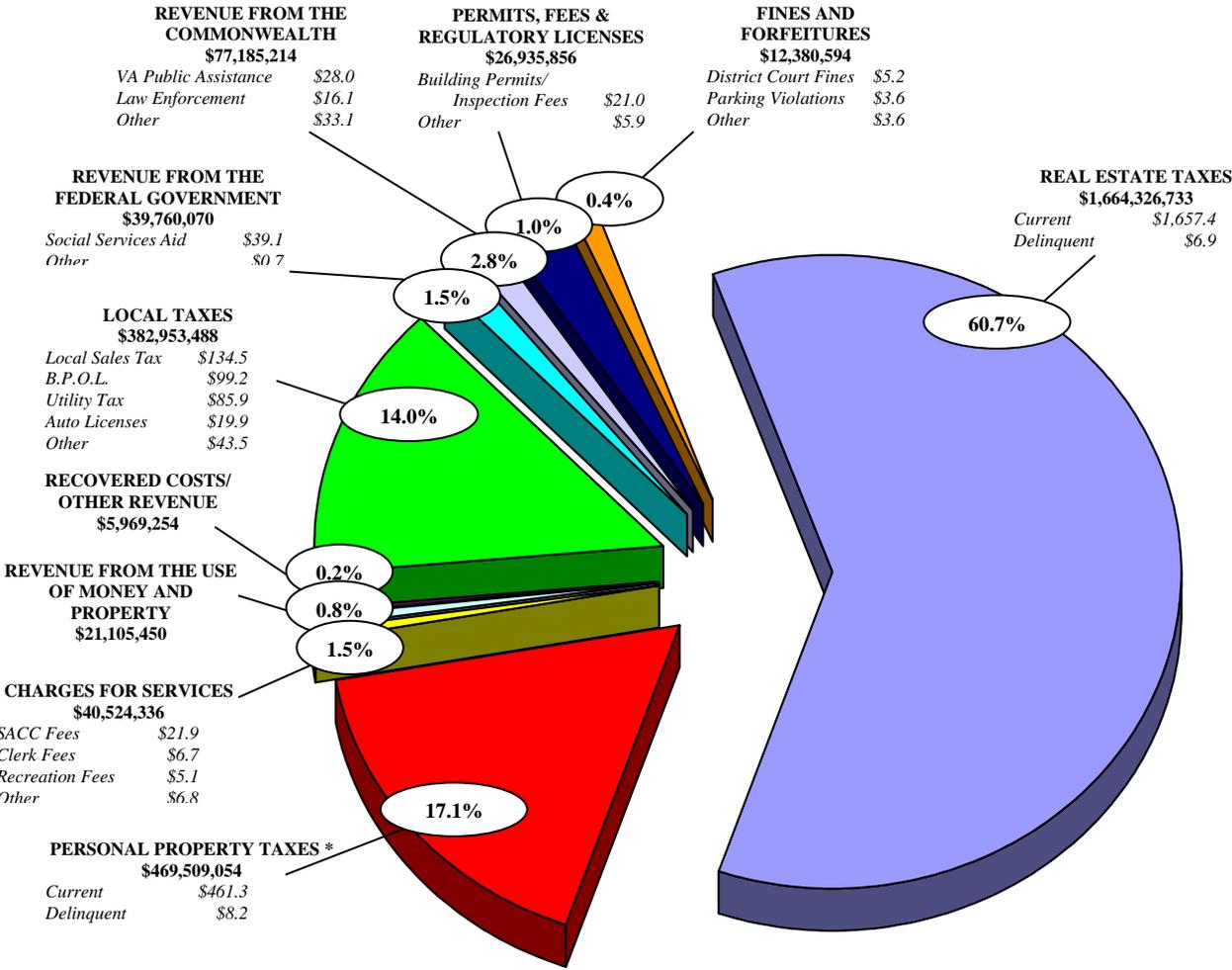
⁶ The FY 2005 Advertised Budget Plan ending balance reflects available funding of \$5.53 million held in reserve to offset economic fluctuations and revenue adjustments.

County Executive Summary

FY 2005 BUDGET GENERAL FUND REVENUES

FY 2005 revenues are projected to be \$2,740,650,049, an increase of \$168,882,135 or 6.57 percent over the *FY 2004 Revised Budget Plan*. This level of revenue growth in FY 2005 is due entirely to an 11.36 percent increase in Real Estate Tax revenue. All other categories reflect a net decrease of approximately \$1.0 million from FY 2004. The FY 2005 real estate tax base is projected to grow 12.04 percent due to an increase in equalization of 9.54 percent and growth of 2.50 percent in new construction.

\$2,740,650,049



* For presentation purposes, Personal Property Taxes of \$205,950,438 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.

County Executive Summary

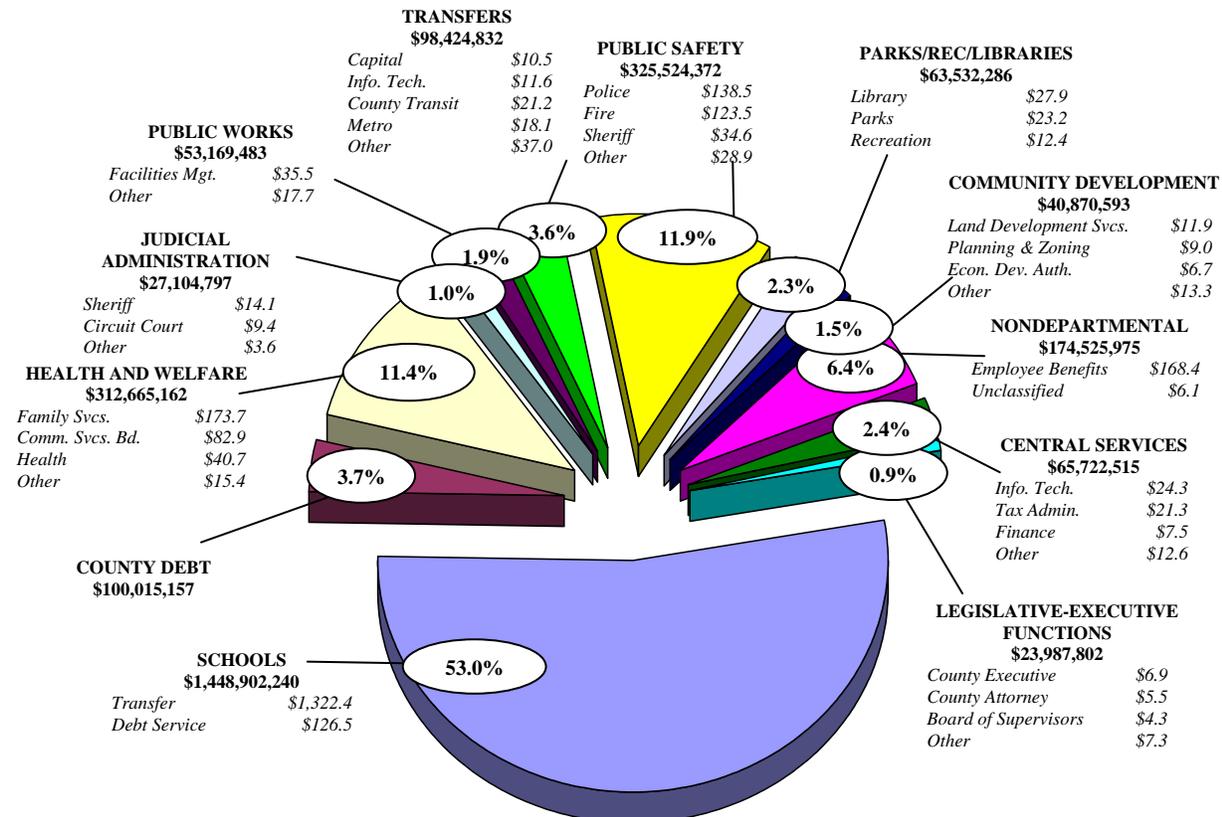
FY 2005 BUDGET GENERAL FUND DISBURSEMENTS

FY 2005 disbursements total \$2,734,445,214, an increase of \$117,104,974 or 4.47 percent over the *FY 2004 Revised Budget Plan* amount of \$2,617,340,240. Of this increase, \$87,155,186 or 74.4 percent is attributable to the County's transfer to the School Operating Fund and School Debt Service. The recommended transfer to the School Operating Fund is \$1,322,374,187, which is an increase of \$81,523,866 or 6.57 percent over FY 2004 and is in conformance with the Budget Guidelines approved by the Board of Supervisors. In addition, the County's contribution to School Debt Service for FY 2005 is \$126,528,053, reflecting an increase of \$5,631,320 or 4.66 percent over the FY 2004 level.

The actual transfer request approved by the School Board on February 12, 2004 is \$1,361,212,802 and reflects an increase of \$120,362,481 or 9.7 percent over the FY 2005 transfer level. In order to fully fund this \$38,838,615 increase over the Budget Guidelines, the Board of Supervisors would have to identify additional resources.

Recommended General Fund Direct Expenditures total \$1,004,209,088 and reflect an increase of \$24,537,545 or 2.50 percent over the *FY 2004 Revised Budget Plan*. A summary of the major recommendations included in the FY 2005 Advertised Budget Plan is presented on the following pages. Details concerning each of these items can be found in the various budget volumes.

\$2,734,445,214



County Executive Summary

BUDGET HIGHLIGHTS

COUNTY SUPPORT FOR FAIRFAX COUNTY PUBLIC SCHOOLS

For FY 2005, Fairfax County is providing 53 percent of its total General Fund budget to Fairfax County Public Schools (FCPS). This share is consistent with the FY 2004 Adopted Budget Plan which represents the highest level in over 20 years. The County provides funding through two transfers – one to support FCPS operations and another to support debt service for bond-funded projects to build new schools and renew older facilities.

SCHOOL TRANSFERS

School Operating: \$1,322.37 million
School Debt Service: \$126.53 million

- In conformance with the Budget Guidelines, a transfer of \$1,322,374,187 to the School Operating Fund is included, which represents an increase of \$81,523,866 or 6.57 percent.
- On February 12, 2004, the School Board approved a transfer request of \$1,361,212,802, which reflects an increase of \$120,362,481 or 9.7 percent over the FY 2004 transfer amount. This request is \$38.8 million more than the Budget Guidelines.
- The FY 2005 transfer for School Debt Service is \$126,528,053, an increase of \$5,631,320 or 4.66 percent over the *FY 2004 Revised Budget Plan*. The FY 2005 debt service level is based on funding of \$130 million for new school construction as well as renewals.
- The combined transfer for School operating and School debt service is \$1.45 billion, which represents 53.0 percent of total County disbursements.

Other County Support for FCPS

\$49.0 million

In addition to the \$1.45 billion in the County transfers to FCPS for operations and debt service, Fairfax County provides additional support totaling \$49 million for the following programs:

- \$26.8 million for the Comprehensive Services Act (CSA), Head Start, and School Age Child Care (SACC) programs within the Department of Family Services;
- \$10.3 million to support School Health including Public School Nurses and Clinic Room Aides;
- \$6.9 million for School Crossing Guards; Resource Officers who are now assigned to all FCPS high schools, middle schools and alternative schools; and security for activities such as proms and football games;
- \$3.4 million for athletic field maintenance and other recreation programs;
- \$1.5 million in services provided by the Fairfax-Falls Church Community Services Board; and
- \$0.1 million for fire safety education programs for students.

More detailed information regarding this additional support for FCPS may be found in the Financial, Statistical and Summary Tables section of this Overview Volume of the FY 2005 Advertised Budget Plan.

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SUPPORT FOR PUBLIC SAFETY

Fairfax Center Fire Station

\$1.70 million

To address increasing public safety needs associated with a growing population, additional funding in the amount of \$1,703,310 and 23/23.0 SYE positions are included for the new Fairfax Center Fire Station scheduled to open in Spring 2005. This station will provide additional capacity to help reduce response time to the central part of the County. A phase-in of staff resources began in FY 2004 with 15/15.0 SYE positions used primarily to staff a ladder truck at Station 27, West Springfield, enabling the Fire and Rescue Department to address the need for this type of unit in this area of the County in advance of the availability of the new station. Apparatus funding was also included as part of the FY 2004 budget to initiate procurement of necessary vehicles and equipment for the station based on the long lead-time for delivery.

The additional positions in FY 2005 as well as those funded during FY 2004 will bring the full complement of staff for Fairfax Center to 34/34.0 SYE uniformed and 3/3.0 SYE civilian support positions. The number of uniformed staff is consistent with other fire stations with a tower truck, engine and advanced life support (ALS) unit. In addition, a new Deputy Chief for Special Operations (1/1.0 SYE) will provide support and oversight of response to hazardous materials incidents, water rescues, major vehicle accidents, cave-ins, weather emergencies and terrorism threats. These duties are currently handled by the EMS Deputy Chief; however, with the increase of EMS incidents and the added supervisory responsibility resulting from new stations coming on-line, the EMS Deputy position must be focused full-time on the management and leadership of Emergency Medical Services. FY 2005 funding associated with these requirements includes \$1.38 million in Personnel Services and Fringe Benefits, as well as \$0.32 million in Operating Expenses and Capital Equipment associated with start-up equipment and supplies for the new station.

Public Safety Communications Center Operation (General Fund Transfer Increase)

\$4.30 million

A crucial link in Fairfax County's public safety system is the Public Safety Communications Center (PSCC), which provides call-taking and dispatch for police, fire, rescue and animal control units. This operation is funded through a combination of E-911 fees, state reimbursement from the statewide wireless E-911 fee, interest income and a transfer from the General Fund. In FY 2005, the General Fund transfer to Fund 120, E-911 Fund, is \$9.8 million, an increase of \$4.3 million over the FY 2004 transfer level. Of this increase, \$3.0 million is associated with increased operational requirements including staff and compensation adjustments which are necessary to provide improved call-taking and dispatch performance. The remaining increase is attributable to declining revenues from E-911 fees.

More than 1.17 million calls are received by the PSCC annually. During FY 2003, call statistics indicate that while the average speed to answer an emergency call is 6 seconds, the PSCC is only able to answer 75 percent of calls within 12 seconds and the remaining 25 percent of calls are subject to much longer wait times. Staff has been working to identify staffing, organizational and compensation options to address this issue. FY 2005 represents the first of a multi-year plan to increase positions to meet current emergency and non-emergency call volumes. Fourteen (14/14.0 SYE) new Public Safety Communicator positions will add capacity to promptly answer calls that are currently left unanswered or are being answered after an unreasonable wait. In addition, 2/2.0 SYE additional Administrative Assistant I positions will provide staffing to answer approximately 55,000 calls received regarding towed vehicles as required by the Commonwealth. Currently, Public Safety Communicators answer these

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routine calls. By shifting this responsibility to the Administrative Assistants I, existing Public Safety Communicators will be allowed to focus more on emergency and non-emergency call-taking and dispatching. The FY 2005 cost associated with these positions is \$635,189 in Personnel Services, Fringe Benefits and Operating Expenses.

In concert with the additional positions, funding of \$1.0 million has been identified to address compensation adjustments that are necessary to resolve recruitment and retention issues at the PSCC. Given the volume of calls, the overtime required to manage this volume and the complexity of the call-taking/dispatch function, the PSCC has not been able to retain qualified staff. In the last four years, 113 Public Safety Communicators (of 107 positions) have been separated for various reasons including failed training, transfers within Fairfax County Police and Fire and Rescue Departments, other employment, or relocation from the area. During the first quarter of CY 2004, organizational and compensation issues around the management and staffing of the PSCC will be studied, with a report and recommendations anticipated in late spring. This funding represents a placeholder for adjustments associated with the report recommendations. A detailed proposal with cost estimates will be provided to the Board of Supervisors prior to deliberations on the FY 2005 Advertised Budget Plan.

Uniformed Fire and Rescue Salary Adjustments

\$1.77 million

FY 2005 funding of \$1,768,703 is included for a regrade of the Fire Technician, Master Technician and Lieutenant classes in the Fire and Rescue Department to provide for market competitiveness of these positions. Each year, the Department of Human Resources conducts a market pay study to compare specific core and supplemental position classes to the local and regional employment market. In addition, the range of public safety position classes is reviewed. This proposed increase is based on a review of these public safety classes in comparison to those in surrounding jurisdictions. Only three public safety position classes had hourly rate midpoints 5 percent or more below the market average, which is the threshold used in making pay recommendations. The \$1.77 million cost of this adjustment includes adjustments to Personnel Services and Fringe Benefits, and will impact more than 700 positions.

Funding for Mosquito Management Program

No increase

West Nile virus, transmitted from infected mosquitoes to humans continues as a public health concern. A coordinated, multi-agency mosquito management program is now in place. It includes the treatment of ponds and standing water to prevent proliferation of the mosquito population in order to reduce the public health impact of the virus. The program also focuses on education, public awareness and community involvement to proactively address the problem. During the 2003 General Assembly session, Fairfax County was granted the authority to fund a Disease-Carrying Insects Program from Fund 116, Integrated Pest Management Program. Funding for this program is derived from a tax of \$0.001 per \$100 assessed value. In FY 2005, a major portion of funding for the West Nile program is provided through Fund 116, with \$0.5 million in existing funding transferred from the Health Department to Fund 116 to supplement the \$1.0 million previously budgeted in that fund, requiring no new funding.

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NEW FACILITIES

James Lee Community Center Expansion

\$0.49 million

The James Lee Center has been undergoing an expansion and is scheduled to re-open in April 2004. It will be expanded from approximately 34,400 square feet to approximately 57,400 square feet and will offer an increase in social and recreational program opportunities for school-age children as well as adults and senior citizens. This will accommodate an increase in participants from 80,000 to 89,000 in the community, teen and senior programs. Expanded areas for the public include a recreational complex with two gymnasiums (open 11 hours daily), full-service teen programs (after school and Saturday evenings), as well as after-school and summer day programs for children. Also included are senior programs, daily craft classes, a fitness center (open nine hours daily), improved athletic fields, a full-size community theater, and computer clubhouse. FASTRAN will provide transportation for 30 additional seniors participating in the Congregate Meals Program. FY 2005 funding includes an increase of \$396,302 in Personnel Services and \$75,606 for Fringe Benefits, as well as \$64,038 in Operating Expenses associated with full-year salary requirements for 6 positions created in FY 2004 to support the expansion of the James Lee Community Center, as well as FASTRAN service to and from the site. These costs are partially offset by revenue of \$47,300 for a net cost of \$488,646.

School Age Child Care (SACC) Centers

\$0.38 million

To accommodate the ever-growing demand for quality child care, additional funding of \$378,776 is included to open two new School-Age Child Care (SACC) Centers at Navy Elementary and Sunrise Valley Elementary based on new space availability. Funding includes \$239,098 for Personnel Services and Fringe Benefits to support an additional 6/4.86 SYE positions as well as \$139,678 in Operating Expenses associated with operational requirements. Although two rooms are available at each of these sites for SACC, only one room is funded at each school due to budget constraints, consistent with the approach for FY 2004. These two new centers will serve an additional 70 children, including 60 regular slots and 10 special needs slots. With anticipated revenue of \$284,082, the net cost to the County is \$94,694.

Herndon Harbor House Senior Center

\$0.19 million

This Senior Center Program, located in the Herndon Harbor House is scheduled to open in January 2005. It will provide County residents aged 55 and older opportunities for recreation participation, skill development, leisure enrichment, a variety of structured leisure activities, community services, and outreach programs. FY 2005 funding of \$192,223 includes \$116,823 in Personnel Services and Fringe Benefits, as well as \$75,400 in Operating Expenses to support six months of start-up costs for 1/1.0 SYE Recreation Specialist III, 2/2.0 SYE Recreation Assistants, 1/1.0 SYE Saturday Program Director, and 1/1.0 SYE Recreation Leader I, as well as six months of program operations and one-time expenditures. It is estimated that approximately 500 seniors will be registered to use the center when it opens next January.

Cub Run RECenter

No General Fund Impact

To enhance recreational opportunities in the western part of the County, the Cub Run RECenter, scheduled to open in July 2004, will be over 65,000 square feet and will include a 25-meter by 25-yard competitive swimming pool, a leisure pool, whirlpool/spa, weight training and fitness areas, multi-

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purpose rooms, and administrative and support service areas. It is important to note that this facility is budgeted for and operated out of Fund 170, Park Revenue Fund, and not the General Fund. Total funding of \$1,429,159 includes \$977,981 in Personnel Services and Fringe Benefits, as well as \$451,178 in Operating Expenses associated with full-year salary requirements for 15/15.0 SYE positions to support the opening of the Cub Run RECenter. These increases are projected to be offset by revenue from RECenter users. Positions will be phased in over FY 2004 and FY 2005 to ensure that the RECenter is fully operational once construction is complete. The new facility will house a 10,000-square-foot fitness center that will include a full array of Fitlinxx exercise equipment. Fitlinxx is a line of products that records participants' fitness information and tracks individual progress. Based on the popularity of the Fitlinxx equipment at existing RECenters, it is anticipated that Fitlinxx users at Cub Run alone will exceed 1,500. As a result, the Cub Run fitness center will require a minimum of two fitness staff (1/1.0 SYE approved in FY 2004 and 1/1.0 SYE included in FY 2005) to serve customers effectively and safely.

Laurel Hill Golf Course

No General Fund Impact

The Laurel Hill Golf Course, scheduled to open in May 2005, will provide golf opportunities in the southern portion of the County. Like the Cub Run RECenter, this facility is budgeted for and operated out of Fund 170, Park Revenue Fund, and not the General Fund. Positions will be phased in over FY 2004 and FY 2005 to ensure that the course is fully operational once construction is complete. In FY 2005, the additional positions, including 1/1.0 SYE Park Specialist II, 2/2.0 SYE Assistant Park Specialists, 2/2.0 SYE Laborers II, 1/1.0 SYE Laborer I and 1/1.0 SYE Motor Equipment Operator, will prepare the course and clubhouse for opening, develop plans for operations, and prepare and implement a marketing/promotions plan. In addition, these positions will hire and train seasonal staff, as well as procure necessary operating equipment and supplies. It should be noted that 7/7.0 SYE positions are anticipated to be established during FY 2004 to oversee the grow-in of the golf course turf, as well as day-to-day operations required until the facility is open to the public. Total FY 2005 funding of \$452,621 includes an increase of \$228,121 in Personnel Services and Fringe Benefits, as well as \$224,500 in Operating Expenses associated with salary requirements for 7/7.0 SYE additional positions to support the opening of the Laurel Hill Golf Course. These increases are partially offset by anticipated revenues of \$287,583.

SUPPORT FOR THE COMMUNITY

Consolidated Community Funding Process

\$9.01 million

FY 2005 will be the first year of a new two-year funding cycle for the process of setting priorities and awarding funds from both the Consolidated Community Funding Pool and the Community Development Block Grant. In FY 2005, \$9.01 million will be available for the Consolidated Community Funding process, of which approximately \$6.78 million will be in Fund 118, Consolidated Community Funding Pool, and \$2.23 million will be in Fund 142, Community Development Block Grant. This funding is approximately \$0.31 million more than the FY 2004 level of approximately \$8.7 million in order to provide a five percent inflationary increase for community-based agencies. The FY 2005 funding is provided to leverage additional funds through strategies such as cash-match from other non-County sources, in-kind services from volunteers, or contributions from businesses, the faith community and other sources.

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Special Education Graduates

\$0.05 million

As directed by the Board of Supervisors, a group consisting of the Human Services Council, the County Executive and the Fairfax-Falls Church Community Services Board (CSB) completed a review of day support for the County Special Education Graduates program. The study included a review of the services and service levels provided; number of persons currently receiving services; number of students projected to require services; facility and transportation requirements; parental and individual participation in offsetting service costs; and benchmarking information on services provided by other jurisdictions. In addition, as part of the FY 2005 Budget Guidelines approved by the Board of Supervisors on April 28, 2003, staff was directed to explore options to enhance the sliding scale fee to reduce the County's share of the costs of supporting the graduates of special education programs. As a result of the study, two significant policy changes are recommended. First, since individuals are able to be served in the Fairfax County Public Schools Special Education Program until they are 22-years-old, only those who are 22 years and older were considered for local funding. This reduced the number of new graduates eligible and prioritized for local funding in FY 2005 by 15, from 63 to 48. Secondly, the CSB prioritized graduates based on their degree of need. Of the remaining 48 graduates for example, 17 were identified as having the most profound level of mental retardation and medical and/or physical challenges, and are recommended for local funding. The total cost for serving these 17 graduates in FY 2005 is projected to be \$499,800. Revenue of \$445,457 may be available if the state assigns new Medicaid Waiver slots and funding to the CSB. As a result, County funding of \$54,343 has been included in the FY 2005 Advertised Budget Plan. Should the anticipated Waiver slots not be awarded, additional County funding will be necessary to support the FY 2005 graduates.

Other changes being implemented include the acceleration of timelines for transitioning students from secondary school to adult day support service, which will enable CSB to present more timely and accurate cost estimates. The CSB is also considering changes to its fee policy to include fee assessment for day services, and continues to maximize non-County funding for school graduates, such as Medicaid funding, Department of Rehabilitative Services funding, and federal work incentives and entitlements. Due to significant efforts to maximize non-County revenues, and lower than projected expenditures, the CSB's ending fund balance is projected to be \$3,431,965 in FY 2004. A portion of this fund balance has been utilized to offset expenditures in FY 2005.

Congregate Meal Program/FASTRAN

\$0.13 million

To support the growing senior population, an increase of \$128,076 in Operating Expenses provides FASTRAN services for 50 additional seniors participating in the Congregate Meals Program at the new James Lee and Lorton Senior Centers. This expenditure increase represents full-year funding and is partially offset by an increase of \$6,500 in program donations.

Teen Center Redesign Initiative

\$0.14 million

In FY 2004, the Board of Supervisors approved the redesign of teen center operations to support a regional model. The redesign will move from nine centers (one center in each magisterial district) to a regional model comprised of five regional centers, ten neighborhood centers and ten community-based programs to provide greater flexibility in meeting the needs of teens and the community, eliminate barriers between magisterial districts, and reduce staff vacancies. FY 2005 funding provides for the creation of the fifth and final region, to be located within a leased facility in the Springfield area. To accommodate its scheduled opening in July 2004, FY 2005 funding of \$139,788 includes \$96,974 in Personnel Services and Fringe Benefits, as well as \$42,814 in Operating Expenses for 1/1.0 SYE Recreation Specialist III, 2/2.0 SYE Recreation Specialists I, and limited term staff. This funding supports the second year of a three-year phased approach to the teen center redesign throughout the County.

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SUPPORT FOR TRANSPORTATION

Metro Operations (General Fund Transfer)

\$18.14 million

The total FY 2005 Fairfax County obligation for Metrorail and Metrobus requirements totals \$53.8 million for operating expenditures, of which \$18.1 million in a General Fund transfer is required, reflecting an increase of \$5.9 million or 47.9 percent over the FY 2004 transfer amount of \$12.3 million.

The increase in the General Fund support is primarily due to the use of one-time balances in FY 2004. The \$53.8 million supports existing Metrorail and Metrobus service and includes a 4.5 percent inflation factor applied to the Washington Metropolitan Area Transit Authority (WMATA) FY 2004 budget, as well as addresses increased subsidy requirements associated with the 50 percent phase-in of the 2000 Census population data into the allocation formulas, increased costs for MetroAccess due to increased utilization of Americans with Disabilities (ADA) paratransit services, continuation of the Springfield Circulator Bus Service started in FY 2001, and other enhancements initiated by WMATA in FY 2004.

The County's portion of the total WMATA budget is determined by several formulas that include factors such as the residence of passengers, number of stations located in a jurisdiction and the level of service in a jurisdiction, as well as the population and population density. Applied State Aid, Gas Tax Receipts and State Transportation Bond Revenues help offset the County's share of WMATA's operating and capital costs.

An amount of \$29.3 million is required for capital requirements, of which \$19.8 million is supported by Fairfax County General Obligation Bonds. FY 2005 capital expenditures include \$13.7 million for the Infrastructure Renewal Program (IRP), a program which includes the rehabilitation of the railcar fleet, upgrades to Metrorail system components such as fare gates and farecard machines, improvements to Metrobus and Metrorail facilities, and funding for all capital equipment. It is anticipated that this amount will continue to increase in future years. The System Access Program (SAP) requires \$12.0 million, primarily to fund Fairfax County's share of the purchase cost of new railcars and buses. An additional \$0.4 million is included to support preliminary engineering requirements associated with the System Expansion Program (SEP) and \$3.2 million is included to fund Adopted Regional System (ARS) debt service requirements. Since the WMATA budget will not be final until June 2004, any necessary adjustments to the FY 2005 funding level will be made at the *FY 2004 Carryover Review*.

County Transit (General Fund Transfer)

\$21.21 million

In FY 2005, the County's General Fund Transfer to County Transit Systems is \$21.21 million, an increase of \$1.56 million or 8.0 percent over the FY 2004 funding level of \$19.65 million. This increase includes contractual requirements for the FAIRFAX CONNECTOR and Virginia Railway Express. In addition, fuel funding requirements are increasing due primarily to increased costs associated with FAIRFAX CONNECTOR's continuing transition to Ultra-Low Sulfur Diesel fuel begun in FY 2002.

In FY 2005, the Fairfax County Department of Transportation (FCDOT) plans to enhance FAIRFAX CONNECTOR service in both the Huntington and Reston-Herndon Divisions by implementing a service redesign. In the Huntington Division, this redesign would provide an additional 40,000 hours of service; increase service to growth areas of South County including Kingstowne, Lorton, Laurel Hill and the greater Springfield area; reduce travel times; increase mobility options through more transfer opportunities; expand operating hours; enhance service frequencies; provide more bi-directional

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routes; and expand weekend service levels. In the Reston-Herndon Division, enhancements would increase service by 13,005 hours, both in peak hours and at mid-day, with primary emphasis on routes serving existing park-and-ride facilities. The plan developed by FCDOT leverages \$2,154,081 of various recurring funding to support the service enhancements for both Reston-Herndon and Huntington. This includes \$757,450 in additional state funding for the existing Dulles Express bus initiative, \$500,000 in bus advertising and \$896,631 in farebox revenue, rather than requiring General Fund support to meet these enhancements. To generate additional farebox revenue, it is proposed that the fare discount on FAIRFAX CONNECTOR be eliminated, bringing the cash fare to \$1.00, an increase of 25 cents over the FY 2004 cash fare of \$0.75. FCDOT is also proposing an increase in the minimum fare for a Metrorail-to-bus transfer from \$0.25 to \$0.50.

COST OF DOING BUSINESS

Employee Compensation

Non-Public Safety Adjustments

\$9.40 million

Since FY 2001, pay increases for over 8,000 non-public safety employees have been based on Pay for 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. As part of this analysis, other jurisdictions with Pay for Performance systems were surveyed for best practices. Based on this review, two changes to the system are recommended for FY 2005, both of which will better align the Pay for Performance system with the County's goals and competitive marketplace practices. The first is a recalibration of the points required to receive various pay awards and the second is the establishment of a range from 0 percent to 6 percent (0.0, 2.1, 2.6, 3.0, 3.4, 3.9, 4.3, 4.7, 5.1, 5.6 and 6.0). This replaces the original 0 to 7 percent range (discounted by 25 percent in FY 2004), maintaining the integrity of the Pay for Performance system by allowing for meaningful differentiation based on performance, while tightening the requirements for the higher level pay awards to more closely track with pay increases in the marketplace.

Additionally, two departments were selected as pilots for a more comprehensive review of performance elements to increase clarity and strengthen the link between pay and performance. The lessons learned will be shared with the remaining departments to further enhance the overall program. 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. For FY 2005, funding of \$7.6 million is included for General Fund agencies in addition to \$1.8 million for General Fund-supported agencies for a total of \$9.4 million for Pay for Performance.

In order to ensure that pay scales remain competitive with the market, non-public safety pay scales are increased in accordance with the annual market index, which is calculated based on data from the Consumer Price Index; the Employment Cost Index, which includes private sector, state and local government salaries; and the Federal Wage adjustment. This is designed to keep County pay scales from falling below the marketplace, requiring a large-scale catch-up every few years. In FY 2005, the non-public safety pay scales will be adjusted 2.98 percent based on the current market index. However, it is important to note that employees do not receive this adjustment as they did in the past through a cost-of-living increase. Pay increases can only be earned through performance. By adjusting the pay scales, however, employees' long-term earning potential remains competitive with the market.

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Uniformed Public Safety Adjustments

\$11.34 million

Since uniformed public safety employees do not participate in the Pay for Performance program, their increases are based on the market rate adjustment and step increments. For FY 2005, funding of \$2.22 million has been included for those eligible to receive public safety merit increments. In addition, \$9.12 million is included to provide a 2.98 percent market rate adjustment for approximately 3,000 uniformed public safety employees.

Market Study Results

\$0

Each year, Fairfax County undertakes a market study to address issues of employee recruitment and retention, as well as ensure pay competitiveness. Certain job classes are benchmarked against comparable positions in both the public and private sectors. This year, 51 core benchmark classes were studied (based on the occurrence of matching job classes in the Metro area and the availability of sufficient market data in the recruitment area), as well as 29 supplemental classes, which were reviewed as requested by agency directors. Based on the study findings, only 3 of the classes benchmarked were found to be 5 percent or more below the market average, requiring an adjustment. These classes include: Retirement Counselor, Consumer Specialist I and Transit Service Monitor. In accordance with the current Personnel Regulations, individuals on the "S" pay plan move to the new pay grade but remain at their current pay rate unless their pay falls below the minimum of the new pay grade. Since that is not the case for these three classes, no funding adjustment is required for FY 2005.

Benefits

Health Insurance Cost Increase

\$7.77 million

Fairfax County continues to experience the same double-digit health insurance cost increases seen nationwide. For FY 2005, health insurance premiums total \$53,430,651, an increase of \$7,770,482 or 17.0 percent over the *FY 2004 Revised Budget Plan*. This is based on projected premium increases of 21 percent for Health Maintenance Organizations (HMOs) and 25 percent for the self insurance plan for Calendar Year 2005. In contrast to the slow medical care cost growth in the early to mid-1990s, spending in recent years for health care has steadily increased. Key drivers of this growth include increased utilization and the skyrocketing cost of prescription drugs. The County has employed strategies to contain health care costs such as increasing deductibles and out-of-pocket limits, as well as added incentives for generic drugs. However, this cost increase trend is anticipated to continue into FY 2006 and beyond.

Retiree Health Benefits

\$0.22 million

Monthly subsidy payments to eligible County retirees to help pay for health insurance are provided in Fund 500, Retiree Health Benefits. Beginning in FY 2004, payments were adjusted to reflect changes to the subsidy structure, which includes a change from the flat per month subsidy to a graduated subsidy based on age and length of service. No changes are recommended in the payment levels; however, the average number of subsidy recipients, including new retirees, who are eligible to receive the subsidy, is expected to increase by 149 or 7.8 percent, from 1,909 in FY 2004 to 2,058 in FY 2005. Estimates of the average number of subsidy recipients are based on a review of the projected number of retirements as well as the health subsidy eligibility of personnel already retired from the Fairfax County Employees, Uniformed, and Police Officers Retirement Systems. In FY 2005, the General Fund transfer of \$3,308,246 reflects an increase of \$219,502 or 7.1 percent over the *FY 2004 Revised Budget Plan* level of \$3,088,744.

County Executive Summary

Retirement Systems

\$12.82 million

For FY 2005, the County's employer contributions to the retirement systems total \$67,118,042, an increase of \$12,818,194 or 23.6 percent over the *FY 2004 Revised Budget Plan*. This increase is primarily due to the impact of increases in the Employer Contribution rates and salary adjustments necessary to support the County's compensation program, including pay for performance/merit increments, Market Index adjustments for employees on the public safety pay scales, and the regrade of specific Fire and Rescue job classes to provide for market competitiveness for a total increase of \$4.62 million. An increase of \$0.3 million in the employer contribution for the Police Officers' System is required to fund the Deferred Retirement Option Program (DROP) benefit enhancement, while an increase of \$2.8 million in the employer contribution for the Uniformed System is required to fund approved benefit enhancements including DROP as well as the 12 percent benefit enhancement for Uniformed Retirees. In addition, the employer contribution for the Employees System is required to increase by \$5.1 million to amortize the liability associated with the funding ratio falling below the pre-defined 90 percent threshold due to lower investment returns. In March 2002, the Board of Supervisors adopted a corridor approach to employer contributions, which enhances stability and ensures adequate funding for the retirement systems. In the corridor approach, a fixed contribution rate is assigned to each system, with the County funding contributions at that rate unless the system's funding ratio falls outside of a pre-determined corridor (90-120 percent). Once outside the corridor, the County rate is either increased or decreased to accelerate or decelerate the funding until the ratio falls back within the corridor.

Technology

Information Technology Initiatives (General Fund Transfer)

\$11.63 million

In FY 2005, funding of \$11.81 million, which includes a General Fund transfer of \$11.63 million and interest income of \$0.18 million, is included for initiatives that meet one or more priorities established by the Senior Information Technology Steering Committee. This reflects an increase of \$2.18 million or 23.1 percent over the *FY 2004 Revised Budget Plan* General Fund transfer of \$9.45 million. These initiatives include a mix of projects that provide benefits for both citizens and employees, and that adequately balance continuing initiatives with the need for maintaining and strengthening the County's technology infrastructure. Funded projects will support initiatives in the Human Services, Planning and Development, General County Services and Public Safety program areas. Although many initiatives meet more than one of the technology priorities, for narrative purposes below, projects have been grouped into only one priority area.

Priority	FY 2005 Advertised Funding
Mandated Requirements	\$0.3 million
Completion of Prior Investments	\$2.0 million
Enhanced County Security	\$1.3 million
Improved Service and Efficiency	\$5.5 million
Maintaining a Current and Supportable Technology Infrastructure	<u>\$2.7 million</u>
TOTAL	\$11.8 million

County Executive Summary

Radio Center

\$0.48 million

In FY 2002, based on a consultant study recommendation, work began on the design, installation and implementation of a new radio system to replace the current 1980s-era system in use for non-public safety agencies (Public Works, Park Authority, Fairfax County Public Schools transportation, Fairfax County Water Authority, FASTRAN, etc). The existing 20-year-old Public Service Communications System was based on a design that requires users to manually select the correct radio channel based on their location within the County, provides geographical coverage for only approximately 60 percent of the County, and has limited call processing capacity which frequently results in unavailability for users. The current network structure leaves large, heavily populated areas of the County without radio coverage and does not provide for future growth or for advanced features, such as mobile data communications. The new system has been designed to provide seamless coverage to more than 90 percent of the County, as well as provide ample reserve capacity for peak use periods and future fleet expansion. In addition, the completed system will be fully compatible with the mobile and portable radios used by the County's public safety radio system. This will allow for direct communication between public safety and public service users for incident or disaster management, as well as provide a separate back-up system for the Public Safety system should that system fail. The system will also enable the County to continue a high level of interoperability with neighboring jurisdictions.

The redesign of the system requires the lease/purchase of additional tower transmitter sites, the installation of network infrastructure and the purchase of new mobile and portable radios. Based on these requirements, the Radio Center operations will be modified in FY 2005 to utilize private sector equipment maintenance support in order to address expanded technical requirements and achieve improved efficiencies. In addition, new requirements such as site leases, telecommunication costs, interoperability coordination, inspection and evaluation of in-building radio coverage for new construction, and network operation and maintenance will be addressed through a restructuring of staffing and operating activities. The redesign of the Radio Center in FY 2005 requires funding of \$480,760 and the net abolishment of 7/7.0 SYE positions. As a result of eliminating existing activities, including administrative services and the installation/modification/repair of radios, which will be contracted out, 9/9.0 SYE positions will be abolished, with funding reductions of \$363,061 in Personnel Services and \$202,537 in Operating Expenses. To support new functions required at the redesigned Radio Center, the following positions will be established: 1/1.0 SYE Network/Telecom Analyst III and 1/1.0 SYE Network/Telecom Analyst I including \$172,562 in Personnel Services and \$873,796 in Operating Expenses, for a net reduction of 7/7.0 SYE positions and increased funding of \$480,760. It should be noted that of the total Radio Center expenditures, approximately half will be recovered from user entities, with the remaining network and maintenance costs borne by the General Fund.

Contract Increases

Child Care Assistance and Referral Program Market Rate Increase

\$1.36 million

The demand for child care services continues to grow as a result of high labor force participation in Fairfax County. In addition, many low- and moderate-income working parents in the County are unable to afford child care due to the high cost of living. To address this need, Fairfax County leverages resources with federal and state funding in order to provide child care subsidies to these eligible families. An increase of \$1,364,407 in Operating Expenses is included to support a higher state-mandated market rate for child care providers, which is estimated to reflect an increase of 5.5 percent for the providers of subsidized child care services under the Child Care Assistance and Referral (CCAR) Program. The state mandates market rates in order to ensure an adequate supply of licensed providers. It should be noted that the market rate increase will be phased in over the first quarter of FY 2005.

County Executive Summary

Therefore, this funding represents nine months of funding and is partially offset by an increase of \$682,203 in federal/state pass-through funding due to the associated 50 percent revenue match for the purchase of child care services, for a net cost to the County of \$682,204.

Comprehensive Services Act – Contract Rate Increase

\$1.10 million

The federally mandated Comprehensive Services Act (CSA) requires Fairfax County to serve families needing intervention and treatment for children and youth determined to be at risk for a variety of behaviors and conditions. These services include foster care, private school, special education, home-based intervention, residential services for mental health treatment, among others. For FY 2005, an increase of \$1,099,866 in Operating Expenses supports a 3.09 percent contract rate increase for the providers of mandated and non-mandated services in order to provide an appropriate cost-of-living adjustment to support their operations. This expenditure increase is partially offset by an increase of \$592,719 in state funding due to the associated state revenue match for the purchase of services, for a net cost to the County of \$507,147. Total expenditures in this program are approximately \$37.1 million to serve over 1,100 children and youth.

Other Contract Rate Increases

\$0.42 million

FY 2005 funding for the Department of Family Services also includes an increase of \$419,000 in Operating Expenses to support a 3.09 percent inflationary contract rate increase for the providers of mandated and non-mandated services such as Home Care Aides, Head Start, and Healthy Families Fairfax.

CAPITAL CONSTRUCTION PROGRAM

Capital Improvement Program Enhancements

In FY 2005, the County will continue to benefit from Capital Improvement Program (CIP) enhancements over the past few years to address the dual challenges of providing new facilities to address population growth as well as meeting the ongoing capital renewal needs of existing facilities and infrastructure. Highlights of that program include the following:

Paydown Construction Program

\$18.85 million

For FY 2005, a total of \$18,847,963 is included for County Paydown construction and is directed to the most critical projects. This program will be supported with a General Fund transfer of \$10,485,187 and state revenue of \$8,362,776. The recommended amount reflects an increase of \$4,457,146 or 31.0 percent over the FY 2004 Adopted Budget Plan amount of \$14,390,817 and includes the following components:

County Maintenance

\$1.58 million

Funding of \$1,584,000 will continue to provide general maintenance for priority requirements at County facilities including carpet replacement; HVAC/electrical replacement; roof repairs and waterproofing; parking lot resurfacing; fire alarm system replacement; emergency generator replacement; maintenance costs associated with the Commercial Revitalization Program; and Americans with Disabilities Act (ADA) compliance at County facilities. Funding is also included for miscellaneous building repairs.

County Executive Summary

Parks Maintenance

\$1.91 million

An amount of \$1,911,156 has been included for Park maintenance at non-revenue-supported Park facilities in order to address such items as roof repairs/replacements; electrical and lighting systems; security and fire alarm systems; sprinklers; HVAC equipment; grounds maintenance; minor routine preventive maintenance; and ongoing implementation of ADA compliance at Park facilities.

Athletic Field Maintenance/Lighting Match Program

\$3.23 million

Funding of \$3,232,813 has been included to address athletic field maintenance including field lighting, fencing, irrigation, dugout covers, infield dirt, aeration and seeding. In addition, funding of \$200,000 is provided for upgrading athletic field lighting at selected boys baseball and girls softball fields.

Stormwater Management

\$2.74 million

Funding in the amount of \$2,740,000 has been included for storm drainage maintenance and emergency repairs including Kingstowne environmental monitoring; dam safety inspections and improvements; annual emergency drainage repairs throughout the County; and the mandated Virginia Pollutant Discharge Elimination System (VPDES) Municipal Separate Storm Sewer System (MS4) discharge permit, which is considered a renewal of the National Pollutant Discharge Elimination System (NPDES) permit that is valid for five years.

New or Renovated County Facilities

\$4.14 million

A total of \$4,142,622 has been included for new or renovated County facilities including: \$1,000,000 for the acquisition of land or open space preservation throughout the County and \$3,142,622 to continue to address property management and development at the Laurel Hill property including continued asbestos mitigation efforts.

Payments and Obligations

\$2.78 million

Funding in the amount of \$2,777,372 has been provided for costs associated with annual contributions and contractual obligations. This includes \$1,021,702 for the third year of a five-year lease/purchase agreement for systems furniture at the new South County Center. In addition, \$500,000 is included for the County's annual contribution to offset school operating and overhead costs associated with the new School Age Child Care (SACC) centers. Funding of \$350,000 is included to support payments to developers for interest earned on conservation bond deposits. The County requires developers to contribute funds to ensure the conservation of existing natural resources. Upon satisfactory completion of projects, the developer is refunded the deposit with interest. Finally, funding of \$905,670 is included for the County's annual contribution to the Northern Virginia Community College (NVCC) capital program, which provides for continued construction and maintenance at various capital projects on college campuses.

Revitalization Initiatives

\$0.94 million

An amount of \$935,000 is provided for Commercial Revitalization projects to be approved by the Board of Supervisors in the context of the CIP and/or other planning discussions.

County Executive Summary

Other Paydown Projects

\$1.53 million

Other Paydown projects supported in FY 2005 total \$1,525,000 and include safety upgrades and emergency repairs to trails and sidewalks; VDOT participation for sidewalk repair and replacement; developer defaults; annual road maintenance; continuation of the TAC (Transportation Advisory Committee) Spot Improvement Program; and the Board of Road Viewers program.

Bond-Funded Projects

\$188.48 million

In FY 2005, \$188,482,141 is included in General Obligation bond funding. Of this amount, \$130,000,000 is budgeted in Fund 390, Public School Construction; and \$19,750,000 is included in Fund 309, Metro Operations and Construction, to support the 103-mile Metrorail system, as well as maintain and/or acquire facilities, equipment, railcars and buses (including \$6.2 million in previously sold bonds). In addition, FY 2005 bond funding in the amount of \$38,732,141 includes Fairfax County's \$2,500,000 contribution to the Northern Virginia Regional Park Authority; construction costs of \$12,032,141 associated with the West Ox CONNECTOR Bus Facility; \$1,200,000 for design and permitting costs for the Wolf Trap Fire Station; and \$23,000,000 to support construction costs associated with the Public Safety Operations Center as approved by the voters in November 2002. Funding for these projects is consistent with the FY 2005-FY 2009 Advertised Capital Improvement Program (With Future Years to 2014).

TAX, FEE AND FARE ADJUSTMENTS

The following describes the Tax Relief Program, the proposed Athletic Services Application Fee, as well as fee increases in several Other Funds such as transit, solid waste and sewer service.

Tax Relief Program

The FY 2005 Advertised Budget Plan includes an increase in the maximum level of assets allowed for Real Estate Tax relief eligibility from \$190,000 to the State maximum of \$240,000 as directed by the Board of Supervisors as part of the *FY 2003 Carryover Review*. This change in the Tax Relief Program is anticipated to reduce revenue by approximately \$3.9 million in FY 2005. The income limits remain at 100 percent exemption for elderly and disabled taxpayers with incomes up to \$40,000; 50 percent for eligible applicants with income between \$40,001 and \$46,000; and 25 percent if income is between \$46,001 and \$52,000.

Athletic Services Application Fee

For FY 2005, a new athletic services application fee is proposed to partially offset the cost of scheduling and coordinating community use of public athletic facilities. Estimated revenues totaling \$1,670,917 reflect the implementation of a \$3 per hour fee for community use of public athletic facilities scheduled through the Department of Community and Recreation Services' Athletic Services Division. Athletic organizations are provided facility space by the hour in accordance with their application for use of facilities and within established Fairfax County facility allocation policies. This fee, combined with existing revenue, will enable the Athletic Services Division to offset its operational costs. County staff is

County Executive Summary

working extensively with the Athletic Council and athletic group coordinators to implement this proposal in FY 2005. Two other proposals are also under consideration including an organizational fee calculated based on the number of individuals enrolled in the organization. County staff will obtain feedback from the Athletic Council and athletic group coordinators regarding the proposed options and will work with them on implementation of the final proposal in FY 2005.

Transit Fare Increase

The Fairfax County Department of Transportation (FCDOT) has been under increasing pressure to expand routes and the service frequency on existing routes. This has been difficult given budget constraints of recent years. However, as part of the FY 2005 budget, FCDOT has developed a plan that provides targeted service improvements on FAIRFAX CONNECTOR with only a minimal increase in General Fund support. This requires eliminating the fare discount on FAIRFAX CONNECTOR, which brings the cash fare to \$1.00, an increase of 25 cents over the FY 2004 cash fare of \$0.75. The Smart Card program would see an increase to \$0.60. FCDOT is also proposing an increase in the minimum fare for a Metrorail-to-bus transfer from \$0.25 to \$0.50. These fare increases would generate an additional \$0.9 million to support service enhancements for both the Reston-Herndon and Huntington Divisions. While fare increases are never popular, the proposed \$1.00 base fare is still below the current Metrobus base fare of \$1.20. In addition, the ridership decrease that FCDOT anticipated when the base fare was increased from \$0.50 to \$0.75 never materialized. In fact, ridership continued to grow in FY 2004 despite this fare adjustment, evidence of the high demand for this service.

Leaf Collection Fee Increase

The Division of Solid Waste Collection and Recycling provides for leaf collection and disposal within 30 County Refuse Collection Districts. Leaf Districts are established and abolished through a petition process approved by the Board of Supervisors. A service fee is charged to homeowners and businesses within the districts based on the cost of the service. The FY 2004 levy is \$0.01 per \$100 of assessed value and has remained at that level since FY 1996 when it was reduced from \$0.02 per \$100 of assessed value due to an accumulation of fund balance. Over the past eight years, increases in disposal costs and other operating expenses due to an increasing customer base have significantly reduced the fund balance, making it necessary to increase the levy to \$0.015 per \$100 of assessed real estate value in FY 2005. This increase will generate an additional \$691,592 over the FY 2004 estimated leaf collection levy and should more accurately match revenues with expenditures. On average, homeowners in Leaf Districts will see an annual fee increase of approximately \$20.

Refuse Collection Fee Increase

Residents within Sanitary Refuse Collection Districts who receive County refuse collection service are charged an annual service fee for regular trash pick-up and recycling. These districts are created by the Board of Supervisors upon citizen petition. The FY 2004 fee of \$210 per unit has been at that level since FY 2000 when it was reduced from \$240 in order to draw down the unreserved fund balance. During the past four years, the increasing cost of these services has absorbed the fund balance, which has now been significantly reduced. Due to increasing disposal fees and rising personnel costs, it is necessary to increase the annual fee to \$240 per unit in FY 2005 for approximately 40,000 customers who receive this service.

Sewer Fees Increase

The FY 2005 Sewer Service Charge and Availability Fee are based on increased costs associated with capital project construction, system operation and maintenance, debt service, and upgrades to reduce nitrogen discharge from wastewater in order to meet more stringent regulations. In FY 2005, the Availability Fee charged to new customers for initial access to the system will increase from \$5,431 in

County Executive Summary

FY 2004 to \$5,621 for single-family homes based on current projections of capital requirements and is consistent with the analysis included in the Forecasted Financial Statement for July 1, 2003 through June 30, 2008. The Sewer Service Charge is billed to all existing customers and is used to fully recover operating and maintenance costs, debt service payments, and capital project funding primarily attributable to improving wastewater treatment effluent standards as mandated by state and federal agencies. The Sewer Service Charge will increase from \$3.03 to \$3.20 per 1,000 gallons of water consumption in FY 2005. Based on this rate increase, the additional annual cost to the typical household is anticipated to be \$12.92.

FINANCIAL FORECAST

The Financial Forecast for FY 2006 reflects a deficit of approximately \$6.51 million. In accordance with the Board's Budget Guidelines, the increase in County expenditures and the transfer to the Schools have been limited to match the revenue growth, which is anticipated to be 5.82 percent in FY 2006. As a result, County and Schools spending will once again need to be constrained to fit within the projected revenue growth. This presents an ongoing challenge to accommodate cost increases associated with inflation, population growth, state and federal mandates, and other factors. Three years of budget reductions have eroded what little flexibility we had to meet this challenge; future strategies will have to rely on more difficult choices about the types and level of service we will be able to provide in the future. Details of the FY 2006 Forecast can be found in the Financial Forecast section of this volume.

Conclusion

I would be remiss if, in presenting the numerous challenges we face in preparing a budget that balances the needs of taxpayers against service expectations, I did not address the County's many positive attributes. We benefit from a healthy economy, which despite downturns and fall-out from the national and state economies, continues to grow. Our rapidly growing and diverse population continues to become more engaged in their local government and we are continually seeing increased participation by volunteers and others in all facets of County operations.

We all benefit from a public safety system that is among the best in the country, if not the world. This is demonstrated day in and day out, but never more so than when we face extraordinary situations such as the sniper incidents or Hurricane Isabel. One image in particular stands out in my mind from that weather-related disaster. Sections of the County sustained a great deal of damage and residents were hard-pressed to clear the storm debris that stood in their way of returning to normalcy. A local television crew filming the aftermath in the Belleview area came across a homeowner whose egress was blocked by a large tree. They filmed a County police officer on the scene pulling a chainsaw out of the trunk of his patrol vehicle, cutting through the tree and clearing the way for the homeowner. Bystanders were amazed because they did not expect a law enforcement officer to handle such a task.

Yet this is so indicative of our employees who consistently go the extra mile to serve citizens. I also recall how so many County employees spent days and nights away from their own families before, during and after the hurricane so they could staff shelters, arrange for emergency assistance and provide for the public's safety. I could recount many other such examples.

County Executive Summary

Responding to changing and challenging circumstances is nothing new to County employees. This budget itself is testimony to the countless hours of strategic thinking that has taken place and the efforts of many to reorient the budget toward a document that more accurately reflects our priorities as a community. As I noted previously, this is the first step of many on our path toward more strategic allocation of scarce resources to ensure that the services we provide are in line with community expectations. It is my hope that this will lay the groundwork for an ongoing dialogue about the County's direction for the future and how we will finance it. I look forward to this discussion with you over the coming months.

Respectfully submitted,



Anthony H. Griffin
County Executive

County Executive Summary

FY 2005 FAIRFAX COUNTY BUDGET FACTS

Budget Guidelines

- ◆ In April 2003, the Board of Supervisors approved **Budget Guidelines** that directed the County Executive to develop a budget for Fiscal Year 2005 that limits increases in expenditures to projected increases in revenues.
- ◆ **Information on FY 2005 revenue and the economic outlook** should be forwarded to the Board in late 2003 so they could provide guidance regarding the tax rate and Schools transfer.
- ◆ **Available balances** materializing at the Carryover and Third Quarter Reviews that are not required to support expenditures of a critical nature or to address the Board's policy on the Revenue Stabilization Fund should be held in reserve to offset future requirements.
- ◆ **In order to prevent future structural imbalances**, non-recurring funds will be directed toward non-recurring uses and only recurring resources may be targeted toward recurring expenses.
- ◆ **The County's policy concerning the utilization of recurring and non-recurring funds** should be followed by the School Board.

Tax Base

- ◆ **Total FY 2005 General Fund Revenue** is \$2.74 billion and reflects an increase of \$168.88 million or 6.57 percent over the *FY 2004 Revised Budget Plan*.
- ◆ **One Real Estate Penny** is equivalent to approximately \$14.5 million in tax revenue.
- ◆ **One Personal Property Penny** is equivalent to approximately \$1.0 million in tax revenue.
- ◆ **Average Residential Assessed Property Value** is \$357,506.
- ◆ **The Commercial/Industrial percentage** of the County's Real Estate Tax base is 18.20 percent, the lowest rate in over 20 years.
- ◆ **Assessed Value** of all real property is projected to increase \$15.6 billion or 12.04 percent over FY 2004.
- ◆ **Real Estate and Personal Property Taxes** (including the Personal Property portion being reimbursed by the Commonwealth) comprise approximately 77.8 percent of General Fund Revenues.

Expenditures

- ◆ **General Fund Direct Expenditures** total \$1.00 billion, an increase of 2.50 percent over the *FY 2004 Revised Budget Plan*.
- ◆ **General Fund Disbursements** total \$2.73 billion and reflect an increase of \$117.10 million or 4.47 percent over the *FY 2004 Revised Budget Plan*.
- ◆ **The County General Fund Transfer** for school operations totals \$1.32 billion, an increase of \$81.52 million or 6.57 percent over the *FY 2004 Revised Budget Plan* transfer.
- ◆ **Expenditures for All Appropriated Funds** total \$4.65 billion.
- ◆ **General Fund Support for Information Technology (IT) Projects** is \$11.63 million. FY 2005 project consideration was guided by priorities established by the IT Senior Steering Committee. Projects with the highest priority include those mandated by the federal or state government, those necessary to complete previous project investments, improve service and efficiency, and maintain the IT infrastructure.
- ◆ **Pay-As-You-Go Capital Construction** projects total \$18.85 million.
- ◆ **Authorized Positions** for all funds are increasing by a net 46/44.86 SYE positions in FY 2005. This reflects an increase of 53/51.86 SYE positions, most of which are for new facilities and public safety requirements, partially offset by a decrease of 7/7.0 SYE positions associated with a reorganization of the Radio Shop.

Tax Rates

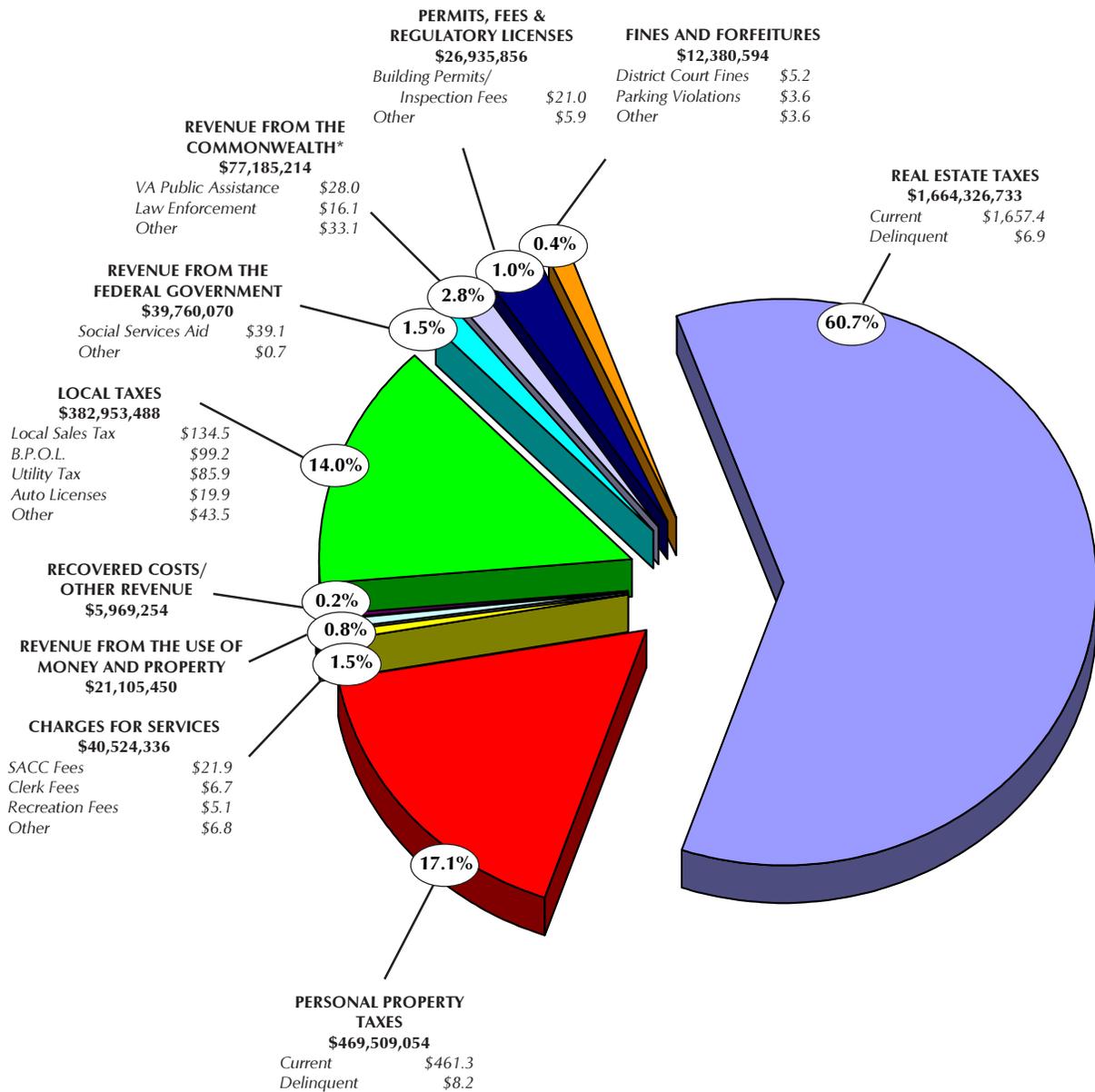
- ◆ **Real Estate Tax Rate** remains at \$1.16 per \$100 assessed value.
- ◆ **Personal Property Tax Rate** remains at \$4.57 per \$100 assessed value.
- ◆ **Refuse Disposal Rate** increases from \$45 to \$48 per ton.
- ◆ **Leaf Collection Rate** increases from \$0.01 per \$100 assessed valuation to \$0.015 per \$100 assessed value.
- ◆ **Sewer Service Rate** increases from \$3.03 to \$3.20 per 1,000 gallons of water consumption.
- ◆ **Sewer Availability Charge** for new single family homes increases from \$5,43 to \$5,621.
- ◆ **Refuse Collection Rate** for County collection sanitation districts increases from \$210 to \$240 per household.
- ◆ **Solid Waste Ash Disposal Rate** remains constant at \$11.50 per ton.
- ◆ **Integrated Pest Management Program**, a Countywide Special Tax, remains at \$0.001 per \$100 of assessed value, or an average of \$3.57 per household.
- ◆ **E-911 Tax Rate** remains at \$2.50 per line per month in order to recover expenditures allowable by the *Code of Virginia*.

Population

- ◆ **Fairfax County's population** is estimated to be 1,033,600 persons as of January 2004. This is an increase of 1.4 percent over the January 2003 estimate of 1,019,000 and is an increase of 26.3 percent over the 1990 census count of 818,584.

FY 2005 GENERAL FUND RECEIPTS

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



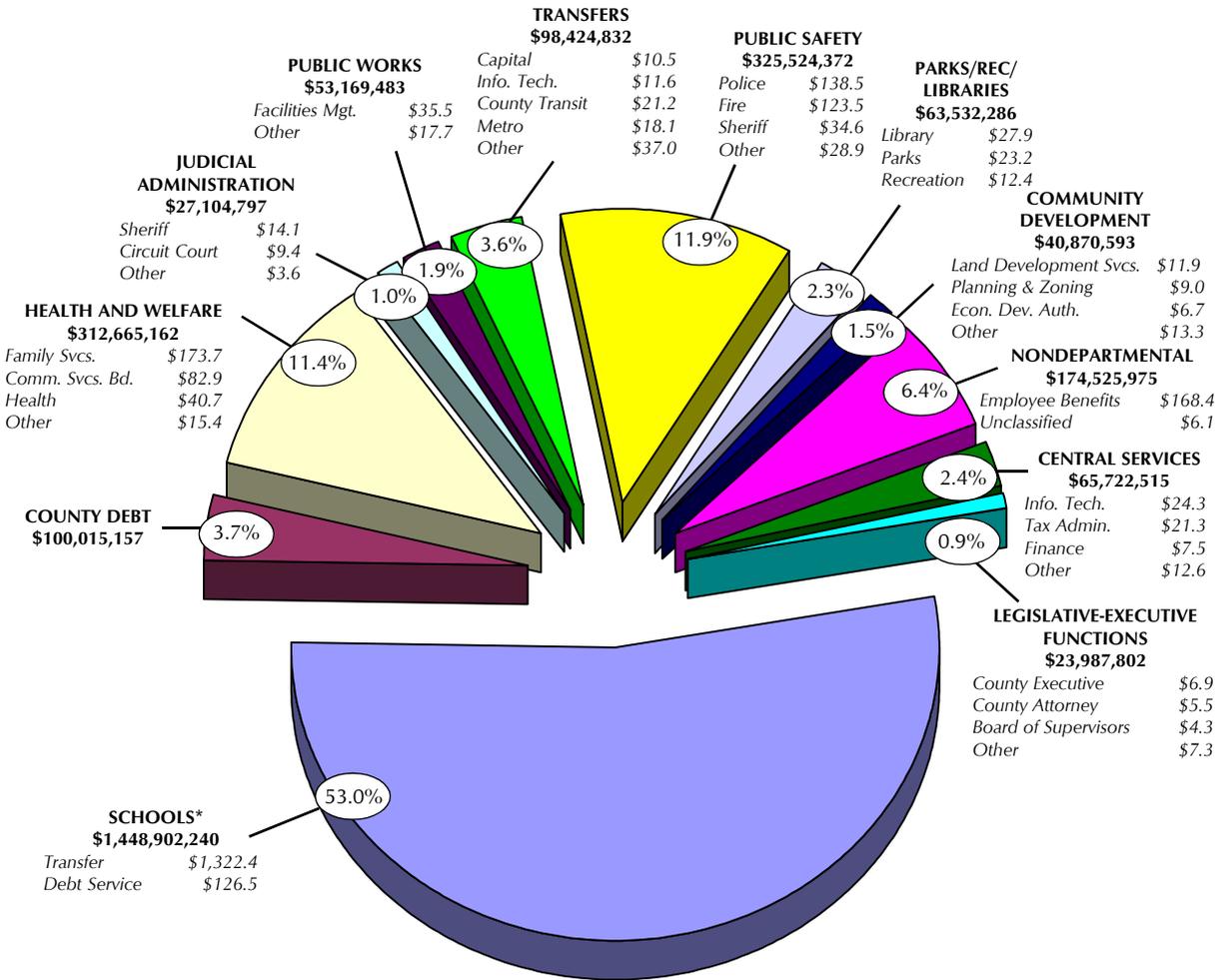
FY 2005 GENERAL FUND RECEIPTS = \$2,740,650,049

* 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.

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

FY 2005 GENERAL FUND DISBURSEMENTS

Where it goes . . .
(subcategories in millions)

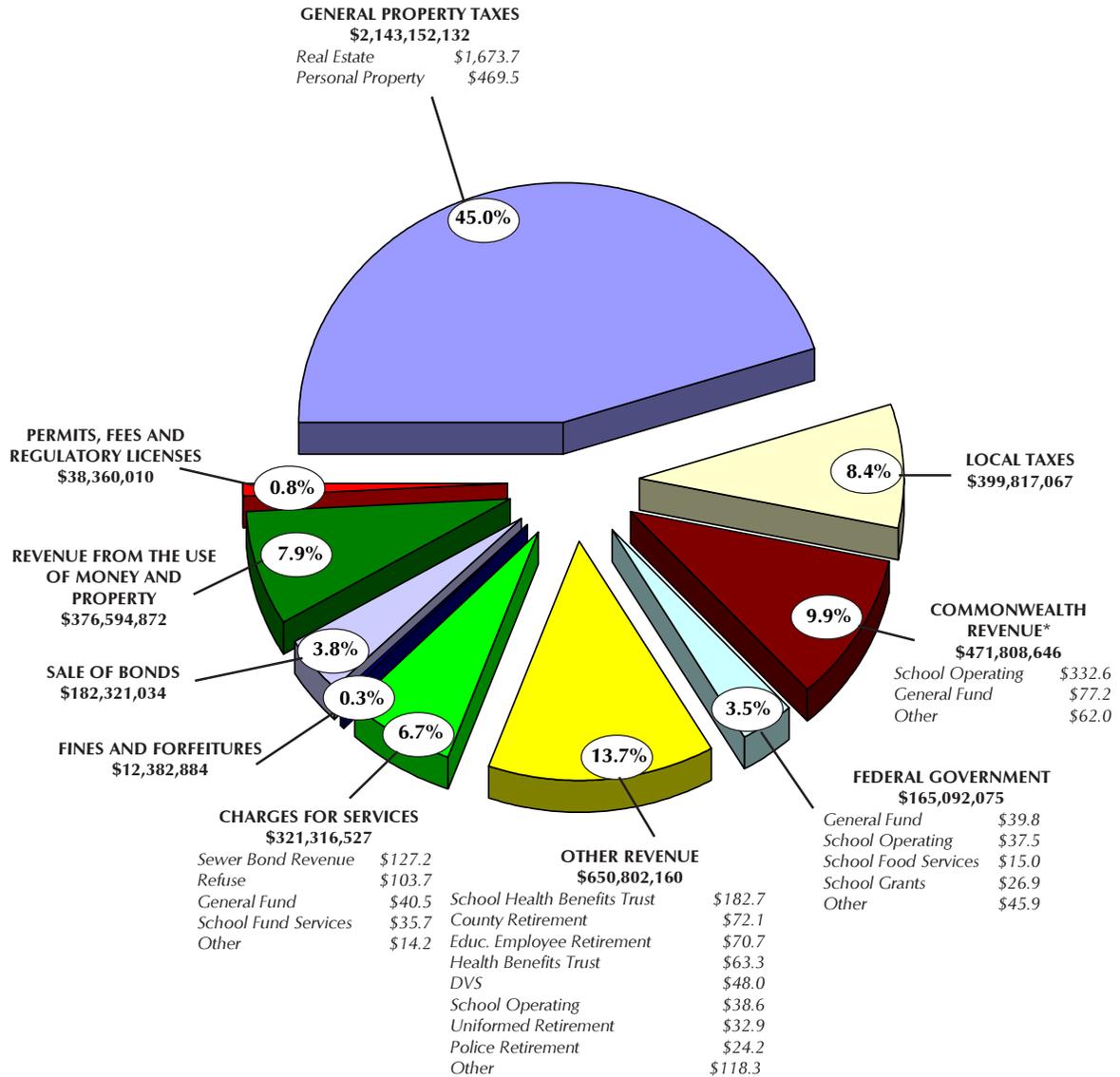


FY 2005 GENERAL FUND DISBURSEMENTS = \$2,734,445,214

* In accordance with the Board adopted guidelines for the FY 2005 Budget, the proposed County General Fund transfer for school operations in FY 2005 totals \$1,322,374,187 an increase of \$81,523,866 or 6.57% over the FY 2004 Revised Budget Plan transfer. It should be noted that the actual transfer request approved by the School Board on February 12, 2004 is \$1,361,212,802 an increase of \$120,362,481 or 9.7% over the FY 2004 transfer level. In order to fully fund this \$38,838,615 increase over the Budget Guidelines, additional resources would need to be considered by the Board of Supervisors.

FY 2005 REVENUE ALL FUNDS

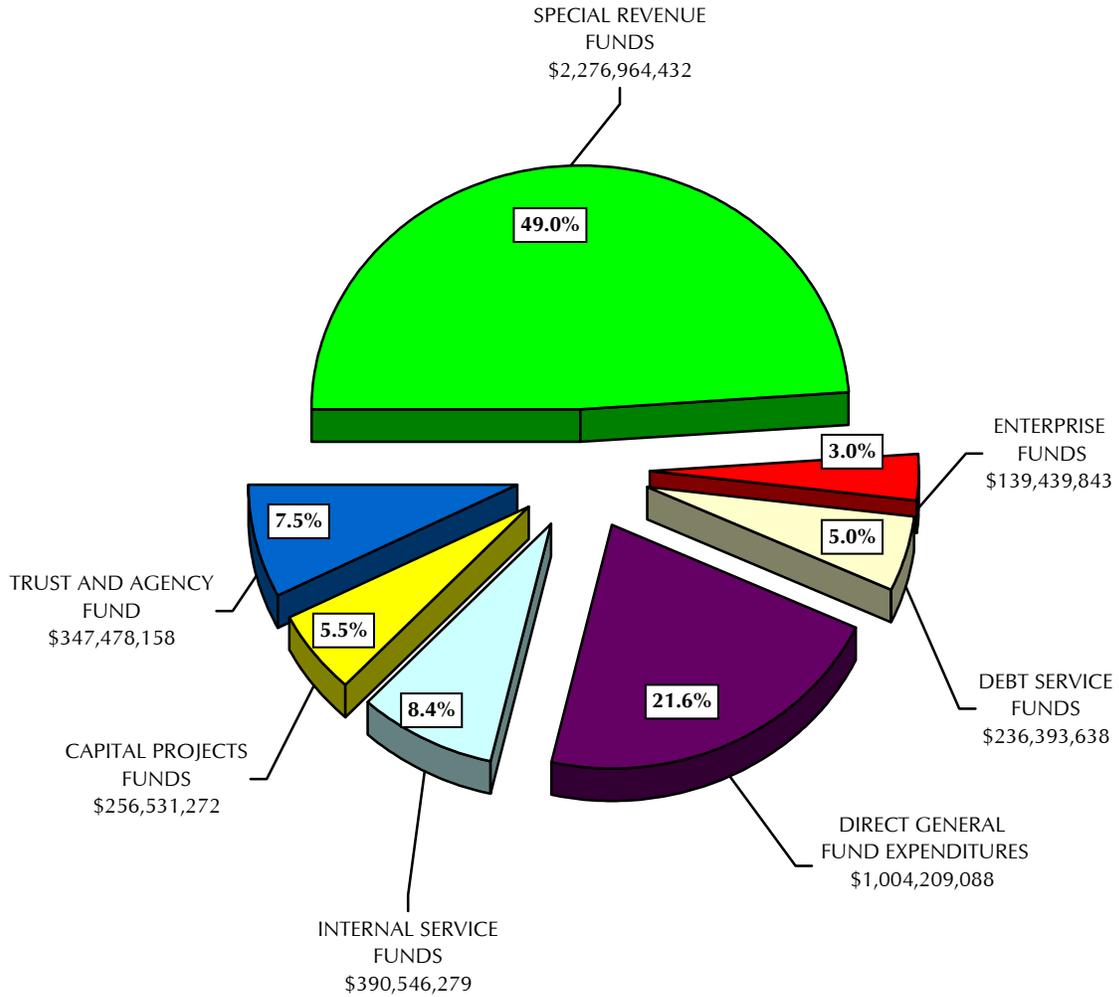
(subcategories in millions)



TOTAL REVENUE = \$4,761,647,407

* 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 2005 EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = \$4,651,562,710



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Strategic Linkages

Context and Background

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

Strategic Thinking

Among the first steps Fairfax County took to improve strategic thinking was to build and align leadership and performance at all levels of the organization through discussions and workshops among the County Executive, senior management and County staff. This initiative included the development of an employee leadership

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.

philosophy and vision statement to help employees focus on the same core set of concepts. This dialogue among the County Executive, senior management and staff has continued over several years and culminated in the development of seven "Vision Elements" for

the County, which are consistent with the priorities of the Board of Supervisors. These Vision Elements are intended to describe what success will look like as a result of the County's efforts **to protect and enrich the quality of life for the people, neighborhoods, and diverse communities of Fairfax County by:**



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.

Strategic Linkages



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.



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.

Strategic Planning

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

Each agency performed an agency-wide environmental scan to determine what factors influence service delivery and customer demands, identified business areas within each department to more specifically define the services provided, aligned the specific tasks performed by business areas within the departmental and vision element framework, and refined goals to meet the countywide vision elements and agency mission. The strategic planning effort involved a cross section of employees at all levels and in all areas of the organization.

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

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

Strategic Linkages

Fairfax County also uses benchmarking, the systematic comparison of performance with other jurisdictions, in order to discover best practices that will enhance performance. The County has participated in the International City/County Management Association's (ICMA) benchmarking effort since 2000. Over 130 cities and counties provide comparable data annually in the following service areas: Police, Fire/EMS, Library, Parks and Recreation, Youth Services, Code Enforcement, Refuse Collection/Recycling, Housing, Fleet Management, Facilities, Information Technology, Human Resources, Risk Management and Purchasing. ICMA performs extensive data cleaning to ensure the greatest accuracy and comparability of data. In service areas that are not covered by ICMA's effort, agencies rely on various sources of comparative data prepared by the state, professional associations and/or nonprofit/research organizations.

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

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

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

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

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Strategic Planning Links to the Budget

The FY 2005 budget presentation includes the County's first steps to link the comprehensive strategic initiatives described above into the budget documents. To achieve these links, agency budget narratives now include discussions of Countywide Vision Elements and agency strategic planning efforts, program area summaries have been expanded to include cross-cutting efforts and benchmarking data, and a Key County Indicator presentation was developed to show how the County is performing as a whole. As a result, the budget information is presented in a more user-friendly format and resource decisions are more clearly articulated to Fairfax County citizens.

- **Agency Narratives:** Individual agency narratives identify strategic issues, which were developed during the agency strategic planning efforts, link new initiatives and recent accomplishments as well as core services to the Vision Elements and expand the use of performance measures to clearly define how well the agency is delivering a specific service. Agency narratives are included in budget Volumes I and II.
- **Program Area Summaries:** Summaries by Program Area (such as Public Safety; Health and Welfare, Judicial Administration, etc.) provide a broader perspective of the strategic direction of several related agencies and how they are supporting the County Vision Elements. This helps to identify common goals and programs that may cross over departments. In addition, benchmarking information is included on Program Area services to demonstrate how the County performs in relation to other comparable jurisdictions. Program area summaries are included in budget Volumes I and II.
- **Key County Indicators:** The Key County Indicator presentation provides several performance measurement indicators for each Vision Element. The presentation gives the reader a high-level perspective on how the County is doing as a whole to reach its service vision. The presentation of Key County Indicators will continue to be refined to ensure that the measures best represent the needs of the community. A detailed presentation and discussion of the FY 2005 Key County Indicators is included in the Overview Volume following this discussion.
- **Schools:** The Fairfax County Public Schools provide an enormous contribution to the community and in an effort to address the County's investment in education and the benefits it provides, future Key County Indicator presentations will communicate results in education. In the FY 2005 budget, a list of Fairfax County School Systemwide Targets is included following the Key County Indicator presentation.

Positive Outcomes of Strategic Planning Links to the Budget

Resource Decisions

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

Performance Measurement

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

New Budget Format

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

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 new FY 2005 budget presentation will be discussed by the Board and the community, and it is anticipated that refinements to the strategic linkages efforts will be driven by that dialogue.

Strategic Linkages

Key County Indicators

Introduction

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

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

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

The following presentation lists the Key County Indicators for each of the Vision Elements, provides data from FY 2002 to FY 2005, where available, and includes a discussion of how the Indicators relate to their respective Vision Elements. For some indicators, if FY 2002 or FY 2003 is the most recent year in which data are available, it was used to forecast estimates for FY 2004 and 2005. If FY 2003 actuals are unavailable, NA was used in the table until the data becomes available. All of the Indicator data are for Fairfax County only, listed by Fiscal Year, unless otherwise noted in the text.

 **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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Ratio of Part I Index Crimes (Violent Criminal Offenses) per 100,000 County Population (Calendar Year)	99.91	NA	99.91	99.91
Clearance rate of Part I Index Crimes (Violent Criminal Offenses) (Calendar Year)	51.4%	NA	51.4%	51.4%
Percent of Advanced Life Support (ALS) transport units on scene within 9 minutes	87.08%	85.49%	85.00%	85.00%
Fire suppression response rate for engine company within 5 minutes	53.93%	53.64%	53.00%	53.00%
High School graduation rates	94.7%	NA	94.7%	94.7%
Percent of Seniors, Adults with Disabilities and/or family caregivers who report that the community based services that are provided by Fairfax County help them remain in their home/community.	94.0%	95.0%	95.0%	95.0%
Percent of restaurants operating safely	91.1%	90.8%	91.2%	92.0%
Immunizations: completion rates for 2-year olds	77.0%	79.0%	80.0%	82.0%

Strategic Linkages

Key County Indicators	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Percent of low birthweight babies (under 5 lbs 8 oz)	6.40%	NA	6.40%	6.40%
Ratio of children in foster care per 1,000 in total youth population	1.9	NA	1.9	1.9

Fairfax County is one of the nation's safest jurisdictions in which to live and work. The County expects to maintain its low crime rate. The Fairfax County **ratio of Part I Index Crimes** remains low at 99.91 violent crimes per 100,000 population, as compared to the National County Suburban average of 353.7 per 100,000. The County will also continue the current case **clearance rate for Part I crimes**, which is an index of four major crimes (murder, rape, robbery, and aggravated assault). The case clearance rate of 51.40 percent is near the average for national suburban counties (54 percent in CY 2002).

The Fairfax County Fire and Rescue Department Advanced Life Support (ALS) and fire unit measures are standards set by the National Fire Protection Association (NFPA). A slight decrease is expected in meeting the ALS and fire response time standards due to increasing traffic congestion throughout the jurisdiction. The County is committed to providing fire suppression and ALS resources in a timely manner and will address the issue by opening three new fire stations in the next several years. While the **5 minute fire suppression response standard** of the NFPA is met only 53 percent of the time, the average countywide **fire suppression response time** is just above 5 minutes, at 5 minutes 11 seconds. The County also meets a second NFPA suppression response standard 90 percent of the time, which requires 14 Fire and Rescue personnel to be on site within 9 minutes. The complement of responding personnel may be greater than 14 and is appropriate to the incident and structure type, and may include response from engine, truck, heavy rescue, EMS units and other specialty units.

Fairfax County is committed to protecting the health of its citizens and currently 91 **percent of restaurants are operating safely**. This measure reflects restaurants that do not present a health hazard to the public and are determined to be safe at the time of inspection, otherwise the operating permit would be suspended and the restaurant would be closed. The County expects to maintain or exceed this level of compliance through routine inspections by the Health Department and proper education information provided to restaurant owners.

The health and well-being of children in Fairfax County is evident in the low percentage of children born with **low birthweight** and the high **immunization completion rates** for two-year-olds. The County's immunization rate exceeds the national rate of 75 percent. Fairfax County also funds numerous programs to help children stay in school, while providing recreational activities during after-school programs. These services contribute the County's high **graduation rate** of 94.7 percent, the highest in Virginia. Currently, the **ratio of children in foster care per 1000** in the total population of children 0-17 years old is 1.9. While this is low compared to the statewide ratio of 4.1, Fairfax County is still working to decrease the number of children in foster care as well as reduce the time spent in foster care through intensive prevention and early intervention efforts and a stronger emphasis on permanent placements of children in foster care who are unable to return safely to their families.

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

In FY 2006, the County plans to survey residents through the Department of Systems Management for Human Services about whether or not they feel welcome in their communities. As Fairfax County changes demographically and economically, this measure will be another good indicator of the County's progress toward making Fairfax County a safe and caring community that respects the County's increasing diversity. This indicator will be based on a survey question from FY 2001 that asked recent immigrants whether the County made them feel welcome. In all eight ethnic communities surveyed, each reported at 80 percent or above that they felt welcomed.

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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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Percent of people in the labor force who both live and work in Fairfax County	54.0%	51.6%	51.6%	51.6%
Acres of park land held in public trust	36,837	37,765	38,100	38,400
Percent of dwelling units within business or transit centers as measured by zoning approvals	67.19%	76.30%	65.50%	65.50%
Annual number of visitations to libraries, park facilities and recreation and community centers	10,715,352	11,161,341	11,338,857	11,604,772
Value of construction authorized on existing residential units	\$151,094,354	\$219,448,244	\$219,448,244	\$219,448,244
Miles of trails and sidewalks maintained by the County	543	554	565	580
Number of affordable rental senior housing units	1,412	1,496	1,520	1,550

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

Availability and **use of libraries, parks and recreation facilities** is often used as a "quality-of-life" indicator and is cited as a major factor in a family’s decision for home location and a company’s decision for site location. FY 2002 and 2003 data demonstrates a high level of participation at County facilities and it is likely that this number will increase over time, as new facilities are planned and constructed.

Citizen investment in their own residences reflects the perception of their neighborhood as a “livable community.” The **value of construction authorized on existing residential units** has increased dramatically in recent years, as citizens renovate and expand their living spaces. This can demonstrate pride in the community and an effort to build desirable neighborhoods.

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

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



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

Key County Indicators	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Number of times County information and interactive services are accessed electronically (millions)	24.8	32.0	36.7	40.4
Percent change in number of times County information and interactive services accessed electronically	40.2%	29.2%	14.7%	9.9%
Library materials circulation per capita	11.9	11.2	11.1	10.9
Percent of library circulation represented by materials in languages other than English	35%	NA	35%	35%
Percent change in transit passengers	2.4%	9.3%	2.6%	2.2%

An important measure of a community's quality of life is whether or not its residents are connected to the community. Do residents have, or can they easily, conveniently and safely access, information, services and activities that are of interest to them? Fairfax County effectively and efficiently leverages technology and transportation to serve this end. Technology, for example, provides most residents of Fairfax County with 24-hour access to the County's website, which is continually being enhanced and expanded to include more useful information. Not only does the website provide information on County services, but it also enables citizens to transact business with the County. Citizens no longer have to appear in person, during normal business hours, at a County facility because they can pay parking tickets and red light violations, request special pickup for bulk and brush debris, or sign up to testify at a public hearing online. Given hectic schedules and the sheer geographic size of the County, being able to access information 24 hours a day at home, the office or the local library is a tremendous convenience. In addition to access being more convenient, technology is providing 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 **percent change in electronic access to County information and interactive services**. This indicator measures hits on the County's website, utilization of County kiosks, and use of interactive services such as online payment of personal property taxes. This measure grew 40.2 percent in FY 2002, 29.2 percent in FY 2003 and is expected to continue significant, but slower, growth in FY 2004 and FY 2005.

For residents of Fairfax County who do not have access to a computer at home or at work, do not possess the technical skills or who are unable to utilize technology due to language barriers, the County utilizes other methods and media to connect County residents with information and services. Libraries, for example, are focal points within the community and offer a variety of brochures, flyers and announcements containing information on community activities and County services. Libraries in Fairfax County are utilized heavily as evidenced by the **library materials circulation per capita** which was 11.2 in FY 2003. This is well above the mean for jurisdictions of 100,000 or more people of 7.0 based on data from the International City/County Management Association (ICMA). This high circulation indicates a desire among Fairfax County residents for information and the holdings of the Library system.

As previously mentioned, Fairfax County is becoming an increasingly diverse community in terms of culture and language. In 2002 33.0 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 2002, 35 **percent of library circulation was represented by materials in languages other than English**. This information is no longer being tracked, but efforts are underway to reinstate the collection of these data. Additionally, other indicators that would be better at communicating what the County is doing to

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communicate with the non-English speaking segments of the population are being evaluated for future inclusion in the Key County Indicators.

Another important aspect of connecting people and places is actually moving them from one place to another. While transportation is largely a state function, the County does contribute funding to Metro and the Virginia Railway Express, support the County's CONNECTOR bus system and provide FASTRAN services to seniors, individuals who are mobility-impaired and clients of the County's human services agencies. Support of these mass transit options is intended to reduce road congestion and facilitate the transport of individuals from one place to another. In FY 2003, a **9.3 percent change in transit passengers** was experienced. Significant increases in the number of transit passengers boarding Metrorail in Fairfax County and the number of passengers transported by the CONNECTOR bus system fueled this strong performance in FY 2003 and are due to population increases and traffic congestion. While the County will continue to expand the number of transit passengers, growth like that experienced in FY 2003 is not likely to be sustained. Please note that additional transportation indicators are being considered for future inclusion in order to more appropriately assess the effectiveness of County's efforts regarding transportation. For example, a measure of vehicle volume relative to capacity on a given road is a common measure used by transportation staff to identify areas of extreme congestion.

In the future, supplementing the aforementioned output-based indicators with a couple focused on citizen satisfaction would provide a better picture of how effective the County really is at connecting people and places. Similarly, an indicator is not currently included on the accessibility of County facilities with respect to the Americans with Disabilities Act requirements. This may be developed and included in the future.



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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Total employment (not just payroll; includes part-time, contract, etc.)	557,075	567,574	596,574	627,374
Growth rate	0.4%	1.9%	5.1%	5.2%
Unemployment rate	3.1%	2.7%	2.5%	2.5%
Percent of Commercial/Industrial vs. Residential	24.84%	21.97%	19.14%	18.20%
Gross County Product (in billions) Unadjusted	\$60.930	\$65.190	\$70.677	\$75.924
Growth rate	4.4%	7.0%	8.4%	7.4%
Percent of persons living below the federal poverty line (Calendar Year)	4.5%	NA	4.5%	4.5%
Percent of homeowners that pay 30.0% or more of household income on housing (Calendar Year)	19.2%	22.0%	23.0%	24.0%
Percent of renters that pay 30.0% or more of household income on rent (Calendar Year)	39.2%	37.2%	38.0%	40.0%
Direct (excludes sublet space) office space vacancy rate (Calendar Year)	12.1%	NA	11.0%	10.0%

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

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Total employment was selected as an indicator to illustrate the magnitude of Fairfax County's jobs base. For context, there are as many jobs in Fairfax County as there are people in the entire state of Wyoming. Total employment includes all jobs, part-time and contract and not just payroll jobs as is reported for the unemployment rate. Dr. Stephen Fuller of the Center for Regional Analysis at George Mason University provides this data for Fairfax County's Economic Index. While related to the number of jobs, the **unemployment rate** is also included because it shows the proportion of the County's population out of work. Fairfax County enjoys a relatively low unemployment rate in comparison to state and national trends. While the County's rate was 2.7 percent for FY 2003, the Commonwealth of Virginia experienced 4.3 percent unemployment for the same period. The strength of the County's economy is even more apparent when compared to the national unemployment rate of 6.3 percent for that same timeframe.

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

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

While it was recognized that **percent of persons living below the federal poverty line** is an imperfect measure due to the unrealistic level set by the federal government, i.e., \$18,392 for a family of four, it is a statistic that is regularly collected and presented in such a way that it can be compared to other jurisdictions as well as tracked over time to determine improvement. In relative terms, Fairfax County's 4.5 percent poverty rate is better than most yet it still translates to over 40,000 living below the federal poverty level. There are considerably more who are below the level needed to be self-sufficient, which was estimated in a previous study to be over \$50,000 for a family of four in Fairfax County.

The next two measures, **percent of homeowners that pay 30 percent or more of household income on housing** and **percent of renters that pay 30 percent or more of household income on rent** are included because they relate the cost of housing to income and provide an indication of the relative affordability of living in Fairfax County. That capacity has an effect on other aspects of the County's economy. For example, if housing is so expensive that businesses cannot attract employees locally, they may choose to relocate from Fairfax County, thus resulting in loss of jobs. The 22.0 percent rate for homeowners is well within guidelines for affordability, while renters are paying a substantially greater percentage of their incomes for housing at 37.2 percent.

Finally, the **direct (excludes sublet space) office space vacancy rate** is included because it reflects yet another aspect of the health of the business community. In recessionary conditions, businesses contract and use less space. This percent almost doubled from 6.4 percent in CY 2001 to 12.1 percent in CY 2002, due in large part to the dot.com bust which saw a number of technology firms in the County contract or fold entirely. Including sublet space, the vacancy rate increased from 12.5 percent in CY 2001 to 18.8 percent in CY 2002. 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.

Strategic Linkages



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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Unhealthy Air Days recorded on Fairfax County monitors, based on the EPA Air Quality Index (Calendar Year)	5	2	3	3
Overall Level of Stream Quality as a weighted index of overall watershed/ stream conditions on a scale of 5(Excellent) to 1(Very Poor)	NA	2.76	2.80	2.80
Percentage of Tree Coverage in County	45%	45%	44%	43%
Number of homes that could be powered as a result of County Alternative Power Initiatives	68,729	67,856	68,125	68,646
Solid Waste Recycled as a percentage of the waste generated within the County (Calendar Year)	34.2%	NA	32.0%	32.0%

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

In support of the regional goal of attaining the federal standard for ozone levels, Fairfax County is concerned with minimizing **unhealthy air days** as measured and defined by all criteria pollutants. The Environmental Protection Agency (EPA) has set National Ambient Air Quality Standards for these criteria pollutants: ground-level ozone, particulate matter, lead, carbon monoxide, sulfur dioxide, and nitrogen dioxide. The **EPA Air Quality Index** for the criteria pollutants assign colors to levels of health concern, code orange indicating unhealthy for sensitive groups, code red - unhealthy, purple - very unhealthy, and maroon - hazardous. The data above includes all of these color levels. Initiatives demonstrated across County departments include partnerships with area jurisdictions, reducing County vehicle emissions through diesel retrofits and the use of ultra low sulfur fuel, teleworking, vigilant monitoring efforts, and maintaining standards and procedures that promote healthy air. Through the County's Environmental Coordinating Committee, the County is in the process of examining the adequacy of current air pollution measures and practices, education and notification processes, codes and regulations, and assessing the impact on air quality of the County's comprehensive plan. It is noted that Clean Air Partners recognized Fairfax County with an honorable mention for the County Ozone Action Days (Code Red Days) Plan and for County efforts to facilitate awareness of the issue and encourage employees to take voluntary actions (November 2003). Clean Air Partners is a volunteer, non-profit organization chartered by the Metropolitan Washington Council of Governments (COG) and the Baltimore Metropolitan Council (BMC).

Stream quality in the County affects County residents' recreational use of streams, as well as the national and regional goal of eliminating pollution within the Chesapeake Bay, impacted in part by County streams. Fairfax County is moving aggressively to develop and implement watershed management plans for each of the County's 30 watersheds in order to meet the Chesapeake Bay 2000 goal of having watershed plans completed for two-thirds of the basin before 2010. Development of detailed watershed management plans commenced in 2003 for five watersheds (40 percent of the County land area), and all watershed management plans are anticipated to be developed over the next five-to-seven years. The first phase of watershed planning was a detailed stream physical assessment, under the County's ongoing Stream Protection Strategy (SPS)

Strategic Linkages

program. Each year, a percentage of County streams is sampled, measuring the condition of 20 to 25 percent of targeted sites initially measured in a 1999 stream baseline study. Sites are ranked from 5 (Excellent), 4 (Good), 3 (Fair), 2 (Poor) to 1 (Very Poor). Measured data includes benthic macro-invertebrate community integrity, stream and riparian habitat conditions, fish taxa richness, and the percent impervious cover in the drainage area of the sampling site. A future average **stream quality ranking** of 3 (Good) is set forth as a 2010 goal associated with meeting Chesapeake Bay requirements. The EPA recognized Fairfax County as a Charter 2003 Clean Water Partner for its leadership role in the protection of the Chesapeake Bay (April 2003).

Tree coverage contributes to healthy air, clean water, preservation of habitat for birds and other wildlife, and quality and enjoyment of the environment by County residents. County planning and land development processes emphasize tree preservation and integrate this concern into new land development projects when possible. **Tree coverage** in the County is expressed as the percent of the County's land mass covered by the canopies of trees. The latest data was collected over a one-year period between the fall of 2002 and 2003 through the interpretation of high-resolution satellite imagery. Annual estimates of **tree coverage** in the County for individual years are premised on statistical analyses and knowledge of recent development activities in the County. The most recent satellite analysis was funded by a Federal Urban and Community Forestry Grant. Satellite analysis is typically done once every five years with staff estimating annual changes based on interim surveys. Despite intense development in the County over the last 20 years, the County still maintains a 43 percent **tree cover**, as compared with 68 percent 20 years ago. This figure compares favorably when compared to the average **tree cover** levels reported by the U.S.D.A. Forest Service for other urbanized areas of Virginia (35.3 percent) and Maryland (40.1 percent). The County improved environmental protection through the implementation of new **tree cover** requirements in 2002 that contain incentives to preserve higher quality existing trees, preserve or plant trees to conserve energy, and plant species suited to the urban/suburban environment that will not be disruptive to native forest ecosystems.

Alternative power initiatives highlight County efforts to contribute to lowering pollution through the generation, procurement and/or use of cleaner, more efficient energy sources. These initiatives go to the heart of environmental stewardship. County **alternative power initiatives** are expressed as the equivalent number of homes that could be powered by energy realized from alternative sources, such as the energy from the County's Energy/Resource Recovery Facility and from methane recovery at the County landfill. Locally, average energy use per home equals 800 Kilowatt-hours a month. Current electric sales from the County's resource recovery facility approximate 50,000,000 kWh/ month and 2,500,000 kWh/month are sold from the methane project.

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. The amount of **solid waste recycled** measures material no longer of value to its owner, which would have been disposed of if not diverted to a recycling activity. The **recycling rate** in the County includes data on collected materials by County and the private collection of refuse. The County's **recycling rate** of 32 percent in the municipal solid waste stream (which includes private haulers) exceeds the state mandated goal of 25 percent. Revenue is generated from the sale of recyclable materials, partially offsetting expenditure requirements. County initiatives, such as the "Keep it Green Partnership" with ServiceSource and Computer Donations Management, Inc. to provide computer recycling services to County residents, help promote a public awareness of recycling. The countywide **recycling rate** is calculated on an annual basis through the authority of Fairfax County Code, Chapter 109, specifically section 109-2.2. Recyclables collectors are required to prepare an annual report on the tonnage of materials collected. This report is due to the County on March 1 of each year. The annual **recycling rate** is required to be reported to the VA Department of Environmental Quality by the end of April of each calendar year.



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.

Strategic Linkages

Key County Indicators	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Volunteerism for Public Health and Community Improvement (Bioterrorism Medical Action Team, Community Action Team, and Volunteer Fairfax)	1,575	750	6,640	8,450
Volunteer hours leveraged by the Consolidated Community Funding Pool (CCFP)	369,748	522,372	601,103	601,103
Percent of Registered Voters Who Voted in General and Special Elections	46.9%	46.1%	32.8%*	72.0%
Percent of Park Authority, Fairfax County Public Schools, and Community and Recreation Services athletic fields adopted by community groups	31.5%	34.6%	35.4%	36.1%
Residents Completing Educational Programs About Local Government (Includes Citizens Police Academy, Neighborhood College Program, and Fairfax County Youth Leadership Program)	105	150	182	207

* Actual turnout based on November 2003 election results.

Fairfax County benefits greatly from citizens who are knowledgeable about, and actively involved in, community programs and initiatives. The **Bioterrorism Medical Action Team (BMAT)**, created in February 2002, is comprised of medical and non-medical volunteers who would be called upon to assist the Health Department in administering vaccine or dispensing medication to citizens of Fairfax County and the cities of Fairfax and Falls Church during a public health emergency. Of the 5,749 volunteers recruited to date, 385 are physicians, 4,100 are Fairfax County School employees, and the remainder is comprised of nurses and non-medical volunteers from the community. Since October 2003, a similar partnership comprising the **Community Action Team** has been formed with ethnic community leaders to recruit members of Fairfax County's diverse ethnic communities. The **Community Action Team** will assist the Health Department in ongoing community outreach initiatives and **BMAT** activities to provide translation/interpreter services at medication/vaccination dispensing sites during emergencies. In addition, **Volunteer Fairfax** is a private, nonprofit corporation created in 1975 that promotes volunteerism through a network of over 700 nonprofit agencies by mobilizing people and other resources to meet regional community needs. **Volunteer Fairfax** serves as a central, accessible resource dedicated to community involvement by actively engaging in community life and promoting awareness of the needs and issues throughout Fairfax County.

Volunteerism not only reflects a broad-based level of engagement with diverse organizations and residents throughout the County, but also greatly benefits citizens through the receipt of expertise and assistance at no cost to the County. Volunteer hours continue to grow, suggesting that individuals involved in the **Consolidated Community Funding Pool** feel empowered to freely participate in vital community programs and they "make a difference" in our community.

In recent elections, the **percent of voting Fairfax County residents** has surpassed state averages, based on the 2001 Commonwealth of Virginia Election rate of 46.4 percent, and 2002 Commonwealth of Virginia Election rate of 39.4 percent. In FY 2005, the **percent of Fairfax County voters** is anticipated to surpass the previous General Election turnout, based on the 2000 Presidential Election rate of 71.8 percent of Fairfax County voters. These high voter participation levels reflect a community that is well informed, engaged, and involved in working hand-in-hand with local government to address community needs and opportunities.

Another aspect of an engaged community is the extent to which citizens take advantage of opportunities to improve their physical surroundings. The **percent of athletic field adoptions** by community groups has increased steadily in recent years, reflecting the willingness of participants to maintain the fields they use. **Athletic field adoptions** also reduce the County's financial burden to maintain these types of public facilities. Consequently, an economic value can be calculated.

Strategic Linkages

In addition to the many volunteer opportunities, Fairfax County has designed several programs to educate citizens about local government. The **Citizens Police Academy** is a 30-hour program designed to provide a unique “glimpse behind the badge” and learn about departmental resources, programs, and the men and women who comprise an organization nationally recognized as a leader in the law enforcement community. Attendees experience a simulated crime in progress. Course content parallels a subsequent police response, as students learn more about the volume of resources that assist in preventing and solving crime. The **Neighborhood College Program** provides training opportunities for citizens specially engaged in or curious about participating in their local government or in developing healthy neighborhoods and strong communities. The program utilizes a combination of panel presentations, hands-on activities, group discussions, and fieldwork. The **Fairfax County Youth Leadership Program** is designed to educate and motivate high school students to become engaged citizens and leaders in the community. This is a very selective program with one to two students from each of the County's 24 high schools represented. The students are chosen based on a range of criteria including student activities and awards, written essays and recommendations. 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.

It should be noted that a future County agency survey will inquire about whether or not County agencies are involved in community projects beyond the purview of their core responsibilities. This measure should reflect the reciprocal nature of a government workforce that interacts with the public and engages in the active life of the community. In addition, efforts will be made to collect information on the total number of volunteers in the County in order to capture the magnitude of citizens actively engaged in their communities.



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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Average tax collection rate for Real Estate taxes, Personal Property taxes and Business, Professional, and Occupational License taxes	98.69%	98.93%	98.99%	99.03%
County direct expenditures per capita	\$862	\$906	\$957	\$966
Percent of household income spent on residential real estate tax	3.4%	3.8%	4.1%	4.4%
County (merit regular) positions per 1,000 citizens	11.47	11.41	11.18	11.06
Number of consecutive years receipt of highest possible bond rating from major rating agencies (Aaa/AAA/AAA)	24	25	26	27
Cumulative savings from both County bond sales as compared to the Bond Buyer Index and County refundings (in millions)	\$220.22	\$255.39	\$255.39	\$255.39
Number of consecutive years receipt of unqualified audit	21	22	23	24

The Corporate Stewardship Vision Element is intended to demonstrate the level of effort and success that the County has in responsibly and effectively managing the public resources allocated to it. The County is well regarded for its strong financial management as evidenced by its long history of high quality financial management and reporting (**number of consecutive years receipt of highest possible bond rating and unqualified audit**). The Board of Supervisors adopted *Ten Principles of Sound Financial Management* on October 22, 1975 to ensure prudent and responsible allocation of County resources. These principles, which are reviewed, revised and updated as needed to keep County policy and practice current, have resulted in the

Strategic Linkages

County receiving and maintaining a Aaa bond rating from Moody's Investors Service in 1975, AAA from Standard and Poor's Corporation in 1978 and AAA from Fitch Investors Services in 1997. Maintenance of the highest rating from the major rating agencies has resulted in significant flexibility for the County in managing financial resources generating **cumulative savings from County bond sales and refundings** of \$255.39 million since 1978. This savings was achieved as a result of the strength of County credit as compared to other highly rated jurisdictions on both new money bond sales and refundings of existing debt at lower interest rates. This means that the interest costs that need to be funded by County revenues are significantly lower than they would have been if the County was not so highly regarded in financial circles as having a thoughtful and well implemented set of fiscal policies.

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

The success in managing county resources has occurred despite the fact that the number of **merit regular positions per 1,000 citizens** is declining. This decline indicates a number of things - success in utilizing technology, success in identifying public-private partnerships and/or contractual provision of service. Since FY 1991, which marked the end of a period of significant expansion for the County and County government, population in the County has increased 26.3 percent while the number of County positions (merit regular) have grown only 1.4 percent.

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

County direct expenditures per capita are increasing between FY 2002 and FY 2005. The primary drivers of county costs are salaries and benefits which continue to rise throughout the nation. In FY 2005 alone for example, fringe benefit costs are increasing 17 percent due in large part to health insurance premium increases. It is helpful though to put the per capita costs into context. While benchmarking data of this type is challenging due to the differences in types of services provided, it is believed that General Fund Direct Expenditures, which include some of the basic services a local government provides such as police, fire and rescue, parks, libraries and human services, serves as a reasonable measure when comparing to other Virginia jurisdictions. In that context, the FY 2004 estimate for Fairfax of \$957 per capita General Fund expenditures compares to a range from \$1,757 to \$958 for Alexandria, Arlington and Prince William. As the largest jurisdiction in this group Fairfax does have the benefit of economies of scale; however, clearly per capita expenditures in Fairfax are not excessive in comparison with those of surrounding jurisdictions. It should be noted that public school funding is not included in this calculation as it is not a Direct Expenditure of the General Fund in most Virginia jurisdictions

The **percent of household income spent on residential real estate**, has also increased during the period of FY 2002 to FY 2005 as the County has experienced double digit increases in residential real estate assessments during the last four years. The continued reliance on the real estate tax, in FY 2005 real property taxes total 61 percent of total General Fund revenues, is due at least in part to the lack of tax diversification options for counties in Virginia.

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

Strategic Linkages

Fairfax County Public Schools (FCPS) Systemwide Targets

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

FY 2005 projected enrollment is 166,780

90% of FCPS graduates continue to post secondary education

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

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

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

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

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

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

FCPS students scored an average of 1110 on the SAT test, exceeding both the State and national average

<i>FCPS</i>	<i>1110</i>
<i>VA</i>	<i>1024</i>
<i>Nation</i>	<i>1026</i>

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

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

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

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

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

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

\$10,113 in FY 2004

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

General Fund Statement

This section includes:

- ▶ *Summary of General Fund Statement
(Page 52)*
- ▶ *General Fund Statement
(Page 53)*
- ▶ *General Fund Expenditures by Agency
(Page 56)*

GENERAL FUND STATEMENT

(in millions of dollars)

The FY 2005 Advertised Budget Plan includes General Fund disbursements (i.e., the sum of the direct expenditures and transfers) of \$2,734,445,214 an increase of 4.47 percent over the FY 2004 Revised Budget Plan level of \$2,617,340,240. This amount includes a transfer of \$1,322,374,187 to Fund 090, Public School Operating, an increase of 6.57 percent over the FY 2004 Revised Budget Plan level of \$1,240,850,321. In addition, General Fund direct expenditures are \$1,004,209,088, an increase of \$24,537,545 or 2.50 percent over the FY 2004 Revised Budget Plan level of \$979,671,543. Detailed fund statements are included on the pages that follow.

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	Percent Inc/(Dec) Over Revised
Beginning Balance	\$94.57	\$50.67	\$118.89	\$52.35	(\$66.55)	-55.97%
Revenues	\$2,468.80	\$2,558.93	\$2,571.77	\$2,740.65	\$168.88	6.57%
Transfers In	\$3.93	\$1.40	\$1.40	\$1.67	\$0.27	19.36%
Total Available	\$2,567.30	\$2,611.00	\$2,692.06	\$2,794.66	\$102.60	3.81%
Direct Expenditures	\$912.59	\$945.56	\$979.67	\$1,004.21	\$24.54	2.50%
Transfers Out						
School Transfer	\$1,168.88	\$1,238.48	\$1,240.85	\$1,322.37	\$81.52	6.57%
School Debt Service	113.60	120.90	120.90	126.53	5.63	4.66%
Subtotal Schools	\$1,282.48	\$1,359.37	\$1,361.75	\$1,448.90	\$87.16	6.40%
Metro	\$12.27	\$12.27	\$12.27	\$18.14	\$5.87	47.85%
Community Services Board	78.40	80.63	80.60	82.89	2.29	2.85%
County Transit Systems	17.94	20.28	19.65	21.21	1.56	7.96%
Capital Paydown	7.01	4.03	18.86	10.49	(8.37)	-44.40%
Information Technology	5.92	9.45	9.45	11.63	2.18	23.10%
County Debt Service	100.09	98.45	98.45	100.02	1.57	1.59%
Other Transfers	31.70	29.77	36.65	36.95	0.30	0.83%
Subtotal County	\$253.33	\$254.87	\$275.92	\$281.33	\$5.41	1.96%
Total Transfers Out	\$1,535.81	\$1,614.24	\$1,637.67	\$1,730.24	\$92.57	5.65%
Total Disbursements	\$2,448.40	\$2,559.80	\$2,617.34	\$2,734.45	\$117.10	4.47%
Ending Balance	\$118.89	\$51.20	\$74.72	\$60.22	(\$14.50)	-19.41%
Less:						
Managed Reserve	\$49.81	\$51.20	\$52.35	\$54.69	\$2.34	4.47%
PSOC/EOC Construction Funding @ Third Quarter			18.65	0.00	(18.65)	-
Third Quarter Requirements - Related to Hurricane Isabel, Premium Stabilization, Other			3.72	0.00	(3.72)	-
Reserve for changing economic conditions				5.53	5.53	-
Total Available	\$69.08	\$0.00	\$0.00	\$0.00	\$0.00	-

FY 2005 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
Beginning Balance ¹	\$94,569,059	\$50,671,950	\$118,894,312	\$52,346,805	(\$66,547,507)	-55.97%
Revenue ²						
Real Property Taxes	\$1,396,533,630	\$1,494,186,763	\$1,494,511,662	\$1,664,326,733	\$169,815,071	11.36%
Personal Property Taxes ³	271,061,149	272,514,079	264,876,428	263,558,616	(1,317,812)	-0.50%
General Other Local Taxes	373,594,301	372,943,906	384,213,348	382,953,488	(1,259,860)	-0.33%
Permits, Fees & Regulatory Licenses	27,743,163	26,851,322	26,902,515	26,935,856	33,341	0.12%
Fines & Forfeitures	11,046,988	12,044,433	12,778,263	12,380,594	(397,669)	-3.11%
Revenue from Use of Money & Property	20,742,288	16,372,803	18,233,375	21,105,450	2,872,075	15.75%
Charges for Services	40,549,148	38,148,727	41,941,708	40,524,336	(1,417,372)	-3.38%
Revenue from the Commonwealth ³	275,111,331	280,564,841	281,244,861	283,135,652	1,890,791	0.67%
Revenue from the Federal Government	46,997,511	39,909,475	41,134,304	39,760,070	(1,374,234)	-3.34%
Recovered Costs/Other Revenue	5,424,424	5,395,848	5,931,450	5,969,254	37,804	0.64%
Total Revenue	\$2,468,803,933	\$2,558,932,197	\$2,571,767,914	\$2,740,650,049	\$168,882,135	6.57%
Transfers In						
105 Cable Communications	\$1,465,732	\$1,396,150	\$1,396,150	\$1,666,444	\$270,294	19.36%
312 Public Safety Construction	760,000	0	0	0	0	-
503 Department of Vehicle Services	1,700,000	0	0	0	0	-
Total Transfers In	\$3,925,732	\$1,396,150	\$1,396,150	\$1,666,444	\$270,294	19.36%
Total Available	\$2,567,298,724	\$2,611,000,297	\$2,692,058,376	\$2,794,663,298	\$102,604,922	3.81%
Direct Expenditures						
Personnel Services	\$505,754,051	\$539,466,967	\$541,030,883	\$568,772,632	\$27,741,749	5.13%
Operating Expenses	307,638,698	305,714,818	334,828,377	312,210,207	(22,618,170)	-6.76%
Recovered Costs	(32,295,006)	(38,113,738)	(38,847,653)	(39,189,376)	(341,723)	0.88%
Capital Equipment	3,529,905	3,877,015	5,138,397	2,036,888	(3,101,509)	-60.36%
Fringe Benefits	127,966,018	134,616,655	137,521,539	160,378,737	22,857,198	16.62%
Total Direct Expenditures	\$912,593,666	\$945,561,717	\$979,671,543	\$1,004,209,088	\$24,537,545	2.50%

FY 2005 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
Transfers Out						
002 Revenue Stabilization	\$1,389,191	\$0	\$1,616,231	\$0	(\$1,616,231)	-100.00%
090 Public School Operating ⁴	1,168,875,267	1,238,475,201	1,240,850,321	1,322,374,187	81,523,866	6.57%
100 County Transit System	17,938,844	20,275,993	19,645,993	21,210,147	1,564,154	7.96%
103 Aging Grants & Programs	1,735,999	1,835,826	1,835,826	2,024,425	188,599	10.27%
104 Information Technology	5,921,626	9,449,844	9,449,844	11,632,573	2,182,729	23.10%
106 Community Services Board	78,401,580	80,629,965	80,599,965	82,893,897	2,293,932	2.85%
109 Refuse Collection and Recycling Operations	9,622	0	0	0	0	-
110 Refuse Disposal	3,439,291	1,800,000	1,800,000	2,500,000	700,000	38.89%
112 Energy Resource Recovery Facility	0	0	1,763,704	0	(1,763,704)	-100.00%
118 Consolidated Community Funding Pool	6,278,539	6,458,709	6,458,709	6,781,644	322,935	5.00%
119 Contributory Fund	6,507,747	7,048,423	7,048,423	7,349,477	301,054	4.27%
120 E-911 Fund	6,974,098	5,421,174	5,421,174	9,755,869	4,334,695	79.96%
141 Elderly Housing Programs	1,237,474	1,215,433	1,215,433	1,387,844	172,411	14.19%
144 Housing Trust Fund	0	0	1,500,000	0	(1,500,000)	-100.00%
200 County Debt Service	100,089,491	98,445,696	98,445,696	100,015,157	1,569,461	1.59%
201 School Debt Service	113,604,781	120,896,733	120,896,733	126,528,053	5,631,320	4.66%
302 Library Construction	550,000	0	0	0	0	-
303 County Construction	4,855,991	3,093,041	7,264,279	8,550,187	1,285,908	17.70%
304 Primary & Secondary Road Bond Construction	0	0	0	1,000,000	1,000,000	-
308 Public Works Construction	0	0	175,000	0	(175,000)	-100.00%
309 Metro Operations and Construction	12,272,714	12,272,714	12,272,714	18,144,820	5,872,106	47.85%
312 Public Safety Construction	0	0	10,484,908	0	(10,484,908)	-100.00%
340 Housing Assistance Program	1,600,000	935,000	935,000	935,000	0	0.00%
500 Retiree Health Benefits	2,228,491	3,088,744	3,088,744	3,308,246	219,502	7.11%
503 Department of Vehicle Services	0	0	2,000,000	0	(2,000,000)	-100.00%
504 Document Services Division	1,900,000	2,900,000	2,900,000	2,900,000	0	0.00%
505 Technology Infrastructure Services	0	0	0	944,600	944,600	-
Total Transfers Out	\$1,535,810,746	\$1,614,242,496	\$1,637,668,697	\$1,730,236,126	\$92,567,429	5.65%
Total Disbursements	\$2,448,404,412	\$2,559,804,213	\$2,617,340,240	\$2,734,445,214	\$117,104,974	4.47%
Total Ending Balance	\$118,894,312	\$51,196,084	\$74,718,136	\$60,218,084	(\$14,500,052)	-19.41%
Less:						
Managed Reserve	\$49,814,959	\$51,196,084	\$52,346,805	\$54,688,904	\$2,342,099	4.47%
PSOC/EOC Construction Funding @ Third Quarter ⁵			18,652,966		(18,652,966)	-100.00%
Third Quarter Requirements - Related to Hurricane Isabel, Premium Stabilization, Other ⁶			3,718,365		(3,718,365)	-100.00%
Reserve for changing economic conditions ⁷				5,529,180	5,529,180	-
Total Available	\$69,079,353	\$0	\$0	\$0	\$0	-100.00%

FY 2005 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
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¹ The FY 2004 Revised Beginning Balance reflects audit adjustments for revenue and expenditures as included in the FY 2003 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2004 Revised beginning balance reflects a net reduction in available balance of \$86,350, based on an increase of \$1,002,084 for expenditure requirements offset by an increase in revenues of \$915,734.

² FY 2004 Revised Budget Plan revenues reflect an increase of \$12,457,681 based on revised revenue estimates of November 2003. The FY 2004 Third Quarter Review will contain a detailed explanation of these changes.

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

⁴ In accordance with the Board adopted guidelines for the FY 2005 Budget, the proposed County General Fund transfer for school operations in FY 2005 totals \$1,322,374,187 an increase of \$81,523,866 or 6.57% over the FY 2004 Revised Budget Plan transfer. It should be noted that the actual transfer request approved by the School Board on February 12, 2004 is \$1,361,212,802 an increase of \$120,362,481 or 9.7% over the FY 2004 transfer level. In order to fully fund this \$38,838,615 increase over the Budget Guidelines, additional resources would need to be considered by the Board of Supervisors.

⁵ The FY 2004 Revised Budget Plan ending balance reflects reserve funding of \$18.65 million which includes the \$10 million set aside reserve identified at Carryover and \$8.7 million in additional funding based on the FY 2004 revised revenue estimates. This amount is held in reserve for anticipated FY 2004 Third Quarter Review disbursement requirements related to the construction of the Public Safety Operations/Emergency Operations Center. Further details will be included as part of the FY 2004 Third Quarter Review package.

⁶ The FY 2004 Revised Budget Plan ending balance reflects available funding of \$3.72 million based on the available FY 2004 revised revenue estimate balance after PSOC/EOC requirements. This amount is held in reserve for anticipated FY 2004 Third Quarter Review disbursement requirements, including requirements related to Hurricane Isabel, anticipated premium stabilization requirements and other requirements. Further details will be included as part of the FY 2004 Third Quarter Review package.

⁷ The FY 2005 Advertised Budget Plan ending balance reflects available funding of \$5.53 million held in reserve to offset changing economic conditions.

FY 2005 ADVERTISED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
Legis - Exec Functions/Central Services ¹							
01	Board of Supervisors	\$3,776,650	\$4,163,377	\$4,163,377	\$4,306,847	\$143,470	3.45%
02	Office of the County Executive	6,117,276	6,460,551	6,833,140	6,855,403	22,263	0.33%
04	Department of Cable Communications and Consumer Protection	1,633,309	1,694,791	1,695,992	2,049,437	353,445	20.84%
06	Department of Finance	6,943,837	6,986,466	7,066,392	7,547,813	481,421	6.81%
11	Department of Human Resources	5,682,160	5,935,755	6,581,638	6,154,745	(426,893)	-6.49%
12	Department of Purchasing and Supply Management	3,919,739	4,020,791	4,020,791	4,194,643	173,852	4.32%
13	Office of Public Affairs	971,088	1,007,608	1,096,827	1,108,050	11,223	1.02%
15	Electoral Board and General Registrar	1,908,622	2,025,095	3,966,897	3,020,872	(946,025)	-23.85%
17	Office of the County Attorney	5,277,224	5,334,420	5,700,473	5,526,887	(173,586)	-3.05%
20	Department of Management and Budget	2,547,238	2,874,622	2,976,920	2,967,850	(9,070)	-0.30%
37	Office of the Financial and Program Auditor	172,237	193,910	196,310	201,893	5,583	2.84%
41	Civil Service Commission	208,073	201,005	201,005	207,202	6,197	3.08%
57	Department of Tax Administration	19,497,030	19,927,421	20,182,847	21,274,952	1,092,105	5.41%
70	Department of Information Technology	20,817,553	23,435,293	24,497,221	24,293,723	(203,498)	-0.83%
Total Legis - Exec Functions/Central Services		\$79,472,036	\$84,261,105	\$89,179,830	\$89,710,317	\$530,487	0.59%
Judicial Administration							
80	Circuit Court and Records	\$8,423,726	\$8,718,833	\$9,456,440	\$9,441,655	(\$14,785)	-0.16%
82	Office of the Commonwealth's Attorney	1,685,973	1,935,721	1,937,387	2,006,605	69,218	3.57%
85	General District Court	1,573,296	1,527,236	1,536,102	1,572,251	36,149	2.35%
91	Office of the Sheriff	15,219,593	14,200,802	14,200,802	14,084,286	(116,516)	-0.82%
Total Judicial Administration		\$26,902,588	\$26,382,592	\$27,130,731	\$27,104,797	(\$25,934)	-0.10%
Public Safety							
04	Department of Cable Communications and Consumer Protection	\$1,032,326	\$954,967	\$954,967	\$988,447	\$33,480	3.51%
31	Land Development Services	9,803,741	9,946,974	10,029,835	10,003,727	(26,108)	-0.26%
81	Juvenile and Domestic Relations District Court	16,943,155	17,763,269	17,885,551	18,015,210	129,659	0.72%
90	Police Department	126,532,922	133,767,887	138,739,895	138,501,577	(238,318)	-0.17%
91	Office of the Sheriff	31,835,855	33,028,832	34,025,680	34,555,767	530,087	1.56%
92	Fire and Rescue Department	111,909,828	118,882,242	120,275,056	123,459,644	3,184,588	2.65%
Total Public Safety		\$298,057,827	\$314,344,171	\$321,910,984	\$325,524,372	\$3,613,388	1.12%
Public Works ²							
08	Facilities Management Division	\$34,071,255	\$33,435,053	\$34,856,361	\$35,462,317	\$605,956	1.74%
25	Business Planning and Support	2,507,673	2,616,985	2,747,304	394,211	(2,353,093)	-85.65%
26	Office of Capital Facilities	8,481,594	8,556,286	8,436,718	8,767,080	330,362	3.92%
29	Stormwater Management	7,842,821	7,873,453	8,510,079	8,321,528	(188,551)	-2.22%
87	Unclassified Administrative Expenses	218,704	223,870	223,870	224,347	477	0.21%
Total Public Works		\$53,122,047	\$52,705,647	\$54,774,332	\$53,169,483	(\$1,604,849)	-2.93%

FY 2005 ADVERTISED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
Health and Welfare ³							
05	Office for Women	\$415,303	\$0	\$0	\$0	\$0	-
67	Department of Family Services	157,706,221	166,631,749	172,797,357	173,711,830	914,473	0.53%
68	Department of Administration for Human Services	11,773,066	9,614,968	9,713,802	9,959,497	245,695	2.53%
69	Department of Systems Management for Human Services	4,559,508	5,333,961	5,446,237	5,441,679	(4,558)	-0.08%
71	Health Department	37,758,759	40,171,417	41,791,279	40,658,259	(1,133,020)	-2.71%
Total Health and Welfare		\$212,212,857	\$221,752,095	\$229,748,675	\$229,771,265	\$22,590	0.01%
Parks, Recreation and Libraries ¹							
50	Department of Community and Recreation Services	\$12,820,621	\$11,158,660	\$11,561,809	\$12,371,197	\$809,388	7.00%
51	Fairfax County Park Authority	24,245,404	22,077,998	22,206,418	23,238,642	1,032,224	4.65%
52	Fairfax County Public Library	27,342,292	27,213,865	27,482,599	27,922,447	439,848	1.60%
Total Parks, Recreation and Libraries		\$64,408,317	\$60,450,523	\$61,250,826	\$63,532,286	\$2,281,460	3.72%
Community Development ²							
16	Economic Development Authority	\$6,562,710	\$6,660,212	\$6,660,212	\$6,722,394	\$62,182	0.93%
31	Land Development Services	8,875,940	9,230,374	9,466,709	11,852,493	2,385,784	25.20%
35	Department of Planning and Zoning	8,361,554	8,756,191	8,822,867	9,048,497	225,630	2.56%
36	Planning Commission	637,791	669,481	669,481	685,050	15,569	2.33%
38	Department of Housing and Community Development	5,327,335	5,184,364	5,500,510	5,337,247	(163,263)	-2.97%
39	Office of Human Rights	1,207,987	1,231,969	1,247,109	1,290,410	43,301	3.47%
40	Department of Transportation	4,839,425	5,954,439	8,270,672	5,934,502	(2,336,170)	-28.25%
Total Community Development		\$35,812,742	\$37,687,030	\$40,637,560	\$40,870,593	\$233,033	0.57%
Nondepartmental							
87	Unclassified Administrative Expenses	\$5,504,194	\$5,955,363	\$9,773,546	\$6,155,698	(\$3,617,848)	-37.02%
89	Employee Benefits	137,101,058	142,023,191	145,265,059	168,370,277	23,105,218	15.91%
Total Nondepartmental		\$142,605,252	\$147,978,554	\$155,038,605	\$174,525,975	\$19,487,370	12.57%
Total General Fund Direct Expenditures		\$912,593,666	\$945,561,717	\$979,671,543	\$1,004,209,088	\$24,537,545	2.50%

¹ In order to account for expenditures in the proper fiscal year, an increase of \$246,440 to FY 2003 expenditures for Agency 70, Department of Information Technology and an increase of \$755,644 to FY 2003 expenditures for Agency 50, Community and Recreation Services, to record accruals for payments to vendors in the proper fiscal period. The audit adjustment has been included in the FY 2003 Comprehensive Annual Financial Report (CAFR). Details of the FY 2003 audit adjustments will be included in the FY 2004 Third Quarter Package.

² As part of the FY 2005 Advertised Budget Plan, funding of \$2,300,539 and 29/29.0 SYE positions are transferred from Agency 25, Business Planning and Support to Agency 31, Land Development Services in order to more accurately reflect the central support provided to all Department of Public Works and Environmental Services agencies and the functions performed by staff within Land Development.

³ As part of the Board of Supervisor's deliberations on the FY 2004 Adopted Budget Plan Agency 05, Office for Women was restructured. The agency was abolished and support for the Commission for Women including funding and 2/2.0 SYE position were transferred to Agency 67, Department of Family Services.



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General Fund Revenue Overview

This section includes:

- ▶ *Summary of General Fund Revenue
(Page 60)*
- ▶ *Major Revenue Sources (Page 63)*
- ▶ *Real Estate Tax (Page 64)*
- ▶ *Personal Property Tax (Page 71)*
- ▶ *Local Sales Tax (Page 74)*
- ▶ *Business, Professional and
Occupational License Tax
(Page 77)*

General Fund Revenue Overview

SUMMARY OF GENERAL FUND REVENUE

Category	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan ¹	FY 2005 Advertised Budget Plan	Over the FY 2004 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	\$1,396,533,630	\$1,494,186,763	\$1,494,511,662	\$1,664,326,733	\$169,815,071	11.36%
Personal Property Taxes - Current and Delinquent ²	466,495,383	477,170,195	469,532,544	469,509,054	(\$23,490)	-0.01%
Other Local Taxes	373,594,301	372,943,906	384,213,348	382,953,488	(\$1,259,860)	-0.33%
Permits, Fees and Regulatory Licenses	27,743,163	26,851,322	26,902,515	26,935,856	\$33,341	0.12%
Fines and Forfeitures	11,046,988	12,044,433	12,778,263	12,380,594	(397,669)	-3.11%
Revenue from Use of Money/Property	20,742,288	16,372,803	18,233,375	21,105,450	\$2,872,075	15.75%
Charges for Services	40,549,148	38,148,727	41,941,708	40,524,336	(\$1,417,372)	-3.38%
Revenue from the Commonwealth and Federal Governments ²	126,674,608	115,818,200	117,723,049	116,945,284	(\$777,765)	-0.66%
Recovered Costs/ Other Revenue	5,424,424	5,395,848	5,931,450	5,969,254	\$37,804	0.64%
Total Revenue	\$2,468,803,933	\$2,558,932,197	\$2,571,767,914	\$2,740,650,049	168,882,135	6.57%
Transfers In	3,925,732	1,396,150	1,396,150	1,666,444	270,294	19.36%
Total Receipts	\$2,472,729,665	\$2,560,328,347	\$2,573,164,064	\$2,742,316,493	\$169,152,429	6.57%

¹ FY 2004 revenue estimates were revised as part of a fall 2003 review of revenues. Explanations of these changes can be found in the following narrative. The *FY 2004 Third Quarter Review* will contain further adjustments as necessary.

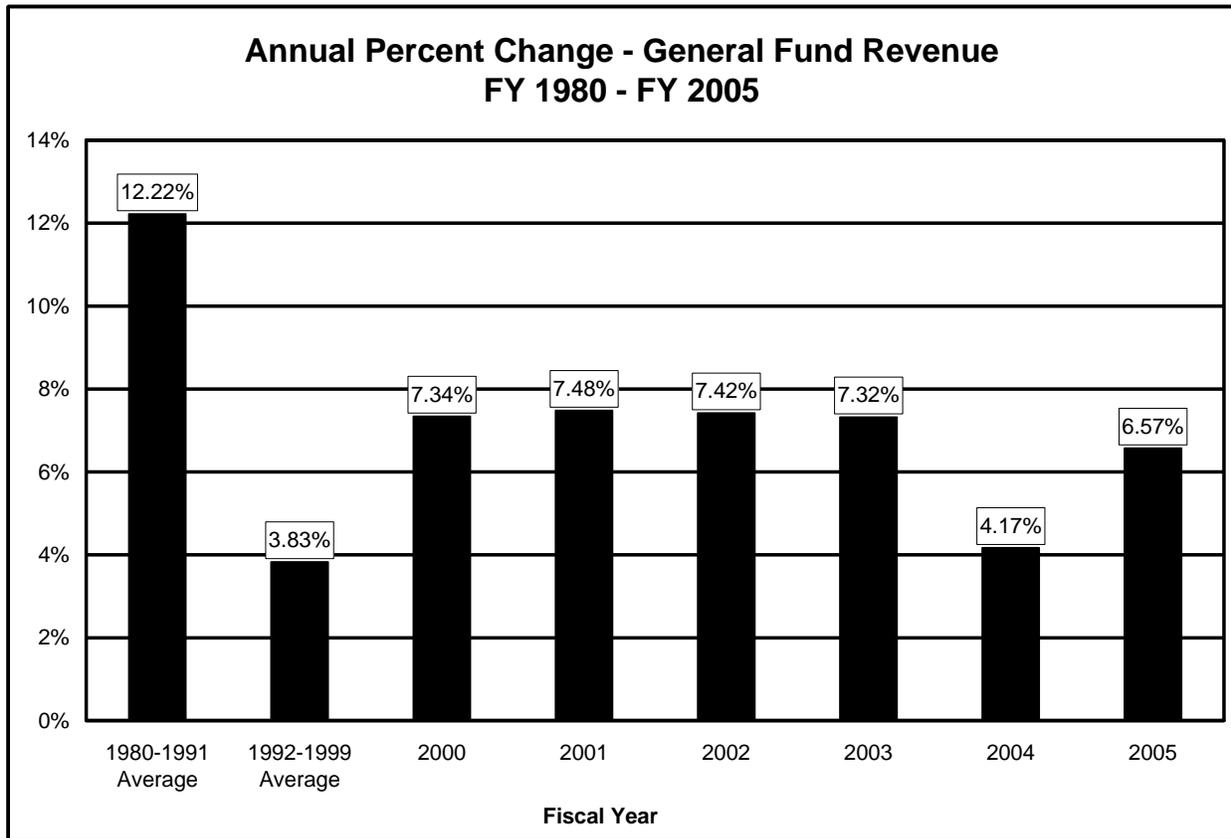
² The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

As reflected in the preceding table, FY 2005 General Fund revenues are projected to be \$2,740,650,049, an increase of \$168,882,135, or 6.6 percent, over the *FY 2004 Revised Budget Plan*. This level of revenue growth in FY 2005 is due entirely to an 11.4 percent increase in the Real Estate Tax revenue, partially offset by projected decreases in Recordation and Deed of Conveyance Taxes and in revenue from the Commonwealth and Federal Government.

General Fund Revenue Overview

Incorporating Transfers In, FY 2005 General Fund receipts are expected to be \$2,742,316,493. The Transfer In to the General Fund reflects \$1.7 million from Cable Communications for use of County rights of way and indirect support provided by General Fund agencies.

The following chart depicts General Fund revenue growth since FY 1980. From FY 1980 to FY 1991, average annual General Fund revenue growth exceeded 12 percent per year. From FY 1992 to FY 1999, however, General Fund revenues grew at a pace of only 3.8 percent annually. Beginning in FY 2000, moderate growth rates ranging from 4.2 percent to 7.5 percent have been experienced.



Economic Indicators

Most measures of the national economy signal that an economic expansion is underway. Real economic growth, as measured by the Gross Domestic Product (GDP), increased 4.0 percent in the fourth quarter of 2003 and ended the year at a rate of 3.1 percent. This is the national economy's strongest growth since 2000. Although the economy is expanding, job growth has been slow resulting in what has been called a "jobless recovery." Since August 2003, the U.S. economy has created only 278,000 new jobs. The nation's total number of payroll jobs is still 776,000 lower than when the recovery began. After peaking at 6.4 percent in June 2003, the national unemployment rate fell to 5.7 percent in January 2004, the same rate twelve months earlier. New jobless claims; however, fell during the first two weeks of January 2004 indicating that lay-offs may have abated. Economic indicators of the national economy are signaling that the economy will expand during the coming year. The U.S. Leading Index of Economic Indicators rose in each of the last three months of 2003. The Consumer Confidence Index has been up in three of the last four months and is at its highest level since July 2002. Economic growth that occurred during the fourth quarter of 2003 was attributed to increased business investment which indicates that job growth should follow.

Fairfax County's economy showed some improvement in 2003. The Fairfax County Coincident Index, which represents the current state of the County's economy increased in November for the fourth straight month. Joblessness fell in 2003 and Sales Tax receipts experienced modest growth. In November 2003, the average unemployment rate in Fairfax County was 2.0 percent compared to 2.5 percent in November 2002 and the

General Fund Revenue Overview

number of employed residents increased nearly 14,200 during this period. County Sales Tax receipts in FY 2003 were up, albeit, just 1.0 percent over FY 2002 which had fallen 5.9 percent. Interest earned on investments has continued to be restrained. The Federal Reserve began to lower interest rates from 6.5 percent in January 2001 to just 1.0 percent in June 2002, where they have remained. As a result, the revenue from Investment Interest fell from a peak of \$56.3 million in FY 2001 to \$25.4 million in FY 2002 and to \$17.8 million in FY 2003. The nonresidential real estate market improved in 2003. While the County's overall office vacancy rate rose slightly from the 12.1 percent at year-end 2002 to 12.4 percent recorded at mid-year 2003, the amount of sublet space on the market fell. Including sublet space, the mid-year 2003 office vacancy rate was 17.4 percent, down from 18.8 percent at year-end.

Fairfax County's economy is expected to continue to improve based on recent indicators. Fairfax County's Leading Index, which is designed to forecast the performance of the County's economy nine to twelve months in advance, has exceeded same-month levels in 2002 in each month since May 2003. Interest rates are expected to remain low throughout 2004, constraining the yield earned on County investments in FY 2004 and FY 2005. Preliminary year-end 2003 data indicate a continued decrease in office vacancy rates. The residential housing market in Fairfax County is expected to remain strong throughout 2004. The supply of housing remains tight and demand is not expected to wane. In FY 2005, Current and Delinquent Real Estate Tax revenues in Fairfax County comprise 60.7 percent of General Fund Revenue and are the major driver of the overall revenue change. FY 2005 Real Estate property values were established as of January 1, 2004 and reflect market activity through calendar year 2003. The Real Estate Tax base is projected to increase 12.04 percent in FY 2005, and is comprised of a 9.54 percent rise in total equalization (reassessment of existing residential and non-residential properties), and new growth of 2.50 percent. The FY 2005 General Fund revenue estimates discussed in this section are based on a review of all relevant indicators, including the Fairfax County Economic Index, consultations with the County's economic advisor, Dr. Stephen Fuller, actual FY 2003 collections, and FY 2004 year-to-date trends.

It should be noted that the *FY 2004 Revised Budget Plan* estimates reflect revenue adjustments that were made during the fall 2003 review of revenues. At this time, FY 2004 revenue estimates assume a net increase of \$12.46 million over the Revised Budget Plan, an increase of 0.5 percent. The majority of the increase is due to revenue categories that continue to react positively to improvement in the local and national economies. Recordation Tax/Deed of Conveyance collections and Clerk's Fees are projected to increase \$14.2 million over the estimate based on the higher number of refinancings than previously anticipated due to continued low interest rates. The FY 2004 budget had assumed that collections would begin to taper off as the pool of refinancing opportunities diminished and interest rates began to edge upward. However, revenue in this category has continued to increase and FY 2004 revenue is anticipated to reach the FY 2003 level.

Sales tax and BPOL tax receipts also show strong collections in FY 2004 to date and as such, these categories have been adjusted to show a 3.0 percent and 2.5 percent growth rate, respectively, for a total increase of \$6.9 million. Through November 2003, sales tax collections are up nearly 12 percent; however, holiday sales data will be crucial to the overall fiscal year collections in this category. In addition, based on increased supplemental assessments as a result of ongoing construction and final Public Service Corporation (PSC) assessments that are completed by the state, an additional \$2.8 million is anticipated from current real estate taxes in FY 2004. Lastly, investment interest is increased \$1.7 million based on higher than projected portfolio size and the portion of the total investment portfolio associated with the General Fund. Due to continued low interest rates, the actual investment yield is trending lower than forecasted.

Offsetting these increases is a reduction of \$8.8 million in the current personal property tax revenue estimate. This reduction is due primarily to a reduction in business levy based on current billings and reflects business investment through CY 2002. In addition, revenue from the County's new mobile telecommunications tax is anticipated to be down approximately \$4.0 million based on implementation issues associated with the numerous companies involved in collecting the tax as well as the actual number of accounts and usage. These adjustments are discussed in the following narrative. Staff will continue to monitor all revenue categories and return with any necessary adjustments at Third Quarter and at Add-On.

General Fund Revenue Overview

MAJOR REVENUE SOURCES

The following major revenue categories comprise 98.4 percent of total FY 2005 General Fund revenue and are discussed in this section. Unless otherwise indicated, comparative data are presented relative to the *FY 2004 Revised Budget Plan*¹. 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 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan ¹	FY 2005 Advertised Budget Plan	Over the FY 2004 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Tax - Current	\$1,387,669,725	\$1,487,307,525	\$1,487,632,424	\$1,657,447,495	\$169,815,071	11.42%
Personal Property Tax - Current	457,188,347	468,581,636	461,331,985	461,308,495	(23,490)	-0.01%
Paid Locally	264,881,703	263,925,520	256,675,869	255,358,057	(1,317,812)	-0.51%
Reimbursed by Commonwealth	192,306,644	204,656,116	204,656,116	205,950,438	1,294,322	0.63%
Local Sales Tax	126,785,250	126,246,519	130,588,808	134,503,993	3,915,185	3.00%
Recordation/Deed of Conveyance Taxes	27,005,707	16,329,979	27,005,707	16,952,228	(10,053,479)	-37.23%
Vehicle Decal Fee	19,052,623	19,463,966	19,463,966	19,853,245	389,279	2.00%
Consumer Utility Tax	85,892,727	89,858,179	85,892,727	85,892,727	0	0.00%
Mobile Telephone Tax	-	9,500,000	5,500,000	7,200,000	1,700,000	30.91%
Business, Professional and Occupational License Tax- Current	93,427,421	93,117,590	95,763,107	98,157,185	2,394,078	2.50%
Permits, Fees and Regulatory Licenses	27,743,163	26,851,322	26,902,515	26,935,856	33,341	0.12%
Interest on Investments	17,818,481	13,433,065	15,147,062	18,122,686	2,975,624	19.64%
Charges for Services	40,549,148	38,148,727	41,941,708	40,524,336	(1,417,372)	-3.38%
Fines and Forfeitures	11,046,988	12,044,433	12,778,263	12,380,594	(397,669)	-3.11%
Revenue from the Commonwealth and Federal Governments ²	126,674,608	115,818,200	117,723,049	116,945,284	(777,765)	-0.66%
Total Major Revenue Sources	\$2,420,854,188	\$2,516,701,141	\$2,527,671,321	\$2,696,224,124	\$168,552,803	6.67%

¹ FY 2004 revenue estimates were revised as part of a fall 2003 review of revenues. Explanation of these changes can be found in the following narrative. The *FY 2004 Third Quarter Review* will contain further adjustments as necessary.

² Excludes Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998.

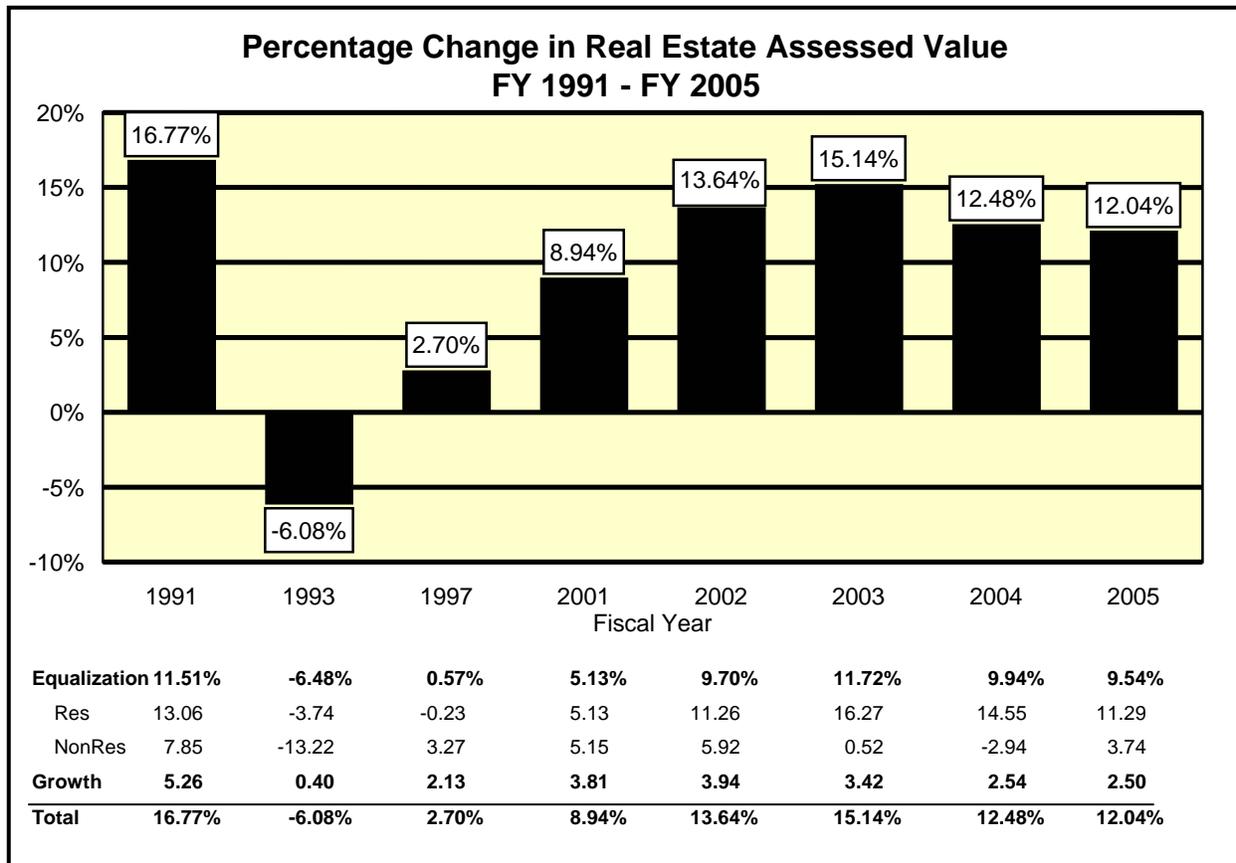
General Fund Revenue Overview

REAL ESTATE TAX-CURRENT

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$1,387,669,725	\$1,487,307,525	\$1,487,632,424	\$1,657,447,495	\$169,815,071	11.42%

The FY 2005 Advertised Budget Plan estimate for Current Real Estate Taxes is \$1,657,447,495, which reflects an increase of 11.4 percent, over the FY 2004 Revised Budget Plan estimate. The FY 2005 Real Estate estimate is based on a 12.04 percent increase in the FY 2005 valuation of real property, as compared to the FY 2004 Real Estate Land Book. In addition, the FY 2005 Advertised Budget Plan includes an increase in the maximum level of assets allowed for Real Estate Tax relief eligibility from \$190,000 to the State maximum of \$240,000, as directed by the Board of Supervisors during the FY 2003 Carryover Review. This change in the Tax Relief Program is anticipated to reduce revenue by approximately \$3.9 million in FY 2005.

The FY 2005 estimate is comprised of an increase in equalization of 9.54 percent and an increase of 2.50 percent in new growth. The FY 2005 figures reflected herein are based on the final assessments for Tax Year 2004 (FY 2005), which was established as of January 1, 2004. Throughout FY 2005, 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 99.50 percent. The following chart shows changes in the County's assessed value base in FY 1991, FY 1993, FY 1997, and from FY 2001 to FY 2005.



General Fund Revenue Overview

The FY 2005 **Main Assessment Book Value** is \$144,804,746,670 and represents an increase of \$15,557,595,860, or 12.04 percent, over the FY 2004 main assessment book value of \$129,247,150,810. The FY 2005 increase is lower than that of the last three years when assessments rose 13.64 percent, 15.14 percent and 12.48 percent in FY 2002, FY 2003 and FY 2004, respectively. After increasing 16.8 percent in FY 1991, the assessment base declined an average of 2.8 percent from FY 1992 to FY 1994. After the recession, the value of real property increased at modest annual rates, averaging 2.5 percent from FY 1995 through FY 1999. It was not until FY 1999 that the assessment base exceeded its FY 1991 level. Since FY 1991, the assessment base has grown at an average annual rate of 5.0 percent and is now \$144.8 billion.

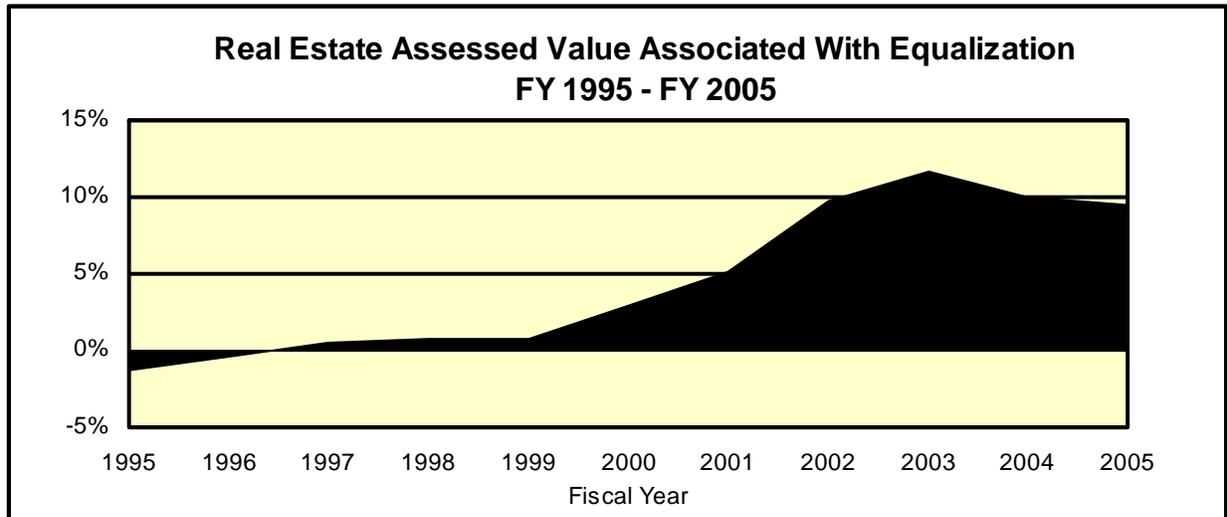
The overall increase in the assessment base includes **equalization**, the reassessment of existing properties, and **normal growth**, which is associated with construction of new properties in Fairfax County. The FY 2005 assessment base reflects an increase of 11.29 percent in the values of existing residential properties and a rebound in nonresidential properties of 3.74 percent after falling 2.94 percent in FY 2004. Both nonresidential and residential properties experienced moderate growth due to new construction at 2.54 percent and 2.49 percent, respectively. As a result of these changes, the residential portion of the total assessment base rose from 76.7 percent in FY 2004 to 77.9 percent in FY 2005. The table below reflects changes in the Real Estate Tax assessment base from FY 1999 through FY 2005.

Main Real Estate Assessment Book Base Changes
(in millions)

Assessed Base Change Due To:	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Equalization	\$1,289.6	\$2,241.4	\$4,139.5	\$8,522.9	\$11,699.8	\$11,428.5	\$12,322.2
% Change	1.77%	2.96%	5.13%	9.70%	11.72%	9.94%	9.54%
Residential	0.04%	0.77%	5.13%	11.26%	16.27%	14.55%	11.29%
Nonresidential	7.12%	9.24%	5.15%	5.92%	0.52%	-2.94%	3.74%
Normal Growth	\$1,598.0	\$2,556.9	\$3,067.6	\$3,456.3	\$3,409.4	\$2,916.1	\$3,235.4
% Change	2.19%	3.37%	3.81%	3.94%	3.42%	2.54%	2.50%
Total							
% Change	3.96%	6.33%	8.94%	13.64%	15.14%	12.48%	12.04%

Equalization, or reassessment of existing residential and nonresidential property, represents an increase in value of \$12,322,219,435, or 9.54 percent in FY 2005. The increase in total equalization is due to increases in both residential and nonresidential property values. FY 2005 marks the fourth year of double digit growth in residential properties, which is a result of continued strong demand for homes in the County without a commensurate increase in the supply of existing homes. This trend mirrors that which is occurring on a regional and national basis. Changes in the assessment base as a result of equalization are shown in the following graph. The increase in the tax levy associated with the overall 9.54 percent increase in equalization is \$142,937,745 based on a tax rate of \$1.16 per \$100 of assessed value.

General Fund Revenue Overview



Residential equalization declined notably from FY 1992 through FY 1994 due to the recession and then remained essentially flat from FY 1995 through FY 2000. Following a moderate increase in FY 2001, residential equalization rose 11.26 percent and 16.27 percent in FY 2002 and FY 2003, respectively. Following a robust 14.55 percent increase in FY 2004, overall residential equalization increased 11.29 percent in FY 2005. This increase reflects the strength of the housing market in the County and throughout the Northern Virginia area. As a result of the sustained increases in both sales volume and sales price, the majority of residential properties in the County will receive valuation increases. It should be noted that the County’s median assessment to sales ratio is in the low 90 percent range, well within professional assessing standards of 90 percent to 110 percent.

All types of residential property experienced increases in value in FY 2005. While townhouse and condominium property values experienced significant increases due to equalization, changes in the assessed value of single family homes have had the most impact on the total residential base because they represent nearly 74 percent of the total. Changes in residential equalization by housing type since FY 2000 are shown in the following table. It should be noted that changes represented in this chart are for the category as a whole. Individual neighborhoods and properties may have increased or decreased by different percentages based on neighborhood selling prices.

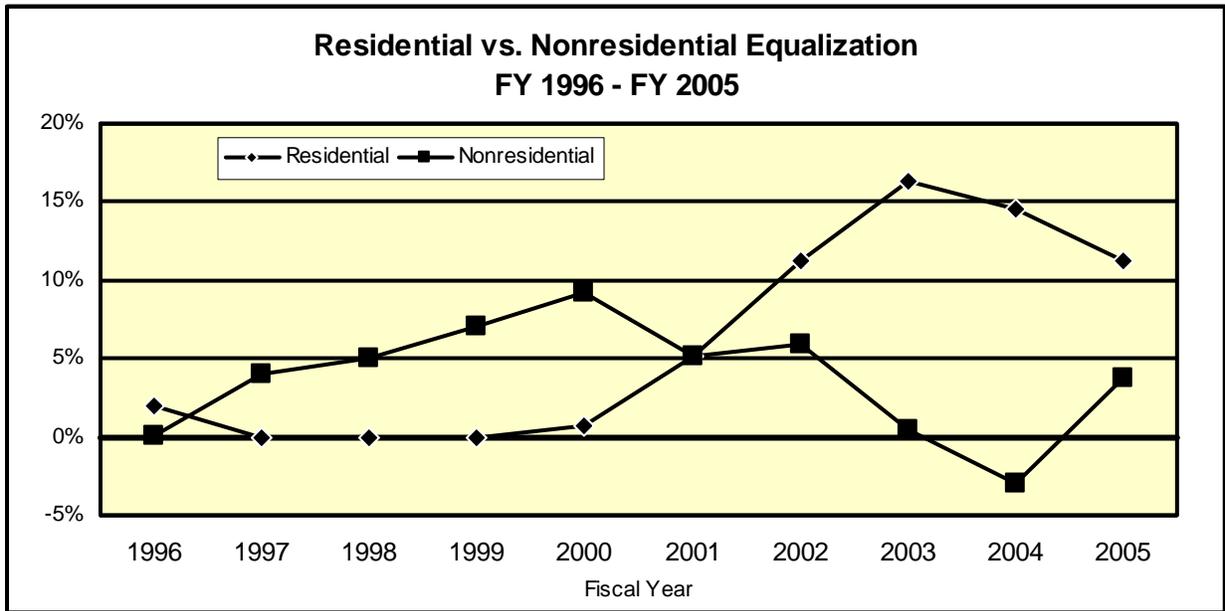
Residential Equalization Changes

Housing Type/ (Percent of Base)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Single Family (73.8%)	1.26%	6.43%	12.08%	16.14%	14.15%	11.20%
Townhouse/Duplex (18.9%)	-0.16%	2.22%	10.98%	18.56%	17.00%	12.99%
Condominiums (6.4%)	-1.96%	1.17%	10.30%	21.19%	20.09%	16.24%
Vacant Land (0.7%)	1.24%	9.84%	7.90%	15.23%	23.23%	15.19%
Other (0.2%) ¹	0.49%	1.38%	5.73%	3.00%	2.58%	4.89%
Total Residential Equalization (100%)	0.77%	5.13%	11.26%	16.27%	14.55%	11.29%

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

Based on the increase in residential equalization, the mean assessed value of all residential property in the County is \$357,506. This is an increase of \$36,268 over the FY 2004 value of \$321,238. Compared to FY 2004, the typical residential annual tax bill will be \$4,147.07, an increase of \$420.71 in FY 2005, on average, based on a tax rate of \$1.16 per \$100 of assessed value in FY 2005.

General Fund Revenue Overview



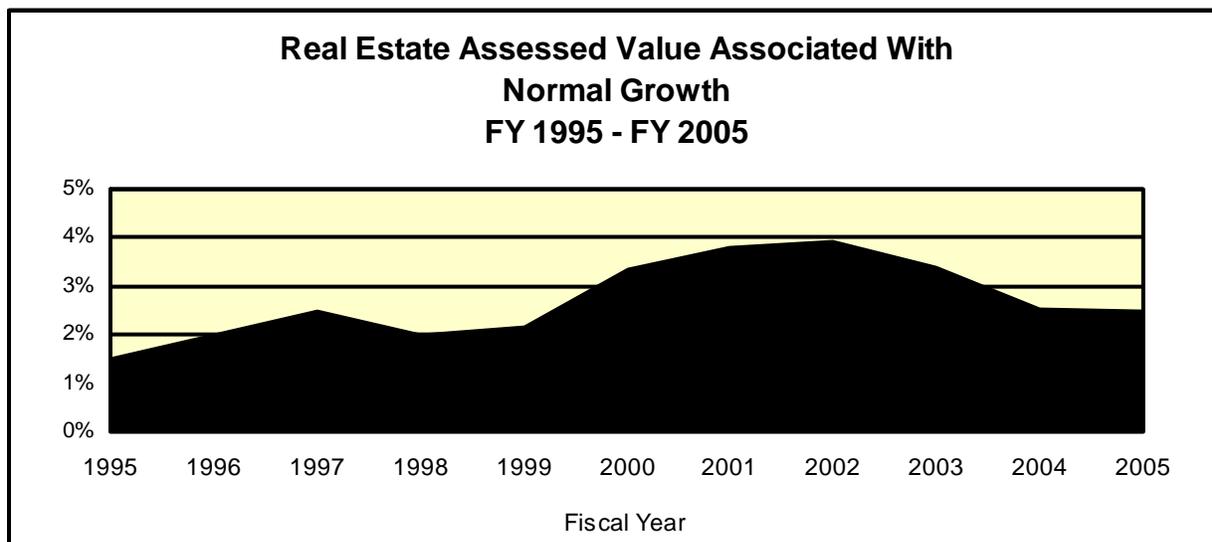
Nonresidential equalization experienced a rise of 3.74 percent in FY 2005 after declining 2.94 percent in FY 2004. As a result of moderating office vacancy rates and recent sales activity, the values of Elevator Offices (mid- and high-rises), which comprise 36.2 percent of the nonresidential tax base, rose 3.27 percent. This increase follows reductions of 2.48 percent and 10.73 percent in FY 2003 and FY 2004, respectively. The reductions in these years reflected the slow local economy. Office space that many companies had leased or purchased in anticipation of expansion was not needed and the amount of office space available for sublease increased. This trend has started to turn. The Economic Development Authority recently reported that the office vacancy rate was 12.4 percent during the first half of 2003, up slightly from 12.1 percent at year-end 2002. Including sublet space; however, the office vacancy rate fell from 18.8 percent as of year-end 2002 to 17.3 percent as of mid-year 2003. Office vacancy data from CoStar Group Inc., a commercial real estate information service, indicate that by year-end Fairfax County office vacancy rates fell below that of year-end 2002. Still, vacancy rates vary widely between submarkets and between buildings. Based on year-end 2003 activity, the Reston submarket vacancy rate improved approximately 7.0 percent, while the Tyson's submarket's improvement was about 3.0 percent. The value of Low Rise Office property increased at a faster pace than Office Elevator property, advancing 5.42 percent in FY 2005. After dropping in FY 2003 and FY 2004, the value in hotel property rose in FY 2005 at a rate of 4.48 percent. Retail property increased in value in FY 2005. Regional malls experienced an increase of 3.00 percent while other retail properties increased 7.91 percent in FY 2005. Nonresidential equalization changes by category since FY 2000 are presented in the following table.

General Fund Revenue Overview

Nonresidential Equalization Changes

Category (Percent of Base)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Apartments (19.5%)	3.43%	3.54%	6.53%	9.59%	3.86%	1.86%
Office Condominiums (3.0%)	0.48%	2.08%	4.95%	7.75%	15.63%	13.59%
Industrial (8.4%)	10.55%	7.46%	7.25%	2.08%	-1.29%	5.26%
Retail (12.6%)	4.49%	2.73%	2.84%	1.91%	2.91%	7.91%
Regional Malls (2.8%)	3.08%	0.87%	2.20%	0.34%	6.95%	3.00%
Office Elevator (36.2%)	16.20%	6.74%	6.54%	-2.48%	-10.73%	3.27%
Office - Low Rise (4.4%)	10.95%	6.05%	7.30%	1.46%	-6.27%	5.42%
Vacant Land (3.2%)	19.86%	5.96%	6.36%	-0.08%	-6.55%	7.15%
Hotels (4.2%)	24.40%	7.16%	6.58%	-15.39%	-6.23%	4.48%
Other (5.7%)	4.88%	2.62%	6.35%	3.02%	6.00%	5.15%
Nonresidential Equalization (100%)	9.24%	5.15%	5.92%	0.52%	-2.94%	3.74%

Normal Growth of \$3,235,376,425, or 2.50 percent, over the FY 2004 assessment book value results from new construction, new subdivisions, and rezonings. This level of growth is on par with the 2.54 percent experienced in FY 2004 but somewhat lower than the 3.94 percent and 3.42 percent increases realized in FY 2002 and FY 2003 (see following graph). During the construction boom of the 1980s, average growth of 6.9 percent was experienced. Since FY 1995, the value of property added to the tax base due to new construction has ranged from 1.93 percent to 3.94 percent. In FY 2005, the residential and nonresidential property bases experienced similar rates of increase due to new construction, advancing 2.49 percent and 2.54 percent, respectively. The total rate of growth due to new construction is consistent with activity in the housing and commercial building industry throughout the Washington metropolitan area.



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

Additional Assessments expected to be included in the new Real Estate base are prorated assessments under the Norfolk Plan of \$471.5 million and additional supplemental assessments of \$64.3 million. The Norfolk Plan assessments are supplemental assessments, which are made during the year for new construction that is completed subsequent to finalizing the original assessment book. Supplemental assessments may also result due to changes in ownership or tax exempt status. The total value of the supplemental assessments will be closely monitored based on new construction and building permit activity.

General Fund Revenue Overview

Exonerations, Certificates and Tax Abatements are anticipated to reduce the Real Estate assessment base by \$941.5 million in FY 2005, an additional \$249.5 million over FY 2004. This increase is due to rising property values and an increase in tax abatements associated with the County's revitalization effort. Each \$100.0 million change in the level of exonerations, certificates and tax abatements is equivalent to a change of \$1.2 million in tax levy.

Tax Relief for the Elderly and Disabled is projected to reduce the Real Estate assessment base in FY 2005 by \$1,742.9 million. During FY 2001 and FY 2002, the income limits associated with the Real Estate Tax Relief Program for the Elderly and Disabled were expanded as approved by the Board of Supervisors. The income limits of the Tax Relief program have remained the same since FY 2002. These limits provide 100 percent exemption for elderly and disabled taxpayers with incomes up to \$40,000; 50 percent exemption for eligible applicants with income between \$40,001 and \$46,000; and 25 percent exemption if income is between \$46,001 and \$52,000. As part of the FY 2003 Carryover Review, the Board of Supervisors approved an increase in the allowable asset limit from \$160,000 to \$190,000 for all ranges of tax relief and directed staff to develop a FY 2005 Budget that included additional tax relief. The FY 2005 Advertised Budget Plan includes an increase in the allowable asset limit to \$240,000, the State maximum. The table below presents income and asset thresholds for the Tax Relief Program for the Elderly and Disabled since FY 2000.

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

The FY 2005 local assessment base of \$142,656,081,897 is derived from the main assessment book and subsequent adjustments discussed above. From this local assessment base, a local tax levy of \$1,654,810,550 is calculated using a tax rate of \$1.16 per \$100 of assessed value. Based on an expected local collection rate of 99.50 percent, revenue from local assessments is estimated to be \$1,646,536,497. In FY 2005, every 0.1 percentage point change in the collection rate on the locally assessed Real Estate Tax levy yields a revenue change of \$1.7 million, while every penny on the tax rate yields \$14.5 million in revenue.

Added to the local assessment base is an estimated \$940,603,299 in assessed value for Public Service Corporations (PSC) property. Using a rate of \$1.16 per \$100 of assessed value, the tax levy on PSC property is \$10,910,998. 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 \$143,596,685,196 with a total tax levy of \$1,665,721,548 at the \$1.16 per \$100 assessed value tax rate. Estimated FY 2005 revenue from the Real Estate Tax, including receipts from Public Service Corporations, totals \$1,657,447,495 at the \$1.16 per \$100 assessed value tax rate, and reflects an overall collection rate of 99.50 percent. The total collection rates experienced in this category since FY 1990 are shown in the following table:

Real Estate Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
1990	99.49%	1998	99.54%
1991	98.96%	1999	99.50%
1992	98.87%	2000	99.63%
1993	99.03%	2001	99.53%
1994	99.15%	2002	99.65%
1995	99.32%	2003	99.67%
1996	99.47%	2004 (estimated)	99.50%
1997	99.56%	2005 (estimated)¹	99.50%

¹ In FY 2005, every 0.1 percentage point change in the collection rate yields a revenue change of \$1,654,811.

The Commercial/Industrial percentage of the County's Real Estate Tax base is 18.2 percent, a drop of 0.94 percentage points from the FY 2004 level of 19.14 percent. FY 2005 marks the fourth consecutive decline in the Commercial/Industrial percentage and is due to the larger increase experienced in the residential portion of the Real Estate Tax base. Prior to FY 2005, the lowest Commercial/Industrial percentage was 19.04 which occurred in FY 1996. The Commercial/Industrial percentage is based on Virginia land use codes and excludes multi-family rental apartments, which comprises 3.9 percent of the County's Real Estate Tax base in FY 2005. Fairfax County's historical Commercial/Industrial percentages are detailed in the following table:

Commercial/Industrial Percentages

Fiscal Year	Percentage	Fiscal Year	Percentage
1990	26.76%	1998	20.47%
1991	26.25%	1999	21.84%
1992	25.66%	2000	24.32%
1993	22.82%	2001	25.37%
1994	20.94%	2002	24.84%
1995	19.59%	2003	21.97%
1996	19.04%	2004	19.14%
1997	19.56%	2005	18.20%

General Fund Revenue Overview

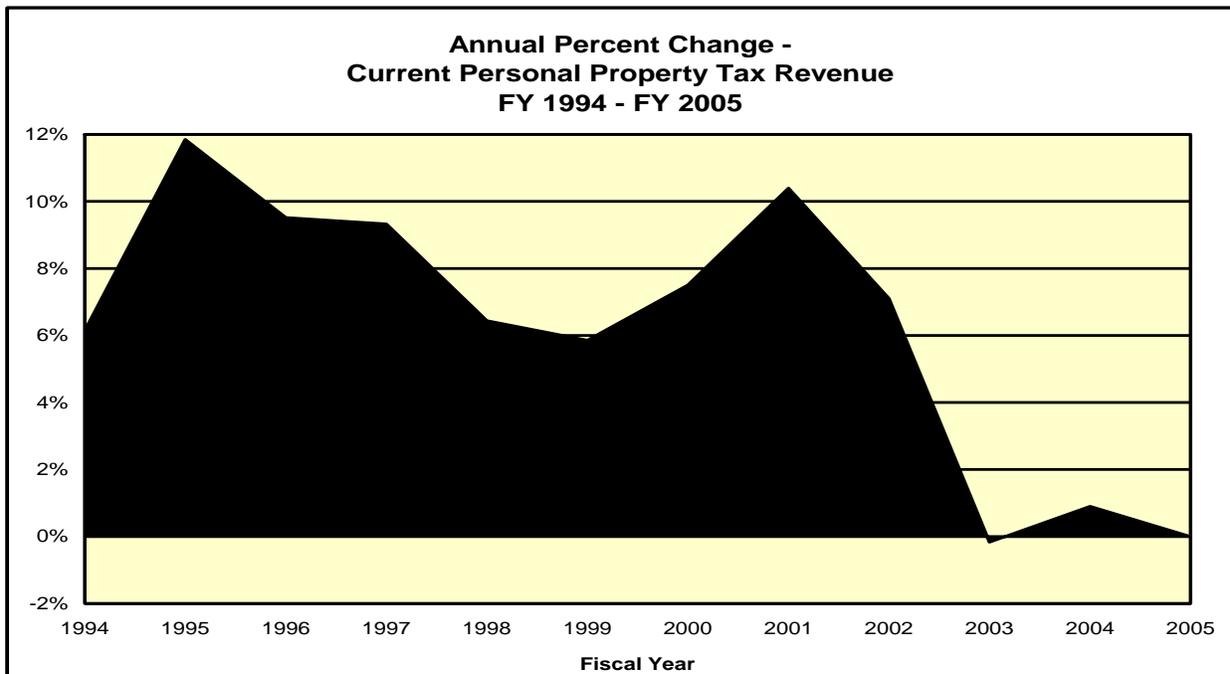
PERSONAL PROPERTY TAX-CURRENT

	FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
Paid Locally	\$264,881,703	\$263,925,520	\$256,675,869	\$255,358,057	(\$1,317,812)	-0.51%
Reimbursed by State	192,306,644	204,656,116	204,656,116	205,950,438	\$1,294,322	0.63%
Total	\$457,188,347	\$468,581,636	\$461,331,985	\$461,308,495	(\$23,490)	-0.01%

The FY 2005 Advertised Budget Plan estimate for Personal Property Tax revenue of \$461,308,495 represents a slight decrease of \$23,490, or 0.01 percent, from the *FY 2004 Revised Budget Plan* estimate resulting from an expected increase in business personal property revenue offset by a decline in the vehicle levy.

The Personal Property Tax estimate is comprised of two parts, that which is paid by citizens locally and that which is reimbursed by the Commonwealth of Virginia to the County as a result of the Personal Property Tax Relief Act (PPTRA) of 1998. The PPTRA phases out the Personal Property Tax on the first \$20,000 of the value for vehicles owned by individuals. In FY 1999, the first year of implementation, taxpayers were billed for the entire amount of tax levy and received a refund of 12.5 percent of the tax on the first \$20,000 of the value of their personal vehicle from the Commonwealth of Virginia. Vehicles valued less than \$1,000 were refunded 100 percent. From FY 2000 to FY 2002, the PPTRA reduced the Personal Property Taxes paid by citizens by 27.5 percent, 47.5 percent, and 70 percent, respectively with an offsetting reimbursement paid to the County by the Commonwealth. Under the original approved plan, taxes paid by individuals were to be reduced by 100 percent in FY 2003. However, due to the State's lower than anticipated General Fund revenue growth, the reimbursement rate remained at 70 percent in FY 2003 and FY 2004. There are several proposals to increase the reimbursement rate in FY 2005; however, until the General Assembly adjourns, it is uncertain if these proposals will be approved. Therefore, the reimbursement rate of 70 percent has been assumed for FY 2005. The PPTRA has no impact on the assessment or projection of Personal Property Tax revenues; therefore, for purposes of this narrative, aspects of the total Personal Property Tax will be discussed.

The Personal Property Tax consists of two major components: vehicles and business personal property. The vehicle component, which represents nearly 73 percent of the total category in FY 2005, is the major driver of the overall category. Both the vehicle and business components, however, are sensitive to changes in the national and local economies. Annual changes in total Personal Property Tax revenues are shown in the following graph.



General Fund Revenue Overview

Total Personal Property Tax revenues experienced average annual growth of 10.2 percent from FY 1994 through FY 1997. More moderate gains of 6.4, 5.9, and 7.5 percent in total Personal Property Tax revenue were experienced in FY 1998 through FY 2000, respectively. Strong job growth and business expansion pushed total Personal Property Tax growth to 10.4 percent in FY 2001 and 7.1 percent in FY 2002. In FY 2003, Personal Property Taxes declined 0.2 percent. The FY 2003 reduction was due to declining business levy as a result of the stalled recovery. The reduction in business levy was partially offset by a slight increase in vehicle levy. Personal Property Tax revenue in FY 2004 is projected to grow 0.9 percent. This rate of growth is the result of a moderate increase in vehicles levy offset with a decline in business levy due to the sluggish local economy and a reduction in the computer depreciation schedule for equipment that was purchased 1 year prior.

The FY 2005 estimate incorporates a decrease of 1.5 percent in the average vehicle levy from \$387 to \$381. This reduction is due primarily to declining values of used vehicles. Because new vehicle sales were incredibly strong during the last several years, the supply of used vehicles has grown thereby putting downward pressure on prices. According to national statistics, used vehicle prices in December 2003 were 11.8 percent below the previous year and are at their lowest level since April 1993. The FY 2005 volume of vehicles is projected to increase a slight 0.5 percent. According to the National Automobile Dealers' Association (NADA), new model vehicle sales have slowed. The demand for new vehicles has declined due to rolled back incentives by automakers. During the coming year, cash that had been made available from mortgage refinancing will diminish which will also restrain the demand for vehicles. Incorporating changes in average levy and volume, the overall vehicle component of the Personal Property Tax base is expected to fall 1.1 percent in FY 2005. Changes in vehicle volume and levy since FY 1998 are shown in the following table.

Personal Property Vehicles

Fiscal Year	Growth in Vehicle Volume	Average Vehicle Levy	Growth in Average Levy
FY 1998	2.6%	\$315	1.6%
FY 1999	3.2%	\$320	1.7%
FY 2000	4.2%	\$336	4.9%
FY 2001	4.5%	\$359	6.9%
FY 2002	2.3%	\$369	2.8%
FY 2003	3.0%	\$372	0.8%
FY 2004 (est.)	-1.0%	\$387	4.1%
FY 2005 (est.)	0.5%	\$381	-1.5%

Business Personal Property is primarily comprised of assessments on furniture, fixtures and computer equipment. During the slowdown in the economy in 2002, business expansion dropped and a number of businesses closed or filed for bankruptcy. As a result, the net number of companies was flat in FY 2003 and is expected to fall 0.7 percent in FY 2004. Based on actual filings, business levy in FY 2004 is expected to be down approximately \$12.7 million from FY 2003 due to lower than projected business purchases of furniture and computer equipment made during calendar year 2002. In addition, changes in the computer depreciation schedule in FY 2004 are anticipated to reduce business levy by \$1.4 million.

As the economy improves, businesses are expected to expand and the purchases of business equipment are projected to rise. The number of businesses is projected to increase 0.5 percent and average levy is expected to rise 2.5 percent reflecting growth in employment and increased business investment.

In accordance with assessment principles and the Code of Virginia, which require that property is taxed at fair market value, the Department of Tax Administration (DTA) annually reviews the depreciation rate schedule for computer hardware due to the speed with which computer values change. To reflect market trends, the computer depreciation schedule was adjusted in each year from FY 1999 to FY 2001, in FY 2003, and in FY 2004. Based on current trends, the computer depreciation schedule for equipment purchased one year prior will not be adjusted in FY 2005. 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

General Fund Revenue Overview

to determine its fair market value. Personal Property Taxes are then levied on this value. Fairfax County's FY 2005 computer depreciation schedule reduces the value upon which the tax is levied more rapidly than any other Northern Virginia locality.

Computer Depreciation Schedules FY 1998 - FY 2005 Percent of Original Purchase Price Taxed

Year of Acquisition	FY 1998	FY 1999	FY 2000	FY 2001 and FY 2002	FY 2003	FY 2004 and FY 2005
1	80%	65%	60%	60%	55%	50%
2	55%	45%	40%	40%	35%	35%
3	35%	30%	30%	25%	20%	20%
4	10%	10%	10%	10%	10%	10%
5 or more	10%	2%	2%	2%	2%	2%

Personal Property Tax revenue estimates are based on a tax rate of \$4.57 per \$100 of valuation for vehicles and business property, and \$1.16 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 2005 Estimated Personal Property Assessments and Tax Levy

Category	FY 2005 Assessed Value	Tax Rate (per \$100)	FY 2005 Tax Levy	Percent of Total Levy
Vehicles				
Privately Owned	\$8,478,962,346	\$4.57	\$308,946,836	65.3%
Business Owned	388,698,391	4.57	14,413,868	3.0%
Leased	638,992,718	4.57	20,884,351	4.4%
Subtotal	\$9,506,653,455		\$344,245,055	72.7%
Business Personal Property				
Furniture and Fixtures	\$1,431,229,498	\$4.57	\$65,349,737	13.8%
Computer Equipment	633,737,638	4.57	28,925,151	6.1%
Machinery and Tools	95,271,664	4.57	4,353,915	0.9%
Research and Development	6,706,411	4.57	306,483	0.1%
Subtotal	\$2,166,945,211		\$98,935,286	20.9%
Public Service Corporations				
Equalized	\$2,199,984,655	\$1.16	\$25,519,822	5.4%
Vehicles	12,891,672	4.57	589,149	0.1%
Subtotal	\$2,212,876,327		\$26,108,971	5.5%
Other				
Mobile Homes	\$18,279,344	\$1.16	\$209,455	0.0%
Other (Trailers, Misc.)	8,565,139	4.57	323,695	0.1%
Subtotal	\$26,844,483		\$533,150	0.1%
Penalty for Late Filing			\$3,562,484	0.8%
TOTAL	\$13,913,319,476		\$473,384,946	100.0%

A collection rate of 97.30 percent is applied to the total local tax levy for FY 2005, a rate that is consistent with the rate projected for FY 2004. Applying the projected collection rate to the local levy estimate for FY 2004, results in projected tax revenue of \$435,199,524. In addition, it is projected that a 100.0 percent collection rate will be achieved on the Public Service Corporations tax levy of \$26,108,971. The resulting collection rate for all

General Fund Revenue Overview

categories of personal property is estimated to be 97.45 percent and is shown in the following table with historical collection rates.

Total Personal Property Tax Collection Rates

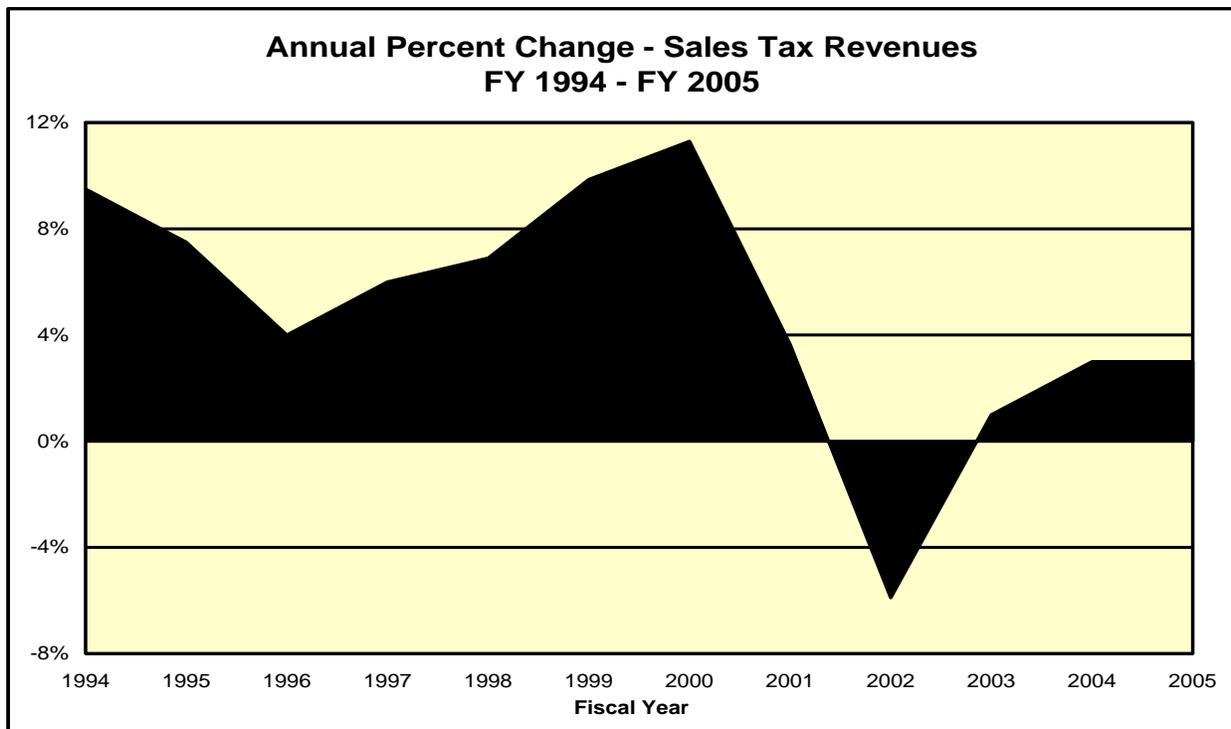
Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
1990	96.2%	1998	97.3%
1991	95.5%	1999	97.3%
1992	94.4%	2000	97.3%
1993	96.0%	2001	97.1%
1994	95.6%	2002	96.3%
1995	96.8%	2003	98.8%
1996	97.2%	2004 (estimated)	97.5%
1997	97.3%	2005 (estimated) ¹	97.5%

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

LOCAL SALES TAX

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$126,785,250	\$126,246,519	\$130,588,808	\$134,503,993	\$3,915,185	3.00%

The FY 2005 Advertised Budget Plan estimate for Sales Tax receipts is \$134,503,993, an increase of 3.0 percent over the FY 2004 Revised Budget Plan estimate. This increase reflects the expectation that the local economy will experience modest growth in FY 2005.



General Fund Revenue Overview

In FY 2002, Sales Tax receipts dropped 5.9 percent from the level achieved in FY 2001. This decrease was only the second time in 30 years that Sales Tax receipts had fallen from their previous year's level (in FY 1991, Sales Tax revenues dropped 4.5 percent from FY 1990.) In FY 2003, Sales Tax receipts rose just 1.0 percent above the level achieved in FY 2002. As part of the fall 2003 review of revenue, the FY 2004 estimate for Sales Tax revenue was increased \$4.3 million to \$130.6 million, representing growth of 3.0 percent over FY 2003 actual receipts. This adjustment, based on Sales Tax receipts data through November may prove to be too conservative. Since the fall, Sales Tax receipts have experienced extraordinary growth. FY 2004 Sales Tax receipts through January, representing retail purchases from June through November, are up a robust 11.7 percent over the same period of FY 2003. Retail sales during, and immediately after, the holidays will have a significant impact on the overall growth rate of Sales Tax receipts. It will not be until February that Sales Tax receipts from purchases made in December are known. The FY 2004 Sales Tax receipt estimate will be reviewed during the *FY 2004 Third Quarter Review* for possible adjustment. The Fairfax County Leading Index, while beginning to trend upward, has seesawed up and down over the last several months. An econometric model using the Fairfax County Leading Index as a predictor is used to assist in projecting Sales Tax receipts. Based on the Leading Index's monthly variation, Sales Tax receipts are expected to rise 3.0 percent in FY 2005.

RECORDATION/DEED OF CONVEYANCE TAXES

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$27,005,707	\$16,329,979	\$27,005,707	\$16,952,228	(\$10,053,479)	-37.23%

The FY 2005 Advertised Budget Plan estimate of \$16,952,228 reflects a decrease of \$10.1 million from the *FY 2004 Revised Budget Plan*. The FY 2005 estimate is comprised of \$12,461,788 in Recordation Tax revenues and \$4,490,440 in Deed of Conveyance Tax revenues. Recordation and Deed of Conveyance Taxes are levied in association with the sale or transfer of real property located in the County. Recordation Taxes are also levied when mortgages on property located in the County are refinanced, making Recordation Tax revenues more sensitive to interest rate fluctuations than Deed of Conveyance Tax revenues. Interest rate projections are used in an econometric model that assists in developing estimates for these categories.

During the first seven months of FY 2004, Recordation revenues have increased 15.0 percent and Deed of Conveyance revenues have risen 28.0 percent, over the same period in FY 2003. Receipts in these categories have grown due to the continued strong demand relative to housing supply as well as rising median sales prices. Increased mortgage refinancing due to low mortgage rates have also boosted Recordation collections. As a result of higher than expected collections, the FY 2004 estimate for Recordation and Deed of Conveyance was increased \$10.7 million during the fall 2003 review of revenues to a level consistent with FY 2003 actual revenues. While these categories experienced strong growth in the first four months of FY 2004, Recordation Tax revenue fell for the first time since September 2000 in November, December and January compared to the same month of FY 2003. These reductions indicate that mortgage refinancing has dropped. This trend is anticipated to continue as there has been little movement in mortgage interest rates over the last six months and most homeowners require a 50 to 75 basis point decrease in their interest rate to justify the cost of refinancing a mortgage. In FY 2005, Recordation and Deed of Conveyance receipts are expected to fall from their FY 2004 level because interest rates are projected to increase as the economy expands and mortgage refinancing is anticipated to continue to drop.

VEHICLE DECAL FEE

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$19,052,623	\$19,463,966	\$19,463,966	\$19,853,245	\$389,279	2.00%

The FY 2005 Advertised Budget Plan estimate of \$19,853,245 for Vehicle Decal revenue represents growth of \$389,279 or 2.0 percent over the *FY 2004 Revised Budget Plan*. This growth rate is consistent with historical trends.

General Fund Revenue Overview

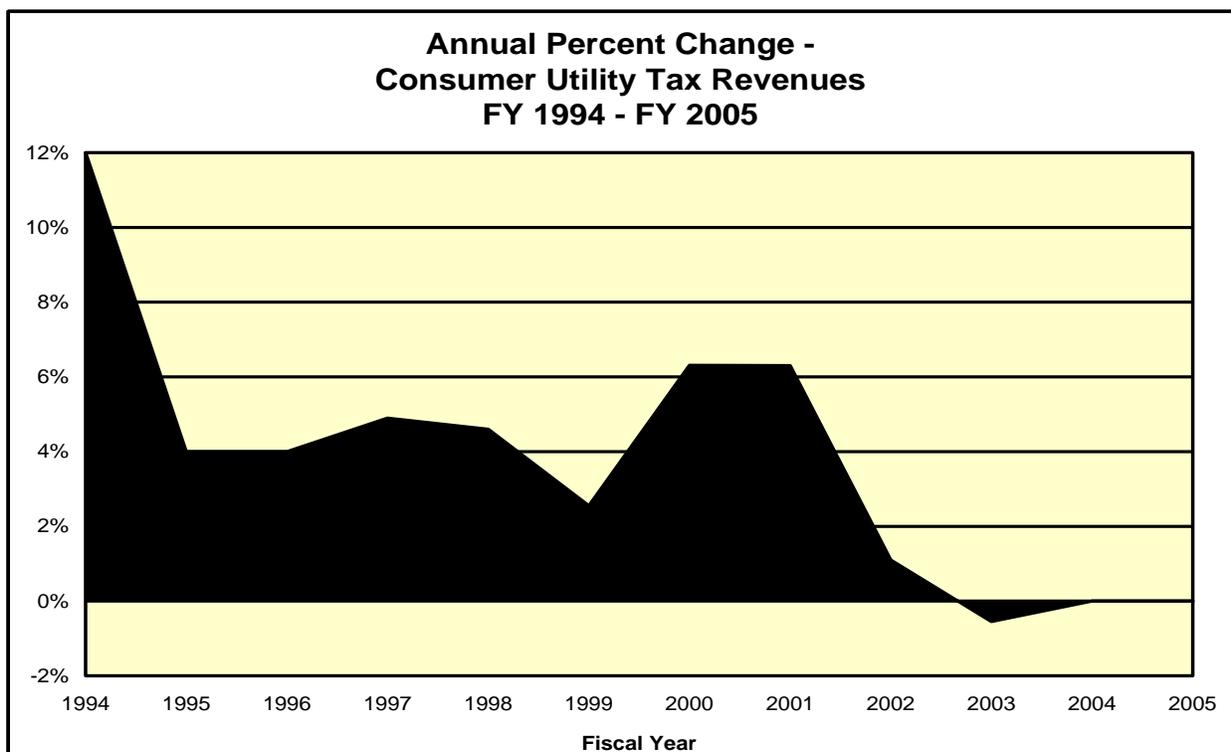
In FY 2004, an Advance Decal Sales program was implemented to generate cost savings of approximately \$0.5 million. Under the new program, County taxpayers with no previous tax delinquencies received their vehicle decal along with their Personal Property Tax bill. Previously, County taxpayers could purchase a Vehicle Decal only after the Personal Property tax bill had been paid. Vehicle Decal Tax rates remain unchanged in FY 2004 and FY 2005 at \$25 for passenger vehicles; \$18 for motorcycles; and \$23 for certain passenger vehicles used for compensation, e.g., taxis. The renewal date for vehicle decals is October 5, linking vehicle decals with the payment due date for Personal Property Taxes.

CONSUMER UTILITY TAX

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$85,892,727	\$89,858,179	\$85,892,727	\$85,892,727	\$0	0.00%

The FY 2005 Advertised Budget Plan estimate for Consumer Utility Taxes of \$85,892,727 reflects no change from the FY 2004 Revised Budget Plan. County residents and businesses are subject to Consumer Utility Taxes based on their consumption of electricity, gas, and telephone services. The FY 2005 estimate is comprised of \$33,788,274 in taxes on electric service, \$42,950,323 in taxes on telephone service, and \$9,154,130 in taxes on gas service.

Predicting Utility Tax revenues is difficult due to the variability of commercial usage and weather. Consumer Utility Tax revenues are monitored on a monthly basis. An annual econometric model, which examines the trend over time in Consumer Utility Tax revenues, and several monthly statistical models, which take into account seasonal fluctuations and historical trends in Consumer Utility Tax revenues, are used to track and forecast these revenues. Historically, taxes on telephone service have grown at a faster rate than other consumer utilities; however, job cutbacks, increased use of cell phones, and cable Internet access have all diminished the telephone utility tax base. In FY 2003, receipts from telephone utility taxes fell for the first time, dropping 4.7 percent from FY 2002. This trend in telephone usage is expected to continue and when combined with modest growth in taxes from gas and electric utilities, total Consumer Utility Taxes are expected to remain at their FY 2003 level in FY 2004 and FY 2005.



General Fund Revenue Overview

MOBILE TELECOMMUNICATIONS TAX

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$0	\$9,500,000	\$5,500,000	\$7,200,000	\$1,700,000	30.91%

The FY 2005 Advertised Budget Plan for Mobile Telecommunication Tax receipts is \$7,200,000 and reflects an increase of \$1,700,000 or 31.0 percent over the *FY 2004 Revised Budget Plan*, based on levying the tax for the full 12 months of revenue. The Board of Supervisors authorized a tax of ten percent on a consumer's gross charges up to a maximum of \$30 per month for mobile local telecommunications (1994 Virginia Acts, Chapter 560 of the Code of Virginia, Section 58.1-3812 as amended). The maximum monthly rate is \$3 per bill, or \$36 per year. During 2003 fall review of revenue, the estimate for Mobile Telecommunication Tax revenue was reduced to \$5,500,000 as a result of delays in implementing the tax by mobile telephone service providers due to complicated software changes. Revenue from this category will be closely monitored since little data on the number of mobile telecommunication service users in Fairfax County was available prior to the implementation of the tax and as such the revenue projection may require further adjustment as actual receipts become available.

BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

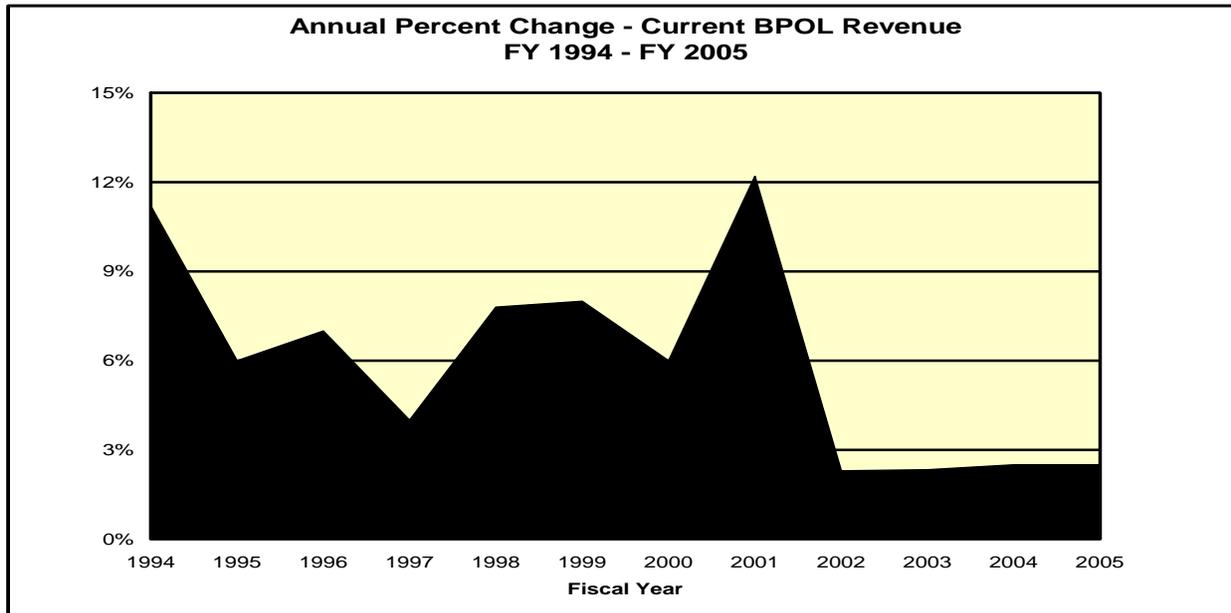
FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$93,427,421	\$93,117,590	\$95,763,107	\$98,157,185	\$2,394,078	2.50%

The FY 2005 Advertised Budget Plan estimate for Business, Professional and Occupational License Taxes (BPOL) is \$98,157,185, an increase of \$2,394,078, or 2.5 percent, over the *FY 2004 Revised Budget Plan* estimate. This growth rate is consistent with the expected increase in Sales Tax receipts, which was discussed earlier in this section and reflects modest economic expansion in FY 2005.

In FY 2003, BPOL receipts experienced growth of 2.3 percent over FY 2002. Receipts from Realtors and Money Lenders grew 10.7 percent in FY 2003, while Contractors, Builders, and Developers fell 5.1 percent. The combined Retail/Wholesale Merchants category, which comprises approximately 24 percent of total BPOL receipts, grew at a rate of only 2.0 percent in FY 2003.

Businesses file and pay their BPOL Taxes simultaneously on March 1 each year based on their gross receipts during the previous calendar year. As a result, there is little actual data available at this time to refine estimates for FY 2004 and develop projections for FY 2005. Since home buying and refinancings have continued to increase, the Money Lenders and Realtors category is expected to experience moderate growth in FY 2004 and FY 2005. Building activity in the County, however, is expected to remain as the same level as FY 2003. Based on these assumptions and an econometric model using Sales Tax receipts and mortgage interest rates as predictors, the FY 2004 estimate for BPOL was increased \$2,645,517 during the fall 2004 review of revenues. This estimate represents 2.5 percent growth over actual FY 2003 receipts. In FY 2005, BPOL revenues are expected to continue increasing at a 2.5 percent pace. Historical and projected changes in BPOL receipts are presented in the following graph.

General Fund Revenue Overview



PERMITS, FEES AND REGULATORY LICENSES

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$27,743,163	\$26,851,322	\$26,902,515	\$26,935,856	\$33,341	0.12%

The FY 2005 Advertised Budget Plan estimate for Permits, Fees and Regulatory Licenses is \$26,935,856, an increase of \$33,341, or 0.1 percent, over the *FY 2004 Revised Budget Plan* estimate. This slight net increase is the result of typical base growth in categories such as Zoning Fees of 1.8 percent and Fire Marshal Fees of 2.0 percent, offset by a \$21,875 decrease in Concealed Weapon Permits due to their 5-year renewal cycle and no growth in revenue from fees charged by the Department of Public Works and Environmental Services (DPWES) for planning, building and site permits in FY 2005.

These fees are the major component of the Permit, Fees, and Regulatory Licenses category and are projected to be \$21.0 million in FY 2004, a decrease of 5.8 percent from the level achieved in FY 2003 due to slower construction activity in the County.

Twenty-three individual fee categories comprise DPWES Fee revenue. Changes in DPWES revenue are a reflection of the housing market and construction industry, as well as the size and complexity of projects submitted to DPWES for review. Two of the most important indicators of workload, and consequently revenue, are the number of building permits issued, and the number of new site, subdivision and public improvement plans submitted to DPWES for review. The number of new single family residential building permits issued by the County through December 2003 is down 2.1 percent while new multifamily residential building permits are down 66.4 percent over the same period of 2003. In addition, few nonresidential building permits have been issued and are not expected to rise in the coming year as a result of the availability of office space for rent. The number of new site, subdivision and public improvement plans submitted to DPWES has declined from 115 during the first six months of FY 2003 to 104 during the same period of FY 2004, a drop of 9.6 percent.

The FY 2005 Advertised Budget Plan estimate for DPWES fees is \$21,000,000, representing no change from the *FY 2004 Revised Budget Plan* estimate due to the expectation that construction activity in the County will be the same as in FY 2004.

General Fund Revenue Overview

INTEREST ON INVESTMENTS

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$17,818,481	\$13,433,065	\$15,147,062	\$18,122,686	\$2,975,624	19.64%

The FY 2005 Advertised Budget Plan estimate of \$18,122,686 for Interest on Investments represents an increase of \$2,975,624, or 19.6 percent, over the FY 2004 Revised Budget Plan estimate. Revenue from this category is a function of the amount invested, the prevailing interest rates earned on investments, and the percentage of the total pooled investment portfolio attributable to the General Fund.

The County's Investment Interest has been severely affected by interest rate reductions made by the Federal Reserve over the past several years. In order to combat growing weakness in the economy, the Federal Reserve reduced interest rates 11 times in 2001 from 6.5 percent to 1.75 percent. Rates were held steady in 2002 until November when the federal funds rate was dropped to 1.25 percent. The Fed cut rates again in June 2003 to 1.0 percent where they remain. In FY 2003, the annual average yield on the County's portfolio was 1.49 percent and interest on investments was \$17.8 million. The FY 2004 estimate for Interest on Investments was increased from \$13.4 million to \$15.1 million during the fall 2003 review of revenue as a result of a higher than projected portfolio and General Fund percentage offset by a drop in the anticipated yield from 1.40 percent to 1.18 percent. Revenue from Interest on Investments is highly dependent on Federal Reserve action. The FY 2005 Advertised Budget Plan estimate assumes that the Federal Reserve will begin to increase interest rates as the economy expands and a yield of 1.40 is projected. This projection may prove to be optimistic given that the yield on instruments currently being purchased is 1.1 percent.

An average portfolio size of \$1,871,980,664 is anticipated in FY 2005, representing 5.0 percent growth over the FY 2004 projection. All available resources are pooled for investment purposes and the net interest earned is distributed among the various County funds, based on the average dollars invested from each fund as a percentage of the total pooled investment. Total Interest on Investments for all funds is projected to be \$19,541,787 and the General Fund percentage is projected to be 64.0 percent in FY 2004 and FY 2005.

CHARGES FOR SERVICES

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$40,549,148	\$38,148,727	\$41,941,708	\$40,524,336	(\$1,417,372)	-3.38%

The FY 2005 Advertised Budget Plan estimate of \$40,524,336 for Charges for Services reflects a decrease of \$1,417,372, or 3.4 percent, from the FY 2004 Revised Budget Plan. The decrease is primarily due to a decline in County Clerk fees offset by increases in School Age Child Care (SACC) and Recreation revenue.

County Clerk fees are expected to fall \$3.9 million in FY 2005 associated with a decline in recordation receipts as mortgage refinancing is expected to slow. In FY 2005, SACC revenues are projected to rise \$0.8 million due to a 2.0 percent base fee adjustment to address salary increases plus increased food cost which will be reflected in parental fees and the addition of two new SACC centers at Navy and Sunrise Valley Elementary schools.

A new athletic service application fee is also expected to generate additional Recreation revenue of \$1.7 million. The new fee will partially offset the cost of providing community use of public athletic facilities by implementing a \$3 per hour fee for community use of public athletic facilities scheduled through the Department of Community and Recreation Services' Athletic Services Division. Athletic organizations are provided facility space by the hour in accordance with their application for use of facilities and within established Fairfax County facility allocation policies.

During the 2003 fall revenue review, FY 2004 estimates for County Clerk Fees and SACC revenues were increased \$3.6 million and \$1.0 million, respectively as a result of year-to-date collections

General Fund Revenue Overview

FINES AND FORFEITURES

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$11,046,988	\$12,044,433	\$12,778,263	\$12,380,594	(\$397,669)	-3.11%

The FY 2005 Advertised Budget Plan estimate for Fines and Forfeitures of \$12,380,594 represents a decrease of \$397,669, or 3.1 percent, from the *FY 2004 Revised Budget Plan* estimate. During the 2003 fall revenue review, the FY 2004 estimate for Fines and Forfeitures was increased \$0.8 million. This increase is the result of higher than projected collections from Alarm Ordinance Violations. The decline in FY 2005 Fines and Forfeitures is due primarily to a projected decrease of \$0.3 million in Alarm Ordinance Violations as establishments are expected to reduce excessive false alarms due to the gradually escalating fine schedule for more than two police responses per year.

REVENUE FROM THE COMMONWEALTH/FEDERAL GOVERNMENT¹

FY 2003 Actual	FY 2004 Adopted	FY 2004 Revised	FY 2005 Advertised	Increase/ (Decrease)	Percent Change
\$126,674,608	\$115,818,200	\$117,723,049	\$116,945,284	(\$777,765)	-0.66%

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 2005 Advertised Budget Plan estimate for Revenue from the Commonwealth and Federal Governments is \$116,945,284, a decrease of \$777,765 or 0.7 percent from the *FY 2004 Revised Budget Plan*. This net decrease is due primarily to a decrease in two federal funding streams offset with an increase in Public Assistance revenue associated with expenditure increases.

No revenue is anticipated in FY 2005 from a federal grant that reimburses the County for expenses incurred for housing illegal aliens since Congressional appropriation for this grant is uncertain. This represents a decrease of \$1.9 million from the FY 2004 budget estimate. A reduction of \$144,000 in FY 2005 is the result of one-time funding in FY 2004 from the Federal Emergency Management Agency (FEMA) for snow removal in 2003.

The FY 2005 estimate for Virginia funding for Public Assistance Programs represents an increase of \$1.3 million over the *FY 2004 Revised Budget Plan* and is due to additional State revenue of \$0.7 million associated with a mandated 5.5 percent market rate increase for child care providers participating in the Child Care Assistance and Referral (CCAR) Program. Also, an additional \$0.6 million is anticipated under the Comprehensive Services Act (CSA) to support a contract rate increase for service providers. Both of these revenue increases are fully offset by additional expenditure requirements.

Except for the changes noted above, the FY 2005 Advertised Budget Plan does not include any adjustments in State funding being proposed by the Governor or the Virginia General Assembly. Staff will continue to monitor changes made at the State level that affect County revenues and will make any necessary adjustments during FY 2005 Add-On.

General Fund Disbursement Overview

This section includes:

- ▶ *Summary of General Fund Direct Expenditures (Page 82)*
- ▶ *Summary of General Fund Transfers (Page 88)*
- ▶ *Summary of Contributory Agencies (Page 92)*

General Fund Disbursement Overview

SUMMARY OF GENERAL FUND DIRECT EXPENDITURES

Category	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over/(From) Revised	Percent Increase/(Decrease)
Positions/ Staff Years:	9,402/9,132.17	9,331/9,059.31	9,353/9,086.38	9,406/9,138.24	53/51.86	0.57%/ 0.57%
Personnel Services	\$505,754,051	\$539,466,967	\$541,030,883	\$568,772,632	\$27,741,749	5.13%
Operating Expenses	307,638,698	305,714,818	334,828,377	312,210,207	(22,618,170)	-6.76%
Recovered Costs	(32,295,006)	(38,113,738)	(38,847,653)	(39,189,376)	(341,723)	0.88%
Capital Equipment	3,529,905	3,877,015	5,138,397	2,036,888	(3,101,509)	-60.36%
Fringe Benefits	127,966,018	134,616,655	137,521,539	160,378,737	22,857,198	16.62%
Total Direct Expenditures	\$912,593,666	\$945,561,717	\$979,671,543	\$1,004,209,088	\$24,537,545	2.50%

Details of program and staffing adjustments are provided in the individual agency narratives in Volume 1. Major changes are summarized by category in the narrative description that follows.

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

The FY 2005 Advertised Budget Plan direct expenditure level of \$1,004,209,008 represents a decrease of \$24,537,545 or 2.50 percent from the *FY 2004 Revised Budget Plan* direct expenditure level of \$979,671,543.

Personnel Services

Personnel Services total \$568,772,632, an increase of \$27,741,749 or 5.13 percent over the *FY 2004 Revised Budget Plan* funding level of \$541,030,883. Major adjustments are as follows:

- ◆ **Pay for Performance** funding of \$7,599,542 for General Fund eligible staff for the system implemented in FY 2001 that links employee pay increases directly with performance. The total General Fund impact is \$9,403,291 including \$1,803,749 for transfers to General Fund Supported agencies.
- ◆ **Merit Increment** funding of \$2,097,822 for Public Safety uniformed positions not eligible for the Pay for Performance program. The total General Fund impact is \$2,221,791, including \$123,969 for transfers to General Fund Supported agencies.

General Fund Disbursement Overview

Positions

The FY 2005 Advertised Budget Plan includes an increase of 53/51.86 SYE General Fund positions to support new facilities and public safety. Funding for these positions includes \$1,393,208 in Personnel Services, \$541,445 in Operating Expenses, \$35,000 in Capital Equipment, and \$444,444 in Fringe Benefits, for a total increase of \$2,414,097. As a result of revenue generated by new rooms in the School Age Child Care (SACC) Program of \$284,082, the net cost to the County is \$2,130,015.

Staffing for **New Facilities/Public Safety** totals 53/51.86 SYE positions including:

- ◆ 23/23.0 SYE positions in the Fire and Rescue Department to staff the new Fairfax Center Fire Station - \$1,022,645 in Personnel Services. The positions include 1/1.0 SYE Deputy Fire Chief for Special Operations, 2/2.0 SYE Fire Captains, 6/6.0 SYE Fire Lieutenants, 6/6.0 SYE Fire Technicians, 6/6.0 SYE Firefighters, 1/1.0 SYE Accountant III and 1/1.0 SYE IT Technician III.
- ◆ 16/16.0 SYE positions in the Police Department associated with the first year of a multi-year plan to increase positions in response to emergency and non-emergency call volumes at the Public Safety Communications Center - \$507,430 in Personnel Services is included in Fund 120, E-911. The positions include 14/14.0 SYE Public Safety Communicators III and 2/2.0 SYE Administrative Assistants I.
- ◆ 8/8.0 SYE positions in the Department of Community and Recreation Services to support the opening of the Herndon Harbor House Senior Center and the Teen Center Redesign Initiative, a regional model of teen centers to provide greater flexibility in meeting the needs of teens and the community - \$178,671 in Personnel Services. The positions include 1/1.0 SYE Saturday Program Director, 1/1.0 SYE Recreation Specialist III, 2/2.0 SYE Recreation Assistants and 1/1.0 SYE Recreation Leader for the Herndon Harbor Senior Center and 1/1.0 SYE Recreation Specialist III and 2/2.0 SYE Recreation Specialists I for the Teen Center Redesign.
- ◆ 6/4.86 SYE positions in the Department of Family Services associated with adding two new school year SACC Centers - \$191,892 in Personnel Services. Two SACC Centers are being expanded by one room each due to recent school renovation at Navy and Sunrise Valley Elementary Schools. The positions include 6/4.86 SYE Day Care Teachers.

In addition, 29/29.0 SYE positions and associated funding of \$2,300,539 are transferred from the Department of Public Works and Environmental Services (DPWES), Business Planning and Support to DPWES, Land Development to more accurately reflect support for land development activities.

Other salary adjustments include the following:

- ◆ **Pay adjustments for Public Safety** of \$6,873,376 provides a 2.98 percent market rate adjustment for uniformed public safety positions consistent with the market index for FY 2005. Funding for employees on the public safety pay scales (C, F, O, and P), effective the first full pay period of FY 2005, is included in the Regular Salaries category for the Police Department (\$2,976,627), the Office of the Sheriff (\$1,062,941), and the Fire and Rescue Department (\$2,833,808). In addition there is a related requirement of \$1,864,014 to reflect the Fringe Benefit amount of the Public Safety market rate adjustment.
- ◆ **Shift Differential** increases totaling \$23,465 primarily for the Fire Department as a result of the opening of the Fairfax Center Fire Station.
- ◆ **Overtime Pay** increases \$253,951 primarily associated with an increase of \$1,037,244 in the Fire Department as a result of growth in compensation and the impact of new positions funded in FY 2004 to provide additional response capacity pending the opening of the new Fairfax Center Fire Station, an increase in the Police Department of \$549,457 from the impact of pay for performance and merit increases, an increase in Facilities Management Division of \$126,826 due primarily to on-call pay for

General Fund Disbursement Overview

positions servicing HVAC, alarms, generators, plumbing, and electrical, and an increase in the Department of Family Services of \$56,891 due to the impact of pay for performance. These increases are partially offset by a net decrease in the Office of the Sheriff of \$1,573,919 resulting from reduced overtime requirements as the remaining positions approved by the Board at the *FY 2002 Carryover Review* are phased in, and these full time merit deputy positions take over guard posts previously staffed on overtime.

- ◆ **Limited Term** position funding (temporary and part-time employees) increases \$1,091,001 including \$60,000 in the Office of Public Affairs to enhance the County's Web site for usability, \$147,200 for the Electoral Board and General Registrar to support election preparation and voter registration for the 2004 presidential election, \$54,330 in the Department of Tax Administration for processing tax relief applications, \$150,000 in Circuit Court to address the significant workload and provide for the timely recordation of documents in the Land Records section, \$237,056 in the Department of Community and Recreation Services for full year costs associated with the James Lee Community Center and to support the Teen Center Redesign, as well as increases to all agencies as a result of the pay for performance system that links employee pay increases directly with performance.
- ◆ **Position regrades** in the Fire Department reflect an increase in FY 2005 funding of \$1,345,021. This is included for a regrade of the Fire Technician, Master Technician and Lieutenant classes in the Fire and Rescue Department to provide for market competitiveness of these positions. Each year, the Department of Human Resources conducts a market pay study to compare specific core and supplemental position classes to the local and regional employment market. In addition, the range of public safety position classes is reviewed. This proposed increase is based on a review of these public safety classes in comparison to those in surrounding jurisdictions. Only three public safety position classes had hourly rate midpoints 5 percent or more below the market average, which is the threshold used in making pay recommendations. In addition, there is a related requirement of \$423,682 to reflect the Fringe Benefit amount of the regrade. The total cost of \$1.77 million includes adjustments to Personnel Services and Fringe Benefits, and will impact more than 700 positions.
- ◆ **Additional base pay** increases reflect the actual salary level of current County employees and are required to fund the full-year costs of the pay for performance increases earned in FY 2004.

Fringe Benefits

Fringe Benefits total \$160,378,737, an increase of \$22,857,198 or 16.62 percent over the *FY 2004 Revised Budget Plan* of \$137,521,539 primarily due to the following:

- ◆ **Retirement (Fairfax County Employees', Uniformed, Police)** net increase of \$12,818,194, including \$2.4 million associated with salary adjustments necessary to support the County's compensation program, \$1.5 million based on the FY 2005 Market Index of 2.98 percent included for employees on the public safety pay scales (C, F, O, and P), effective the first full pay period of FY 2005, \$0.3 million based on the regrade of Fire Technician, Master Technician and Lieutenant classes to provide for market competitiveness, \$0.4 million to reflect the inclusion of new positions and \$8.2 million based on projected increases in the Employer Contribution rates.
- ◆ **Health Insurance** net increase of \$7,770,482, based on a projected premium increase of 25.0 percent for the self-insured plan and an average increase of 21.0 percent for the HMOs, effective January 1, 2005 and adjustments to reflect the inclusion of new positions. It should be noted that the primary factors for the premium increase are escalating cost growth, increased utilization and the rising costs of prescription drugs.
- ◆ **Social Security** net increase of \$2,052,692, based on salary adjustments necessary to support the County's compensation program, including pay for performance/ merit increments, Market Index adjustments for employees on the public safety pay scales, and the regrade of specific Fire and Rescue job classes to provide for market competitiveness, the inclusion of new positions and the change in the federally set maximum pay base against which contributions are calculated from \$87,000 to \$87,900.

General Fund Disbursement Overview

- ◆ **Virginia Retirement System (VRS)** net increase of \$185,169, based on salary adjustments necessary to support the County's compensation program, including pay for performance/ merit increments, a projected 0.12 percentage point increase in the Employer Contribution rate from 3.77 percent to 3.89 percent and required contributions to the Virginia Sickness and Disability program on behalf of the employees covered by VRS.

Operating Expenses

Operating Expenses total \$312,210,207, a decrease of \$22,618,170 or 6.76 percent from the *FY 2004 Revised Budget Plan* funding level of \$334,828,377. Operating Expenses increase \$6,495,389 or 2.12 percent over the *FY 2004 Adopted Budget Plan* level of \$305,714,818. Major adjustments are as follows:

- ◆ A net decrease of \$8,198,485 in Contingencies is primarily attributable to a decrease of \$3,784,812 in required local cash match for Federal and State grants as a result of unexpended prior year awards included in the FY 2004 funding level as part of the *FY 2003 Carryover Review* and a decrease of \$4,414,150 in the Police Department primarily due to a decrease in required local cash match associated with the U.S. Department of Justice COPS UHP grants. Sufficient local cash match funding has been included in the Police Department to cover the anticipated General Fund obligation for grants in FY 2005. These decreases are partially offset by a small increase in Public Works contingencies based on projected activity levels for FY 2005.
- ◆ A net decrease of \$7,407,840 in Professional Consultant Contracts is attributable to one-time funding included in the FY 2004 funding level as a result of the *FY 2003 Carryover Review* for items such as park and ride maintenance contracts and building and grounds maintenance contracts, a decrease of \$175,000 in the Department of Transportation due to the elimination of funding for transportation consultant services in conjunction with the Area Plan Review, and a decrease of \$503,143 in the Health Department resulting from the transfer of a portion of budgeted West Nile virus funds to Fund 116, Integrated Pest Management Program, due to the capacity of Fund 116 to support these expenditures. These decreases are partially offset by the following: an increase of \$92,689 in the Police Department primarily attributable to providing security services at the Public Safety Communications Center (PSCC); an increase of \$277,189 in Community and Recreation Services associated with contract increases for FASTRAN service contracted personnel; and an increase of over \$1.4 million in the Department of Family Services associated with a contract rate increase for the providers of mandated and non-mandated services such as Home Care Aides, Head Start, and Healthy Families Fairfax and a contract rate increase for the providers of mandated and non-mandated Comprehensive Services Act (CSA) services. It should be noted that the CSA expenditure increase is partially offset by an increase of \$592,719 in state funding due to the associated state revenue match for the purchase of services, for a net increase to the County for CSA expenses of \$507,147.
- ◆ A decrease of \$2,785,477 in Operating Equipment primarily due to one-time funding included in the FY 2004 funding level as a result of the *FY 2003 Carryover Review*, for items such as the down payment on new voting machines, one-time carryover for School Age Child Care Center (SACC) supplies, and the one-time furniture and fixture expenses required in FY 2004 to equip the James Lee Community Center expansion.
- ◆ A decrease in DVS charges of \$2,368,979 based on the latest analysis of vehicle age and mileage projections to determine the timing of vehicle replacement and corresponding funding requirements.
- ◆ A decrease of \$1,117,642 in Operating Supplies primarily associated with the one-time carryover of funding from the *FY 2003 Carryover Review* included in the FY 2004 funding level for items such as SACC supplies for the summer sessions, which cross fiscal years.

General Fund Disbursement Overview

- ◆ A net decrease of \$948,007 in Operating Expenses primarily due to one-time funding of over \$1 million included in the FY 2004 funding level as a result of the *FY 2003 Carryover Review*, which is not required in FY 2005, partially offset with an increase of \$103,098 in the Department of Community and Recreation Services for recreational activities and increases in the hourly custodial rate charged by the Fairfax County Public Schools (FCPS) for County use of FCPS facilities.
- ◆ An increase of \$1,139,927 in mainframe charges due primarily to the purchase of software license renewals; telecommunication increases; expansion of the storage available for mainframe data; augmentation of security measures for daily application operations and incident investigation required to further protect the County from unauthorized entry into County systems, attacks, viruses, data destruction and other cyber threats; support for Year 4 of a 5 year Wide Area Network renewal plan; and replacement of the mainframe server, which will soon be unsupported by the vendor.
- ◆ An increase in contributions and subsidies of \$1,345,815 to support a higher state mandated market rate which is estimated to reflect an increase of 5.5 percent for the providers of subsidized child care services under the Child Care Assistance and Referral (CCAR) Program. It should be noted that the market rate increase will be phased in over the first quarter of FY 2005. Therefore, an amount of \$1.3 million represents nine months of funding. It should be noted that this expenditure increase is partially offset by an associated 50 percent revenue match in federal/state pass through funding for the purchase of child care services.

Capital Equipment

Capital Equipment totals \$2,036,888, a decrease of \$3,101,509 from the *FY 2004 Revised Budget Plan* funding level of \$5,138,397. It should be noted that the FY 2004 revised funding level includes \$1,229,027 carried over from FY 2003 in order to complete the purchase of previously approved equipment items as well as increases of \$32,355 from other actions throughout FY 2004.

The FY 2005 funding level represents a decrease of \$1,840,127 or 47.5 percent from the FY 2004 Adopted Budget Plan of \$3,877,015. The total amount budgeted in FY 2005 for Capital Equipment includes \$418,351 for additional equipment, \$682,072 for replacement equipment, \$865,465 for lease/purchase of equipment, and \$71,000 in equipment for new facilities. Major lease/purchase items and other Capital Equipment purchases are summarized below.

- ◆ **Electoral Board and General Registrar** – funding of \$704,905 is included for the first of three annual lease/purchase payments for electronic voting machines. The purchase and implementation of 1,000 new touch screen voting machines, an increase of 150 machines over the existing number of machines based on an increase of approximately 58,000 more voters than were registered in 2001, will enable the County to meet all of the federal Help America Vote Act of 2002 (HAVA) mandates, achieve full handicap accessibility, and realize significant costs savings relative to the old machines in terms of purchase, maintenance, and transportation.
- ◆ **Department of Cable Communications and Consumer Protection** – funding of \$341,651 for the purchase of high density shelving units for the Archives and Records Branch Springfield Records Center. The high density shelving will allow increased storage capabilities within the existing facility, providing an additional 21,000 cubic feet of storage for records received from all County agencies and the Board of Supervisors.
- ◆ **Stormwater Management** – funding of \$278,000 includes replacement of the County's only mobile 22 ton crane, \$240,000, which is used by the agency for numerous repair and maintenance projects and by other agencies such as Facilities Management Division to replace rooftop equipment, as well as by the Fire and Rescue Department for demolition and hazmat incidents. Also scheduled for replacement is a slope mower, \$38,000, that is required for various maintenance efforts based on the age and condition of the equipment as well as the expensive repairs that are needed.

General Fund Disbursement Overview

- ◆ **Fire and Rescue Department** – funding of \$253,500 includes \$35,000 for equipment requirements associated with the opening of the Fairfax Center Fire Station, \$71,000 for a lube rack and equipment for state inspections at the new West Ox Apparatus Shop, as well as \$105,300 for replacement items which have outlived their useful life-span, and \$42,200 for additional equipment requirements to support the Fire Investigations branch and the warehouse.
- ◆ **Park Authority** – funding of \$240,000 is included for replacement equipment that has outlived its useful life and is not cost effective to repair. This level of funding will continue to address the prioritized replacement of vehicles and equipment identified in the Park Authority's comprehensive fleet inventory.
- ◆ **Department of Transportation** – funding of \$160,560 is included for the final year of a five-year lease/purchase agreement for the Photo Red Light Monitoring Program cameras. The authorization for the Photo Red Light Monitoring Program ends on June 30, 2005 and will require renewal by the state.
- ◆ **Police Department** – funding of \$58,272 is included for the replacement of items which have outlived their useful life-span including \$38,000 to replace a ballistic blanket shield which is 10 years old and cannot protect against rifle fire; \$14,000 for two surveillance transmitters which are 10 years old and becoming inoperable and \$6,272 for a standardized test scoring machine for applicant screening which will reduce costs associated with applicant review.

Recovered Costs

Recovered Costs total \$39,189,376, an increase of \$341,723 or 0.88 percent over the *FY 2004 Revised Budget Plan* level of \$38,847,653 primarily due to the following:

- ◆ Increases in the Office of Capital Facilities, \$202,977 and Facilities Management Division, \$62,431 primarily due to projected FY 2005 salary and operating expenses that are recoverable.
- ◆ Park Authority increase of \$87,719 primarily due to projected FY 2005 salaries for positions associated with bond-funded initiatives.
- ◆ Department of Family Services net decrease of \$12,603 associated with a reduction in projected operating expense reimbursements.

General Fund Disbursement Overview

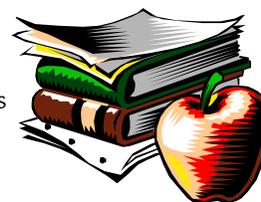
SUMMARY OF GENERAL FUND TRANSFERS

The FY 2005 Transfers Out from the General Fund total \$1,730,236,126, an increase of \$92,567,429 or 5.7 percent over the *FY 2004 Revised Budget Plan* Transfers Out of \$1,637,668,697. The changes are summarized below.

	Increase/ (Decrease)
▪ Fund 090, School Operating Fund	\$81,523,866
▪ Fund 201, School Debt Service	5,631,320
▪ Fund 309, Metro Operations and Construction	5,872,106
▪ Fund 120, E-911	4,334,695
▪ Fund 106, Fairfax-Falls Church Community Services Board	2,293,932
▪ Fund 104, Information Technology	2,182,729
▪ Fund 200, County Debt Service	1,569,461
▪ Fund 100, County Transit Systems	1,564,154
▪ Fund 303, County Construction	1,285,908
▪ Fund 304, Primary and Secondary Road Bond Construction	1,000,000
▪ Fund 505, Technology Infrastructure Services	944,600
▪ Fund 110, Refuse Disposal	700,000
▪ Fund 118, Consolidated Community Funding Pool	322,935
▪ Fund 119, Contributory Fund	301,054
▪ Fund 500, Retiree Health	219,502
▪ Fund 103, Aging Grants and Programs	188,599
▪ Fund 141, Housing Programs for the Elderly	172,411
▪ Fund 308, Public Works Construction	(175,000)
▪ Fund 144, Housing Trust Fund	(1,500,000)
▪ Fund 002, Revenue Stabilization Fund	(1,616,231)
▪ Fund 112, Energy Resource Recovery Facility	(1,763,704)
▪ Fund 503, Department of Vehicle Services	(2,000,000)
▪ Fund 312, Public Safety Construction	(10,484,908)

Fund 090, School Operating Fund

The FY 2005 Advertised Budget Plan transfer to support the Fairfax County Public Schools is \$1,322,374,187, an increase of \$81,523,866 or 6.57 percent over the *FY 2004 Revised Budget Plan* transfer of \$1,240,850,321. Included in this amount is \$1,621,364, which represents the ninth year of a ten-year program to eliminate the County's unfunded salary liability for teachers.



Fund 201, School Debt Service

The total General Fund transfer to Fund 201, School Debt Service, is \$126,528,053, an increase of \$5,631,320 or 4.7 percent over the *FY 2004 Revised Budget Plan* funding level of \$120,896,733. This increase is required to provide for principal and interest payments due on existing General Obligation and literary loan debts, as well as new debt issued in FY 2004 and FY 2005.

Note: The combined transfer for School Operating and School Debt Service in FY 2005 is \$1.45 billion which represents 53.0 percent of General Fund Disbursements.

Fund 309, Metro Operations and Construction

The FY 2005 General Fund transfer to Fund 309, Metro Operations and Construction, is \$18,144,820, an increase of \$5,872,106 or 47.9 percent over the *FY 2004 Revised Budget Plan* funding level of \$12,272,714. Funding is provided by Fairfax County to pay the County's allocated portion of the Washington Metropolitan Area Transit Authority's (WMATA) FY 2005 operating and capital budget. The County subsidizes Metrorail, Metrobus, and MetroAccess (paratransit) service, contributes to construction costs associated with the 103-mile Metrorail system, and contributes to the repair, maintenance, rehabilitation, and replacement of capital equipment and facilities for the Metrobus, Metrorail, and MetroAccess systems. The increase of \$5,872,106 over FY 2004 is primarily the result of the use of one time balances available in FY 2004.

General Fund Disbursement Overview

Fund 120, E-911

This fund accounts for E-911 revenues and expenditures separately as stipulated by Virginia General Assembly legislation approved in 2000. Prior to FY 2001, E-911 fees were reflected in the General Fund and Fund 104, Information Technology. Fund 120, E-911, recognizes revenue from estimated E-911 fees and Commonwealth reimbursement associated with Wireless E-911. All expenditures allowable by law directly associated with the Public Safety Communications Center (PSCC) are billed directly to this fund. Information Technology (IT) projects associated with the PSCC are also budgeted in this fund. A General Fund transfer supports any difference between revenues and expenditures. The FY 2005 General Fund transfer into Fund 120, E-911, is \$9,755,869, an increase of \$4,334,695 over the FY 2004 transfer amount of \$5,421,174. Of this increase, approximately \$3.0 million is associated with increased operational requirements including 16/16.0 SYE additional staff and compensation adjustments which are necessary to provide improved call taking and dispatching performance. The remaining increase is attributable to declining revenues from the E-911 tax.

Fund 106, Fairfax-Falls Church Community Services Board

The FY 2005 transfer to Fund 106, Fairfax-Falls Church Community Services Board is \$82,893,897, reflecting an increase of \$2,293,932 or 2.9 percent over the *FY 2004 Revised Budget Plan* funding level of \$80,599,965. The increase is necessary to fund the County's compensation program, to support contract rate and grant adjustments and to provide funding for day support and transportation services to 17 new special education graduates of the Fairfax County Public Schools.

Fund 104, Information Technology

The FY 2005 transfer to Fund 104, Information Technology, is \$11,632,573, an increase of \$2,182,729 or 23.1 percent over the *FY 2004 Revised Budget Plan* amount of \$9,449,844. The funding will address priority projects that support mandated requirements, leverage prior investments, enhance County security, improve service quality and efficiency, and ensure a current and supportable technology infrastructure.



Fund 200, County Debt Service

The total General Fund transfer to Fund 200, County Debt Service, is \$100,015,157, an increase of \$1,569,461 or 1.6 percent over the *FY 2004 Revised Budget Plan* funding level of \$98,445,696. This amount is required to provide for principal and interest payments due on existing General Obligation debts and lease/purchase payments for the Government Center Properties, the South County Government Center and FCRHA Community Centers, as well as principal and interest payments on new debt issued in FY 2004.

Fund 100, County Transit Systems

The FY 2005 General Fund transfer to Fund 100, County Transit Systems, is \$21,210,147, an increase of \$1,564,154 or 8.0 percent over the *FY 2004 Revised Budget Plan* funding level of \$19,645,993. County Transit Systems provides funding for operating and capital expenses for the FAIRFAX CONNECTOR bus system, comprising the Huntington and Reston-Herndon Divisions. This fund also includes the County's share of the subsidy for commuter rail services operated by the Virginia Railway Express (VRE). The increase is necessary to fully fund required contractual adjustments in the FAIRFAX CONNECTOR Bus System, VRE local jurisdiction subsidy increases and to meet rising fuel costs associated with the FAIRFAX CONNECTOR's continuing transition to ultra-low sulfur diesel fuel.

Fund 303, County Construction

The FY 2005 General Fund transfer to Fund 303, County Construction is \$8,550,187, an increase of \$1,285,908 or 17.7 percent over the *FY 2004 Revised Budget Plan* amount of \$7,264,279. This increase is primarily due to funding associated with security costs and improvements to the Laurel Hill property, increased contract costs associated with mowing at Park Authority park sites, and payments of interest on conservation bonds.

General Fund Disbursement Overview

Fund 304, Primary and Secondary Road Bond Construction

The FY 2005 transfer to Fund 304, Primary and Secondary Road Bond Construction is \$1,000,000, an increase of \$1,000,000 over the *FY 2004 Revised Budget Plan* transfer. This increase will continue the implementation of priority projects associated with the TAC Spot Improvement Program.

Fund 505, Technology Infrastructure Services

The FY 2005 transfer to Fund 505, Technology Infrastructure Services is \$944,600, an increase of \$944,600 over the *FY 2004 Revised Budget Plan*. With the deployment of the new public safety and the soon-to-be operational new public service radio systems, in FY 2005, the operations of the Radio Center are being modified for private sector provided equipment maintenance support for improved efficiencies. The current staffing level of 12/12.0 SYE will be reduced to 5/5.0 SYE and will provide contractor oversight and supervision for the new contracts as well as interoperability management to ensure 24 hours a day/7 days a week communication with other jurisdictions. To support the operational and maintenance requirements of the systems, costs will be recovered by user entities such as the FCPS and Fairfax County Water Authority, and a General Fund Transfer is included to cover the General Fund and General Fund Supported agencies portion of the costs.

Fund 110, Refuse Disposal

The FY 2005 transfer to Fund 110, Refuse Disposal, is \$2,500,000, an increase of \$700,000 or 38.9 percent over the *FY 2004 Revised Budget Plan* amount of \$1,800,000. This increase is primarily attributable to decreasing fund balance and increasing expenditures that cannot be recovered from the refuse disposal fee. This transfer will allow the County to continue to maintain a competitive disposal rate to retain required refuse tonnage levels, and at the same time provide the level of service to specific refuse disposal programs that do not fully recover costs, specifically the County's Recycling Program, the Household Hazardous Waste Program, and the Code Enforcement Program.

Fund 118, Consolidated Community Funding Pool

The FY 2005 transfer to Fund 118, Consolidated Community Funding Pool (CCFP), is \$6,781,644, an increase of \$322,935 or 5.0 percent over the *FY 2004 Revised Budget Plan* transfer of \$6,458,709. The FY 2005 funding is provided as a result of performance and leverage requirements identified for community based agencies and organizations. This increase will provide a five percent inflationary increase for community-based agencies during the first year of the new two-year CCFP funding cycle. It should be noted that the Fund 142, Community Development Block Grant, portion of the CCFP is the same level, \$2,231,995 as the FY 2004 Federal Department of Housing and Urban Development (HUD) award as approved by the Board of Supervisors on April 28, 2003.

Fund 119, Contributory Fund

The FY 2005 transfer to Fund 119, Contributory Fund, is \$7,349,477, an increase of \$301,054 or 4.3 percent over the *FY 2004 Revised Budget Plan* transfer of \$7,048,423. This increase is a result of increased expenditures of \$355,321, primarily associated with an increase of \$84,758 for the Northern Virginia Healthcare Center/District Home as a result of a per diem increase for the District Home; an increase of \$73,066 for the Northern Virginia Regional Identification System (NOVARIS) based on the County's share of the cost of operations and upgrades of the system; an increase of \$64,229 to accommodate the per capita increase for the Northern Virginia Regional Commission for the County's annual contribution as well as special contributions for the Occoquan Watershed Management Program and the Four Mile Run-off Program; an increase of \$52,499 for the Northern Virginia Soil and Water Conservation District for salary adjustments and the Soil Survey Project; an increase of \$31,157 for the Northern Virginia Regional Park Authority based on the County's share of costs; an increase of \$24,292 for the Metropolitan Washington Council of Governments based on Fairfax County's share of the region's estimated population as well as an increase in the per capita rate; and \$25,320 in miscellaneous increases and decreases for various contributory agencies. Available fund balance of \$54,267 reduces the amount required for the FY 2005 General Fund transfer.

Fund 500, Retiree Health

The FY 2005 transfer to Fund 500, Retiree Health, is \$3,308,246, an increase of \$219,502 or 7.1 percent over the *FY 2004 Revised Budget Plan* transfer of \$3,088,744. This increase is a result of the number of beneficiaries receiving the subsidy.

General Fund Disbursement Overview

Fund 103, Aging Grants and Programs

The FY 2005 transfer to Fund 103, Aging Grants and Programs is \$2,024,425, an increase of \$188,599 or 10.3 percent over the *FY 2004 Revised Budget Plan* transfer of \$1,835,826. This increase funds the County's compensation program and supports increased operating costs associated with the expansion of the Congregate Meals Program at four new and expanded facilities: Franconia Senior Center, Herndon Harbor House, James Lee Senior Center and Lorton Senior Center.

Fund 141, Housing Programs for the Elderly

The FY 2005 transfer to Fund 141, Housing Programs for the Elderly, is \$1,387,844, an increase of \$172,411 or 14.2 percent over the *FY 2004 Revised Budget Plan* transfer of \$1,215,433. This increase is primarily associated with higher costs for contractual services for assisted living at the Lincolnia Center.

Fund 308, Public Works Construction

No FY 2005 General Fund transfer to Fund 308, Public Works Construction is included, reflecting a decrease of \$175,000 from the *FY 2004 Revised Budget Plan*. FY 2004 funding was provided to support the dredging of the Occoquan River.

Fund 144, Housing Trust Fund

No FY 2005 transfer to Fund 144, Housing Trust Fund is included, reflecting a decrease of \$1,500,000 from the *FY 2004 Revised Budget Plan*. A one-time transfer was provided at the *FY 2003 Carryover Review* for the construction of a 60 unit assisted living facility at Little River Glen II.

Fund 002, Revenue Stabilization Fund

No FY 2005 transfer to Fund 002, Revenue Stabilization Fund, is included, reflecting a decrease of \$1,616,231 from the *FY 2004 Revised Budget Plan* transfer. FY 2004 funding was provided at the *FY 2003 Carryover Review* in accordance with the Board of Supervisors' policy that a minimum of 40 percent of non-recurring balances identified at quarterly reviews are to be transferred to this fund.

Fund 112, Energy/Resource Recovery Facility

No FY 2005 transfer to Fund 112, Energy/Resource Recovery Facility, is included, reflecting a decrease of \$1,763,704 from the *FY 2004 Revised Budget Plan*. FY 2004 funding was associated with reimbursement for local taxes as a result of the transfer of the Lorton property from the federal government to the County. At the *FY 2003 Carryover Review* a transfer in the amount of \$1.76 million was included to adjust for this payment. A similar transfer will be necessary as part of the *FY 2004 Carryover Review*. Pursuant to the property transfer, the Energy/Resource Recovery Facility (E/RRF) located on the property and operated by COVANTA Fairfax, Inc., has changed from tax exempt to taxable status. Based on the contract with COVANTA, the company pays the real estate and personal property taxes on this property and then charges it to the County.

Fund 503, Department of Vehicle Services

No FY 2005 transfer to Fund 503, Department of Vehicle Services, is included, reflecting a decrease of \$2,000,000 from the *FY 2004 Revised Budget Plan*. FY 2004 funding was included as part of the *FY 2003 Carryover Review* to support the costs associated with retrofitting diesel engine vehicles for use with ultra-low sulfur diesel fuel. This funding represented one piece of ongoing County efforts to comply with the 1990 Clean Air Act.

Fund 312, Public Safety Construction

No FY 2005 transfer to Fund 312, Public Safety Construction is included, reflecting a decrease of \$10,484,908 from the *FY 2004 Revised Budget Plan*. FY 2004 funding was provided to support costs associated with the new Public Safety Operations Center (PSOC). An amount of \$9,984,908 provided for design engineering, utilities, fees, and permits and \$500,000 was included for ten (10) additional consoles at the existing Public Safety Communications Center to address increased call volume and further enhance overall effectiveness at the E-911 Center.

Fund 119

Summary of Contributory Agencies

Summary of Contributory Agencies

Fund 119, Contributory Fund, was established in FY 2001 to reflect the General Fund support for agencies or organizations that will receive County contributions. Funding for these organizations was previously included in the General Fund under Agency 88, Contributory Agencies. However, because the expenditures made to these organizations are not in support of direct County operations, the use of direct expenditures from the General Fund distorts the cost of County operations. Therefore, a separate fund was established to show the General Fund support of these organizations in the form of a transfer, rather than as a direct expenditure. FY 2005 funding totals \$7,403,744 and reflects an increase of \$355,321 or 5.0 percent over the *FY 2004 Revised Budget Plan* funding level of \$7,048,423. Based on the Beginning Balance of Fund 119, however, the required Transfer In from the General Fund is \$7,349,477, an increase of \$301,054 or 4.3 percent over the FY 2004 transfer of \$7,048,423. Individual contributions are described in detail in the narrative of Fund 119, Contributory Fund, in Volume 2 of the FY 2005 Advertised Budget Plan.

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

The following chart summarizes the FY 2005 funding for the various contributory organizations.

Fairfax County	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
Legislative-Executive Functions/Central Service Agencies:				
Dulles Area Transportation Association	\$9,000	\$9,000	\$9,000	\$9,000
Metropolitan Washington Council of Governments	699,546	758,933	758,933	783,225
Northern Virginia Regional Commission	362,816	363,759	363,759	427,988
Northern Virginia Transportation Commission	166,789	160,694	160,694	166,577
Public Technology Incorporated	27,500	27,500	27,500	27,500
Virginia Association of Counties	178,678	186,562	186,562	189,090
Virginia Innovation Group	5,250	5,250	5,250	5,250
Virginia Institute of Government	20,000	20,000	20,000	20,000
Virginia Municipal League	87,249	0	0	0
Washington Airports Task Force	40,500	40,500	40,500	40,500
Subtotal Legislative-Executive	\$1,597,328	\$1,572,198	\$1,572,198	\$1,669,130
Public Safety:				
NOVARIS	\$269,333	\$282,934	\$282,934	\$356,000
Partnership For Youth	50,000	50,000	50,000	50,000
Subtotal Public Safety	\$319,333	\$332,934	\$332,934	\$406,000

Fund 119

Summary of Contributory Agencies

Fairfax County	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
Health and Welfare:				
Health Systems Agency of Northern Virginia	\$86,750	\$86,750	\$86,750	\$86,750
Northern Virginia Healthcare Center/District Home of Manassas	580,094	891,623	891,623	976,381
Volunteer Fairfax	282,247	282,247	282,247	282,247
Subtotal Health and Welfare	\$949,091	\$1,260,620	\$1,260,620	\$1,345,378
Parks, Recreation and Cultural:				
Arts Council of Fairfax County	\$204,362	\$207,727	\$207,727	\$209,585
Arts Council of Fairfax County - Arts Groups Grants	120,000	120,000	120,000	120,000
Dulles Air and Space Museum	240,000	240,000	240,000	240,000
Fairfax Symphony Orchestra	246,964	246,964	246,964	252,518
Northern Virginia Regional Park Authority	1,680,636	1,775,861	1,775,861	1,807,018
Reston Historic Trust	20,000	20,000	20,000	20,000
The Claude Moore Colonial Farm	31,500	31,500	31,500	31,500
Town of Vienna Teen Center	40,000	40,000	40,000	40,000
Virginia Opera Company	25,000	25,000	25,000	25,000
Wolf Trap Foundation for the Performing Arts	25,000	25,000	25,000	25,000
Subtotal Parks, Recreation & Cultural	\$2,633,462	\$2,732,052	\$2,732,052	\$2,770,621
Community Development:				
Architectural Review Board	\$3,500	\$3,500	\$3,500	\$3,500
Commission for Women	6,916	6,916	6,916	6,916
Fairfax County History Commission	26,022	26,022	26,022	26,022
Celebrate Fairfax, Incorporated	19,189	24,864	24,864	26,298
Northern Virginia Community College	100,132	99,074	99,074	97,332
Northern Virginia Soil and Water Conservation District	351,112	344,947	344,947	397,446
Northern Virginia 4-H Education Center	25,000	25,000	25,000	25,000
Occoquan Watershed Monitoring Program	86,909	91,240	91,240	95,650
Southeast Fairfax Development Corporation	142,250	142,250	142,250	142,250
VPI/UVA Education Center	50,000	50,000	50,000	50,000
Women's Center of Northern Virginia	29,942	29,942	29,942	29,942
Washington Area Housing Partnership	4,000	4,000	4,000	4,000
Northern Virginia Conservation Trust Partnership	241,345	245,207	245,207	250,602
Subtotal Community Development	\$1,086,317	\$1,092,962	\$1,092,962	\$1,154,958
Nondepartmental:				
Fairfax Public Law Library	\$57,657	\$57,657	\$57,657	\$57,657
Subtotal Nondepartmental	\$57,657	\$57,657	\$57,657	\$57,657
Total County Contributions	\$6,643,188	\$7,048,423	\$7,048,423	\$7,403,744



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Other Funds Overview

This section includes:

- ▶ *Other Funds Overview (Page 96)*
- ▶ *Special Revenue Funds (Page 96)*
- ▶ *Debt Service Funds (Page 100)*
- ▶ *Enterprise Funds (Page 100)*
- ▶ *Internal Service Funds (Page 101)*
- ▶ *Trust and Agency Funds
(Page 103)*

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

FY 2005 revenues for Other Funds are \$4,883,188,658 (excluding General Fund revenues). Total revenues are a decrease of \$394,504,399 or 16.3 percent from the *FY 2004 Revised Budget Plan* and an increase of \$41,222,882 or 2.1 percent over the FY 2004 Adopted Budget Plan. It should be noted that the decrease from the *FY 2004 Revised Budget Plan* is the result of significant carryover of capital construction project funding and anticipated grant revenues rather than the result of changes in the revenue stream for Other Funds. As indicated by the increase in revenues over the FY 2004 Adopted Budget Plan, revenues are expected to grow a modest 2.1 percent overall for FY 2005. Details concerning changes in revenue growth are discussed for each specific fund in Volume 2, Capital Construction and Other Operating Funds in the FY 2005 Advertised Budget Plan. Also, the FY 2005 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 2005 expenditures for Other Funds total \$3,647,353,622 (excluding General Fund direct expenditures), and reflect a decrease of \$811,175,313 or 18.2 percent from the *FY 2004 Revised Budget Plan* funding level of \$4,458,528,935. This decrease is primarily due to the effect of significant carryover for capital construction projects and sewer construction projects, and should not be perceived as a major change to programs or operations. Excluding carryover adjustments in FY 2004, expenditures increase \$105,209,681 or 3.0 percent over the FY 2004 Adopted Budget Plan total of \$3,542,143,941.

The following is a brief discussion of highlights and major expenditure issues associated with the various funds. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview, and Special Revenue funding for the Fairfax County Public Schools, which is discussed in the Fairfax County School Board's FY 2005 Advertised Budget. A complete discussion of funding and program adjustments in Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the FY 2005 Advertised Budget Plan. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds from specific sources that are legally restricted to expenditures for a specific purpose. These proceeds include state and federal aid, income derived through activities performed by the Division of Solid Waste, special levies, program activity revenue, and operation of the public school system. The following are highlights for various Special Revenue Funds. Details for other funds not shown here are included in Volume 2, Capital Construction and Other Operating Funds in the FY 2005 Advertised Budget Plan.

In FY 2005, Special Revenue Fund expenditures total \$2,276,964,432, a decrease of \$147,335,727 or 6.1 percent from the *FY 2004 Revised Budget Plan* funding level of \$2,424,300,159. Excluding adjustments in FY 2004, expenditures increase \$117,509,959 or 5.4 percent over the FY 2004 Adopted Budget Plan level of \$2,159,454,473. Funds with significant adjustments are as follows:

Other Funds Overview

Fund 100, County Transit Systems: FY 2005 funding of \$31.4 million is included for this fund, including \$28.1 million to support the FAIRFAX CONNECTOR system, which will provide service to an estimated 8.4 million passengers in the Huntington and Reston-Herndon Divisions. The system includes 166 County-owned buses, providing service on 56 routes to 11 Metrorail stations throughout the region. The remaining \$3.3 million will support commuter rail services operated by the Virginia Railway Express (VRE). In FY 2005, the Fairfax County Department of Transportation has developed a plan that allows targeted service enhancements on FAIRFAX CONNECTOR with only a minimal increase in General Fund support. The first part of the plan increases the base fare by \$0.25 and increases the fare paid with a Metrorail-to-bus transfer. This increase would eliminate the fare discount in the FAIRFAX CONNECTOR system, and result in base fares of \$1.00. In addition, revenues from bus advertising and Dulles Express bus initiative funding from the state would be leverage to increase service in both Huntington and Reston- Herndon. Service in Huntington would be redesigned to include an additional 40,000 hours of service; increased service to growth areas of South County including Kingstowne, Lorton, Laurel Hill and the greater Springfield area; reduced travel times; increased mobility options through more transfer opportunities; expanded operating hours; enhanced service frequencies; more bi-directional routes; and, expanded weekend service levels. In Reston-Herndon the enhancements would result in an increase of 13,005 hours of service. These enhancements would increase service both in peak hours and in mid-day with primary emphasis on routes serving existing park-and-ride facilities.

Fund 102, Federal/State Grant Fund: This fund includes both grant awards already received as well as those anticipated to be received in FY 2005, for a total appropriation of approximately \$55.7 million including \$48.1 million held in reserve until the grant award is received and approved by the Board of Supervisors. The breakdown of grant funding by agency includes \$25.5 million for the Department of Family Services, \$7.9 million for the Department of Transportation, \$5.1 million for the Fire and Rescue Department, \$3.5 million for the Health Department, \$2.3 million for the Police Department, \$1.6 million for the Juvenile and Domestic Relations District Court, \$1.1 million for various other agencies, and \$1.1 million to address unanticipated grants. The remaining \$7.6 million is for grant awards that are appropriated directly to the Police Department for the Community-Oriented Policing (COPS) Universal Hiring Program and the COPS in Schools program and the Fire and Rescue Department for Urban Search and Rescue activities.

Fund 103, Aging Grants and Programs: FY 2005 funding of \$4.6 million is included for this fund to support the coordination and provision of services for older persons in Fairfax County, as well as the cities of Fairfax and Falls Church. The Fairfax Area Agency on Aging, within this fund, is the focal point for the network of County and private sector agencies serving the interests of the elderly.

Fund 104, Information Technology: In FY 2005, funding of \$11.8 million, which includes a General Fund transfer of \$11.6 million and interest income of \$0.2 million, is included for initiatives that meet the one or multiple priorities established by the Senior Information Technology Steering Committee. These initiatives include a mix of projects that provide benefits for both citizens and employees and that adequately balance continuing initiatives with the need for maintaining and strengthening the County's , technology infrastructure. Funded projects will support initiatives in the Human Services, Planning and Development, General County Services and Public Safety program areas.

Fund 105, Cable Communications: This fund has a projected FY 2005 appropriation level of \$13.0 million, which is a decrease of \$7.4 million or 36.5 percent from the *FY 2004 Revised Budget Plan*. This change is a result primarily of a decrease of \$13.8 million due to the one-time carryover of funds from FY 2003, including \$9.9 million in Operating Expenses and \$3.9 million in Capital Equipment, primarily for I-Net related expenses. The I-Net is a fiber optic cable network designed to support video, voice and data services that County and Fairfax County Public Schools (FCPS) currently provide using commercial telecommunication carriers. The construction of the I-Net is expected to be completed in FY 2004 and the implementation /activation of the I-Net is expected to begin in FY 2005. This decrease is partially offset by an increase of \$6.6 million to be appropriated from I-Net grant funding received since FY 1999 and held in fund balance, to support the implementation of the I-Net at County and FCPS sites; and an increase of \$0.4 million associated with salary adjustments necessary to support the County's compensation program and replacement equipment in the Board Auditorium and Production Studio.

Fund 106, Fairfax-Falls Church Community Services Board (CSB): FY 2005 expenditures for this fund total \$118.1 million, and are funded by a Fairfax County transfer of \$82.9 million, as well as funds from the state,

Other Funds Overview

the federal government, the cities of Fairfax and Falls Church and client fees. The FY 2005 funding provides for the following:

- \$54,343 to provide day support services to 17 new special education students of the Fairfax County Public Schools (FCPS) scheduled to graduate in June 2004. This funding represents the difference between the estimated cost of \$499,800 to provide day support and transportation services to the 17 graduates and the anticipated receipt of \$445,457 if the state assigns new Medicaid Waiver slots and funding to the CSB in early FY 2005. Should the County not receive the anticipated waiver slots, additional County funding will be necessary to support the new graduates.
- Maintenance of existing service levels and \$0.7 million to support anticipated inflationary increases for contract vendors who provide a wide range of services such as: residential and outpatient/case management for mental health clients; employment, training and vocational support for mental retardation clients; and detoxification and methadone services for alcohol and drug services clients.

Solid Waste Operations:

The County's Solid Waste Operations are under direct supervision of the Director of the Department of Public Works and Environmental Services (DPWES). The administration of waste disposal is achieved through the Division of Solid Waste Collection and Recycling and the Division of Solid Waste Disposal and Resource Recovery. The composition of operations includes a County-owned and operated refuse transfer station, an Energy/Resource Recovery Facility (E/RRF), a regional municipal landfill operated by the County, two citizens' disposal facilities, eight drop-off sites for recyclable material, and equipment and facilities for refuse collection, disposal, and recycling operations. Program operations will continue to be accomplished through the two entities consisting of five funds established previously under the special revenue fund structure. The combined expenditures of \$111,125,686, which includes \$78,747 for Solid Waste General Fund Programs, and a staffing level of 320/320.0 SYE positions are required to meet financial and operational requirements for waste collection and disposal programs in FY 2005. The FY 2005 Advertised Budget Plan funding level represents a decrease of \$37,128,991 or 25.0 percent from the *FY 2004 Revised Budget Plan* estimate of \$148,254,677 primarily attributable to FY 2003 carryover of unexpended capital project balances of \$23,881,263 partially offset by the need for FY 2004 capital project funding of \$14,929,000. Highlights by fund are as follows:

- **Fund 108, Leaf Collection:** Funding in the amount of \$1.5 million is included for this fund to provide for the collection of leaves within Fairfax County's leaf collection districts. It is anticipated that in FY 2005, Fund 108 will provide collection service to approximately 20,200 household units within 30 approved leaf districts on three different occasions. Revenue is derived from a levy charged to homeowners within leaf collection districts. Due to decreasing fund balance and increasing expenditure requirements, the levy will increase from \$0.01 per \$100 of assessed real estate value to \$0.015 per \$100 of assessed real estate value. See the Solid Waste Management Program narrative for more details.
- **Fund 109, Refuse Collection and Recycling Operations:** Funding in the amount of \$16.7 million is included for this fund to provide for the collection of refuse within the County's approved sanitary districts and County agencies, and for the coordination of the County's recycling and waste reduction operations, as well as the oversight of the Solid Waste General Fund Programs on behalf of the County. In FY 2005, the household refuse collection fee will increase from \$210 to \$240 per household unit. The increase is necessary due to decreasing fund balance and increasing disposal charges. See the Solid Waste Management Program narrative for more details.
- **Fund 110, Refuse Disposal:** Funding in the amount of \$53.8 million is included for this fund to provide for the coordination of the disposal of solid waste generated within Fairfax County by channeling the collected refuse to the Energy/Resource Recovery Facility (E/RRF). As a result of increasing disposal costs, the system disposal fee will increase from \$45 per ton to \$48 per ton. As a result of competitive pricing, continued migration of refuse from the County's waste stream, and the need to maintain the tonnage levels at the E/RRF, disposal rates have been set at levels that have not supported operational requirements since 1995. A General Fund transfer of \$2.5 million provides

Other Funds Overview

funding for FY 2005 projected deficits. See the Solid Waste Management Program narrative for more details.

- **Fund 112, Energy Resource and Recovery Facility (E/RRF):** Funding in the amount of \$32.8 million is included for this fund to provide the management of the contract for the 1-95 Energy/Resource and Recovery Facility (E/RRF), owned and operated by Covanta Fairfax Inc. (CFI). The E/RRF burns municipal solid waste and produces energy through the recovery of refuse resources. The County charges a disposal fee to all users of the E/RRF and subsequently pays the contractual disposal fee to CFI from these revenues. Revenues for the sale of electricity are used to offset the cost of the disposal fee. Due to an anticipated decrease in electricity revenues, in accordance with prior contractual arrangements with Dominion Virginia Power, the disposal fee will increase from \$30 to \$32 per ton in FY 2005. See the Solid Waste Management Program narrative for more details.
- **Fund 114, 1-95 Refuse Disposal:** Expenditures for this fund total \$6.3 million for FY 2005 which is a decrease of \$38.9 million or 86.1 percent from the *FY 2004 Revised Budget Plan* of \$45.2 million, primarily as a result of the carryover of capital project funding. This fund is responsible for the overall operation of the 1-95 Landfill, which is a multi-jurisdictional refuse deposit site dedicated to the disposal of ash generated primarily by the County's Energy/Resource and Recovery Facility (E/RRF) and other participating municipalities. The disposal rate for the 1-95 Landfill will remain at \$11.50 per ton.

Fund 116, Integrated Pest Management Program: FY 2005 funding of \$2.5 million is included for this fund. This funding level includes \$1.0 million for the Forest Pest Program to support the treatment of an estimated 5,000 acres to combat gypsy moths and cankerworms. It also provides for the continued monitoring and surveying of areas treated by the state for the emerald ash borer, a newly introduced pest in Fairfax County. This funding level also includes \$1.5 million to provide for the Disease-Carrying Insects Program to include treatment and public educational activities for the prevention of the West Nile Virus. The Integrated Pest Management Program is supported by a countywide tax levy which will remain at the current rate of \$0.001 per \$100 assessed value.

Fund 118, Consolidated Community Funding Pool: FY 2005 will be the first year of a new two-year funding cycle that uses a consolidated process to set priorities and award funds from both the Consolidated Community Funding Pool and the Community Development Block Grant. In FY 2005, there will be approximately \$9.0 million available for the Consolidated Community Funding Pool process, of which approximately \$6.8 million will be in Fund 118, Consolidated Community Funding Pool, and approximately \$2.2 million, will be in Fund 142, Community Development Block Grant.

Fund 119, Contributory Fund: Funding for all Contributory Agencies is reviewed annually, and the organizations must provide quarterly and annual financial reports to document their financial status. The FY 2005 recommended funding level is \$7.4 million, details of the organizations' funded can be found in Volume 2, Capital Construction and Other Operating Funds of the [FY 2005 Advertised Budget Plan](#).

Fund 120, E-911: In FY 2005, total expenditures are \$29.8 million, based on a General Fund Transfer of \$9.8 million, E-911 fee revenues of \$16.9 million, state reimbursement of \$3.1 million, and interest earnings of \$0.1 million. All expenditures directly associated with the Public Safety Communications Center (PSCC) will continue to be reflected in this fund. In addition, Information Technology projects associated with the PSCC will continue to be budgeted in this fund. A General Fund Transfer supports any difference between revenues and expenditures. Included in the FY 2005 amount is funding of \$635,189 for 14/14.0 SYE Public Safety Communicators III and 2/2.0 SYE Administrative Assistants I to help address current call volumes and increasing call wait times. In addition, a placeholder of \$1.0 million has been included which may be needed to implement recommendations to resolve recruitment and retention issues at the PSCC. See Fund 120, E-911 narrative for more details.

Complete details of all Special Revenue Funds are found in Volume 2, Capital Construction and Other Operating Funds of the [FY 2005 Advertised Budget Plan](#). Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview volume.

Other Funds Overview

DEBT SERVICE FUNDS

There are two debt service funds - **Fund 200, County Debt Service** and **Fund 201, School Debt Service**. These funds account for the accumulation of resources for and the payment of debt service on, general obligation bonds of the County and Schools, and for special revenue bond debt service.

FY 2005 Debt Service expenditures total \$236,393,638, an increase of \$15,854,690 or 7.2 percent over the *FY 2004 Revised Budget Plan* level of \$220,538,948. Funding includes transfers of \$226,543,210 from the General Fund, \$100,000 from Fund 314, Neighborhood Improvement Program Fund and \$99,769 from the McLean Community Center. In addition revenues are anticipated including \$700,000 in bond premiums and \$20,000 in revenue from Fairfax City. Available fund balances of \$8,930,659 associated with savings in FY 2003 and FY 2004 are also utilized.

This funding level provides for the retirement of County and School general obligation bond and literary loan debt principal and interest due and payable in FY 2005 as well as lease/purchase payments for the Government Center Properties and Fairfax County Redevelopment and Housing Authority (FCRHA) lease revenue bonds issued for community centers and an adult day care center, Certificate of Participation payments for the new South County Government Center and fiscal agent fees.

Complete details of the Debt Service Funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2005 Advertised Budget Plan. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

ENTERPRISE FUNDS

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

FY 2005 Enterprise Funds expenditures for sewer operation and maintenance and sewer debt service total \$139,439,843, a decrease of \$171,129,194 or 55.1 percent from the *FY 2004 Revised Budget Plan* of \$310,569,037 primarily due to the carryover of capital projects construction balances to complete the expansion requirements of the Noman M. Cole, Jr. Pollution Control Plant (NCPCP) from 54 million gallons per day (MGD) to 67 MGD and other system improvements.

The program includes the County-owned wastewater treatment plant (54 million gallons per day (MGD) capacity), approximately 3,200 miles of sewer lines, 61 pumping stations, 53 metering stations and covers approximately 234 square miles of the County's 395 square-mile land area. In FY 2005, WMP anticipates a total of 349,385 households in Fairfax County will be connected to public sewers.

Current Availability Fee Rates:

In FY 2005, Availability Fees will increase from \$5,431 to \$5,621 for single-family homes based on current projections of capital requirements. The Availability Fee rate for all types of units are adjusted based on continued increases in expenses associated with treatment plant upgrades and interjurisdictional payments that result from population growth, more stringent treatment requirements, and inflation. The following table displays the resulting increase by category.

Other Funds Overview

Category	FY 2004 Availability Fee	FY 2005 Availability Fee
Single Family	\$5,431	\$5,621
Townhouses and Apartments	\$4,345	\$4,497
Hotels/Motels	\$1,358	\$1,405
Nonresidential	\$281/fixture unit	\$291/fixture unit

Current Sewer Service Charge:

The Sewer Service Charge rate will increase from \$3.03 to \$3.20 per 1,000 gallons of water consumption in FY 2005. Based on this rate increase, the additional annual cost to the typical household is anticipated to be \$12.92. Sewer Service Charges are adjusted based on projected capital requirements associated with the renovation and rehabilitation of existing treatment facilities.

Category	FY 2004 Sewer Service Charge	FY 2005 Sewer Service Charge
Per 1,000 gallons water consumed	\$3.03	\$3.20

The FY 2005 Sewer Service Charge and Availability Fee are based on increased costs associated with capital project construction, system operation and maintenance, debt service and upgrades to effectively reduce nitrogen discharge from wastewater treatment plants in order to meet new, more stringent nitrogen discharge limitations. The program will also utilize sewer fund balances to partially offset these higher costs. These rate increases are consistent with the recommendations of the Department of Public Works and Environmental Services and the analysis included in the Forecasted Financial Statement for July 1, 2003 through June 30, 2008.

Complete details of the Enterprise Funds, which comprise the Wastewater Management Program, are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2005 Advertised Budget Plan. Program Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

INTERNAL SERVICE FUNDS

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

Other Funds Overview

FY 2005 Internal Service expenditures total \$390,546,279, an increase of \$33,731,728 or 9.5 percent over the *FY 2004 Revised Budget Plan* level of \$356,814,551. Excluding adjustments in FY 2004, expenditures increased \$49,379,051 or 14.5 percent over the FY 2004 Adopted Budget Plan of \$341,167,228. Funds with significant adjustments are as follows:

- ◆ **Fund 501, County Insurance:** A net decrease of \$0.5 million primarily in Operating Expenses due to decreases in self insurance costs associated with one-time higher than average claims experience anticipated for FY 2004.
- ◆ **Fund 503, Department of Vehicle Services:** A net decrease of \$1.9 million due primarily to carryover funding including \$2.0 million for retrofitting diesel engine vehicles for use with ultra-low sulfur diesel fuel. This funding represented one piece of ongoing County efforts to comply with the 1990 Clean Air Act.
- ◆ **Fund 505, Technology Infrastructure Services:** A net increase of \$2.1 million due to an increase of \$2.9 million primarily for PC replacement purchases, server and equipment maintenance, increased telecommunications requirements to support new applications and redundancy in the system, and funding for the fourth year of a five-year replacement program for the Enterprise Network. These increases are partially offset by a decrease of \$0.8 million due to encumbered carryover from FY 2003. It should be noted that after a comprehensive review of the funding and operation of this program, the program will continue on a 4 year replacement cycle, restructure the end-user training, further review various service options for deploying equipment, increase the number of PC's in the program to account for additional purchases over the last few years and consider the types of PC's that are provided for replacement to take advantage of all available technology.

In addition, the annual amount collected per PC will stay at \$400/year in FY 2005 however move to \$500/year in FY 2006 based on an analysis of the future year cash flow required to support hardware and software components of the program. Industry experts that assisted in the review continue to stress the validity and essential nature of the County's refresh cycle at the desktop. In addition, with the deployment of the new public safety and the soon-to-be operational new public service radio systems, in FY 2005, the operations of the Radio Center are being modified for private sector provided equipment maintenance support for improved efficiencies. The current staffing level of 12/12.0 SYE will be reduced to 5/5.0 SYE and will provide contractor oversight and supervision for the new contracts as well as interoperability management to ensure 24 hours a day/7 days a week communication with other jurisdictions. To support the operational and maintenance requirements of the systems, costs will be recovered by user entities such as the FCPS and Fairfax County Water Authority, and a General Fund Transfer is included to cover the General Fund and General Fund Supported agencies portion of the costs.

- ◆ **Fund 506, Health Benefits Trust Fund:** An increase of \$6.9 million primarily due to a 12.5 percent cost growth assumption and increased employee participation in the plan. As a result of projected increases in medical and prescription claims, the County's self-insured plan will raise premiums by 25 percent effective January 1, 2005 for the final six months of FY 2005. This will allow the fund to remain solvent and maintain an ending balance to offset unanticipated increases in claims costs.
- ◆ **Fund 591, School Health Benefits Trust:** An increase of \$26.0 million is due primarily to premium rate increases and higher enrollment.

Complete details of the Internal Service funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2005 Advertised Budget Plan and in the Fairfax County School Board's FY 2005 Advertised Budget. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

Other Funds Overview

TRUST AND AGENCY FUNDS

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

FY 2005 Trust and Agency funds combined expenditures total \$347,478,158, an increase of \$29,734,957 or 9.4 percent over the *FY 2004 Revised Budget Plan* funding level of \$317,743,201. Excluding adjustments in FY 2004, combined Trust Fund and Agency Funds expenditures increase \$29,755,343 or 9.4 percent over the FY 2004 Adopted Budget Plan level of \$317,722,815. This increase is primarily due to increases in the four retirement funds as a result of growth in the number of retirees receiving payments as well as higher retiree payments due to cost-of-living increases.

Complete details of the Trust and Agency funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2005 Advertised Budget Plan. In addition, details of the Educational Employees Retirement Fund may be found in the Fairfax County School Board's FY 2005 Advertised Budget. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.



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Capital Projects Overview

This section includes:

- ▶ *Summary of Capital Construction Program (Page 106)*
- ▶ *Expenditure and Financing Summary Charts (Page 123)*
- ▶ *Capital Project Details (Page 125)*

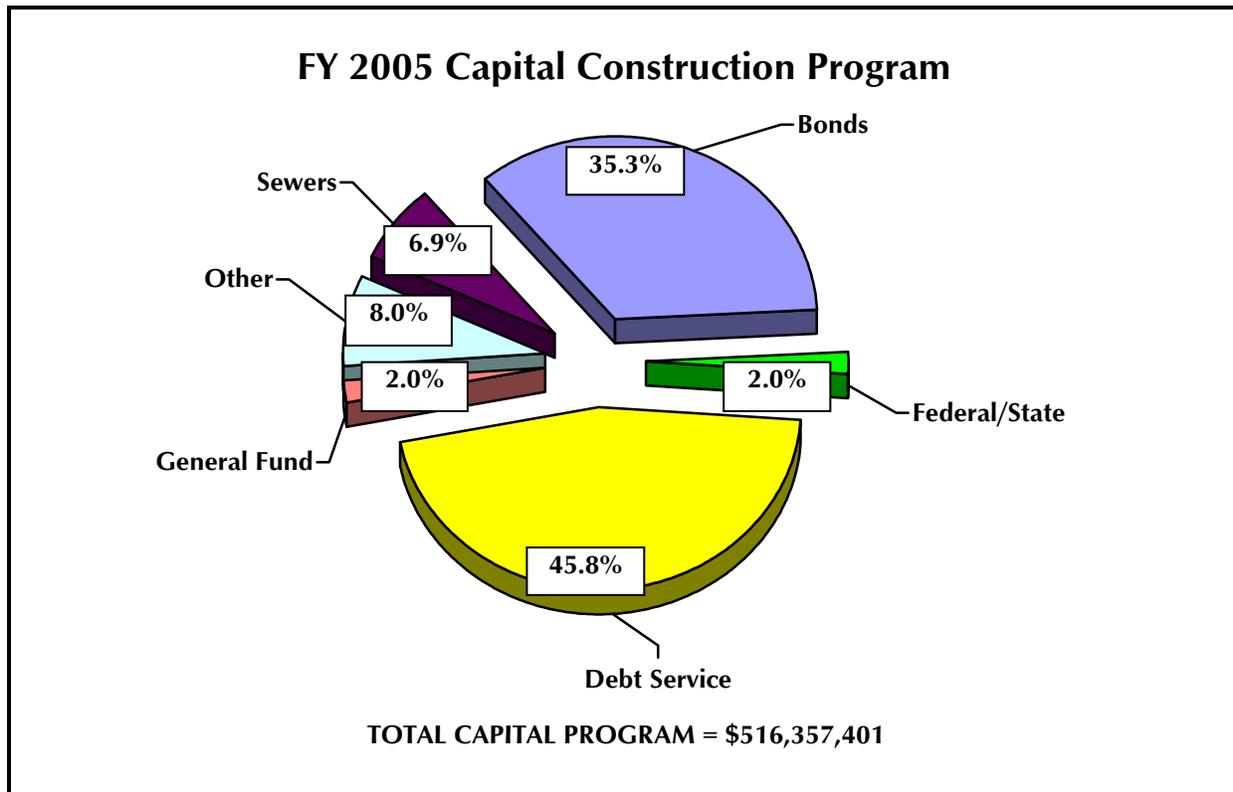
Capital Projects Overview

Summary of Capital Construction Program

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

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

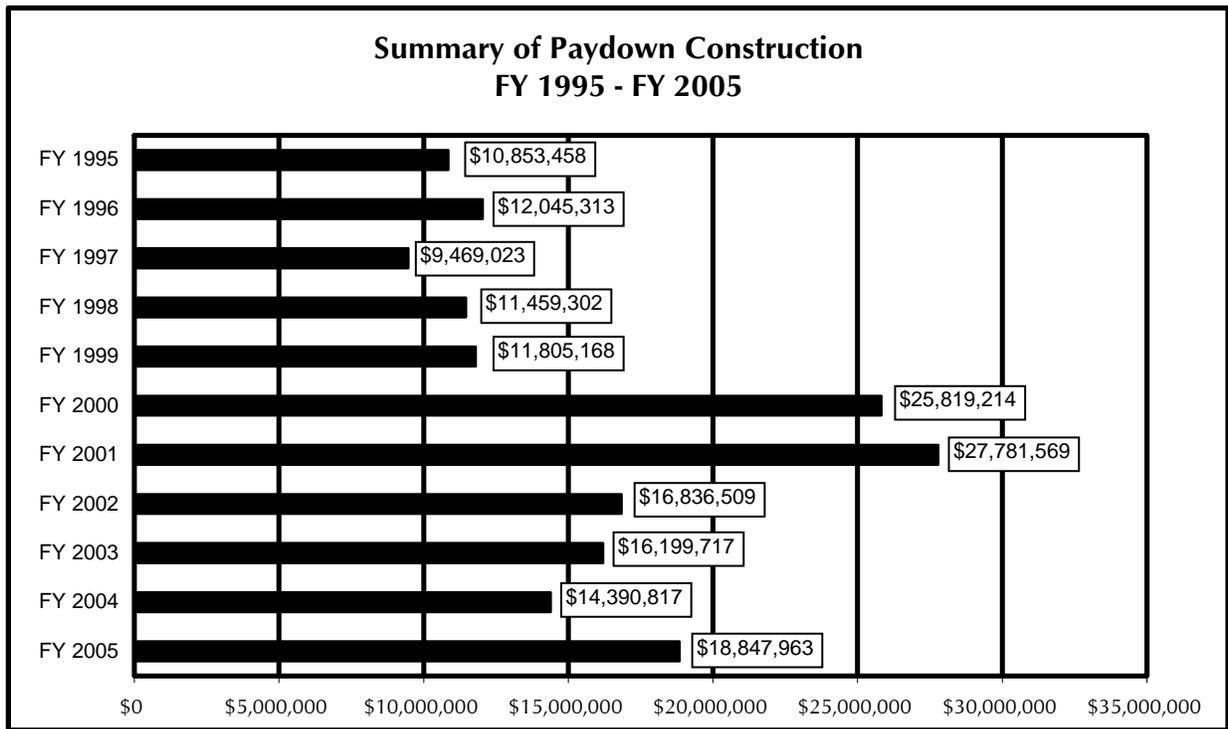
Funding in the amount of \$516,357,401 is included in FY 2005 for the County's Capital Construction Program. Of this amount, \$236,393,638 is included for debt service and \$279,963,763 is included for capital expenditures. The source of funding for capital expenditures includes: \$10,485,187 in General Fund monies, \$182,321,034 in General Obligation Bonds, \$35,495,200 in sewer system revenues, \$10,138,885 in State and Federal funding, and \$41,523,457 in financing from various other sources. Other sources of financing include transfers from other funds, user fees, developer contributions and payments, and miscellaneous revenues.



Capital Projects Overview

Capital Paydown Program

In FY 2005, an amount of \$18,847,963 has been included for the Capital Paydown Program. This funding level is supported by the General Fund in the amount of \$10,485,187 and State Aid in the amount of \$8,362,776. The paydown construction program had been constrained in the past based on budget limitations. Between FY 1986 and FY 1990, the County paydown construction program averaged approximately \$46.0 million, or 4.6 percent, of the General Fund disbursements. The FY 2005 Advertised Budget Plan paydown program of \$18.8 million represents 0.7 percent of General Fund disbursements. The FY 2005 funding level reflects an increase of \$4.4 million over the FY 2004 Adopted Budget Plan. It should be noted that \$2.0 million of this increase results from offsetting revenue available in FY 2004 from litigation recovery that is not available in FY 2005. The remaining \$2.4 million increase is based primarily on additional funding for land acquisition and other County requirements in FY 2005.



This graph depicts the level of paydown funding between FY 1995 and FY 2005. Beginning in FY 1995, annual paydown funding increased slightly, but only the most pressing requirements were addressed. Since FY 2000, the paydown program has been enhanced by the application of State revenue funds; however, FY 2005 paydown funding continues the recent trend of limiting funding to the most critical priority projects.

Capital Projects Overview

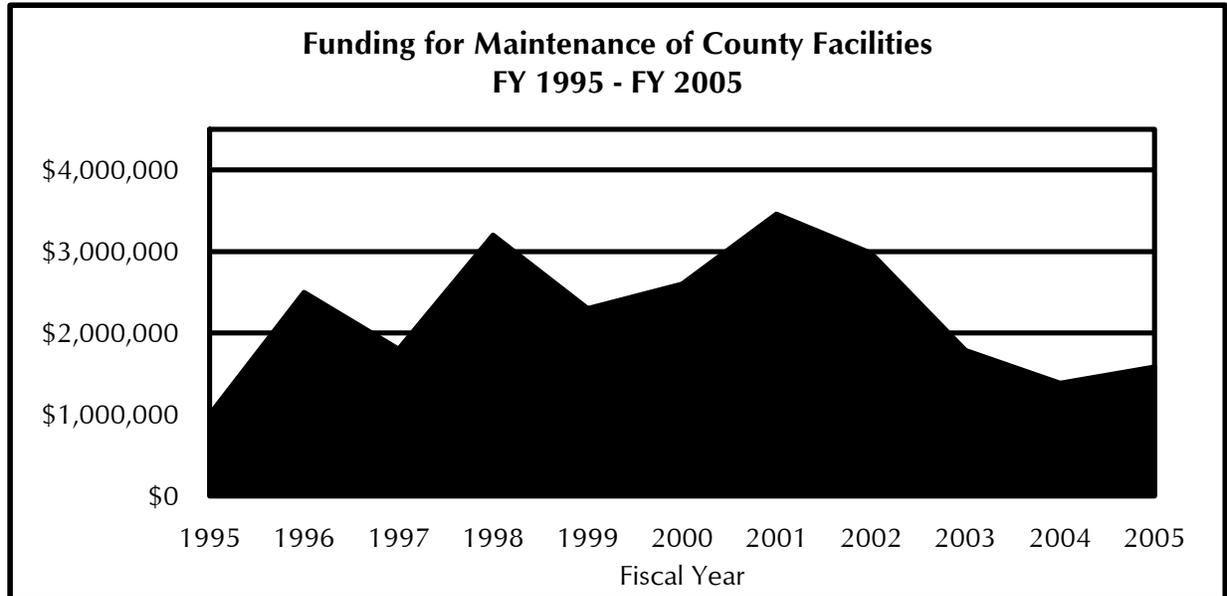
County Maintenance Projects

FY 2005 funding in the amount of \$1,584,000 has been included for County maintenance. This amount is consistent with a reduced level of funding provided in FY 2004. Capital maintenance includes the annual work necessary to ensure that capital investment does not deteriorate and remains in a usable state. As with any maintenance program, sufficient attention is required to avoid increased project costs in the future. As long-term maintenance and renovation costs are difficult to project, they are not included in the initial costs of capital projects; however, they are essential to the service life and level of service provided by a facility. Continued funding of maintenance requirements is included in the County's Paydown Program to protect and extend the life of County facilities. County requirements are generated through scheduled preventative maintenance or from user requests for facility alterations. The County has conducted a comprehensive facilities assessment to identify all infrastructure maintenance requirements, and it is anticipated that future routine maintenance requirements will be driven by the results of this assessment. Specific funding levels in FY 2005 include:

- ◆ An amount of \$1,204,000 will continue to provide general maintenance funds to address priority projects at County facilities. Funded general maintenance projects include countywide emergency carpet replacement (\$50,000), HVAC/electrical replacement (\$350,000), roof repair and waterproofing (\$100,000), parking lot resurfacing (\$100,000), and fire alarm replacement (\$154,000). Funding has also been included to continue recurring maintenance of capital improvements associated with the Commercial Revitalization Program as approved by the Board of Supervisors on December 2, 1996, including landscaping, mowing, trash pickup, graffiti removal, and maintenance of bus shelters, bicycle racks, area signs, and street furniture (\$100,000). In addition, the County maintenance budget includes funding for miscellaneous building repairs or ongoing requirements throughout the fiscal year (\$350,000). These miscellaneous requirements include but are not limited to vandalism repairs, plumbing repairs, painting, and other emergency repairs.
- ◆ The annual generator replacement program has been funded in FY 2005 in the amount of \$80,000. This program provides a funding mechanism to replace generators in the fiscal years in which the generator reaches its useful life of 25 years. FY 2005 funding provides for the replacement of the generator at the Newington Garage.
- ◆ Funding to continue the implementation of ADA compliance at County facilities has also been included in FY 2005. An amount of \$300,000 will address prioritized ADA modifications throughout the County, including continued efforts associated with curb ramp modifications.

Capital Projects Overview

The following chart depicts County maintenance funding between FY 1995 and FY 2005, including roof repairs, HVAC replacement, carpet replacement, parking lot resurfacing, fire alarm system replacements, generator replacement, and miscellaneous building repairs.



Park Maintenance Projects

FY 2005 funding in the amount of \$1,911,156 has been included for Park maintenance. The Park facilities maintained with General Fund monies include but are not limited to field houses, boat houses, pump houses, maintenance facilities, sheds, shelters, and office buildings. Park priorities are based on the assessment of current repair needs, including safety and health issues, facility protection, facility renewal, and improved services. In addition, Park maintenance requirements are generated through scheduled preventative maintenance or from user requests for facility alterations. Specific funding levels in FY 2005 include:

- ◆ An amount of \$425,000 for general park maintenance at non-revenue supported Park facilities. These maintenance requirements include major non-recurring repairs/replacements and improvements to roofs, electrical and lighting systems, security and fire alarms, sprinklers, and HVAC equipment. This amount is dedicated for specific major facility maintenance repairs.
- ◆ An amount of \$962,156 to support annual requirements for Parks grounds maintenance at non-revenue supported parks. Grounds maintenance includes the upkeep of sidewalks, mowing of grassy areas at park sites, maintenance of parking lots, bridges, recreation and irrigation equipment, picnic equipment, tennis courts, and trails at County parks.
- ◆ An amount of \$470,000 for minor routine preventive maintenance of non-revenue supported Park Authority structures. These repairs include the replacement of broken windows and doors, equipment repairs, and the scheduled inspection of HVAC, security, and fire alarm systems.
- ◆ An amount of \$54,000 to continue the implementation of ADA compliance at Park facilities has been included in FY 2005. Park facilities continue to be modified on a priority basis.

Capital Projects Overview

Athletic Field Maintenance Projects

FY 2005 funding in the amount of \$3,232,813 has been included for athletic field maintenance. In recent years, athletic field maintenance has been identified as a critical need. An effort has been made to provide continuous maintenance to retain quality athletic fields at acceptable standards and improve safety for users. Maintenance of athletic fields includes field lighting, fencing, irrigation, dugout covers, infield dirt, aerification, and seeding. Specific funding levels in FY 2005 include:

- ◆ An amount of \$2,022,813 to provide for continued personnel and operating costs associated with an athletic field maintenance program, including electricity for lighted facilities and maintenance of lighting systems, water and irrigation system maintenance, and minor ball field repairs. In FY 2004, funding was moved from the Park Authority's General Fund operating budget to Fund 303, County Construction, in an effort to consolidate athletic field maintenance expenditures.
- ◆ An amount of \$100,000 has been included to continue the installation of Fairfax County Public Schools boys' baseball field lighting systems used by many County organizations. FY 2005 funding provides for baseball field light installation at Centreville High School. This effort is being coordinated by the Department of Community and Recreation Services.
- ◆ An amount of \$100,000 has been included to continue installing lights on Fairfax County Public Schools and identified County park athletic fields used for girls' softball. Staff from the Department of Community and Recreation Services continue to work with representatives from Fairfax Athletic Inequities Reform (FAIR) and coordinate with the Fairfax County Public Schools and the Fairfax County Park Authority to identify, prioritize, and develop proposed plans for addressing girls' softball field lighting requirements. FY 2005 funding provides for softball field lighting installation at Lee District Park. This effort is being coordinated by the Department of Community and Recreation Services.
- ◆ An amount of \$50,000 for the routine maintenance and minor improvements to girls' softball fields that were identified for improvements in the Girls' Fast Pitch Softball Action Plan, a five-year plan to improve the quality and availability of softball fields throughout the County as requested by the Fairfax Athletic Inequities Reform group. This level of funding is based on available balances within the project and is sufficient to address FY 2005 requirements.
- ◆ An amount of \$800,000 for the continuation of mowing at 473 athletic fields (approximately 160 school sites), annual aeration, and over-seeding to enhance turf quality and increase player safety.
- ◆ An amount of \$160,000 for the spring clean-up of middle and elementary schools including skinning fields, filling holes, replacing dirt, repairing/replacing fences, and providing limited field supplies (bases, lime, portable lights, etc). Additionally, funds are transferred to FCPS for two maintenance staff to perform maintenance on girls' softball fields.

Trails and Sidewalks

Funding in the amount of \$300,000 is included in FY 2005 for the Virginia Department of Transportation (VDOT) participation project for sidewalk repair and replacement. VDOT conducts repair and replacement of County maintained sidewalks and is reimbursed by the County, subject to an agreement approved by the Board of Supervisors. County costs are minimized based on the ability to implement multiple VDOT sidewalk construction contracts.

Capital Projects Overview

Storm Drainage

Funding in the amount of \$2,740,000 is included for the storm drainage maintenance and emergency repairs throughout the County. Specific funding levels in FY 2005 include:

- ◆ An amount of \$2,420,000 for the Virginia Pollutant Discharge Elimination System (VPDES) Municipal Separate Storm Sewer System (MS4) discharge permit. This permit is required as part of the Clean Water Act amendments of 1987. The MS4 discharge permit is considered a renewal of the National Pollutant Discharge Elimination System (NPDES) permit, and will be valid for five years. In accordance with the permit renewal effective January 24, 2002, activities will include water quality testing, watershed master planning, improvement programs, and development of the GIS-based storm sewer system inventory. This initiative, funded at a reduced level in FY 2004, addresses State and Federal mandates.
- ◆ An amount of \$95,000 to address emergency drainage problems throughout the County. Engineering studies and construction will alleviate flooding problems of a recurring or emergency nature, which, due to their urgent nature, cannot be identified in advance.
- ◆ An amount of \$125,000 to continue support of the Kingstowne Environmental Monitoring program, which was established by the Board of Supervisors in June 1985 and is intended to continue until completion of the Kingstowne Development. During FY 2002 the program was expanded to include the water quality monitoring requirements required by the U.S. Army Corps of Engineers for the development of the South Van Dorn Street extension.
- ◆ An amount of \$100,000 to conduct inspections, monitor, and repair dams and emergency spillways. This level of funding provides for required inspections at five County-owned dams, internal monitoring of drainage problems with dam embankments, and initiation of subsurface investigations.

New and Renovated County Facilities

Funding in the amount of \$4,142,622 is included in FY 2005 for new or renovated facilities throughout the County. Almost every new capital improvement entails ongoing expenses for routine operation, repairs, and maintenance. As they age, County facilities and equipment that were once considered state-of-the-art will require rehabilitation, renovation, or upgrading for new uses, safety, and structural improvements. Older facilities usually involve higher maintenance and repair costs as well. Specific funding levels in FY 2005 include:

- ◆ An amount of \$3,142,622 to continue to address property management and development at the Laurel Hill site. Laurel Hill was transferred to the County by the Federal Government during 2002. The property includes approximately 2,340 acres of land and 1.48 million square feet of building space. FY 2005 funding will continue to address the needs at this site, including a security/maintenance contract, structural maintenance and utilities at existing buildings, custodial, planning, and engineering positions, asbestos abatement, and demolition of unserviceable buildings. It should be noted that asbestos mitigation efforts alone are estimated to cost \$9 million.
- ◆ An amount of \$1,000,000 to provide for the acquisition of land or open space preservation throughout the County.

Capital Projects Overview

Roads/Developer Defaults/Survey and Mapping

FY 2005 funding of \$1,225,000 is included to support the following County road programs, developer defaults and mapping:

- ◆ FY 2005 funding has been included to support the Road Viewer (\$25,000) and Road Maintenance (\$25,000) projects. The Road Viewer Program provides for the upgrading of County roads for acceptance into the State Secondary System. Once the roads are accepted into the State system, ongoing maintenance costs are provided by the State, and County funds are no longer required. For those roads which are not currently included in the State Secondary System, annual funding is provided for maintenance to ensure the safe operation of vehicles on these travelways.
- ◆ An amount of \$100,000 for construction of outstanding developer default projects identified throughout the fiscal year. This program is necessitated by economic conditions surrounding the construction industry which result in some developers not completing required public facilities, including acceptance of roads by the State, walkways, and storm drainage improvements. General Fund support of the program is necessary due to the time required between the construction of the improvements and the recovery of the bonds through legal action or when the developer default revenue is not sufficient to fund the entire cost of the project.
- ◆ An amount of \$75,000 for the maintenance and establishment of geodetic survey control points for the GIS system. Monumentation is placed on the ground for the use of both the private and public sector for surveying and mapping control. More than 1,400 survey monuments have been established in the County, however it is estimated that more than one third of these no longer exist as a result of construction activities, erosion, and vandalism.
- ◆ An amount of \$1,000,000 to continue the implementation of priority projects associated with the TAC Spot Improvement Program. The TAC Spot Improvement Program supports small spot improvement projects as approved by the Transportation Advisory Commission and the Board of Supervisors. These projects consist of intersection improvements such as turn lanes, sidewalk and trail connections and bus stop improvements. Generally, these improvements are low-cost, quick-hit projects to improve mobility, enhance safety, and provide relief to transportation bottlenecks throughout the County.

Payments and Obligations

FY 2005 funding in the amount of \$2,777,372 has been included for costs related to annual contributions and contractual obligations.

- ◆ Funding of \$1,021,702 is included to provide for the third year of a five-year lease-purchase agreement associated with systems furniture for the South County Center. The lease will provide office furniture for work stations, conference rooms, waiting areas, and offices. On February 11, 2000, the Board of Supervisors entered into a Master Sales and Development Agreement with Madison Development Partners to construct an office building for lease to Fairfax County. This 159,000-square-foot facility includes a senior center, an expanded teen center, an employment center, office space for County staff, community meeting rooms, and an e-government center.
- ◆ Funding of \$500,000 is included for the County's annual contribution to offset school operating and overhead costs associated with new SACC Centers.

Capital Projects Overview

- ◆ Funding of \$905,670 is included for Fairfax County's contribution to the Northern Virginia Community College (NVCC). Funding provides for the continued construction and maintenance of various capital projects on college campuses within the NVCC system. The funding formula for determining the annual contribution level has been revised based on the capital requirements of NVCC over the next six years. The FY 2005 funding level reflects \$0.90 per capita based on the Weldon Cooper Center population figure of 1,006,300. A phased approach has been recommended to increase funding by \$0.10 per capita per year until FY 2006 when the County's contribution equals \$1.00 per capita.
- ◆ Funding of \$350,000 is included for payments to developers for interest earned on conservation bond deposits. The County requires developers to make deposits to ensure the conservation of existing natural resources. Upon satisfactory completion of the project, the developer is refunded the deposit with interest.

Revitalization Initiatives

- ◆ Funding of \$935,000 is included for revitalization efforts in identified areas throughout the County. This initiative includes funding for specific commercial revitalization efforts, including: Baileys Crossroads/Seven Corners, Annandale, Richmond Highway, Lake Anne, Merrifield, Springfield, and McLean, as well as Commercial Revitalization program costs.

Capital Projects Overview

FY 2005 PAYDOWN PROJECTS

Project	FY 2005 Advertised
County Maintenance Projects	
(003099) Miscellaneous Building Repair	\$350,000
(003100) Fire Alarm System Replacements	154,000
(009132) Roof Repairs and Waterproofing	100,000
(009133) Carpet Replacement	50,000
(009136) Parking Lot Resurfacing	100,000
(009151) HVAC/Electrical Systems	350,000
(009406) ADA Compliance - Countywide	300,000
(009422) Maintenance - Commercial Revitalization Program	100,000
(009431) Emergency Generator Replacement	80,000
Subtotal	\$1,584,000
Park Authority Maintenance Projects	
(009416) ADA Compliance - Park Authority	\$54,000
(009417) Park Authority - General Maintenance	425,000
(009442) Park Authority - Ground Maintenance	962,156
(009443) Park Authority - Facility Maintenance	470,000
Subtotal	\$1,911,156
Athletic Field Maintenance Projects	
(004999) Athletic Field Lighting	\$100,000
(005000) Softball Field Lighting	100,000
(005001) Fast Pitch Softball Field Maintenance	50,000
(005006) Parks Maintenance at FCPS Athletic Fields	800,000
(005009) Athletic Field Maintenance	2,022,813
(005010) Annual FCPS Field Clean-Up and Maintenance	160,000
Subtotal	\$3,232,813
Trails and Sidewalks	
(X00407) VDOT Sidewalk Repair/Replacement	\$300,000
Subtotal	\$300,000
Storm Drainage	
(A00002) Emergency Watershed Improvements	\$95,000
(L00034) Kingstowne Environmental Monitoring	125,000
(N00096) Dam Repairs	100,000
(Z00022) Municipal Separate Storm Sewer System	2,420,000
Subtotal	\$2,740,000
New Facilities	
(009400) Land Acquisition Reserve	\$1,000,000
(009444) Laurel Hill Development	3,142,622
Subtotal	\$4,142,622

Capital Projects Overview

Project	FY 2005 Advertised
Developer Defaults/Roads	
(U00005) Secondary Monumentation	\$75,000
(U00006) Developer Default	100,000
(V00000) Road Viewer Program	25,000
(V00001) Road Maintenance Program	25,000
(064212) TAC Spot Improvements	1,000,000
Subtotal	\$1,225,000
Obligations and Payments	
(007012) School-Aged Child Care (SACC)	\$500,000
(008043) Northern Virginia Community College	905,670
(009425) South County Center	1,021,702
(009998) Payments of Interest on Conservation Bonds	350,000
Subtotal	\$2,777,372
Revitalization Initiatives	
(014010) Commercial Revitalization	\$190,000
(014104) Revitalization Program Costs	745,000
Subtotal	\$935,000
 TOTAL PAYDOWN PROGRAM	 \$18,847,963

Capital Projects Overview

Capital General Obligation Bond Program

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

The Virginia Constitution requires that long-term debt pledged by the full faith and credit of the County can only be approved by voter referendum. There is no statutory limit on the amount of debt the voters can approve. It is the County's own policy to manage debt within the guidelines identified in the *Ten Principles of Sound Financial Management*. The *Ten Principles* specifically indicate that debt service expenditures as a percentage of General Fund disbursements should remain under 10 percent and that the percentage of debt to estimated market value of assessed property should remain under 3 percent. The County continues to maintain these debt ratios with debt service requirements as a percentage of General Fund disbursements at 8.70 percent, and net debt as a percentage of market value at 1.48 percent as of June 30, 2003.

Continual monitoring and adjustments to the County's Capital Improvement Program have been necessary, as economic conditions have changed. The FY 2005 - 2009 Capital Improvement Program (With Future Years to 2014) will be released concurrently with the FY 2005 budget. It should be noted that the operating budget is directly affected by the approval of the capital budget and its capital project components. The operating budget must absorb the debt service costs of all bond issues related to the capital budget, as well as the operating and maintenance costs for each facility and improvement.

In FY 2005, an amount of \$182,321,034 is included in General Obligation bond funding. Of this amount, \$130,000,000 is budgeted in Fund 390, Public School Construction, and \$13,588,893 has been included in Fund 309, Metro Operations and Construction, to support the 103-mile Metrorail System, as well as maintain and/or acquire facilities, equipment, railcars and buses. In addition, FY 2005 bond funding in the amount of \$38,732,141 has been included for the County contribution to the Northern Virginia Regional Park Authority (\$2,500,000), design and construction costs associated with the West Ox Bus Operations Center (\$12,032,141), design and permitting costs associated with the Wolf Trap Fire Station (\$1,200,000), and construction of the Public Safety Operations Center (\$23,000,000). Funding for these bond projects is consistent with the FY 2005 - 2009 Capital Improvement Program (With Future Years to 2014).

Capital Projects Overview

Wastewater Management System

The Fairfax County Wastewater Management Program is operated, maintained, and managed within the Department of Public Works and Environmental Services, and includes one County-owned wastewater treatment plant with a total treatment capacity of 54 million gallons per day (MGD), approximately 3,200 miles of sewer lines, 61 pumping stations, and 53 metering stations, covering approximately 234 square miles of the County's 407-square-mile land and water area. In addition to the County-owned treatment plant the system owns, by agreement, purchase capacity in the Alexandria Sanitation Authority Plant, the Upper Occoquan Sewage Authority Plant, the District of Columbia Blue Plains Plant, and the Arlington County Plant, for a total treatment capacity of 161 MGD.

An amount of \$35,495,200 is funded in FY 2005 to provide for the County's share of design and construction costs associated with Wastewater Management. Funds will support several pump station renovations, the upgrade costs for the DC Blue Plains Treatment Plant, the Arlington Treatment Plant, and the Alexandria Treatment Plant to comply with Virginia Water Control Board regulations, recurring repair and replacement of aging County sewer lines, the upgrade of existing sewer meters throughout the County, and construction of a new pump station.

Other Financing

Capital projects supported by other financing include \$1,776,109 in Federal Aid and \$41,523,457 in other sources. Federal Aid represents funding to support the HOME Investment Partnership Grant Program. Capital projects financed by other funding mechanisms include: developer contributions for road improvements throughout the County, as well as housing trust fund revenues, FCPS Parent Teachers Association contributions, and other sources of funds.

Capital Construction and Operating Expenditure Interaction

To maintain a balanced budget, annual revenues are projected and operating and capital construction expenditures are identified to determine the County's overall requirements and funding availability. Funding levels for capital construction projects are based on the merits of a particular project together with the available funding from all financing sources, with primary reliance on General Obligation bonds. The Board of Supervisors annually reviews cash requirements for capital project financing. The County's capital program has a direct impact on the operating budget, particularly in association with the establishment and opening of new facilities. The Board of Supervisors continues to be cognizant of the effect of the completion of capital projects on the County's operating budget. The FY 2005 operating cost estimates associated with the completion of capital projects have been included in the County's operating budget.

In the FY 2005/FY 2006 time frame, the expansion and renovation of several facilities will be completed which will directly impact the County's operating budget. The following list represents major new facilities which will open during FY 2005 and beyond. Operating expenditures are estimated based on projected opening dates. Additional information regarding the expenditures necessary to support these expanded facilities can be found in specific agency budget narratives.

Capital Projects Overview

New or Renovated County Facilities

Facility	Fiscal Year Completion	Additional Positions	Estimated Net Operating Costs
FY 2005 New/Expanded Facilities			
SACC Centers (Navy and Sunrise Valley Elementary)	FY 2005	6/4.86 SYE	\$94,694
James Lee Community Center (6/6.0 positions added in FY 2004; includes funding for congregate meals included in Fund 103, Aging Grants and Programs)	FY 2005	0/0.0 SYE	512,046
Herndon Harbor House (six months' start-up costs; includes funding for congregate meals included in Fund 103, Aging Grants and Programs)	FY 2005	5/5.0 SYE	230,486
Cub Run RECenter (Non-General Fund position; 14/14.0 positions added in FY 2004)	FY 2005	1/1.0 SYE	(511,341)
Laurel Hill Golf Course (Non-General Fund positions)	FY 2005	7/7.0 SYE	165,038
Fairfax Center Fire Station (nine months' costs)	FY 2005 / FY 2006	23/23.0 SYE	1,703,309
Total FY 2005 Costs		42/40.86 SYE	\$2,194,232
FY 2006 New/Expanded Facilities			
Little River Glen Adult Day Health Care Center	FY 2006	9/9.0 SYE	\$503,224
Crosspointe Fire Station	FY 2006	TBD	TBD
Fairfax Center Fire Station (full-year costs)	FY 2006	0/0.0 SYE	2,542,276
Reston Town Center Transit Center	FY 2006	TBD	TBD
West Ox DVS Garage	FY 2006	TBD	TBD
Total FY 2006 Costs		9/9.0 SYE	\$3,045,500
FY 2007 and Beyond			
Wolf Trap Fire Station	FY 2007	TBD	TBD
Forensics Facility	FY 2007	TBD	TBD
West Ox Bus Operations Center (Vienna Feeder Bus)	FY 2008	TBD	TBD
Oakton Community Library	FY 2008	32/32.0 SYE	TBD
Burke Community Library	FY 2008	32/32.0 SYE	TBD
Public Safety Operations Center	FY 2008 / FY 2009	TBD	TBD
Judicial Center Expansion	FY 2009	TBD	TBD
Library Renovations	FY 2009 / FY 2010	TBD	TBD
Total FY 2006 and Beyond Costs		64/64.0 SYE	TBD

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

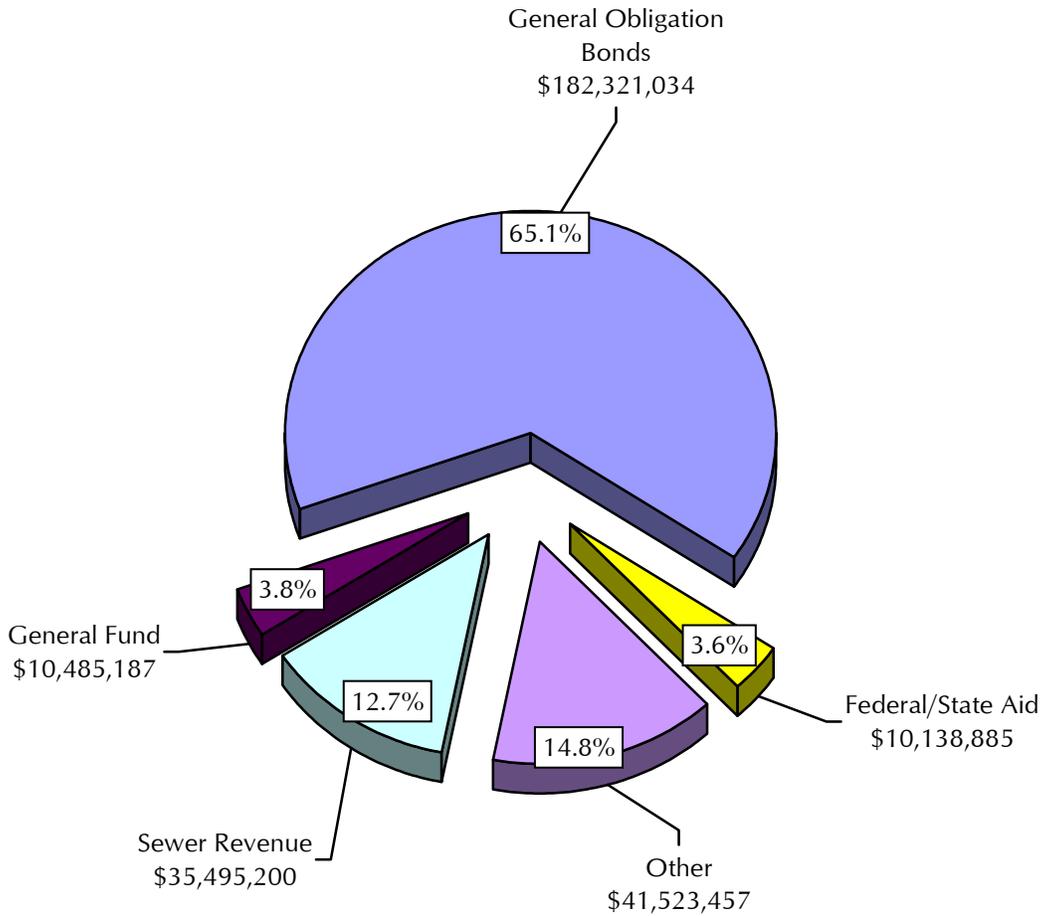
Capital Projects Overview

Summary of FY 2005 Capital Construction Program

Major segments of the County's FY 2005 Capital Construction Program are presented in the charts that follow. Several pie charts have been included to visually demonstrate the FY 2005 funding sources for capital expenditures. Capital construction expenditures by fund are shown in the Summary Schedule of FY 2005 Funded Capital Projects. In addition, details of all projects funded in FY 2005 have been included in this section. For an individual detailed description of each capital construction fund, see the Capital Project Funds section of the Capital Construction and Other Operating Funds Volume. Detailed information concerning capital projects in Fund 390, Public School Construction, can be found in the [FY 2005 School Superintendent's Proposed Budget](#).

Capital Projects Overview

CAPITAL CONSTRUCTION PROJECTS FY 2005 SOURCE OF FUNDS

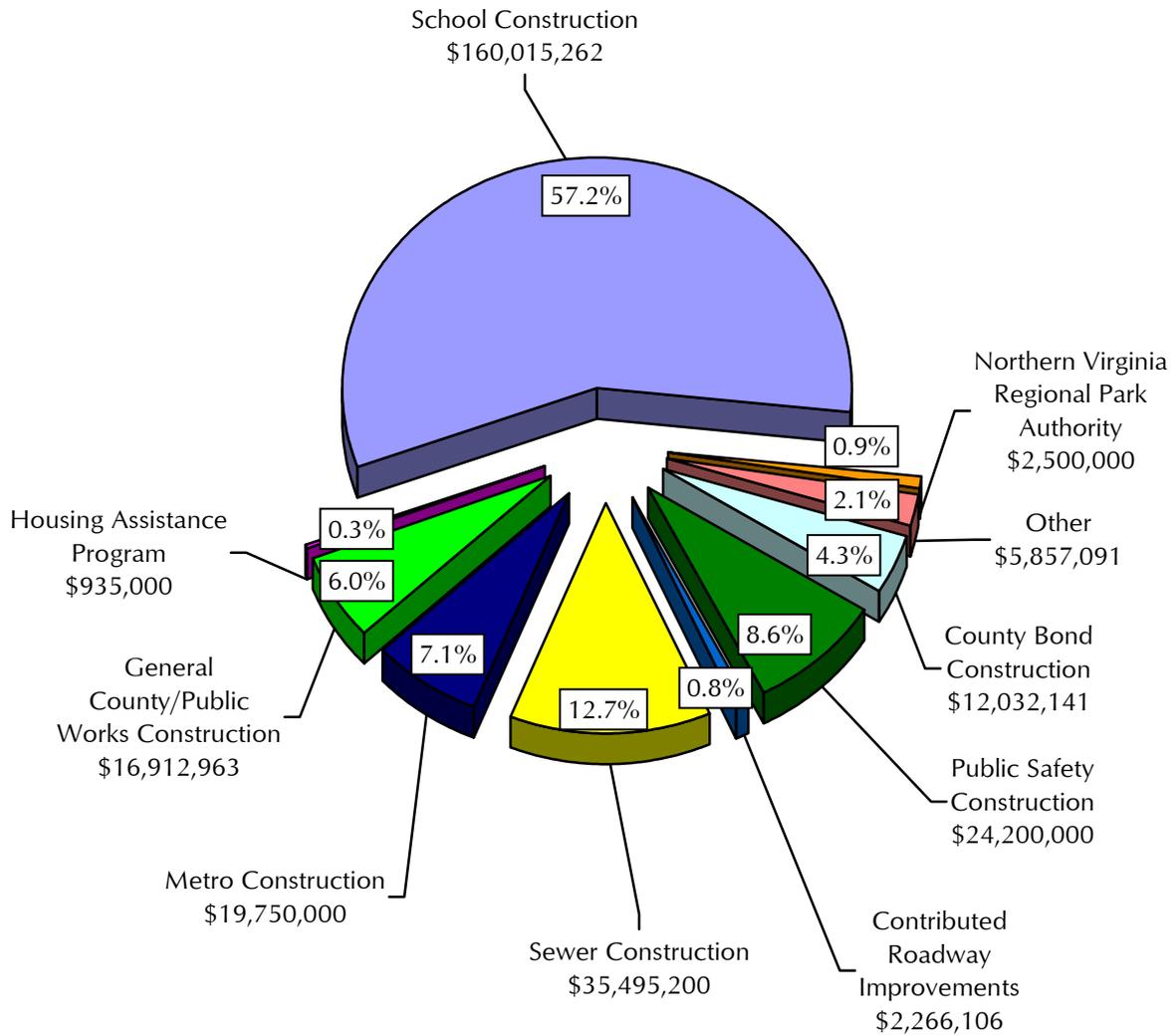


TOTAL = \$279,963,763

NOTE: This chart does not include debt service funding.

Capital Projects Overview

CAPITAL CONSTRUCTION PROJECTS FY 2005 EXPENDITURES

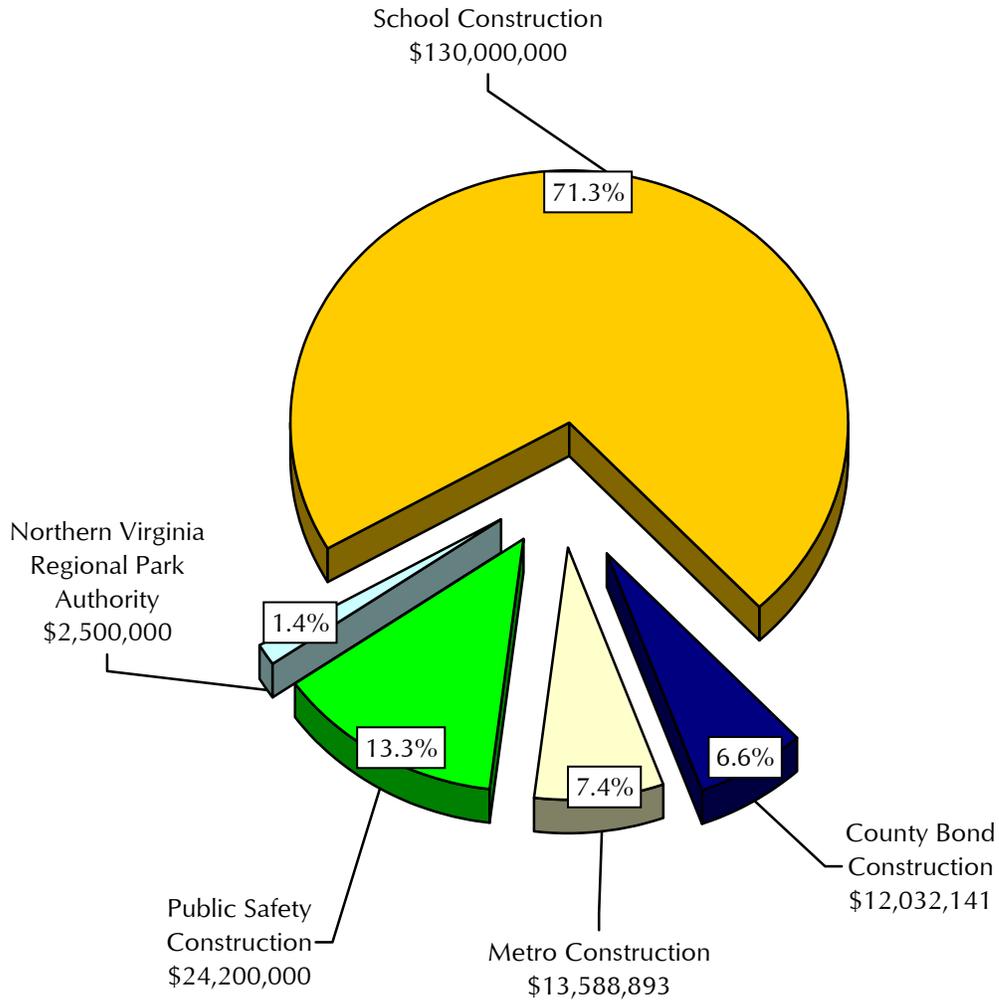


TOTAL = \$279,963,763

NOTE: This chart does not include debt service funding.

Capital Projects Overview

GENERAL OBLIGATION BOND FINANCED CAPITAL PROJECTS FY 2005 EXPENDITURES



TOTAL = \$182,321,034

SUMMARY SCHEDULE OF FY 2005 FUNDED CAPITAL PROJECTS

Fund/Title	EXPENDITURES				FY 2005 FINANCING				
	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	General Obligation Bonds ¹	General Fund	Federal/ State Aid	Other ²	
SPECIAL REVENUE FUNDS ³									
109 Refuse Collection	\$250,555	\$0	\$122,027	\$0	\$0	\$0	\$0	\$0	
110 Refuse Disposal	9,098	0	1,458,455	0	0	0	0	0	
111 Reston Community Center	0	0	0	897,144	0	0	0	897,144	
113 McLean Community Center	195,085	245,000	347,639	376,000	0	0	0	376,000	
114 I-95 Refuse Disposal	498,122	14,929,000	38,801,512	0	0	0	0	0	
144 Housing Trust Fund	1,537,201	1,001,411	15,390,570	1,507,838	0	0	0	1,507,838	
145 HOME Investment Partnership Grant	626,409	1,302,795	6,830,968	1,776,109	0	0	1,776,109	0	
Subtotal	\$3,116,470	\$17,478,206	\$62,951,171	\$4,557,091	\$0	\$0	\$1,776,109	\$2,780,982	
DEBT SERVICE FUNDS									
200 County Debt Service	200	\$190,392,503	\$99,442,215	\$99,442,215	\$103,215,055	\$0	\$97,910,126	\$0	\$5,304,929
201 School Debt Service	201	208,338,954	121,096,733	121,096,733	133,178,583	0	126,528,053	0	6,650,530
Subtotal		\$398,731,457	\$220,538,948	\$220,538,948	\$236,393,638	\$0	\$224,438,179	\$0	\$11,955,459
CAPITAL PROJECTS FUNDS									
300 Countywide Roadway Improvement Fund	300	\$221,275	\$0	\$1,959,076	\$0	\$0	\$0	\$0	\$0
301 Contributed Roadway Improvements	301	1,697,393	2,155,281	35,507,563	2,266,106	0	0	0	2,266,106
302 Library Construction	302	179,593	0	675,646	0	0	0	0	0
303 County Construction	303	16,451,640	29,310,817	49,499,120	13,647,963	0	8,550,187	5,097,776	0
304 Primary and Secondary Road Bond Construction	304	3,387,801	0	21,468,500	1,000,000	0	1,000,000	0	0
306 Northern Virginia Regional Park Authority	306	2,250,000	2,250,000	2,250,000	2,500,000	2,500,000	0	0	0
307 Sidewalk Construction	307	1,461,314	300,000	6,922,608	300,000	0	0	300,000	0
308 Public Works Construction	308	3,948,291	2,045,000	10,819,876	3,265,000	0	0	2,965,000	300,000
309 Metro Operations and Construction ⁴	309	8,325,384	5,050,320	1,550,320	19,750,000	13,588,893	0	0	6,161,107
310 Storm Drainage Bond Construction	310	1,019,455	0	3,610,554	0	0	0	0	0
311 County Bond Construction	311	6,678,915	1,000,000	20,141,214	12,032,141	12,032,141	0	0	0
312 Public Safety Construction	312	15,346,372	34,970,552	117,787,635	24,200,000	24,200,000	0	0	0
313 Trail Construction	313	49,451	0	580,244	0	0	0	0	0

SUMMARY SCHEDULE OF FY 2005 FUNDED CAPITAL PROJECTS

Fund/Title	EXPENDITURES				FY 2005 FINANCING				
	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	General Obligation Bonds ¹	General Fund	Federal/ State Aid	Other ²	
314 Neighborhood Improvement Program	314	1,177,808	0	1,334,510	0	0	0	0	
315 Commercial Revitalization Program	315	2,390,120	0	11,696,235	0	0	0	0	
316 Pro Rata Share Drainage Construction	316	1,323,557	0	25,742,572	0	0	0	0	
340 Housing Assistance Program	340	1,590,840	935,000	14,605,049	935,000	935,000	0	0	
341 Housing General Obligation Bond Construction	341	29,217	0	381,664	0	0	0	0	
370 Park Authority Bond Construction	370	10,981,510	10,000,000	53,720,743	0	0	0	0	
390, Public School Construction	390	158,267,891	210,719,289	436,769,503	160,015,262	130,000,000	0	30,015,262	
Subtotal		\$236,777,827	\$298,736,259	\$817,022,632	\$239,911,472	\$182,321,034	\$10,485,187	\$8,362,776	\$38,742,475
ENTERPRISE FUNDS									
402 Sewer Bond Extension and Improvements	402	\$39,845,231	\$31,534,000	\$114,465,926	\$35,495,200	\$0	\$0	\$0	\$35,495,200
408 Sewer Bond Construction	408	10,428,890	0	33,678,654	0	0	0	0	0
Subtotal		\$50,274,121	\$31,534,000	\$148,144,580	\$35,495,200	\$0	\$0	\$0	\$35,495,200
TOTAL		\$688,899,875	\$568,287,413	\$1,248,657,331	\$516,357,401	\$182,321,034	\$234,923,366	\$10,138,885	\$88,974,116

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, and miscellaneous revenues.

³ Reflects the capital construction portion of total expenditures.

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

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 303, County Construction				
005009	Athletic Field Maintenance (Countywide)	Continuing	\$2,022,813	FY 2005 funding is included to continue athletic field maintenance efforts on fields managed by Fairfax County Park Authority. This project, created as part of the FY 2004 budget process, consolidates funding for athletic field maintenance. FY 2005 funding provides for continued personnel and operating costs associated with the program, including electricity for lighted facilities and maintenance of lighting systems, water and irrigation system maintenance, and minor ball field repairs.
005010	Annual FCPS Field Clean-Up and Maintenance (Countywide)	Continuing	\$160,000	FY 2005 funding in the amount of \$160,000 is included to continue support of spring clean-up at middle and elementary schools including skinning fields, filling holes, replacing dirt, repairing/replacing fences, and providing limited field supplies (bases, lime, portable lights, etc).
007012	SACC Contribution (Countywide)	Continuing	\$500,000	FY 2005 funding in the amount of \$500,000 is included for the annual County contribution to help offset school operating and overhead costs associated with SACC Centers. The construction and renovation costs for SACC centers are funded by the FCPS through General Obligation bonds for which the debt service costs are provided by the County General Fund.
008043	Northern Virginia Community College (Countywide)	Continuing	\$905,670	FY 2005 funding in the amount of \$905,670 is included for Fairfax County's annual contribution to the Northern Virginia Community College (NVCC). Funding provides for the continued construction and maintenance of various capital projects on college campuses within the NVCC system. The funding formula for determining the annual contribution level has been revised based on the capital requirements for NVCC over the next six years. A phased approach was implemented in FY 2003 to increase funding by \$0.10 per capita per fiscal year until FY 2006 when the County's contribution equals \$1.00 per capita. FY 2005 funding represents \$0.90 per capita using the Weldon Cooper Center population figure of 1,006,300.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
009133	Carpet Replacement (Countywide)	Continuing	\$50,000	FY 2005 funding in the amount of \$50,000 is included for countywide emergency carpet repairs.
009400	Land Acquisition Reserve (Countywide)	Continuing	\$1,000,000	FY 2005 funding in the amount of \$1,000,000 is included for the County's land acquisition reserve. The reserve provides a source of funding for the acquisition of land or open space preservation for future County facilities and capital projects. This project was created to improve the County's competitiveness in today's market.
009422	Maintenance - CRP (Countywide)	Continuing	\$100,000	FY 2005 funding in the amount of \$100,000 is included to continue maintenance of capital improvements associated with the Commercial Revitalization Program as approved by the Board of Supervisors on December 2, 1996. Maintenance projects include landscaping, mowing, trash pickup, graffiti removal, and maintenance of bus shelters, bicycle racks, area signs, street furniture, and drinking fountains. FY 2005 funding will provide for continued maintenance of major streetscape projects in Annandale and Baileys Crossroads.
009425	South County Center (Lee)	\$8,770,414	\$1,021,702	FY 2005 funding in the amount of \$1,021,702 is included for the third year of a five-year lease/purchase agreement associated with systems furniture at the South County Government Center. All other operating costs associated with the South County Government Center, including taxes, are included in FMD's operating budget.
009442	Parks - Grounds Maintenance (Countywide)	Continuing	\$962,156	FY 2005 funding in the amount of \$962,156 is included for grounds maintenance at non-revenue producing countywide parks. Grounds maintenance includes the upkeep of sidewalks and parking lots, bridges, recreation and irrigation equipment, picnic equipment, tennis courts, and trails. In addition, grounds maintenance includes contracted mowing of grassy areas at park sites.

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
009444	Laurel Hill (Lorton) Development (Mount Vernon)	\$10,355,775	\$1,477,846	FY 2005 funding in the amount of \$1,477,846 is included to continue to address prioritized needs at the Laurel Hill site, including master planning, security and maintenance contract costs, structural maintenance and utilities at existing buildings, asbestos abatement, demolition of unserviceable buildings, and custodial, planning, and engineering personnel. In addition to General Fund support, an amount of \$1,664,776 is financed by State revenues, for a total of \$3,142,622.
009998	Payments of Interest on Conservation Bonds (Countywide)	Continuing	\$350,000	FY 2005 funding in the amount of \$350,000 is included for payment to developers for interest earned on conservation bonds. The County requires developers to make deposits to ensure the conservation of natural resources. Upon satisfactory completion of the project, the developer is refunded the deposit with interest.
Total		\$19,126,189	\$8,550,187	
Fund 304, Primary and Secondary Road Bond Construction				
064212	TAC Spot Improvements (Countywide)	Continuing	\$1,000,000	FY 2005 funding in the amount of \$1,000,000 is included to continue the TAC Spot Improvement Program. This initiative supports small projects as approved by the Transportation Advisory Commission and the Board of Supervisors. These projects consist of intersection improvements such as turn lanes, sidewalk and trail connections and bus stop improvements. Generally, these improvements are low-cost, quick-hit projects to improve mobility, enhance safety, and provide relief to transportation bottlenecks throughout the County.
Total		Continuing	\$1,000,000	

Details: Paydown Program (General Fund)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 340, Housing Assistance Program				
014010	Commercial Revitalization (Countywide)	Continuing	\$190,000	FY 2005 funding in the amount of \$190,000 is included to continue activities initiated in FY 2001, including contracted and/or part-time staffing that provides support as the Department of Housing and Community Development transitions from a primary emphasis on development projects to revitalization activities, marketing materials for countywide revitalization activities, consultant services, and training.
014104	Revitalization Program Costs (Countywide)	Continuing	\$745,000	FY 2005 funding in the amount of \$745,000 is included for staff and administrative costs associated with the continuation of previously approved revitalization projects, and 3/3.0 SYE Merit Regular positions responsible for marketing and business activities associated with revitalization activities.
Total		Continuing	\$935,000	

TOTAL PAYDOWN (GENERAL FUND)

\$10,485,187

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 303, County Construction				
003099	Miscellaneous Building and Repair (Countywide)	Continuing	\$350,000	FY 2005 funding in the amount of \$350,000 is included for emergency repairs, minor renovations, and remodeling/upgrading of various buildings and facilities throughout the County. Projects include emergency repairs to buildings and building equipment, plumbing repairs, minor renovations to electrical and mechanical systems, structural repairs, vandalism correction, and other non-recurring construction and repair projects.
003100	Fire Alarm Systems (Countywide)	Continuing	\$154,000	FY 2005 funding in the amount of \$154,000 is included to support the replacement of fire alarm systems at the Massey Annex and the Mason Government Center, which experience frequent failure when tested.
004999	Boys' 90' Athletic Field Lighting (Countywide)	Continuing	\$100,000	FY 2005 funding in the amount of \$100,000 is included to continue installation and upgrades associated with boys' baseball field lighting at FCPS middle and high schools. FY 2005 funding will provide for lighting improvements at Centreville High School.
005000	Girls' Softball Field Lighting (Countywide)	Continuing	\$100,000	FY 2005 funding in the amount of \$100,000 is included to continue installation and upgrades associated with girls' softball field lighting at FCPS middle and high schools, as well as identified parks throughout the County. FY 2005 funding will provide for lighting improvements at Lee District Park.
005001	Girls' Fast-Pitch Field Maintenance (Countywide)	Continuing	\$50,000	FY 2005 funding in the amount of \$50,000 is included to address prioritized maintenance requirements associated with improvements made to Girls' Fast-Pitch softball fields.
005006	Park Maintenance of FCPS Fields (Countywide)	Continuing	\$800,000	FY 2005 funding in the amount of \$800,000 is included to maintain consistent standards at all school site athletic fields, improve playing conditions, reach safety standards, and increase user satisfaction. Maintenance includes mowing each site 28 times per year and aerating and overseeding each site annually.
009132	Roof Repairs and Waterproofing (Countywide)	Continuing	\$100,000	FY 2005 funding in the amount of \$100,000 is included for roof replacement at the Facilities and Management Division's Administration Building at Burke Station Road (\$50,000) and emergency repairs to facilities that experience damage due to severe weather or leaking during rainfall (\$50,000).

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
009136	Parking Lot Resurfacing (Countywide)	Continuing	\$100,000	FY 2005 funding in the amount of \$100,000 is included for emergency sidewalk and pothole repairs at prioritized County facilities.
009151	HVAC/ Electrical Systems (Countywide)	Continuing	\$350,000	FY 2005 funding in the amount of \$350,000 is included for HVAC replacement at prioritized County facilities, based on the severity of problems and lack of alternative funding sources.
009406	ADA Compliance - Countywide (Countywide)	Continuing	\$300,000	FY 2005 funding in the amount of \$300,000 is included to provide ADA accessibility to the Magarity Road trail (\$200,000) and continued implementation of Phase II (curb cuts) of the County's ADA plan, providing for curb ramps and walkway retrofits (\$100,000).
009416	ADA Compliance - FCPA (Countywide)	Continuing	\$54,000	FY 2005 funding in the amount of \$54,000 is included to continue Park Authority compliance with the Americans with Disabilities Act of 1990. Funding will support continued modifications at Lake Fairfax, including access routes, parking, picnic areas, playgrounds, restrooms, and amphitheater.
009417	Parks - General Maintenance (Countywide)	Continuing	\$425,000	FY 2005 funding in the amount of \$425,000 is included for major maintenance and repairs at non-revenue generating Park Authority facilities including electrical and lighting systems, security and fire alarm systems, sprinklers, and HVAC improvements. In addition, this project funds roof repairs and the structural preservation of park historic sites. Facilities maintained include field houses, boathouses, pump houses, maintenance facility sheds, shelters, and office buildings. Priorities are based on an assessment of current repair needs associated with safety and health issues, facility protection, facility renewal, and improved services.
009431	Generator Replacement Program (Countywide)	Continuing	\$80,000	FY 2005 funding in the amount of \$80,000 is included for the emergency generator replacement program. This program was established to address the replacement of generators that have outlived their useful life. FY 2005 funding is included to replace the generator at the Newington Garage.
009443	Parks - Facilities Maintenance (Countywide)	Continuing	\$470,000	FY 2005 funding in the amount of \$470,000 is included for routine repairs of non-revenue structures (218 buildings totaling over 400,000 square feet) and over 175 pieces of equipment (mowers, tractors, etc.).

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
009444	Laurel Hill (Lorton) Development (Mount Vernon)	\$10,355,775	\$1,664,776	FY 2005 funding in the amount of \$1,664,776 is included to continue to address prioritized needs at the Laurel Hill site, including master planning, security and maintenance contract costs, structural maintenance and utilities at existing buildings, asbestos abatement, demolition of unserviceable buildings, and custodial, planning, and engineering personnel. In addition to State Aid, an amount of \$1,477,846 is financed by the General Fund, for a total of \$3,142,622.
Total		\$10,355,775	\$5,097,776	
Fund 307, Sidewalk Construction				
X00407	Sidewalk Replacement/VDOT Participation (Countywide)	Continuing	\$300,000	FY 2005 funding in the amount of \$300,000 is included to continue the Virginia Department of Transportation (VDOT) Sidewalk Participation Program, which allows VDOT to repair and replace County-maintained sidewalks in concert with existing VDOT construction. The County then reimburses VDOT once repairs are complete. County costs are minimized based on VDOT's ability to implement multiple sidewalk construction contracts simultaneously.
Total		Continuing	\$300,000	
Fund 308, Public Works Construction				
A00002	Emergency Watershed Improvements (Countywide)	Continuing	\$95,000	FY 2005 funding in the amount of \$95,000 is included to alleviate small-scale emergency drainage problems throughout the fiscal year. Because the nature and extent of these projects are unforeseen, individual requirements cannot be identified in advance. Corrections generally cost between \$5,000 and \$20,000 apiece. Previous emergencies have included house flooding and the erosion of County-maintained roads.

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
L00034	Kingstowne Environmental Monitoring (Lee)	Continuing	\$125,000	FY 2005 funding in the amount of \$125,000 is included to continue monitoring efforts in support of the Kingstowne Environmental Monitoring Program, established by the Board of Supervisors in June 1985 to continue until completion of the Kingstowne Development. The program was expanded in 2002 to include water quality and monitoring standards required by the U.S. Army Corps of Engineers for the development of the South Van Dorn Extension. These requirements include water quality monitoring for four years, along with inspections and maintenance for up to ten years.
N00096	Dam Repairs (Countywide)	Continuing	\$100,000	FY 2005 funding in the amount of \$100,000 is included for conducting inspections, monitoring, and repairing dams and emergency spillways. The Maintenance and Stormwater Management Division continues to identify failed dam embankments. This project also funds the repair of failed detention pond enhancements.
U00005	Secondary Monumentation (Countywide)	Continuing	\$75,000	FY 2005 funding in the amount of \$75,000 is included to support maintenance and establishment of geodetic survey control points for the GIS system, to be used by public and private sector. Monumentation is placed on the ground for the use of the private and public sector for surveying and mapping control.
U00006	Developer Defaults (Countywide)	Continuing	\$100,000	FY 2005 funding in the amount of \$100,000 is included for developer default projects requiring General Fund support. The Developer Default Program requires developers to provide a security deposit, either a bond or letter of credit, to the County to ensure that public improvements associated with their developments are properly constructed. If the developer fails to provide improvements as required, the security deposit is defaulted and the County assumes responsibility for making the improvement(s). In addition to General Fund support, funding of \$300,000 is included from developer revenues, for total FY 2005 funding of \$400,000.

Details: Paydown Program (HB599 and Other Financing)

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
V00000	Road Viewer Program (Countywide)	Continuing	\$25,000	FY 2005 funding in the amount of \$25,000 is included to continue upgrading roads for acceptance into the State Secondary Road System. Upgrades include survey, engineering, and construction projects within the Board of Road Viewers Program. Once improvements are completed, the need for ongoing County maintenance work is eliminated.
V00001	Road Maintenance Program (Countywide)	Continuing	\$25,000	FY 2005 funding in the amount of \$25,000 is included to continue maintenance on Fairfax County roads which are not currently in the Virginia Department of Transportation (VDOT) Secondary System. This program works to ensure the safe operation of motor vehicles by upgrading and maintaining existing County travelways. The County provides maintenance on identified roads until they are accepted into the VDOT Secondary Road System. In some cases, however, the roadway will never qualify for VDOT inclusion due to physical constraints such as close proximity to a house. Therefore, a certain funding requirement will always be necessary in this project.
Z00022	Municipal Separate Storm Sewer System (Countywide)	Continuing	\$2,420,000	FY 2005 funding in the amount of \$2,420,000 is included to continue activities associated with the Virginia Pollutant Discharge Elimination System Municipal Separate Storm Sewer System (MS4) permit, which is required as part of the Clean Water Act amendments of 1987. The permit mandates implementation of a water quality management program. The MS4 discharge permit is considered a five-year renewal of the National Pollutant Discharge Elimination System permit approved in January 2002. Activities include water quality testing, watershed master planning, improvement programs, and development of the GIS-based storm sewer system inventory.
Total		Continuing	\$2,965,000	

TOTAL PAYDOWN (HB 599 FINANCING)

\$8,362,776

TOTAL PAYDOWN PROGRAM

\$18,847,963

Details: General Obligation Bonds

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 306, Northern Virginia Regional Park Authority				
NA	County Contribution	\$0	\$2,500,000	FY 2005 funding in the amount of \$2,500,000 is included for Fairfax County's capital contribution to the Northern Virginia Regional Park Authority (NVRPA). Funding provides for costs associated with construction, park development, and capital requirements according to plans adopted by the NVRPA Board and its Capital Improvement Program. FY 2005 funding is included pending approval of a Fall 2004 Park Bond Referendum in the amount of \$10 million for Fairfax County's capital contribution to the NVRPA. FY 2005 represents the first year of County contributions associated with the 2004 referendum.
Total		\$0	\$2,500,000	
Fund 309, Metro Operations and Construction				
NA	NA	Continuing	\$13,588,893	FY 2005 funding in the amount of \$13,588,893 is included for General Obligation bond capital to support the 103-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars, and buses. In addition to General Obligation bond support, an amount of \$6,161,107 is also included to fund Metrorail maintenance and support financed by fund balances for a total of \$19,750,000.
Total		Continuing	\$13,588,893	
Fund 311, County Bond Construction				
88A002	West Ox Bus Operations Facility (Sully)	\$24,181,000	\$12,032,141	FY 2005 funding in the amount of \$12,032,141 is included to complete the conceptual design and to proceed with construction of the West Ox Bus Operations Facility, which will service additional buses added to the Fairfax Connector fleet for the Dulles and I-66 corridors. The total project estimate is under review, with anticipation that there will be additional costs above the current estimate, requiring identification of other revenue sources or a phasing of the project.
Total		\$24,181,000	\$12,032,141	

Details: General Obligation Bonds

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 312, Public Safety Bond Construction				
009094	Wolf Trap Fire Station (Dranesville)	\$7,070,000	\$1,200,000	FY 2005 funding in the amount of \$1,200,000 is included for the design and permitting phase of the Wolf Trap Fire Station, a new 14,000-square-foot 4-bay fire station that will address response time delays on the highly traveled area of Route 7, as well as along the Dulles Access Road corridor. This project is funded through the Fall 1989 Public Safety Facilities Bond Referendum and is consistent with the approved FY 2004 - FY 2008 Capital Improvement Program (with Future Years to 2013).
009211	Public Safety Operations Center (Springfield)	\$97,022,130	\$23,000,000	FY 2005 funding in the amount of \$23,000,000 is included to support the construction of the new Public Safety Operations Center, located at the Camp 30/West Ox site. FY 2005 funding represents the appropriation of remaining bond funds approved as part of the November 5, 2002 Public Safety Bond Referendum.
Total		\$104,092,130	\$24,200,000	
Fund 390, Public School Construction				
NA	NA	Continuing	\$130,000,000	FY 2005 funding in the amount of \$130,000,000 is included for school design and construction. For details, see the FY 2005 Superintendent's Proposed Budget.
Total		Continuing	\$130,000,000	

TOTAL GENERAL OBLIGATION BONDS

\$182,321,034

Details: Wastewater Management System

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 402, Sewer Construction Improvements				
G00901	DC Treatment Blue Plains (Countywide)	\$72,691,342	\$10,800,000	FY 2005 funding in the amount of \$10,800,000 is included for Fairfax County's share of projected costs associated with the upgrade to the DC Blue Plains Wastewater Treatment Plant.
G00903	Arlington Wastewater Treatment (Countywide)	\$16,387,392	\$3,930,000	FY 2005 funding in the amount of \$3,930,000 is included for Fairfax County's share of nitrogen removal costs at the Arlington Wastewater Treatment Plant.
I00351	Pump Station Renovations (Countywide)	Continuing	\$1,500,000	FY 2005 funding in the amount of \$1,500,000 is included for the construction of the new Powell Lane Pump Station to provide for the elimination of a sewer line segment that is covered with 40 feet of fill debris from an old, illegal landfill.
I00904	ASA Wastewater Treatment Plant (Countywide)	\$187,267,523	\$8,800,800	FY 2005 funding in the amount of \$8,800,800 is included for Fairfax County's share of construction costs associated with improvements to the Alexandria Wastewater Treatment Plant.
X00445	Integrated Sewer Metering (Countywide)	Continuing	\$50,000	FY 2005 funding in the amount of \$50,000 is included for the Wastewater Management's annual metering program which upgrades existing sewer meters throughout the County to comply with the Virginia Water Control Board regulations.
X00826	Extension Project FY 1996 (Countywide)	\$18,519,009	\$314,400	FY 2005 funding in the amount of \$314,400 is included for the installation of 1,000 linear feet of sewer line to seven dwellings on Glenbrook Road to address septic system failures as recommended by the Health Department.
X00905	Replacement and Transmission (Countywide)	Continuing	\$10,000,000	FY 2005 funding in the amount of \$10,000,000 is included for the recurring repair, replacement, and renovation of 20 miles of sewer lines using predominantly "no dig" technologies and the sewer line realignment of 13 line segments to prevent sewer backups/overflows.
X00940	Developer Projects County Costs (Countywide)	Continuing	\$100,000	FY 2005 funding in the amount of \$100,000 is included for the maintenance, review, and preparation of sewer grid plans prior to submission to the State Health Department and Water Control Board.
Total		\$294,865,266	\$35,495,200	

TOTAL WASTEWATER MANAGEMENT SYSTEM

\$35,495,200

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 111, Reston Community Center				
003716	RCC Improvements (Hunter Mill)	\$897,144	\$897,144	FY 2005 funding in the amount of \$897,144 is included for the replacement of equipment at the Reston Community Center, including natatorium lighting, ventilation, pool shell, and deck tile.
Total		\$897,144	\$897,144	
Fund 113, McLean Community Center				
003601	MCC Improvements (Dranesville)	\$376,000	\$376,000	FY 2005 funding in the amount of \$376,000 is included for the replacement and upgrade of the existing lighting system wiring and control, sound system, and a feasibility study to expand McLean Community Center facility.
Total		\$376,000	\$376,000	
Fund 144, Housing Trust Fund				
013906	Undesignated (Countywide)	Continuing	\$272,838	FY 2005 funding in the amount of \$272,838 is included as a planning factor for the Undesignated Project, based on anticipated proffers and interest income in FY 2005. Funding will be retained in the Undesignated Project until designated to specific projects by the FCRHA and the Board of Supervisors.
014011	Fairfax County Employees' Housing Assistance Program (Countywide)	Continuing	\$350,000	FY 2005 funding in the amount of \$350,000 is included as a planning factor for the development of a program for Fairfax County Public Safety employees to provide down payment and closing cost assistance in purchasing a home.
014098	Housing Trust Fund Magnet Housing (Countywide)	Continuing	\$250,000	FY 2005 funding in the amount of \$250,000 is included as a planning factor for the development of a program to provide a living/working/learning environment to move low- and moderate-income persons from lower paying jobs to a career path.
014142	Housing Trust Fund Reserve (Countywide)	Continuing	\$135,000	FY 2005 funding in the amount of \$135,000 is included as a planning factor for housing emergencies and opportunities to acquire and/or support low- and moderate-income housing in Fairfax County.
014143	Housing Trust Fund Land Acquisition (Countywide)	\$1,500,000	\$500,000	FY 2005 funding in the amount of \$500,000 is included as a planning factor to pursue land as opportunities arise and partner with for- and not-for-profit entities in the development of project sites.
Total		\$1,500,000	\$1,507,838	

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 145, HOME Investment Partnership Grant				
013974	HOME Development Costs (Countywide)	Continuing	\$1,776,109	FY 2005 funding in the amount of \$1,776,109 in Federal Grant funding will be allocated to specific projects as recommended by the Board of Supervisors. Allocation to specific projects is anticipated in the Spring of 2004.
Total			\$1,776,109	
Fund 301, Contributed Roadway Improvement Fund				
007700	Fairfax Center Reserve (Providence)	Continuing	\$505,295	FY 2005 funding is based on anticipated contributions and pooled interest income for roadway construction in Fairfax Center area.
008800	Centreville Reserve (Sully)	Continuing	\$66,473	FY 2005 funding is based on anticipated contributions and pooled interest income for roadway construction in Centreville area.
009900	Miscellaneous Reserve (Countywide)	Continuing	\$1,097,479	FY 2005 funding is based on anticipated contributions and pooled interest income for miscellaneous roadway improvements.
009911	Tysons Corner Reserve (Providence)	Continuing	\$596,859	FY 2005 funding is based on anticipated contributions and pooled interest income for roadway construction in Tysons Corner area.
Total			\$2,266,106	
Fund 308, Public Works Construction				
U00006	Developer Defaults (Countywide)	Continuing	\$300,000	FY 2005 funding in the amount of \$300,000 is included to complete developer default projects. The Developer Default Program requires developers to provide a security deposit, either a bond or letter of credit, to the County to ensure that public improvements associated with their developments are properly constructed. If the developer fails to provide improvements as required, the security deposit is defaulted and the County assumes responsibility for making the improvement(s). In addition to developer bonds, General Fund monies of \$100,000 are also included, for a total of \$400,000.
Total		Continuing	\$300,000	

Details: Other Financing

Project Number	Project Name (District)	Total Project Estimate	FY 2005 Funded	Description
Fund 309, Metro Operations and Construction				
NA	NA	Continuing	\$6,161,107	FY 2005 funding in the amount of \$6,161,107 is included to support the 103-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars, and buses. In addition, an amount of \$13,588,893 is included to fund Metrorail maintenance and support financed by General Obligation bonds for a total of \$19,750,000.
Total		Continuing	\$6,161,107	
Fund 390, Public School Construction				
NA	NA	Continuing	\$30,015,262	FY 2005 funding in the amount of \$30,015,262 is included for various school construction projects financed from Parent Teachers Association/Parent Teachers Organization receipts, the carryover of bond funds, and transfers from Fund 090, Public School Operating Fund. For details, see the FY 2005 Superintendent's Proposed Budget.
Total		Continuing	\$30,015,262	

TOTAL OTHER FINANCING

\$43,299,566



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Trends and Demographics

This section includes:

- ▶ *Household Tax Analyses*
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Trends and Demographics

HOUSEHOLD TAX ANALYSES

The following analyses illustrate the impact of selected County taxes on the "typical" household from FY 1999 to FY 2005. This period provides five years of actual data, estimates for FY 2004 based on year-to-date experience, and projections for FY 2005. Historical dollar amounts are converted to FY 2005 dollar equivalents for comparison purposes using the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore area. The Washington metropolitan area has experienced average annual inflation of 2.8 percent from FY 1999 to FY 2003. Projections for inflation in FY 2004 and FY 2005 are based on a forecast of 3.0 percent using the December 2003 issue of the Blue Chip Economic Indicators, and adjusting for the relatively higher rate of inflation that has occurred in the Washington area, compared nationally.

HOUSEHOLD TAXATION TRENDS: SELECTED CATEGORIES FY 1999 - FY 2005

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

The "typical" household in Fairfax County is projected to pay \$4,822.23 in selected County taxes in FY 2005, \$289.44 more than FY 2004 after adjusting for inflation. From FY 1999 to FY 2005, the inflation adjusted increase in selected County taxes for the "typical" household is \$909.81, or an average annual increase of 3.5 percent. Note that taxes paid in FY 1999 through FY 2005 reflect the Personal Property Tax Relief Act of 1998 (PPTRA), which reduced an individual's Personal Property Tax liability by 12.5 percent in FY 1999, 27.5 percent in FY 2000, 47.5 percent in FY 2001, and 70.0 percent in FY 2002 through 2005. The PPTRA applies to vehicles valued up to \$20,000 owned by individuals.

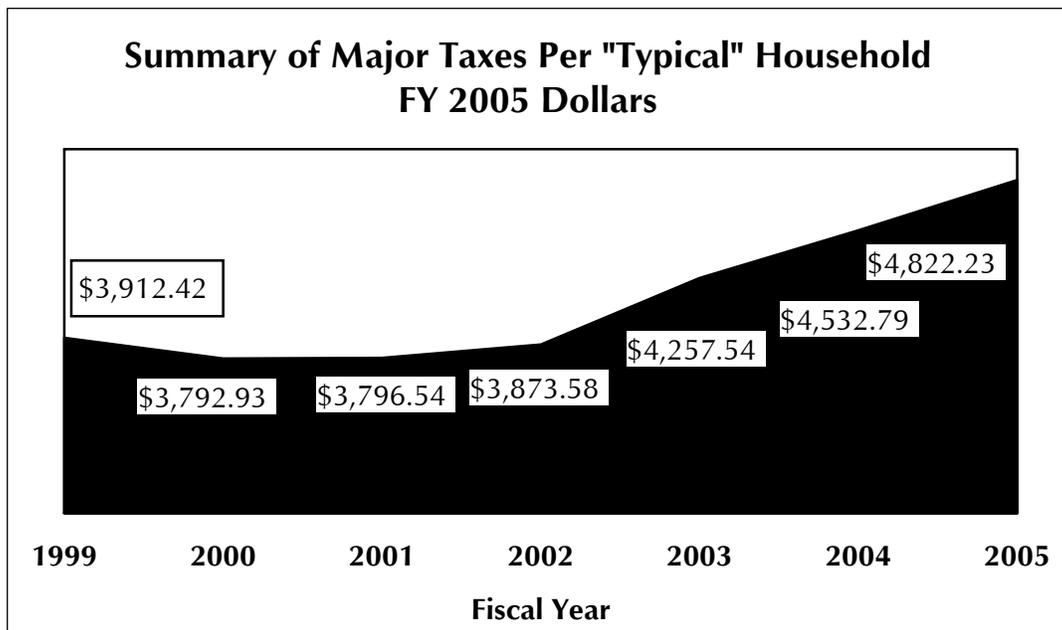
Summary of Major Taxes Per "Typical" Household

	Number of Households	Real Estate Tax in FY 2005 Dollars	Personal Property Tax in FY 2005 Dollars ¹	Sales Tax in FY 2005 Dollars	Consumer Utility Tax in FY 2005 Dollars	Total Taxes in FY 2005 Dollars ¹
FY 1999	344,563	\$2,807.36	\$610.23	\$397.88	\$96.95	\$3,912.42
FY 2000	353,136	\$2,751.77	\$527.40	\$416.89	\$96.87	\$3,792.93
FY 2001	358,149	\$2,862.92	\$417.76	\$416.84	\$99.02	\$3,796.54
FY 2002	363,677	\$3,155.10	\$246.43	\$377.31	\$94.74	\$3,873.58
FY 2003	369,200	\$3,555.11	\$246.30	\$364.32	\$91.81	\$4,257.54
FY 2004²	374,700	\$3,838.15	\$247.85	\$358.97	\$87.82	\$4,532.79
FY 2005²	380,200	\$4,147.07	\$237.36	\$353.77	\$84.03	\$4,822.23

¹ FY 1999 reflects a refund of 12.5 percent paid to citizens by the Commonwealth, FY 2000 incorporates a 27.5 percent reduction, FY 2001 incorporates a 47.5 percent reduction, and FY 2002-2005 incorporates a 70.0 percent reduction in Personal Property Tax bills sent to citizens. 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 2005 Dollars
FY 1991	\$196,514	\$1.11	\$2,181.31	\$3,090.96
FY 1999	\$192,667	\$1.23	\$2,369.80	\$2,807.36
FY 2000	\$195,713	\$1.23	\$2,407.27	\$2,751.77
FY 2001	\$208,126	\$1.23	\$2,559.95	\$2,862.92
FY 2002	\$234,749	\$1.23	\$2,887.41	\$3,155.10
FY 2003	\$276,945	\$1.21	\$3,351.03	\$3,555.11
FY 2004¹	\$321,238	\$1.16	\$3,726.36	\$3,838.15
FY 2005¹	\$357,506	\$1.16	\$4,147.07	\$4,147.07

¹ Estimated.

As shown in the preceding table, Real Estate Taxes per "typical" household are expected to increase \$420.71 between FY 2004 and FY 2005 to \$4,147.07, not adjusting for inflation. This increase is primarily due to higher residential property assessments, which result from a strong demand for homes coupled with a limited supply in Fairfax County. Since FY 1999, Real Estate Taxes have increased \$1,777.27 or an average annual increase of 9.8 percent per year, not adjusting for inflation. Adjusted for inflation, however, Real Estate Taxes per "typical" household are \$1,339.71 higher than FY 1999, an average annual increase of 6.7 percent. Since FY 1991, Real Estate Taxes have increased an average of 2.1 percent per year after adjusting for inflation. The Real Estate Tax rate remains unchanged from FY 2004 at \$1.16 per \$100 of assessed value in FY 2005.

Trends and Demographics

Personal Property Tax Per "Typical" Household

	Personal Property Taxes Attributed to Individuals	Number of Households	Tax per Household	Tax per Household in FY 2005 Dollars	After PPTRA	
					Adjusted Tax per Household ¹	Tax per Household in FY 2005 Dollars ¹
FY 1999	\$202,845,636	344,563	\$588.70	\$697.40	\$515.12	\$610.22
FY 2000	\$224,727,900	353,136	\$636.38	\$727.45	\$461.37	\$527.40
FY 2001	\$254,831,615	358,149	\$711.52	\$795.73	\$373.55	\$417.78
FY 2002	\$273,395,166	363,677	\$751.75	\$821.45	\$225.53	\$246.44
FY 2003	\$285,711,943	369,200	\$773.87	\$821.00	\$232.16	\$246.30
FY 2004²	\$300,552,466	374,700	\$802.11	\$826.18	\$240.63	\$247.85
FY 2005²	\$300,809,071	380,200	\$791.19	\$791.19	\$237.36	\$237.36

¹ FY 1999 reflects a refund of 12.5 percent paid to citizens by the Commonwealth, FY 2000 incorporates a 27.5 percent reduction, FY 2001 incorporates a 47.5 percent reduction, and FY 2002-2005 incorporate a 70.0 percent reduction in Personal Property Tax bills sent to citizens. The difference in revenue will be paid to the County by the Commonwealth.

² Estimated.

Personal Property Taxes paid by the "typical" household are shown in the preceding chart. Taxes paid in FY 1999 through FY 2005 reflect the Commonwealth of Virginia's Personal Property Tax Relief Act (PPTRA), which reduced an individual's Personal Property Tax payment by 12.5 percent in FY 1999, 27.5 percent in FY 2000, 47.5 percent in FY 2001, and 70.0 percent in FY 2002 through 2005. This analysis assumes that the "typical" household's vehicle(s) are valued at \$20,000 or less in order to qualify for a reduction under the PPTRA. In FY 2005, the "typical" household is estimated to pay \$237.36 in Personal Property Taxes, or \$277.76 less than was paid in FY 1999, not adjusting for inflation. When adjustments are made for inflation, the "typical" household is projected to pay \$372.87 less in FY 2005 than FY 1999. There have been no changes to the Personal Property Tax rate of \$4.57 per \$100 of assessed value for individuals during the FY 1999 to FY 2005 period, except for mobile homes and boats which are taxed at the prevailing Real Estate Tax rate each fiscal year.

Trends and Demographics

Sales Tax Per "Typical" Household

	Total Sales Tax	Number of Households	Tax per Household	Tax per Household in FY 2005 Dollars
FY 1999	\$115,728,083	344,563	\$335.87	\$397.88
FY 2000	\$128,787,605	353,136	\$364.70	\$416.89
FY 2001	\$133,492,619	358,149	\$372.73	\$416.84
FY 2002	\$125,577,043	363,677	\$345.30	\$377.31
FY 2003	\$126,785,250	369,200	\$343.41	\$364.32
FY 2004¹	\$130,588,808	374,700	\$348.52	\$358.97
FY 2005¹	\$134,503,993	380,200	\$353.77	\$353.77

¹ Estimated.

As shown in the table above, FY 2005 Sales Tax paid per household is estimated to be \$353.77, or \$17.90 more than FY 1999, not adjusting for inflation. This represents an average annual increase of just 0.8 percent since FY 1999. Taking inflation into account, Sales Tax paid per household has dropped \$44.11 over the same period.

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

Consumer Utility Taxes Per "Typical" Household

	Total Consumer Utility Taxes Paid by Residential Consumers	Number of Households	Tax per Household	Tax per Household in FY 2005 Dollars
FY 1999	\$28,199,133	344,563	\$81.84	\$96.95
FY 2000	\$29,926,432	353,136	\$84.74	\$96.87
FY 2001	\$31,711,021	358,149	\$88.54	\$99.02
FY 2002	\$31,530,699	363,677	\$86.70	\$94.74
FY 2003	\$31,949,053	369,200	\$86.54	\$91.81
FY 2004¹	\$31,949,053	374,700	\$85.27	\$87.82
FY 2005¹	\$31,949,053	380,200	\$84.03	\$84.03

¹ Estimated.

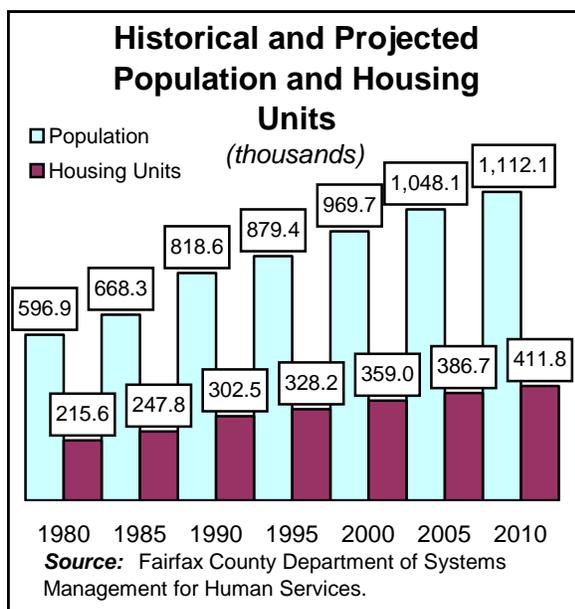
Based on data from the utility companies, it is estimated that residential consumers pay approximately 43.0 percent of the Electric Taxes, 73.0 percent of the Gas Taxes, and 25.0 percent of the Telephone Taxes received by the County. In FY 2005, the "typical" household will pay an estimated \$84.03 in Consumer Utility Taxes, \$2.19 more than in FY 1999 without adjusting for inflation. From FY 1999 to FY 2005, the "typical" household has experienced an average annual decrease of 2.4 percent, or \$12.92 over the period, adjusted for inflation.

Trends and Demographics

DEMOGRAPHIC TRENDS

Demographic trends strongly influence Fairfax County's budget. Changing demographics or population characteristics affect both the costs of government services provided as well as tax revenues. The descriptions and charts contained in this section provide some examples of how various demographic trends affect the Fairfax County budget. Although these trends are discussed separately, the interactions between these demographic trends ultimately influence the direction of expenditures and revenues. While certain demographic trends may suggest reduced expenditures in a program area, other demographic trends may increase program expenditures at the same time. The following information is based on the most recent data available at the time of publication. Calendar year 2002 has been updated to include the 2002 American Community Survey where data are available.

Population and Housing



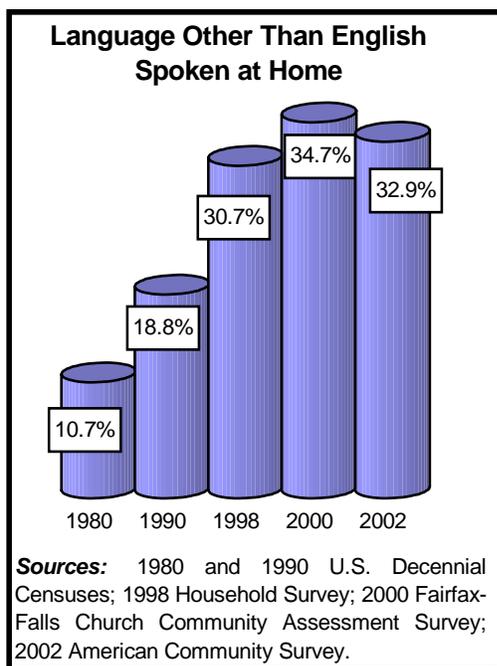
Some of the strongest demographic influences on Fairfax County expenditures and revenues are those associated with the growth in total population and housing units. Fairfax County experienced dramatic population growth during the 1980s, adding an average of more than 22,000 residents per year. This growth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

In 2004, Fairfax County is projected to have 1,033,600 residents. The population is expected to grow to 1,048,100 in 2005 and 1,062,800 in 2006. From 1980 to 1999, the number of housing units in Fairfax County increased more rapidly (64 percent) than population (59 percent). This phenomenon was due to a shrinking average household size from 2.91 persons in 1980 to

2.74 persons in 1999. Between 1999 and 2010, the average household size is expected to stay flat at approximately 2.74 persons and the population is expected to grow at an average annual rate of 1.5 percent, the same rate as the number of housing units. For some program areas such as fire prevention, transportation, water and sewer, and real estate assessments, the growth in the number of housing units has a larger impact on workloads and expenditures than population growth. For other program areas such as libraries, recreation, and schools, the growth in population is a more important determining factor.

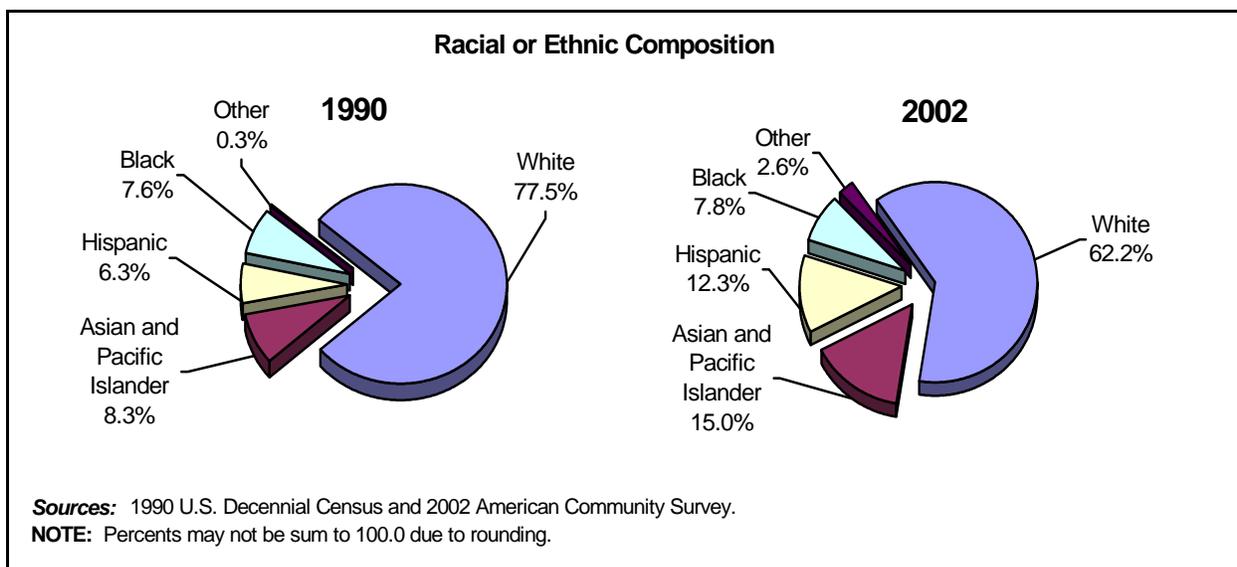
Trends and Demographics

Cultural Diversity



Fairfax County is a very diverse jurisdiction. The number of persons, age 5 years and older, speaking a language other than English at home has increased dramatically since 1980 to over 300,000 residents in 2002. In 1980, only 10.7 percent of residents age 5 years or older spoke a language other than English at home. By 1990, this percentage had risen to 18.8 percent. In 2002, nearly a third of the County's residents, age 5 years or older, spoke a language other than English at home. The most frequently spoken languages other than English include Spanish, Korean, Vietnamese, and Chinese.

These language trends affect many County programs. The Fairfax County Public Schools have experienced rapid growth in English for Speakers of Other Languages (ESOL) programs. Between FY 1990 and FY 2000 total public school membership increased 20 percent while ESOL enrollment increased 122 percent. Many general government programs also are affected by the County's cultural and language diversity. As with the public schools, the courts, police, fire, and emergency medical services, programs dealing with taxes and licenses, and human service programs must devise ways to effectively communicate with these citizens for whom English is a second language.



In 1990, racial and ethnic minorities comprised less than a quarter of Fairfax County's population. In 2002, these groups comprised over one-third of the County's residents. Hispanics have been the most rapidly growing group, followed by Asians and Pacific Islanders. These two minority groups are expected to be the County's fastest growing racial or ethnic groups during the next five years. Among Asian and Hispanic residents, almost 90 percent speak a language other than English at home. The percentage of persons speaking a language other than English at home will continue to increase over the next five years.

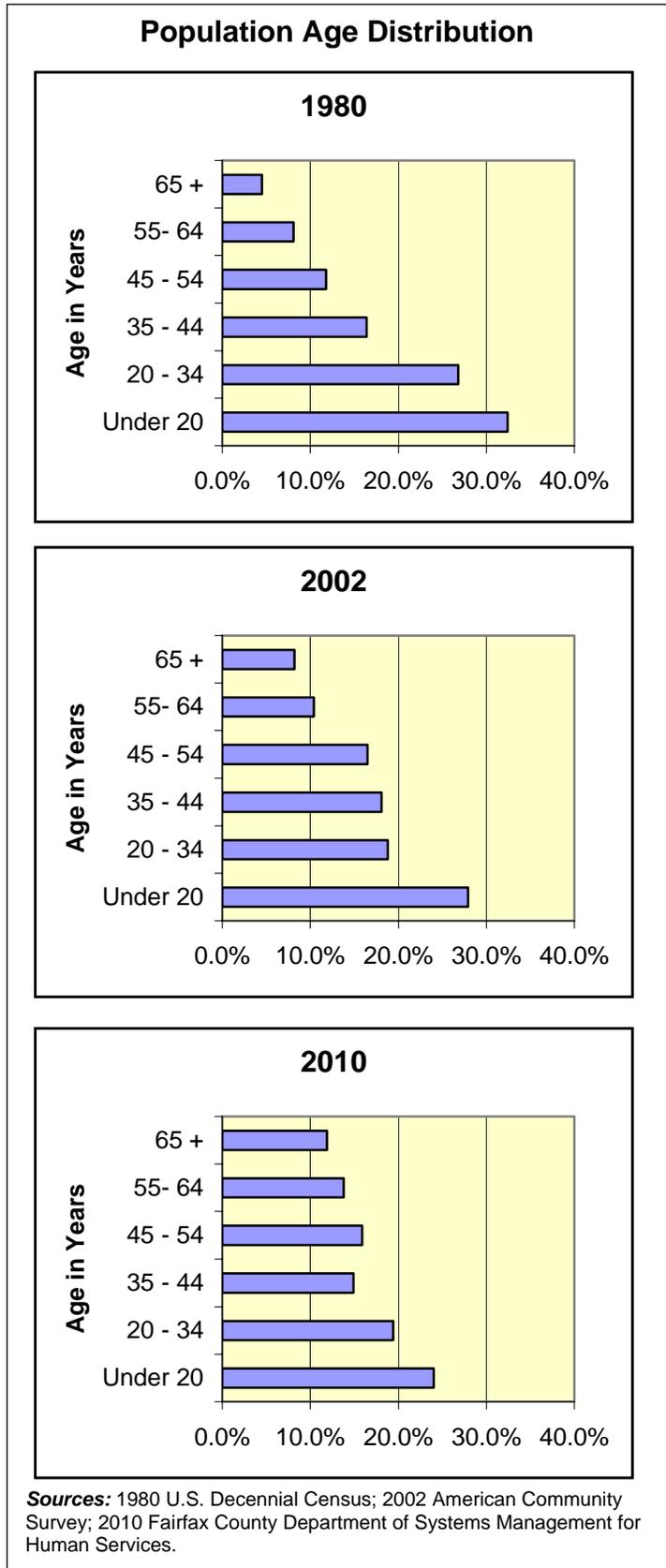
Trends and Demographics

Population Age Distribution

Fairfax County's population has grown steadily older since 1980. This trend is projected to continue through 2010. Although children age 19 years and younger grew in number between 1980 and 2002, they became a smaller proportion of total population. This trend is expected to continue through 2010. The "baby boomlet" (children of baby boomers), will expand the percentage of the population between the ages of 20 and 34 years by 2010, but adults age 35 to 44 years will shrink in number and percentage by 2010.

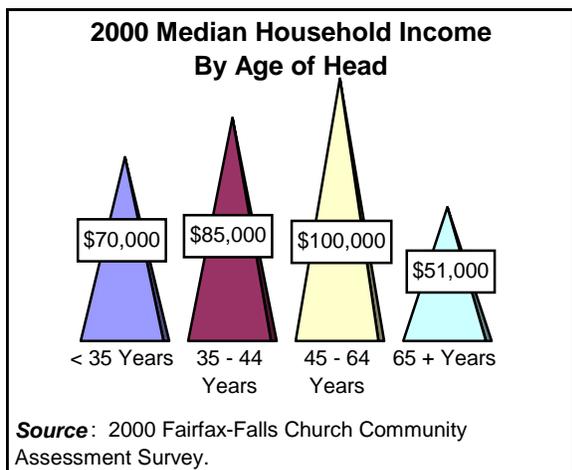
Adults age 45 to 54 years expanded rapidly in number between 1980 and 2002 as the first "baby boomers" reached their fifties. However, between 2002 and 2010, persons age 45 to 54 will not grow as rapidly in number as the last of the "baby boom" generation enters this age group and the oldest "baby boomers" move to the next age group. The most rapidly growing group between 1980 and 2002 was seniors age 65 years and older. Seniors are expected to continue to be one of the most rapidly expanding groups through 2010.

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



Trends and Demographics

Household Income

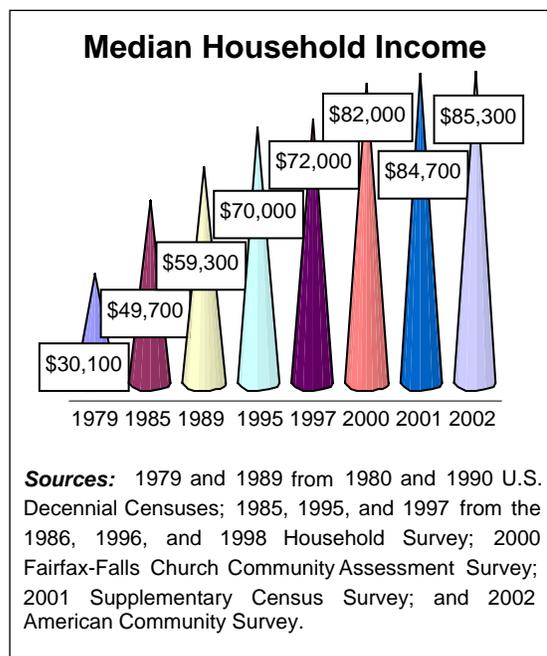


Fairfax County tax revenues also are affected by population age distributions. Income peaks among householders age 45 to 64 years, who are in their prime earning years. As the number of households headed by this age group expands during the next 15 to 20 years, some tax revenues will be stimulated. These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

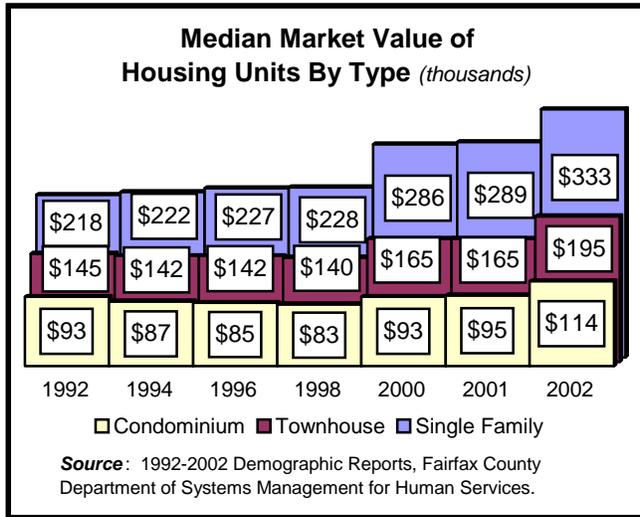
However, the median household income of households headed by a person age 65 or older is much less than that of a household headed by a person age 45 to 64 years. Therefore, a population containing a larger number of seniors, age 65 and older, will put downward pressure on tax revenues. These senior households have less discretionary income to spend, on average, own fewer motor vehicles; and are more likely to qualify for tax relief or discounted fees.

From 1979 through 1989, the growth in Fairfax County’s median household income exceeded inflation, increasing 13.9 percent, adjusted for inflation. As a result, households in Fairfax County had more discretionary income to spend or save. Between 1989 and 1997, however, the growth in Fairfax County’s median income just kept pace with inflation, as measured by the Washington Area Consumer Price Index. Inflation adjusted median household income increased only 2.2 percent between 1989 and 1997. This trend reversed again between 1997 and 2002 as inflation adjusted median household income increased 5.6 percent.

Income growth affects Fairfax County tax revenues indirectly in that it impacts the County’s economic health. Tax categories affected by income include Sales Tax, Residential Real Estate Taxes, and Personal Property Taxes. In addition, income levels directly affect the County’s expenditures for labor.



Trends and Demographics



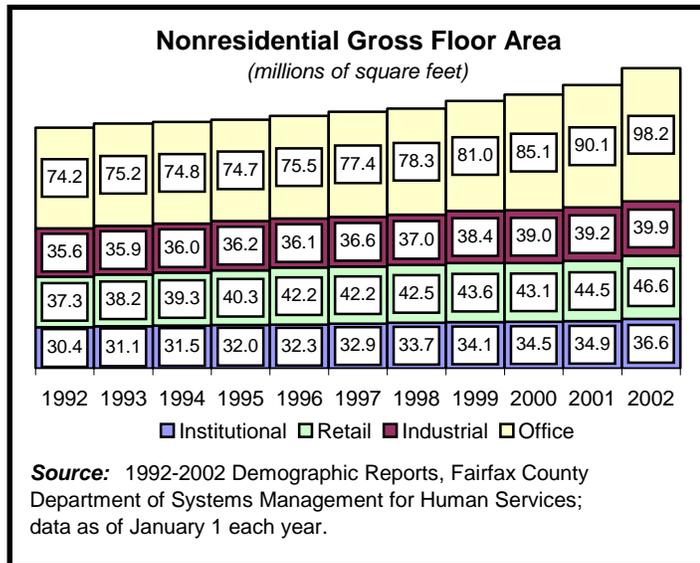
Median Market Value of Housing

The median market values of single family, townhouse, and apartment condominium housing increased dramatically through the 1980s but waned throughout the 1990s. Prices started to rebound in 1999. By 2002, the median market value of single family homes, which comprise nearly 50 percent of the County's total housing units, rose dramatically to \$332,627, an increase of \$47,000 in two years. The median market value of townhouses also increased considerably to \$194,621 and apartment style condominium values increased to \$114,488.

Real Estate Tax revenues provide more than half of all General Fund Revenues and residential properties comprise the majority of the value of the Real Estate Tax base. Thus, the market values of homes exert a very strong influence on Fairfax County's revenues. In 1979, the median market value of housing was 2.5 times greater than median household income. During the 1980s the median market value of housing grew much more rapidly than median household income. By 1990, the median market value of housing was more than three times the median household income. This trend has continued into 2002, as the median market value of all housing units is \$265,611 or 3.1 times the median household income of \$85,300.

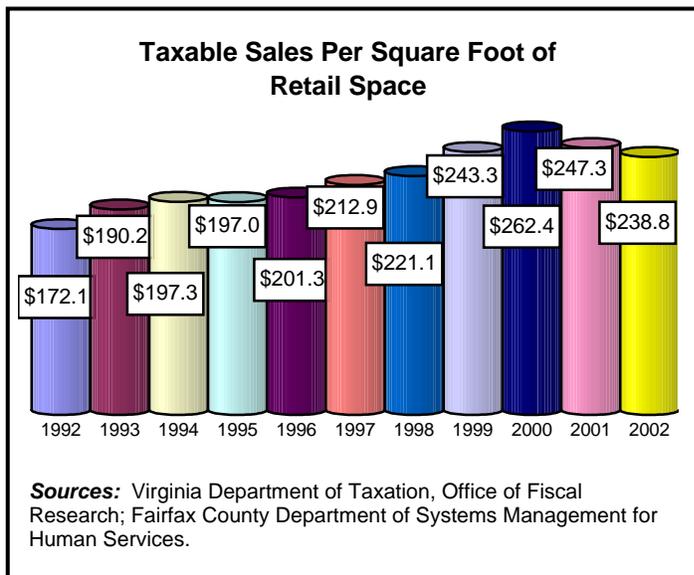
Nonresidential Space

The amount and value of nonresidential space in Fairfax County has a major impact on revenues and expenditures. Business activity affects Real Estate Tax revenues, business Personal Property Tax revenues, Business, Professional and Occupational License Tax revenues, Sales Tax revenues and Consumer Utility Tax revenues. Business expansion also affects expenditures for water and sewer services, transportation improvements and services, police and fire services, and refuse disposal. Since 1992, the total nonresidential gross floor area in Fairfax County has increased by 43.8 million square feet. Retail and office space have comprised most of this growth. Retail space increased by 9.3 million square feet and office space increased by 24.0 million square feet. Typically, increases in the amount of nonresidential space in the County would indicate an increase in the County's business base and thus, an increase in Real Estate Tax revenues. However, growth in nonresidential space does not necessarily translate directly into a Real Estate Tax revenue increase because the income generating ability of nonresidential space also is a factor.



Trends and Demographics

Taxable Sales Per Square Foot of Retail Space



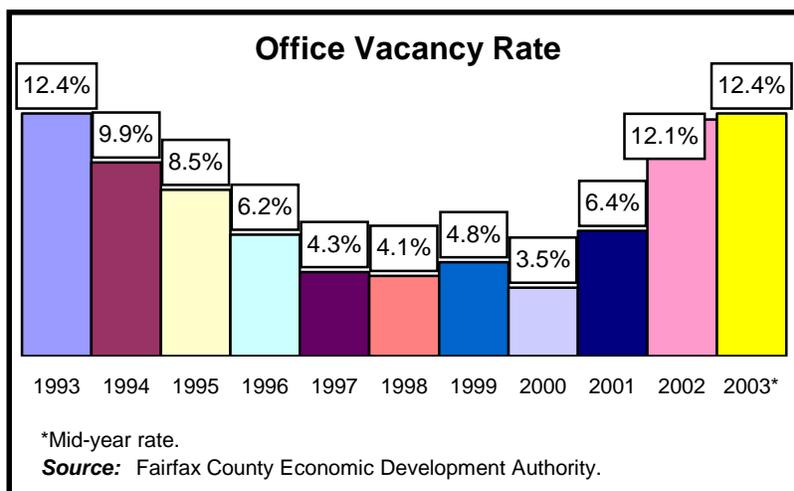
Taxable sales per square foot of retail space are an indicator of the health of the retail sales market in Fairfax County and a gauge of the income generating potential of retail space. After decreasing during the 1991-1992 recession, 1994 retail square footage returned to a level experienced in the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

Between 1995 and 2000, taxable sales per square foot of retail space increased to \$262.4, or 33.2 percent. When adjusted for inflation, taxable sales per square foot of retail space increased faster than inflation from 1997 to 2000. Real growth in taxable

sales per square foot of retail space generally indicates a profitable retail sales market and encourages retail expansion. A healthy retail sales market generates increasing tax revenues for the County. Taxable sales per square foot of retail space dropped in 2001 and again in 2002 due to a decline in taxable sales after the events of September 11, 2001 and a slow economy.

Office Vacancy Rates

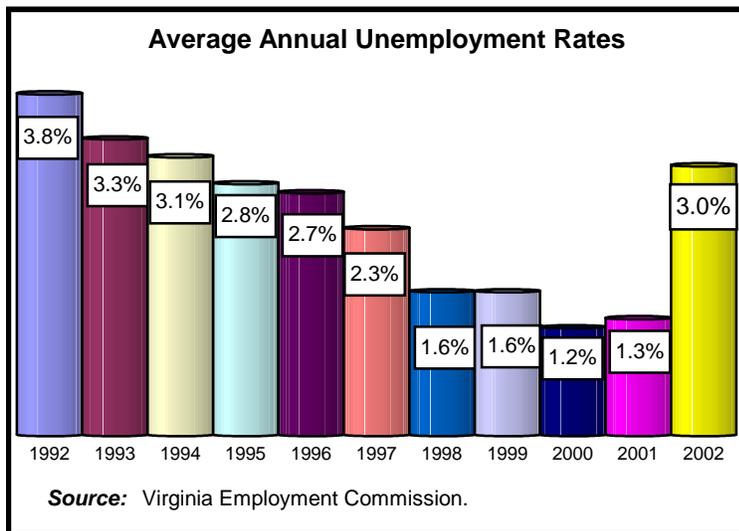
During the late 1980s and early 1990s, Fairfax County had a glut of office space. According to the Fairfax County Economic Development Authority, office vacancy rates peaked at 18.3 percent in 1990 and steadily declined through 2000 when the rate fell to 3.5 percent—the lowest office vacancy rate in more than 15 years. The vacancy rate dropped despite an increase in office inventory of more than 5.2 million square feet over 2000. By mid-year 2003, however, the overall vacancy rate increased to 12.4 percent due to the sluggish



economy. Various sub-markets in the County may have higher or lower vacancy rates. The amount of sublet space on the market has increased dramatically since 2001 as firms that had anticipated growth downsized. Including sublet space, the office vacancy rate through mid-year 2003 is 17.3 percent. These trends impact tax revenues from office properties, which comprised 44.0 percent of the gross floor area of all nonresidential property in calendar year 2002.

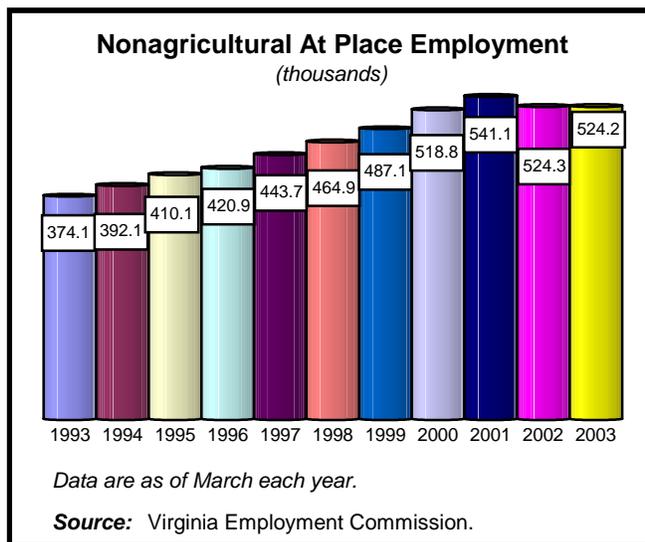
Trends and Demographics

Employment



Unemployment rates and at place employment (the number of persons employed in Fairfax County) are indicators of the health of the Fairfax County economy. Unemployment rates provide an indication of how many Fairfax County residents who desire to work cannot find employment. Residents of Fairfax County have experienced relatively low unemployment rates even during business cycle recessions. The annual unemployment rate in 2000 was 1.2 percent--the lowest rate in over a decade. Unemployment increased in 2002 to the highest level since 1994 due to the lingering effects of September 11 and slow economic activity. Layoffs were particularly significant in the information technology sector.

At place employment provides an indication of the number of jobs generated by businesses in Fairfax County. As discussed above, business and employment growth generate additional tax revenues and additional expenditures for Fairfax County. According to data from the Virginia Employment Commission, the number of jobs in Fairfax County expanded by approximately 167,000 positions from 1993 to 2001 and unemployment rates fell dramatically. From 2001 to 2003, however, Fairfax County employment has dropped 16,900



Financial Forecast

This section includes:

- ▶ *Financial Forecast for FY 2006 and
FY 2007 (Page 154)*
- ▶ *Revenue Assumptions
(Page 156)*
- ▶ *Disbursement Assumptions
(Page 159)*

Financial Forecast

Financial Forecast

The Financial Forecast for FY 2006 and FY 2007 has been developed in accordance with Budget Guidelines adopted by the Board of Supervisors on April 21, 2003. These guidelines serve as an important tool in the process of budget development. As resolved by the Board, the guidelines:

1. Limit the increases in County expenditures and the County's Transfer to the Fairfax County Public Schools to the projected rate of increase in revenues.
2. Require that available County balances, not necessary to support expenditures of a critical nature or to address the Board's policy on the Revenue Stabilization fund be held in reserve to offset future requirements.
3. Direct that non-recurring funds be allocated for non-recurring uses only.

The current forecast projects County revenue growth of 5.82 percent in FY 2006 and 5.94 percent in FY 2007. These rates of growth are due to moderating increases in residential property values, steady Revenue from the Commonwealth and Federal Government and moderate growth in other revenue categories.

The County will continue to be challenged to provide increasing service requirements and basic infrastructure needs and to accommodate the greater demand for County services related to human services, education, public safety and homeland security within the constraints of projected revenue growth. The forecast for FY 2006 and FY 2007 maintains the current Real Estate Tax rate of \$1.16 and limits increases in County expenditures and the transfer to the Schools to the revenue growth rate anticipated in each year in accordance with the Board's guidelines. This forecast shows deficits of \$6.5 million in FY 2006 and \$5.7 million in FY 2007, which will be addressed during budget development. During 2004, staff will be working to revise the forecast and forecast presentation to incorporate more detailed information on projected revenue growth and anticipated cost requirements of both the County and Schools for the forecast period.

Financial Forecast

FY 2006 and FY 2007 FINANCIAL FORECAST (millions)

	FY 2003 ACTUAL	FY 2004 ADOPTED	FY 2004 REVISED	FY 2005 ADVERTISED	FY 2006 FORECAST	FY 2007 FORECAST
Available Beginning Balance	\$0.00	\$0.86	\$69.08	\$0.00	\$0.00	\$0.00
Reserves Balance	94.57	49.81	49.81	52.35	54.69	58.10
REVENUE:						
Real Estate Taxes	\$1,396.53	\$1,494.19	\$1,494.51	\$1,664.33	\$1,801.89	\$1,945.50
Personal Property Taxes ¹	466.50	477.17	469.53	469.51	478.74	492.85
Other Local Taxes	373.59	372.94	384.21	382.95	390.47	398.20
Permits, Fees, and Licenses	27.74	26.85	26.90	26.94	26.94	26.94
Fines and Forfeitures	11.05	12.04	12.78	12.38	12.50	12.63
Revenue from Use of Money/Property	20.74	16.37	18.23	21.11	25.25	31.11
Charges for Services	40.55	38.15	41.94	40.52	41.33	42.16
Revenue from the Commonwealth ¹	79.68	75.91	76.59	77.19	77.19	77.19
Revenue from the Federal Govt.	47.00	39.91	41.13	39.76	39.76	39.76
Recovered Costs/Other Revenue	5.42	5.40	5.93	5.97	5.97	5.97
TOTAL REVENUE	\$2,468.80	\$2,558.93	\$2,571.77	\$2,740.65	\$2,900.04	\$3,072.30
TRANSFERS IN	3.93	1.40	1.40	1.67	1.71	1.75
TOTAL RECEIPTS	\$2,472.73	\$2,560.33	\$2,573.16	\$2,742.32	\$2,901.75	\$3,074.05
TOTAL AVAILABLE	\$2,567.30	\$2,611.00	\$2,692.06	\$2,794.66	\$2,956.44	\$3,132.14
EXPENDITURES:						
Personnel Services	\$505.75	\$539.47	\$541.03	\$568.77	\$601.85	\$637.60
Operating Expenses	307.64	305.71	334.83	312.21	330.37	349.99
Worked Performed for Others	(32.30)	(38.11)	(38.85)	(39.19)	(41.47)	(43.93)
Capital Equipment	3.53	3.88	5.14	2.04	2.16	2.28
Fringe Benefits	127.97	134.62	137.52	160.38	169.71	179.79
TOTAL EXPENDITURES	\$912.59	\$945.56	\$979.67	\$1,004.21	\$1,062.61	\$1,125.73
TRANSFERS OUT:						
Schools	\$1,168.88	\$1,238.48	\$1,240.85	\$1,322.37	\$1,399.28	\$1,482.39
G O Debt (County)	100.09	98.45	98.45	100.02	108.30	114.21
G O Debt (Schools)	113.60	120.90	120.90	126.53	134.53	141.87
CSB	78.40	80.63	80.60	82.89	87.71	92.92
Metro	12.27	12.27	12.27	18.14	20.87	24.00
Paydown Construction	7.01	4.03	18.86	10.49	15.00	15.00
County Transit	17.94	20.28	19.65	21.21	22.44	23.78
Other Transfers	30.31	29.77	35.03	36.95	39.10	41.42
Information Technology	5.92	9.45	9.45	11.63	15.00	15.00
Revenue Stabilization	1.39	0.00	1.62	0.00	0.00	0.00
TOTAL TRANSFERS OUT	\$1,535.81	\$1,614.24	\$1,637.67	\$1,730.24	\$1,842.24	\$1,950.60
TOTAL DISBURSEMENTS	\$2,448.40	\$2,559.80	\$2,617.34	\$2,734.45	\$2,904.85	\$3,076.32
ENDING BALANCE	\$118.89	\$51.20	\$74.72	\$60.22	\$51.59	\$55.82
Managed Reserve	49.81	51.20	52.35	54.69	58.10	61.53
Other Reserves ²	0.00	0.00	22.37	5.53	0.00	0.00
TOTAL AVAILABLE	\$69.08	\$0.00	\$0.00	\$0.00	(\$6.51)	(\$5.71)

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

²The FY 2004 Revised Budget Plan ending balance reflects reserve funding of \$22.37 million which includes \$18.65 million held in reserve for anticipated FY 2004 Third Quarter Review disbursement requirements related to the construction of the Public Safety Operations/Emergency Operations Center and \$3.72 million held for FY 2004 disbursement requirements associated with Hurricane Isabel and anticipated premium stabilization requirements. Further details will be included as part of the FY 2004 Third Quarter Review package. The FY 2005 Advertised Budget Plan ending balance reflects available funding of \$5.53 million held in reserve to offset economic fluctuations and revenue adjustments.

Financial Forecast

Revenue Assumptions

FY 2006 and FY 2007 revenue estimates are based on a review of current and projections of future economic conditions. The U.S. economy expanded in 2003. Economic growth, as measured by the Gross Domestic Product (GDP) experienced a strong 3.1 percent increase during 2003. Recent indicators point to continued improvement in the national and local economies. The U.S. Consumer Confidence Index has been up in three of the last four months and is at its highest level since July 2002. In addition, the Fairfax County Leading Index, designed to forecast the performance of the County's economy nine to twelve months in advance, has exceeded same-month levels in 2002 in each month since May 2003. Based on the recent trend in the Leading Index, the local economic expansion is anticipated to accelerate by mid-2004.

Total General Fund revenues are projected to increase 5.82 percent in FY 2006 and 5.94 percent in FY 2007. These rates of growth are the result of an anticipated moderation in Real Estate assessment increases, stabilization of Revenue from the Commonwealth and moderate rates of growth in other revenue categories.

The Financial Forecast assumes an overall increase in Real Estate values of 8.30 percent in FY 2006 and 8.00 percent in FY 2007 compared to the 12.04 percent increase experienced in FY 2005. Total equalization, or the reassessment of existing property, is anticipated to increase 6.90 percent in FY 2006 and 6.60 percent in FY 2007. Housing in Fairfax County has experienced substantial price appreciation during the past three years driven by high demand, coupled with a tight supply, and low mortgage rates. The growth in residential equalization; however, has slowed from the 16.27 percent experienced in FY 2003 to 14.55 percent in FY 2004 and 11.29 percent in FY 2005. This trend is expected to continue with residential equalization projected to increase at moderate rates of 8.00 percent in FY 2006 and 7.60 percent in FY 2007.

In FY 2005, existing nonresidential property values increased at a rate of 3.74 percent after experiencing an overall decline of 2.94 percent in FY 2004. Because of improved office vacancy rates and recent office building sales activity, the value of mid- and high-rise office buildings, which comprise nearly 40 percent of the nonresidential tax base, rose 3.27 percent in FY 2005. The office vacancy rate is expected to continue to fall over the next two years as job growth rises and businesses expand. As a result, office property is expected to experience moderate increases in value in FY 2006 and FY 2007. After falling in FY 2003 and FY 2004, Hotel property experienced a 4.48 percent increase in value in FY 2005. Somewhat lower rates of growth are projected in Hotel property over the next two years as occupancy rates drop slightly in response to the additional availability of rooms as several new hotels are expected to be completed over the next two years. The Retail and Regional Malls categories rose moderately in FY 2005, increasing 7.91 and 3.00 percent, respectively. These categories are expected to remain relatively stable during FY 2006 and FY 2007. Overall, the value of existing nonresidential properties is anticipated to experience further increases of 3.00 percent in both FY 2006 and FY 2007 primarily due to the projected expansion in the economy.

In addition to equalization, the remaining increase in Real Estate value is due to new construction or normal growth. New construction is expected to increase at a lower rate during FY 2006 and FY 2007 a result of a lack of buildable land in the County. Office construction will primarily be build-to-suit and no new hotel projects are anticipated. Residential construction is anticipated to be moderate. Overall, increases of 1.40 percent due to new construction are projected for FY 2006 and FY 2007 compared to an increase of 2.50 percent in FY 2005.

Financial Forecast

In FY 2005, Current Personal Property Tax revenue is anticipated to drop a slight 0.01 percent due to a decline in vehicle levy due primarily to declining values of used vehicles, partially offset with an increase in business levy resulting from the expanding economy. Personal Property Tax revenues, which represent 17.1 percent of total FY 2005 General Fund revenue, are expected to increase 2.0 percent in FY 2006 and 3.0 percent in FY 2007. Both the vehicle and business components are anticipated to experience moderate growth as businesses expand and the vehicle market stabilizes.

Based on the Personal Property Tax Relief Act (PPTRA) of 1998, the Virginia General Assembly approved a plan to eliminate the Personal Property Tax on vehicles owned by individuals over a five-year period. In FY 1999, the first year of implementation, taxpayers were billed for the entire amount of tax levy and received a refund of 12.5 percent of the tax on the first \$20,000 of the value of their personal vehicle from the Commonwealth of Virginia. Vehicles valued less than \$1,000 were refunded 100 percent. From FY 2000 to FY 2002, the PPTRA reduced the Personal Property Taxes paid by citizens by 27.5 percent, 47.5 percent, and 70 percent, respectively with an offsetting reimbursement paid to the County by the Commonwealth. Under the original approved plan, taxes paid by individuals were to be reduced by 100 percent in FY 2003. However, due to the State's lower than anticipated General Fund revenue growth, the reimbursement rate remained at 70 percent in FY 2003 and FY 2004. There are several proposals to increase the reimbursement rate in FY 2005; however, until the General Assembly adjourns, it is uncertain if these proposals will be approved. The reimbursement rate of 70 percent has been included in the FY 2005 Advertised Budget Plan. It should be noted that the PPTRA has no impact on the assessment or projection of total Personal Property Tax revenues; therefore, no assumption as to the rate of tax relief has been made for the forecast period.

Business activity and consumer spending are expected to be moderate during the forecast period. Business, Professional and Occupational Licenses (BPOL) revenue is projected to rise 2.5 percent in each fiscal year while Sales Tax receipts are expected to rise 3.0 percent in FY 2006 and FY 2007.

Interest earned on investments is expected to rise in FY 2006 and FY 2007 based on a forecast of modest increases in interest rates and growth in the investment portfolio. During the past two years, the Federal Reserve lowered interest rates 13 times, leading to a significant reduction in the yield earned on the County's investment portfolio. The average annual yield on investments fell from 6.24 percent in FY 2001 to 2.58 percent in FY 2002 and to 1.49 percent in FY 2003. Based on current interest rates, the yield on County investments is expected to be 1.18 percent in FY 2004 and to rise to 1.40 in FY 2005. During the forecast period, the yield on investment is expected to continue to increase with projections of 1.65 percent in FY 2006 and 2.00 percent in FY 2007.

Excluding revenues from the Commonwealth of Virginia associated with the reimbursement of Personal Property Taxes, Revenue from the Commonwealth and Federal Government is expected to decline 0.66 percent in FY 2005, due primarily due to a reduction in Revenue from the Federal Government, as funding for localities holding illegal aliens is anticipated to be eliminated. Revenue from the Commonwealth and Federal Governments is expected to remain at the FY 2005 level in FY 2006 and FY 2007.

Building and Permit fee revenue is anticipated to decline 5.8 percent in FY 2004. This revenue is a reflection of the construction industry, as well as the size and complexity of projects submitted for review. The slowdown in FY 2004 is indicated by current year-to-date revenues, a decline in major site and subdivision plans submitted, and a reduction in the number of building permits issued. During FY 2005 and the forecast years, Building and Permit fee revenue is projected to stabilize and remain at the FY 2004 level. It should be noted that the expectation that Building and Permit fee revenue will not increase assumes a continuation of the same level of building activity projected to be achieved in FY 2004 and should not be viewed as a further reduction.

Revenue growth rates in these and other categories such as Vehicle Decals, Recordation and Deed of Conveyance taxes and Charges for Services are shown in the following table:

Financial Forecast

REVENUE GROWTH RATES

Category	FY 2004	FY 2005	FY 2006	FY 2007
Real Estate Tax - Assessment Base	12.48%	12.04%	8.30%	8.00%
Equalization	9.94%	9.54%	6.90%	6.60%
Residential	14.55%	11.29%	8.00%	7.60%
Nonresidential	-2.94%	3.74%	3.00%	3.00%
Normal Growth	2.54%	2.50%	1.40%	1.40%
Personal Property Tax - Current ¹	0.90%	-0.01%	3.00%	3.00%
Local Sales Tax	3.00%	3.00%	3.00%	3.00%
Business, Professional and Occupational, License (BPOL) Taxes	2.50%	2.50%	2.50%	2.50%
Recordation/Deed of Conveyance	0.00%	-37.23%	0.00%	0.00%
Vehicle Decals	2.20%	2.00%	2.00%	2.00%
Building Plan and Permit Fees	-5.80%	0.00%	0.00%	0.00%
Charges for Services	3.40%	-3.38%	2.00%	2.00%
State/Federal Revenue ¹	-7.07%	-0.66%	0.00%	0.00%
TOTAL REVENUE	4.17%	6.57%	5.82%	5.94%

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.

Financial Forecast

Disbursement Assumptions

Direct Expenditures

As previously mentioned, increases in County expenditures are not to exceed the projected growth in County revenues. As such, direct expenditures increase 5.82 percent in FY 2006 and 5.94 percent in FY 2007. Escalating health care costs and poor market performance have necessitated significant double digit increases in funding for health insurance and retirement in FY 2005. Accommodating these increases in FY 2006 and FY 2007, along with our basic costs of operating County government such as pay for performance for employees, market rate adjustments for contractors and inflationary growth, means there is little flexibility for expansion of services or new facilities. In order to provide for compensatory and inflationary increases, as well as cost requirements associated with future new facilities, reductions may be required in other parts of the County's budget in order to stay within the Budget Guidelines.

Transfers Out

School Transfer

The Financial Forecast includes an increase in the School transfer consistent with the rate of revenue growth, 5.82 percent in FY 2006 and 5.94 percent in FY 2007, as directed by the Budget Guidelines.

Transportation

The transfer requirements of \$20.9 million and \$24.0 million in FY 2006 and FY 2007, respectively, for Metro Operations and Construction reflect annual increases of 15.0 percent based on projected inflationary increases and regional infrastructure requirements for Metrorail and Metrobus service. More moderate increases based on revenue growth are included for County Transit based on projected cost increases in the CONNECTOR bus system and Commuter Rail contributions and the purchase of 15 replacement buses each year.

Debt Service

The Debt Service requirements reflect increases required to support the level of bond sales proposed in the FY 2005 - 2009 Capital Improvement Program (With Future Fiscal Years to 2014).

Paydown

Paydown capital construction includes transfers from the General Fund to support construction and renovation of capital facilities. The projected annual transfer for paydown construction is \$15.0 million. It should be noted that the County's paydown construction program was constrained in the early and mid-1990's by budget limitations, deferred maintenance and repair costs and construction of new necessary public improvements. The projected level of paydown funding through FY 2007 will provide for essential maintenance and repair in order to protect and extend the operation of County facilities.

Transfer to Fairfax-Falls Church Community Services Board

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

Information Technology

Based on a recommendation from the County's Information Technology Advisory Group (ITAG), a \$15.0 million information technology (IT) transfer has been included in FY 2006 and FY 2007. ITAG, a private sector advisory group established by the County Executive to investigate the condition of the County's IT resources, has identified a total IT requirement of \$95 million and annual spending of \$15 million to \$20 million.

Other Transfers

Other Transfers have been increased by the rate of revenue growth in FY 2006 and FY 2007, or 5.82 percent and 5.94 percent, respectively.



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Long-Term Financial Policies And Tools

This section includes:

- ▶ *Ten Principles of Sound Financial Management (Page 162)*
- ▶ *Long-Term Financial Policies (Page 165)*
- ▶ *Ten Information Technology Strategic Directions (Page 171)*
- ▶ *Financial Management Tools and Planning Documents (Page 172)*

Long-Term Financial Policies and Tools

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

Fairfax County is proud to have been named “one of the best-managed jurisdictions in America” by *Governing* magazine and the Government Performance Project (GPP). The GPP conducted a comprehensive study evaluating the management practices of 40 counties across the country and Fairfax County received an overall grade of “A-,” one of only two jurisdictions to receive this highest grade.

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

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

Ten Principles of Sound Financial Management

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

From time to time the Board of Supervisors has amended the *Ten Principles of Sound Financial Management* in order to address changing economic conditions and management practices. The most recent amendment to the *Ten Principles* was in April 2002 reflecting changes in the economy and the market place in the 14 years since the last amendments in 1988. In addition to the more traditional methods of long-term financing through general obligation bonds, the County has been able to accomplish major capital improvements through the use of alternative financing while maintaining the County's fiscal integrity as required by the *Ten Principles*. Accomplishments such as Metro station parking garages, construction of Route 28, the opening of commuter rail, and construction of government facilities have all been attained in addition to a robust bond construction program. Most recently, in 2003 the County was able to accelerate the construction of a new high school by three years through the creative use of revenue bonds in connection with the joint development of a senior care facility and a golf course in conjunction with the high school. In the last 10 years the County has approved over \$1.8 billion of new debt at referendum, primarily for Schools; and refunded over \$1.3 billion of debt achieving approximately \$68 million in savings. 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 2002 amendments to the *Ten Principles* reflect the dynamic economic conditions faced today. The availability of resources, the application of new tools, and the expectations of the marketplace require prudent and responsible management as reflected by the financial policies. Staying current allows the County to continue to maintain its superior position and fiscal integrity.

Long-Term Financial Policies and Tools

Ten Principles of Sound Financial Management April 2002

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

Long-Term Financial Policies and Tools

Ten Principles of Sound Financial Management April 2002

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

Long-Term Financial Policies and Tools

Through the application of the *Ten Principles*, careful fiscal planning and sound financial management, Fairfax County has achieved a "triple A" bond rating from the three leading rating agencies. The County has held a Aaa rating from Moody's Investors Service since 1975, a AAA rating from Standard and Poor's Corporation since 1978, and a AAA rating from Fitch Investors Services since 1997. Fairfax County is one of only 24 counties in the country with "triple A" bond ratings from all three rating agencies.

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

- only 24 of the nation's 3,107 counties
- only 7 of the nation's 50 states
- only 21 of the nation's 22,529 cities

LONG-TERM FINANCIAL POLICIES

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

Budget Guidelines

On April 21, 2003, the Board of Supervisors reaffirmed and approved Budget Guidelines for Fiscal Year 2005.

These guidelines are considered an important tool in the budget development process and are to be considered during future budget deliberations.

1. The Board directs the County Executive to develop a budget for Fiscal Year 2005 that limits increases in expenditures to projected increases in revenue.
2. Information on the FY 2005 revenue and economic outlook should be forwarded to the Board for discussion in late 2003 so guidance to the County Executive regarding the tax rate as well as the transfer to the Schools can be provided by the Board.
3. The available balances materializing at the Carryover and Third Quarter Reviews which are not required to support County expenditures of a critical nature or to address the Board's policy on the Revenue Stabilization fund should be held in reserve to offset future requirements.
4. In order to avoid structural imbalances between County resources and requirements, resources should be allocated with consideration for the continued availability of these funds:
 - Non-recurring funds will be directed toward non-recurring uses.
 - Only recurring resources may be targeted toward recurring expenses.
5. The County's policy concerning the utilization of recurring and non-recurring funds should be followed by the School Board.
6. The Board directed the reviews of various County programs which are on-going.

Long-Term Financial Policies and Tools

Managed Reserve

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

Revenue Stabilization Fund

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

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

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

Other Reserves

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

Long-Term Financial Policies and Tools

Third Quarter/Carryover Reviews

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

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

Cash Management/Investments

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

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

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

Long-Term Financial Policies and Tools

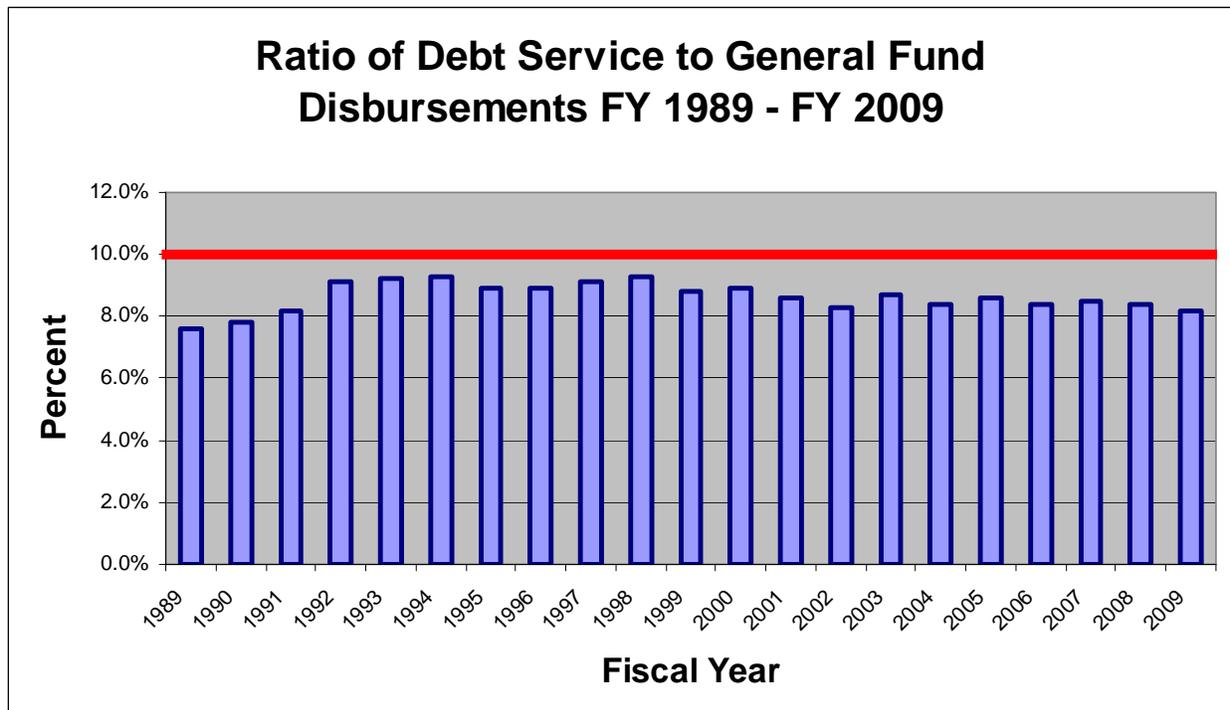
Debt Management/Capital Improvement Planning

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

Debt Service Requirements as a Percentage of Combined General Fund Disbursements

<u>Fiscal Year Ending</u>	<u>Debt Service Requirements</u> ¹	<u>General Fund Disbursements</u>	<u>Percentage</u>
2001	\$183,740,487	\$2,148,334,971	8.6%
2002	190,097,946	2,292,016,724	8.3%
2003	212,106,642	2,447,402,328	8.7%
2004 (est.)	219,188,245	2,617,340,240	8.4%
2005 (est.)	235,678,638	2,732,821,597	8.6%

¹ Beginning in FY 2003, the ratio includes debt service on Lease Revenue bonds for the Pennino and Herrity Buildings and Certificates of Participation for the South County Government Center in addition to General Obligation Bonds, Literary Loans and Special Revenue Bonds for Community Centers.



Long-Term Financial Policies and Tools

Net Debt as a Percentage of Market Value of Taxable Property

<u>Fiscal Year Ending</u>	<u>Net Bonded Indebtedness¹</u>	<u>Estimated Market Value</u>	<u>Percentage</u>
2001	\$1,442,682,525	\$101,048,500,000	1.43%
2002	1,655,613,600	113,801,300,000	1.45%
2003	1,913,826,600	128,927,200,000	1.48%
2004 (est.)	2,049,879,675	142,848,800,000	1.43%
2005 (est.)	2,101,106,762	157,510,000,000	1.33%

¹ Beginning in FY 2003, the ratio includes outstanding Lease Revenue bonds for the Pennino and Herrity Buildings and outstanding Certificates of Participation for the South County Government Center in addition to General Obligation Bonds, Literary Loans and Special Revenue Bonds for Community Centers. In addition, a sale of \$217.23 million for FY 2004 has been included for projection purposes.

Per capita debt is also an important measure used in analyses of municipal credit. Fairfax County has historically had moderate to low per capita debt and per capita debt as a percentage of per capita income due to its steady population growth, and growth in the assessed valuation of property and personal income of residents, combined with a record of rapid repayment of capital debt. Per capita debt as a percentage of per capita income as of June 30, 2003 was 3.17 percent and has remained less than 4.0 percent since 1981.

The *Ten Principles of Sound Financial Management* establish as a financial guideline a self-imposed limit on the level of the average annual bond sale. Actual bond issues are carefully sized with a realistic assessment of the need for funds, while remaining within the limits established by the Board of Supervisors. In addition, the actual bond sales are timed for the most opportune entry into the financial markets.

The policy guidelines enumerated in the *Ten Principles of Sound Financial Management* also express the intent of the Board of Supervisors to encourage greater industrial development in the County and to minimize the issuance of underlying indebtedness by towns and districts located within the County.

It is County policy to balance the need for public facilities, as expressed by the countywide land use plan, with the fiscal capacity of the County to provide for those needs. The five-year Capital Improvement Program (CIP), submitted annually to the Board of Supervisors, is the vehicle through which the stated need for public facilities is analyzed against the County's ability to pay and stay within its self-imposed debt guidelines as articulated in the *Ten Principles of Sound Financial Management*. The CIP is supported largely through long-term borrowing that is budgeted annually in debt service or from General Fund revenues on a pay-as-you-go basis.

Pay-as-you-go Financing

Although a number of options are available for financing the proposed capital improvement program, including bond proceeds and grants, it is the policy of the County to balance the use of the funding sources against the ability to utilize current revenue or pay-as-you-go financing. While major capital facility projects are funded through the sale of general obligation bonds, the Board of Supervisors, through its *Ten Principles of Sound Financial Management*, continues to emphasize the importance of maintaining a balance between pay-as-you-go financing and bond financing for capital projects. Financing capital projects from current revenues indicates the County's intent to show purposeful restraint in incurring long-term debt. No explicit level or percentage has been adopted for capital projects from current revenues as a portion of either overall capital costs or of the total operating budget. The decision for using current revenues to fund a capital project is based on the merits of the particular project in relation to an agreed upon set of criteria. It is the Board of Supervisors' policy that non-recurring revenues should not be used for recurring expenditures.

Long-Term Financial Policies and Tools

Risk Management

Continuing growth in County assets and operations perpetuates the potential for catastrophic losses resulting from inherent risks that remain unidentified and unabated. In recognition of this, the County has adopted a policy of professional and prudent management of risk exposures.

To limit the County's risk exposures, a Risk Management Steering Committee was established in 1986 to develop appropriate policies and procedures. The County Risk Manager is responsible for managing a countywide program. The program objectives are as follows:

- ◆ To protect and preserve the County's assets and workforce against losses that could deplete County resources or impair the County's ability to provide services to its citizens.
- ◆ To institute all practical measures to eliminate or control injury to persons, loss to property or other loss-producing conditions.
- ◆ To achieve such objectives in the most effective and economical manner.

While the County's preference is to fully self-insure, various types of insurance such as workers' compensation, automobile, and general liability insurance remain viable alternatives when they are available at an affordable price.

Pension Plans

The County funds the retirement costs for four separate retirement systems including: Educational Employees Supplemental Retirement System, Police Officers Retirement System, Fairfax County Employees' Retirement System and Uniformed Retirement System. These retirement systems are administered by the County and are made available to Fairfax County government and school employees in order to provide financial security when they reach an older age or cannot work due to disability. In addition, professional employees of the Fairfax County School Board participate in a plan sponsored and administered by the Virginia Retirement System. The Board of Supervisors reviews the Police Officers Retirement System, Fairfax County Employees' Retirement System and the Uniformed Retirement System plans annually and takes action to fund the County's obligation based on a corridor approach to employer contributions. The corridor approach requires that the systems funding ratios fall within a minimum funding ratio of 90 percent and a maximum funding ratio of 120 percent. In the corridor method of funding a fixed contribution rate is assigned to each System and the County contributes at the fixed rate unless the System's funding ratio falls outside of a pre-selected corridor. Once outside the corridor, the County rate is either increased or decreased to accelerate or decelerate the funding until the ratio falls back within the corridor. The only other changes to employer contributions will be if benefit enhancements are approved. The corridor approach adds stability to the employer contribution rates and at the same time provides adequate funding for the Retirement Systems.

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

Long-Term Financial Policies and Tools

Grants

County policy requires that all applications and acceptance of grant funds over \$5,000 must 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.

On November 20, 2000, the Board of Supervisors established a new County policy for grant applications and awards of \$5,000 or less that meet certain requirements. If a grant is \$5,000 or less, does not require a Local Cash Match, does not create new positions, 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. 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 contributors to describe accurately, in a manner prescribed by the County Executive, the level and quality of services provided to County residents.

Information Technology

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

Ten Fundamental Principles of Information Technology

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

1. Our ultimate goal is to provide citizens, the business community, and County employees with timely, convenient access to appropriate information and services through the use of technology.
2. Business needs drive information technology solutions. Strategic partnerships will be established between the stakeholders and County so that the benefits of IT are leveraged to maximize the productivity of County employees and improve customer services.
3. Evaluate business processes for redesign opportunities before automating them. Use new technologies to make new business methods a reality. Exploit functional commonality across organizational boundaries.
4. Manage Information Technology as an investment.
 - Annually allocate funds sufficient to cover depreciation to replace systems and equipment before life-cycle end. Address project and infrastructure requirements through a multi-year planning and funding strategy.
 - Manage use of funds at the macro level in a manner that provides for optimal spending across the investment portfolio aligned to actualized project progress.
 - Look for cost-effective approaches to improving "legacy systems". Designate systems as "classic" and plan their modernization. This approach will help extend investments and system utility.
 - Invest in education and training to ensure the technical staffs in central IT and user agencies understand and can apply current and future technologies.

Long-Term Financial Policies and Tools

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

FINANCIAL MANAGEMENT TOOLS AND PLANNING DOCUMENTS

This section is intended to provide a brief description of some of the financial management tools and long-range planning documents used by the County.

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.

Long-Term Financial Policies and Tools

The CIP is an integral element of the County's budgeting process. The Capital Budget is the foundation for the first year of the advertised five-year CIP. The remaining four years in the CIP serve as a general planning guide. Future planning requirements five years beyond the CIP period are also included. The CIP is supported largely through long-term borrowing, which is budgeted annually in debt service or from General Fund revenues on a pay-as-you-go basis.

Beginning in FY 2003 the Board of Supervisors approved a series of significant improvements to the capital planning process. For the first time the Board adopted the Principles of Sound Capital Improvement Planning and Criteria for Recommending Capital Projects. The principles establish the County's Comprehensive Plan as the basis for capital planning requirements and emphasize the principle of life-cycle planning for capital facilities. In FY 2004 the application of these principles and criteria to recommended projects was accomplished for the first time. In addition, significant improvements to the format of the CIP were completed and the CIP was released at the same time and as an integral part of the Advertised Budget Plan. For the first time, the CIP was included on the Budget CD-Rom and on the County's website.

Revenue Forecast

Revenue estimates are monitored on a monthly basis to identify any potential trends that would significantly impact the revenue sources. A Revenue Task Force meets regularly to review current construction trends, the number of authorized building permits, housing sales, mortgage rates, and other economic data which impact Real Estate Tax revenue collections. In addition, the Revenue Task Force uses statistical models to estimate such revenue categories as: the Personal Property Tax; Local Sales Tax; Business, Professional, and Occupational License Tax; Consumer Utility Tax; Automobile Decal Tax; and Recordation Tax.

Financial Forecast

A forecast of Combined General Fund receipts and disbursements is developed as part of each year's budget process and is updated periodically. Individual and aggregate revenue categories, as well as expenditures, are projected by revenue and/or expenditure type. Historical growth rates, inflation assumptions, and County expenditure priorities are all used in developing the forecast. This tool is used as a planning document for developing the budget guidelines and for evaluating the future impact of current year decisions.

Fiscal Impact Review

It is County policy that all items having potential fiscal impact be presented to the Board of Supervisors for review. Effective management dictates that the Board of Supervisors and County citizens be presented with the direct and indirect costs of all items as part of the decision making process. In addition to its preliminary review of items presented to the Board of Supervisors, County staff also review State and Federal legislative items, which might result in a fiscal or policy impact on the County.

Management Initiatives

In the spring of 2002, Fairfax County implemented a countywide strategic planning effort. Strategic planning furthers the County's commitment to high performance and strategic thinking by helping agencies to focus resources on services that are the most needed in the County

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

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

Long-Term Financial Policies and Tools

Pay for Performance: In FY 2001, Fairfax County implemented a new performance management system for non-public safety employees. Based on ongoing dialogue between employees and supervisors regarding performance and expectations, the system focuses on using countywide behaviors and performance elements for each job class to link employees' performance with variable pay increases. FY 2002 was the last year for automatic step increases and cost-of-living adjustment for over 8,000 non-public safety employees so annual compensation adjustments are now based solely on performance.

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

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

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

More detailed information about the strategic efforts of the County may be found in the Strategic Linkages section of this volume.

Financial, Statistical, And Summary Tables

This section includes:

- ▶ *Explanation of Schedules
(Page 176)*
- ▶ *General Fund Statement
(Page 178)*
- ▶ *Summary of Appropriated Funds
(Page 183)*
- ▶ *Tax Rates and Assessed
Valuation (Page 194)*
- ▶ *Summary of Revenues
(Page 199)*
- ▶ *Summary of Expenditures
(Page 215)*
- ▶ *Summary of Positions
(Page 230)*

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 178)

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 181)

Summary of Appropriated Funds by Type

Summary of Appropriated Funds: 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 183)

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 184)

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 188)

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 191)

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 194)

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 197)

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 199)

Revenue from the Commonwealth & Revenue from the Federal Government: Summarizes revenues from the Commonwealth of Virginia and from the Federal government by fund for the prior, current and upcoming fiscal year. (page 213 & 214)

Summary of Expenditure Categories

Personnel Services Summary: Summarizes Personnel Services funding by major expense categories (regular salaries, COLA/MRA, extra compensation, fringe benefits, etc.) for the General Fund, General Fund Supported funds, and Other Funds. (page 215)

Personnel Services by Agency: Displays Personnel Services funding, organized by Fund, Program Area, and agency or fund. (page 217)

Summary of Employee Benefit Costs by

Category: Provides a breakdown of expenditures for all employee benefits by individual category, including health insurance, life insurance, FICA, unemployment, workers compensation, employee assistance programs and training. (page 220)

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 221)

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 223)

Capital Equipment Funding Summary:

Presents funding for equipment valued in excess of \$5,000 for the General Fund and Appropriated and Non-Appropriated Funds. Includes items such as vehicles, furniture and computer equipment. Breakdown provided by categories of purchases (new, replacement, lease or new facility). (page 224)

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 226)

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 230)

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 231)

Position Changes Detail: Narrative detailing position changes for the upcoming fiscal year. (page 262)

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 265)

FY 2005 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2003 Carryover	Other Actions July - January	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
Beginning Balance ¹	\$94,569,059	\$50,671,950	\$68,308,712	(\$86,350)	\$118,894,312	\$52,346,805	(\$66,547,507)	-55.97%
Revenue ²								
Real Property Taxes	\$1,396,533,630	\$1,494,186,763	(\$2,464,248)	\$2,789,147	\$1,494,511,662	\$1,664,326,733	\$169,815,071	11.36%
Personal Property Taxes ³	271,061,149	272,514,079	1,197,952	(8,835,603)	264,876,428	263,558,616	(1,317,812)	-0.50%
General Other Local Taxes	373,594,301	372,943,906	0	11,269,442	384,213,348	382,953,488	(1,259,860)	-0.33%
Permits, Fees & Regulatory Licenses	27,743,163	26,851,322	0	51,193	26,902,515	26,935,856	33,341	0.12%
Fines & Forfeitures	11,046,988	12,044,433	265,000	468,830	12,778,263	12,380,594	(397,669)	-3.11%
Revenue from Use of Money & Property	20,742,288	16,372,803	0	1,860,572	18,233,375	21,105,450	2,872,075	15.75%
Charges for Services	40,549,148	38,148,727	72,821	3,720,160	41,941,708	40,524,336	(1,417,372)	-3.38%
Revenue from the Commonwealth ³	275,111,331	280,564,841	66,140	613,880	281,244,861	283,135,652	1,890,791	0.67%
Revenue from the Federal Government	46,997,511	39,909,475	1,240,371	(15,542)	41,134,304	39,760,070	(1,374,234)	-3.34%
Recovered Costs/Other Revenue	5,424,424	5,395,848	0	535,602	5,931,450	5,969,254	37,804	0.64%
Total Revenue	\$2,468,803,933	\$2,558,932,197	\$378,036	\$12,457,681	\$2,571,767,914	\$2,740,650,049	\$168,882,135	6.57%
Transfers In								
105 Cable Communications	\$1,465,732	\$1,396,150	\$0	\$0	\$1,396,150	\$1,666,444	\$270,294	19.36%
312 Public Safety Construction	760,000	0	0	0	0	0	0	-
503 Department of Vehicle Services	1,700,000	0	0	0	0	0	0	-
Total Transfers In	\$3,925,732	\$1,396,150	\$0	\$0	\$1,396,150	\$1,666,444	\$270,294	19.36%
Total Available	\$2,567,298,724	\$2,611,000,297	\$68,686,748	\$12,371,331	\$2,692,058,376	\$2,794,663,298	\$102,604,922	3.81%
Direct Expenditures								
Personnel Services	\$505,754,051	\$539,466,967	\$1,563,916	\$0	\$541,030,883	\$568,772,632	\$27,741,749	5.13%
Operating Expenses	307,638,698	305,714,818	29,145,914	(32,355)	334,828,377	312,210,207	(22,618,170)	-6.76%
Recovered Costs	(32,295,006)	(38,113,738)	(733,915)	0	(38,847,653)	(39,189,376)	(341,723)	0.88%
Capital Equipment	3,529,905	3,877,015	1,229,027	32,355	5,138,397	2,036,888	(3,101,509)	-60.36%
Fringe Benefits	127,966,018	134,616,655	2,904,884	0	137,521,539	160,378,737	22,857,198	16.62%
Total Direct Expenditures	\$912,593,666	\$945,561,717	\$34,109,826	\$0	\$979,671,543	\$1,004,209,088	\$24,537,545	2.50%

FY 2005 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2003 Carryover	Other Actions July - January	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
Transfers Out								
002 Revenue Stabilization	\$1,389,191	\$0	\$1,616,231	\$0	\$1,616,231	\$0	(\$1,616,231)	-100.00%
090 Public School Operating ⁴	1,168,875,267	1,238,475,201	2,375,120	0	1,240,850,321	1,322,374,187	81,523,866	6.57%
100 County Transit System	17,938,844	20,275,993	(630,000)	0	19,645,993	21,210,147	1,564,154	7.96%
103 Aging Grants & Programs	1,735,999	1,835,826	0	0	1,835,826	2,024,425	188,599	10.27%
104 Information Technology	5,921,626	9,449,844	0	0	9,449,844	11,632,573	2,182,729	23.10%
106 Community Services Board	78,401,580	80,629,965	(30,000)	0	80,599,965	82,893,897	2,293,932	2.85%
109 Refuse Collection and Recycling Ops	9,622	0	0	0	0	0	0	-
110 Refuse Disposal	3,439,291	1,800,000	0	0	1,800,000	2,500,000	700,000	38.89%
112 Energy Resource Recovery Facility	0	0	1,763,704	0	1,763,704	0	(1,763,704)	-100.00%
118 Consolidated Community Funding Pool	6,278,539	6,458,709	0	0	6,458,709	6,781,644	322,935	5.00%
119 Contributory Fund	6,507,747	7,048,423	0	0	7,048,423	7,349,477	301,054	4.27%
120 E-911 Fund	6,974,098	5,421,174	0	0	5,421,174	9,755,869	4,334,695	79.96%
141 Elderly Housing Programs	1,237,474	1,215,433	0	0	1,215,433	1,387,844	172,411	14.19%
144 Housing Trust Fund	0	0	1,500,000	0	1,500,000	0	(1,500,000)	-100.00%
200 County Debt Service	100,089,491	98,445,696	0	0	98,445,696	100,015,157	1,569,461	1.59%
201 School Debt Service	113,604,781	120,896,733	0	0	120,896,733	126,528,053	5,631,320	4.66%
302 Library Construction	550,000	0	0	0	0	0	0	-
303 County Construction	4,855,991	3,093,041	4,171,238	0	7,264,279	8,550,187	1,285,908	17.70%
304 Primary & Secondary Rd Bond Constr	0	0	0	0	0	1,000,000	1,000,000	-
308 Public Works Construction	0	0	175,000	0	175,000	0	(175,000)	-100.00%
309 Metro Operations and Construction	12,272,714	12,272,714	0	0	12,272,714	18,144,820	5,872,106	47.85%
312 Public Safety Construction	0	0	10,484,908	0	10,484,908	0	(10,484,908)	-100.00%
340 Housing Assistance Program	1,600,000	935,000	0	0	935,000	935,000	0	0.00%
500 Retiree Health Benefits	2,228,491	3,088,744	0	0	3,088,744	3,308,246	219,502	7.11%
503 Department of Vehicle Services	0	0	2,000,000	0	2,000,000	0	(2,000,000)	-100.00%
504 Document Services Division	1,900,000	2,900,000	0	0	2,900,000	2,900,000	0	0.00%
505 Technology Infrastructure Services	0	0	0	0	0	944,600	944,600	-
Total Transfers Out	\$1,535,810,746	\$1,614,242,496	\$23,426,201	\$0	\$1,637,668,697	\$1,730,236,126	\$92,567,429	5.65%
Total Disbursements	\$2,448,404,412	\$2,559,804,213	\$57,536,027	\$0	\$2,617,340,240	\$2,734,445,214	\$117,104,974	4.47%
Total Ending Balance	\$118,894,312	\$51,196,084	\$11,150,721	\$12,371,331	\$74,718,136	\$60,218,084	(\$14,500,052)	-19.41%
Less:								
Managed Reserve	\$49,814,959	\$51,196,084	\$1,150,721	\$0	\$52,346,805	\$54,688,904	\$2,342,099	4.47%
Set Aside Reserve			\$10,000,000	(10,000,000)	0	0	0	-
PSOC/EOC Construction Funding @ Third Quarter ⁵				18,652,966	18,652,966	0	(18,652,966)	-100.00%
Third Quarter Requirements - Related to Hurricane Isabel, Premium Stabilization, Other ⁶	0	0	0	3,718,365	3,718,365	0	(3,718,365)	-100.00%
Reserve for changing economic conditions ⁷	0	0	0	0	0	5,529,180	5,529,180	-
Total Available	\$69,079,353	\$0	\$0	\$0	\$0	\$0	\$0	-

FY 2005 ADVERTISED GENERAL FUND STATEMENT

FUND 001, GENERAL FUND

FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2003 Carryover	Other Actions July - January	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
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¹ The FY 2004 Revised Beginning Balance reflects audit adjustments for revenue and expenditures as included in the FY 2003 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2004 Revised beginning balance reflects a net reduction in available balance of \$86,350, based on an increase of \$1,002,084 for expenditure requirements offset by an increase in revenues of \$915,734.

² *FY 2004 Revised Budget Plan* revenues reflect an increase of \$12,457,681 based on revised revenue estimates of November 2003. The *FY 2004 Third Quarter Review* will contain a detailed explanation of these changes.

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

⁴ In accordance with the Board adopted guidelines for the FY 2005 Budget, the proposed County General Fund transfer for school operations in FY 2005 totals \$1,322,374,187 an increase of \$81,523,866 or 6.57% over the FY 2004 Revised Budget Plan transfer. It should be noted that the actual transfer request approved by the School Board on February 12, 2004 is \$1,361,212,802 an increase of \$120,362,481 or 9.7% over the FY 2004 transfer level. In order to fully fund this \$38,838,615 increase over the Budget Guidelines, additional resources would need to be considered by the Board of Supervisors.

⁵ The *FY 2004 Revised Budget Plan* ending balance reflects reserve funding of \$18.65 million which includes the \$10 million set aside reserve identified at Carryover and \$8.7 million in additional funding based on the FY 2004 revised revenue estimates. This amount is held in reserve for anticipated *FY 2004 Third Quarter Review* disbursement requirements related to the construction of the Public Safety Operations/Emergency Operations Center. Further details will be included as part of the *FY 2004 Third Quarter Review* package.

⁶ The *FY 2004 Revised Budget Plan* ending balance reflects available funding of \$3.72 million based on the available FY 2004 revised revenue estimate balance after PSOC/EOC requirements. This amount is held in reserve for anticipated *FY 2004 Third Quarter Review* disbursement requirements, including requirements related to Hurricane Isabel, anticipated premium stabilization requirements and other requirements. Further details will be included as part of the *FY 2004 Third Quarter Review* package.

⁷ The FY 2005 Advertised Budget Plan ending balance reflects available funding of \$5.53 million held in reserve to offset changing economic conditions.

FY 2005 ADVERTISED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2003 Carryover	Other Actions July - January	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
Legis - Exec Functions/Central Services ¹									
01	Board of Supervisors	\$3,776,650	\$4,163,377	\$0	\$0	\$4,163,377	\$4,306,847	\$143,470	3.45%
02	Office of the County Executive	6,117,276	6,460,551	\$372,589	0	6,833,140	6,855,403	22,263	0.33%
04	Department of Cable Communications and Consumer Protection	1,633,309	1,694,791	\$1,201	0	1,695,992	2,049,437	353,445	20.84%
06	Department of Finance	6,943,837	6,986,466	\$79,926	0	7,066,392	7,547,813	481,421	6.81%
11	Department of Human Resources	5,682,160	5,935,755	\$645,883	0	6,581,638	6,154,745	(426,893)	-6.49%
12	Department of Purchasing and Supply Management	3,919,739	4,020,791	\$0	0	4,020,791	4,194,643	173,852	4.32%
13	Office of Public Affairs	971,088	1,007,608	\$89,219	0	1,096,827	1,108,050	11,223	1.02%
15	Electoral Board and General Registrar	1,908,622	2,025,095	\$1,941,802	0	3,966,897	3,020,872	(946,025)	-23.85%
17	Office of the County Attorney	5,277,224	5,334,420	\$366,053	0	5,700,473	5,526,887	(173,586)	-3.05%
20	Department of Management and Budget	2,547,238	2,874,622	\$102,298	0	2,976,920	2,967,850	(9,070)	-0.30%
37	Office of the Financial and Program Auditor	172,237	193,910	\$2,400	0	196,310	201,893	5,583	2.84%
41	Civil Service Commission	208,073	201,005	\$0	0	201,005	207,202	6,197	3.08%
57	Department of Tax Administration	19,497,030	19,927,421	\$255,426	0	20,182,847	21,274,952	1,092,105	5.41%
70	Department of Information Technology	20,817,553	23,435,293	1,061,928	0	24,497,221	24,293,723	(203,498)	-0.83%
Total Legis - Exec Functions/Central Services		\$79,472,036	\$84,261,105	\$4,918,725	\$0	\$89,179,830	\$89,710,317	\$530,487	0.59%
Judicial Administration									
80	Circuit Court and Records	\$8,423,726	\$8,718,833	\$737,607	\$0	\$9,456,440	\$9,441,655	(\$14,785)	-0.16%
82	Office of the Commonwealth's Attorney	1,685,973	1,935,721	\$1,666	0	1,937,387	2,006,605	69,218	3.57%
85	General District Court	1,573,296	1,527,236	\$8,866	0	1,536,102	1,572,251	36,149	2.35%
91	Office of the Sheriff	15,219,593	14,200,802	0	0	14,200,802	14,084,286	(116,516)	-0.82%
Total Judicial Administration		\$26,902,588	\$26,382,592	\$748,139	\$0	\$27,130,731	\$27,104,797	(\$25,934)	-0.10%
Public Safety									
04	Department of Cable Communications and Consumer Protection	\$1,032,326	\$954,967	\$0	\$0	\$954,967	\$988,447	\$33,480	3.51%
31	Land Development Services	9,803,741	9,946,974	\$82,861	0	10,029,835	10,003,727	(26,108)	-0.26%
81	Juvenile and Domestic Relations District Court	16,943,155	17,763,269	\$122,282	0	17,885,551	18,015,210	129,659	0.72%
90	Police Department	126,532,922	133,767,887	\$4,972,008	0	138,739,895	138,501,577	(238,318)	-0.17%
91	Office of the Sheriff	31,835,855	33,028,832	\$996,848	0	34,025,680	34,555,767	530,087	1.56%
92	Fire and Rescue Department	111,909,828	118,882,242	1,392,814	0	120,275,056	123,459,644	3,184,588	2.65%
Total Public Safety		\$298,057,827	\$314,344,171	\$7,566,813	\$0	\$321,910,984	\$325,524,372	\$3,613,388	1.12%
Public Works ²									
08	Facilities Management Division	\$34,071,255	\$33,435,053	1,421,308	\$0	\$34,856,361	\$35,462,317	\$605,956	1.74%
25	Business Planning and Support	2,507,673	2,616,985	130,319	0	2,747,304	394,211	(2,353,093)	-85.65%
26	Office of Capital Facilities	8,481,594	8,556,286	(119,568)	0	8,436,718	8,767,080	330,362	3.92%
29	Stormwater Management	7,842,821	7,873,453	636,626	0	8,510,079	8,321,528	(188,551)	-2.22%
87	Unclassified Administrative Expenses	218,704	223,870	0	0	223,870	224,347	477	0.21%
Total Public Works		\$53,122,047	\$52,705,647	\$2,068,685	\$0	\$54,774,332	\$53,169,483	(\$1,604,849)	-2.93%

FY 2005 ADVERTISED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2003 Carryover	Other Actions July - January	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
Health and Welfare ³									
05	Office for Women	\$415,303	\$0	\$0	\$0	\$0	\$0	\$0	-
67	Department of Family Services	157,706,221	166,631,749	\$6,165,608	0	172,797,357	173,711,830	914,473	0.53%
68	Department of Administration for Human Services	11,773,066	9,614,968	\$98,834	0	9,713,802	9,959,497	245,695	2.53%
69	Department of Systems Management for Human Services	4,559,508	5,333,961	\$112,276	0	5,446,237	5,441,679	(4,558)	-0.08%
71	Health Department	37,758,759	40,171,417	1,619,862	0	41,791,279	40,658,259	(1,133,020)	-2.71%
Total Health and Welfare		\$212,212,857	\$221,752,095	\$7,996,580	\$0	\$229,748,675	\$229,771,265	\$22,590	0.01%
Parks, Recreation and Libraries ¹									
50	Department of Community and Recreation Services	\$12,820,621	\$11,158,660	\$403,149	\$0	\$11,561,809	\$12,371,197	\$809,388	7.00%
51	Fairfax County Park Authority	24,245,404	22,077,998	\$128,420	0	22,206,418	23,238,642	1,032,224	4.65%
52	Fairfax County Public Library	27,342,292	27,213,865	268,734	0	27,482,599	27,922,447	439,848	1.60%
Total Parks, Recreation and Libraries		\$64,408,317	\$60,450,523	\$800,303	\$0	\$61,250,826	\$63,532,286	\$2,281,460	3.72%
Community Development ²									
16	Economic Development Authority	\$6,562,710	\$6,660,212	\$0	\$0	\$6,660,212	\$6,722,394	\$62,182	0.93%
31	Land Development Services	8,875,940	9,230,374	\$236,335	0	9,466,709	11,852,493	2,385,784	25.20%
35	Department of Planning and Zoning	8,361,554	8,756,191	\$66,676	0	8,822,867	9,048,497	225,630	2.56%
36	Planning Commission	637,791	669,481	\$0	0	669,481	685,050	15,569	2.33%
38	Department of Housing and Community Development	5,327,335	5,184,364	\$316,146	0	5,500,510	5,337,247	(163,263)	-2.97%
39	Office of Human Rights	1,207,987	1,231,969	\$15,140	0	1,247,109	1,290,410	43,301	3.47%
40	Department of Transportation	4,839,425	5,954,439	2,316,233	0	8,270,672	5,934,502	(2,336,170)	-28.25%
Total Community Development		\$35,812,742	\$37,687,030	\$2,950,530	\$0	\$40,637,560	\$40,870,593	\$233,033	0.57%
Nondepartmental									
87	Unclassified Administrative Expenses	\$5,504,194	\$5,955,363	\$3,818,183	\$0	\$9,773,546	\$6,155,698	(\$3,617,848)	-37.02%
89	Employee Benefits	137,101,058	142,023,191	3,241,868	0	145,265,059	168,370,277	23,105,218	15.91%
Total Nondepartmental		\$142,605,252	\$147,978,554	\$7,060,051	\$0	\$155,038,605	\$174,525,975	\$19,487,370	12.57%
Total General Fund Direct Expenditures		\$912,593,666	\$945,561,717	\$34,109,826	\$0	\$979,671,543	\$1,004,209,088	\$24,537,545	2.50%

¹ In order to account for expenditures in the proper fiscal year, an increase of \$246,440 to FY 2003 expenditures for Agency 70, Department of Information Technology and an increase of \$755,644 to FY 2003 expenditures for Agency 50, Community and Recreation Services, to record accruals for payments to vendors in the proper fiscal period. The audit adjustment has been included in the FY 2003 Comprehensive Annual Financial Report (CAFR). Details of the FY 2003 audit adjustments will be included in the FY 2004 Third Quarter Package.

² As part of the FY 2005 Advertised Budget Plan, funding of \$2,300,539 and 29/29.0 SYE positions are transferred from Agency 25, Business Planning and Support to Agency 31, Land Development Services in order to more accurately reflect the central support provided to all Department of Public Works and Environmental Services agencies and the functions performed by staff within Land Development.

³ As part of the Board of Supervisor's deliberations on the FY 2004 Adopted Budget Plan Agency 05, Office for Women was restructured. The agency was abolished and support for the Commission for Women including funding and 2/2.0 SYE positions were transferred to Agency 67, Department of Family Services.

FY 2005 ADVERTISED SUMMARY OF APPROPRIATED FUNDS BY FUND TYPE

	General Fund Group ¹	Special Revenue Funds ²	Debt Service Funds	Capital Projects Funds	Enterprise Funds ³	Internal Service Funds ^{4,5}	Trust Funds	Agency Funds	Total by Category
Beginning Fund Balance	\$106,152,110	\$95,715,745	\$8,930,659	\$6,295,519	\$79,370,464	\$74,624,086	\$4,586,778,354	\$41,215	\$4,957,908,152
Revenues									
Real Property Taxes	\$1,664,326,733	\$9,316,345	\$0	\$0	\$0	\$0	\$0	\$0	\$1,673,643,078
Personal Property Taxes ⁶	469,509,054	0	0	0	0	0	0	0	469,509,054
General Other Local Taxes	382,953,488	16,863,579	0	0	0	0	0	0	399,817,067
Permits, Fees & Regulatory	26,935,856	11,424,154	0	0	0	0	0	0	38,360,010
Fines & Forfeitures	12,380,594	2,290	0	0	0	0	0	0	12,382,884
Revenue from the Use of Money & Property	21,510,961	5,059,816	0	411,106	703,148	2,222,861	346,686,980	0	376,594,872
Charges for Services	40,524,336	153,593,191	0	0	127,188,000	11,000	0	0	321,316,527
Revenue from the Commonwealth ⁶	77,185,214	385,325,394	0	9,298,038	0	0	0	0	471,808,646
Revenue from the Federal Government	39,760,070	125,332,005	0	0	0	0	0	0	165,092,075
Sale of Bonds	0	0	0	182,321,034	0	0	0	0	182,321,034
Other Revenue	\$5,969,254	\$63,654,567	\$720,000	\$18,522,000	\$200,000	\$354,865,587	\$199,770,752	\$7,100,000	\$650,802,160
Total Revenue	\$2,741,055,560	\$770,571,341	\$720,000	\$210,552,178	\$128,091,148	\$357,099,448	\$546,457,732	\$7,100,000	\$4,761,647,407
Transfers In	\$1,666,444	\$1,487,742,897	\$226,742,979	\$41,598,007	\$136,459,811	\$7,519,091	\$0	\$0	\$1,901,729,229
Total Available	\$2,848,874,114	\$2,354,029,983	\$236,393,638	\$258,445,704	\$343,921,423	\$439,242,625	\$5,133,236,086	\$7,141,215	\$11,621,284,788
Expenditures by Category									
Legislative-Executive/Central Services	\$89,710,317	\$13,554,203	\$0	\$0	\$0	\$0	\$0	\$0	\$103,264,520
Education	0	1,857,957,509	0	160,015,262	0	226,937,815	146,405,488	0	2,391,316,074
Judicial Administration	27,104,797	563,185	0	0	0	0	0	0	27,667,982
Public Safety	325,524,372	46,802,000	0	0	0	0	0	0	372,326,372
Public Works	53,169,483	113,549,171	0	0	139,439,843	0	0	0	306,158,497
Health & Welfare	229,771,265	159,768,291	0	0	0	0	0	0	389,539,556
Parks, Recreation & Libraries	63,532,286	13,504,821	0	0	0	0	0	0	77,037,107
Community Development	40,870,593	70,132,595	0	37,304,800	0	0	0	7,141,215	155,449,203
Capital Improvements	0	0	0	59,211,210	0	0	0	0	59,211,210
Debt Service	0	0	236,393,638	0	0	0	0	0	236,393,638
Non-Departmental	174,525,975	1,132,657	0	0	0	163,608,464	193,931,455	0	533,198,551
Total Expenditures	\$1,004,209,088	\$2,276,964,432	\$236,393,638	\$256,531,272	\$139,439,843	\$390,546,279	\$340,336,943	\$7,141,215	\$4,651,562,710
Transfers Out	\$1,730,236,126	\$33,188,272	\$0	\$1,845,020	\$136,459,811	\$0	\$0	\$0	\$1,901,729,229
Total Disbursements	\$2,734,445,214	\$2,310,152,704	\$236,393,638	\$258,376,292	\$275,899,654	\$390,546,279	\$340,336,943	\$7,141,215	\$6,553,291,939
Ending Fund Balance	\$114,428,900	\$43,877,279	\$0	\$69,412	\$68,021,769	\$48,696,346	\$4,792,899,143	\$0	\$5,067,992,849

¹ Not reflected is the following adjustment to balance which was carried forward from FY 2004 to FY 2005:

Fund 001, General Fund, impact of FY 2004 Third Quarter Review adjustments of (\$22,371,331)

² Not reflected is the following adjustment to balance which was carried forward from FY 2004 to FY 2005:

Fund 090, Public School Operating, assumes carryover of available FY 2004 balance of \$34,804,721 to balance the FY 2005 budget

Fund 192, Public School Grants and Self-Supporting Programs, assumes carryover of available FY 2004 balance of \$3,100,000 to balance the FY 2005 budget

Fund 193, School Adult & Community Education, assumes carryover of available FY 2004 balance of \$850,000 to balance the FY 2005 budget

³ Not reflected is the following adjustment to balance which was carried forward from FY 2004 to FY 2005:

Fund 403, Sewer Pond Parity Debt Service, non-appropriated amortization expense of (\$33,175)

⁴ Not reflected is the following adjustment to balance which was carried forward from FY 2004 to FY 2005:

Fund 590, Public School Insurance, assumes carryover of available FY 2004 balance of \$700,000 to balance the FY 2005 budget

Fund 590, Public School Insurance, net change in accrued liability of \$403,031

Fund 591, assumes carryover of premium stabilization reserve of \$18,240,129

⁵ For presentation purposes, all Internal Service Funds expenditures are included in the Nondepartmental Category.

⁶ For presentation purposes, Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes Category.

FY 2005 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2003 Actual ¹	FY 2004 Adopted Budget Plan ²	FY 2004 Revised Budget Plan ³	FY 2005 Advertised Budget Plan ⁴	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
GOVERNMENTAL FUNDS						
G00 General Fund Group						
001 General Fund	\$2,468,803,933	\$2,558,932,197	\$2,571,767,914	\$2,740,650,049	\$168,882,135	6.57%
002 Revenue Stabilization Fund	371,898	563,744	563,744	405,511	(158,233)	-28.07%
Total General Fund Group	\$2,469,175,831	\$2,559,495,941	\$2,572,331,658	\$2,741,055,560	\$168,723,902	6.56%
G10 Special Revenue Funds						
090 Public School Operating	\$371,758,486	\$383,408,299	\$386,273,763	\$408,711,513	\$22,437,750	5.81%
100 County Transit Systems	8,823,643	6,845,000	8,633,000	8,070,534	(562,466)	-6.52%
102 Federal/State Grant Fund	42,318,018	59,889,229	110,932,684	55,718,166	(55,214,518)	-49.77%
103 Aging Grants and Programs	2,626,519	2,463,533	3,095,631	2,552,792	(542,839)	-17.54%
104 Information Technology	892,464	200,000	200,000	180,000	(20,000)	-10.00%
105 Cable Communications	10,795,684	10,629,784	10,629,784	11,383,994	754,210	7.10%
106 Community Services Board	35,129,012	32,233,485	35,581,543	32,316,407	(3,265,136)	-9.18%
108 Leaf Collection	883,424	777,162	777,162	1,463,031	685,869	88.25%
109 Refuse Collection & Recycling Ops	11,866,103	12,040,595	12,040,595	13,695,502	1,654,907	13.74%
110 Refuse Disposal	40,729,386	44,900,244	44,954,744	50,001,028	5,046,284	11.23%
111 Reston Community Center	5,265,783	5,710,441	5,710,441	5,705,302	(5,139)	-0.09%
112 Energy Resource Recovery Facility	34,544,984	34,046,395	34,046,395	35,520,853	1,474,458	4.33%
113 McLean Community Center	3,254,076	3,452,285	3,452,285	3,938,544	486,259	14.09%
114 I-95 Refuse Disposal	5,939,195	6,034,770	6,034,770	5,318,449	(716,321)	-11.87%
115 Burgundy Village Community Center	38,475	36,268	36,268	39,572	3,304	9.11%
116 Integrated Pest Management Program	1,202,183	1,121,651	1,121,651	1,358,681	237,030	21.13%
120 E-911 Fund	16,984,004	21,302,084	21,302,084	20,019,384	(1,282,700)	-6.02%
141 Elderly Housing Programs	1,802,272	1,794,282	1,794,282	1,827,955	33,673	1.88%
142 Community Development Block Grant	6,936,095	6,235,000	15,776,400	7,457,000	(8,319,400)	-52.73%
143 Homeowner and Business Loan Prgms	1,279,267	1,057,951	2,332,660	1,518,594	(814,066)	-34.90%
144 Housing Trust Fund	2,386,787	1,001,411	1,001,411	1,507,838	506,427	50.57%
145 HOME Investment Partnership Grant	945,522	2,078,000	8,145,582	2,704,791	(5,440,791)	-66.79%
191 School Food & Nutrition Services	50,013,743	52,854,289	52,795,454	51,567,847	(1,227,607)	-2.33%
192 School Grants & Self Supporting	28,584,020	34,165,233	48,382,289	39,240,903	(9,141,386)	-18.89%
193 School Adult & Community Education	8,196,746	8,659,458	8,753,128	8,752,661	(467)	-0.01%
Total Special Revenue Funds	\$693,195,891	\$732,936,849	\$823,804,006	\$770,571,341	(\$53,232,665)	-6.46%

FY 2005 ADVERTISED REVENUE AND RECEIPTS BY FUND

SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2003 Actual ¹	FY 2004 Adopted Budget Plan ²	FY 2004 Revised Budget Plan ³	FY 2005 Advertised Budget Plan ⁴	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
G20 Debt Service Funds						
200 County Debt Service	\$88,716,475	\$120,000	\$120,000	\$320,000	\$200,000	166.67%
201 School Debt Service	95,589,533	200,000	200,000	400,000	200,000	100.00%
Total Debt Service Funds	\$184,306,008	\$320,000	\$320,000	\$720,000	\$400,000	125.00%
G30 Capital Project Funds						
301 Contributed Roadway Improvement	\$5,438,325	\$2,265,281	\$3,425,933	\$2,376,106	(\$1,049,827)	-30.64%
303 County Construction	25,326,037	26,217,776	7,017,776	5,097,776	(1,920,000)	-27.36%
304 Primary & Secondary Rd Bond Construction	1,053,286	0	9,001,690	0	(9,001,690)	-100.00%
306 No VA Regional Park Authority	2,250,000	2,250,000	2,250,000	2,500,000	250,000	11.11%
307 Sidewalk Construction	515,555	300,000	3,021,021	300,000	(2,721,021)	-90.07%
308 Public Works Construction	2,713,948	2,045,000	3,807,229	3,265,000	(542,229)	-14.24%
309 Metro Operations & Construction	0	2,919,980	0	13,588,893	13,588,893	-
310 Storm Drainage Bond Construction	700,000	0	3,812,209	0	(3,812,209)	-100.00%
311 County Bond Construction	6,964,521	1,000,000	18,626,583	12,032,141	(6,594,442)	-35.40%
312 Public Safety Construction	37,600,000	34,970,552	46,788,185	24,200,000	(22,588,185)	-48.28%
313 Trail Construction	75,000	0	171,081	0	(171,081)	-100.00%
314 Neighborhood Improvement Program	1,059,604	30,000	1,494,069	35,000	(1,459,069)	-97.66%
315 Commercial Revitalization Program	3,300,889	0	11,545,206	0	(11,545,206)	-100.00%
316 Pro Rata Share Drainage Construction	1,323,557	0	25,739,193	0	(25,739,193)	-100.00%
340 Housing Assistance Program	54,985	0	12,421,480	0	(12,421,480)	-100.00%
341 Housing G O Bond Construction	0	0	324,670	0	(324,670)	-100.00%
370 Park Authority Bond Construction	22,300,000	10,000,000	41,064,334	0	(41,064,334)	-100.00%
390 School Construction	138,426,891	197,627,775	432,100,344	147,157,262	(284,943,082)	-65.94%
Total Capital Project Funds	\$249,102,598	\$279,626,364	\$622,611,003	\$210,552,178	(\$412,058,825)	-66.18%
TOTAL GOVERNMENTAL FUNDS	\$3,595,780,328	\$3,572,379,154	\$4,019,066,667	\$3,722,899,079	(\$296,167,588)	-7.37%
PROPRIETARY FUNDS						
G40 Enterprise Funds						
400 Sewer Revenue	\$110,927,019	\$118,747,684	\$118,747,684	\$128,054,512	\$9,306,828	7.84%
408 Sewer Bond Construction	2,027,822	23,998	23,998	36,636	12,638	52.66%
Total Enterprise Funds	\$112,954,841	\$118,771,682	\$118,771,682	\$128,091,148	\$9,319,466	7.85%

FY 2005 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2003 Actual ¹	FY 2004 Adopted Budget Plan ²	FY 2004 Revised Budget Plan ³	FY 2005 Advertised Budget Plan ⁴	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
G50 Internal Service Funds						
501 County Insurance Fund	\$11,898,318	\$10,154,889	\$10,154,889	\$11,270,133	\$1,115,244	10.98%
502 County Central Stores	1,529,686	1,270,755	0	0	0	-
503 Department of Vehicle Services	46,304,408	48,778,582	48,778,582	48,952,007	173,425	0.36%
504 Document Services Division	4,065,622	5,116,214	5,116,214	4,591,980	(524,234)	-10.25%
505 Technology Infrastructure Services	19,713,429	19,799,760	19,799,760	21,015,284	1,215,524	6.14%
506 Health Benefits Trust	55,929,315	56,802,220	57,160,340	63,638,603	6,478,263	11.33%
590 School Insurance Fund	5,873,240	7,893,240	8,238,992	10,393,240	2,154,248	26.15%
591 School Health Benefits Trust	137,390,699	158,376,495	160,818,863	183,238,201	22,419,338	13.94%
592 School Central Procurement	10,351,051	14,000,000	14,000,000	14,000,000	0	0.00%
Total Internal Service Funds	\$293,055,768	\$322,192,155	\$324,067,640	\$357,099,448	\$33,031,808	10.19%
TOTAL PROPRIETARY FUNDS	\$406,010,609	\$440,963,837	\$442,839,322	\$485,190,596	\$42,351,274	9.56%
FIDUCIARY FUNDS						
G60 Trust Funds						
600 Uniformed Retirement	\$67,616,334	\$79,909,996	\$79,909,996	\$85,309,033	\$5,399,037	6.76%
601 Fairfax County Employees' Retirement	156,165,636	193,593,405	193,593,405	210,832,882	17,239,477	8.90%
602 Police Retirement	48,246,656	68,866,059	68,866,059	70,658,603	1,792,544	2.60%
691 Educational Employees' Retirement	92,774,081	177,020,815	177,020,815	179,657,214	2,636,399	1.49%
Total Trust Funds	\$364,802,707	\$519,390,275	\$519,390,275	\$546,457,732	\$27,067,457	5.21%
G70 Agency Funds						
700 Route 28 Taxing District	\$7,112,070	\$5,973,407	\$5,973,407	\$7,100,000	\$1,126,593	18.86%
TOTAL FIDUCIARY FUNDS	\$371,914,777	\$525,363,682	\$525,363,682	\$553,557,732	\$28,194,050	5.37%
TOTAL APPROPRIATED FUNDS	\$4,373,705,714	\$4,538,706,673	\$4,987,269,671	\$4,761,647,407	(\$225,622,264)	-4.52%
Appropriated From (Added to) Surplus	(\$174,860,864)	(\$64,225,542)	\$451,699,507	(\$145,778,072)	(\$597,477,579)	-132.27%
TOTAL AVAILABLE	\$4,198,844,850	\$4,474,481,131	\$5,438,969,178	\$4,615,869,335	(\$823,099,843)	-15.13%
Less: Internal Service Funds	(\$284,855,948)	(\$341,167,228)	(\$356,814,551)	(\$390,546,279)	(\$33,731,728)	9.45%
NET AVAILABLE	\$3,913,988,902	\$4,133,313,903	\$5,082,154,627	\$4,225,323,056	(\$856,831,571)	-16.86%

FY 2005 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2003 Actual ¹	FY 2004 Adopted Budget Plan ²	FY 2004 Revised Budget Plan ³	FY 2005 Advertised Budget Plan ⁴	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
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EXPLANATORY NOTE:

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

¹ Not reflected are the following adjustments to balance which were carried forward from FY 2001 to FY 2003:

- Fund 191, School Food and Nutrition Services, change in inventory of (\$16,016)
- Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$79,097)
- Fund 501, County Insurance, net change in accrued liability of \$1,847,699
- Fund 590, Public School Insurance, net change in accrued liability of (\$24,733)

² Not reflected are the following adjustments to balance which were carried forward from FY 2003 to FY 2004:

- Fund 192, Public School Grants and Self-Supporting Programs, assumes carryover of available FY 2004 balance of \$403,570 to balance the FY 2005 budget
- Fund 403, Sewer Pond Parity Debt Service, non-appropriated amortization expense of (\$79,097)
- Fund 590, Public School Insurance, assumes carryover of available FY 2004 balance of \$1,411,904 to balance the FY 2005 budget
- Fund 590, Public School Insurance, net change in accrued liability of \$403,031
- Fund 591, assumes carryover of premium stabilization reserve of \$11,085,119

³ Not reflected are the following adjustments to balance which were carried forward from FY 2003 to FY 2004:

- Fund 403, Sewer Bond Debt Service, non-appropriated amortization expense of (\$79,097)
- Fund 502, County Central Stores, assumes elimination of the fund at the FY 2003 Carryover Review , use of balance of (\$1,092,634) to write-off inventory.
- Fund 590, Public School Insurance, net change in accrued liability of \$403,031

⁴ Not reflected are the following adjustments to balance which were carried forward from FY 2004 to FY 2005:

- Fund 001, General Fund, impact of FY 2004 Third Quarter Review adjustments of (\$22,371,331)
- Fund 090, Public School Operating, assumes carryover of available FY 2004 balance of \$34,804,721 to balance the FY 2005 budget
- Fund 192, Public School Grants and Self-Supporting Programs, assumes carryover of available FY 2004 balance of \$3,100,000 to balance the FY 2005 budget
- Fund 193, School Adult & Community Education, assumes carryover of available FY 2004 balance of \$850,000 to balance the FY 2005 budget
- Fund 403, Sewer Pond Parity Debt Service, non-appropriated amortization expense of (\$33,175)
- Fund 590, Public School Insurance, assumes carryover of available FY 2004 balance of \$700,000 to balance the FY 2005 budget
- Fund 590, Public School Insurance, net change in accrued liability of \$403,031
- Fund 591, assumes carryover of premium stabilization reserve of \$18,240,129

FY 2005 ADVERTISED EXPENDITURES BY FUND

SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2003 Estimate	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
GOVERNMENTAL FUNDS							
G00 General Fund Group							
001 General Fund	\$954,937,181	\$912,593,666	\$945,561,717	\$979,671,543	\$1,004,209,088	\$24,537,545	2.50%
G10 Special Revenue Funds							
090 Public School Operating ¹	\$1,546,909,400	\$1,478,355,917	\$1,638,332,823	\$1,706,157,789	\$1,736,252,502	\$30,094,713	1.76%
100 County Transit Systems	30,782,286	26,523,543	29,401,791	36,081,463	31,395,928	(4,685,535)	-12.99%
102 Federal/State Grant Fund	96,656,845	41,519,845	59,889,229	113,022,374	55,718,166	(57,304,208)	-50.70%
103 Aging Grants and Programs	5,663,190	4,283,001	4,299,359	5,748,687	4,577,217	(1,171,470)	-20.38%
104 Information Technology	30,926,557	11,302,938	9,649,844	29,138,643	11,812,573	(17,326,070)	-59.46%
105 Cable Communications	19,806,577	5,347,410	5,977,756	20,393,355	12,960,806	(7,432,549)	-36.45%
106 Community Services Board	115,172,142	112,728,122	114,698,841	119,044,092	118,097,753	(946,339)	-0.79%
108 Leaf Collection	1,361,270	1,333,853	1,263,584	1,263,584	1,510,902	247,318	19.57%
109 Refuse Collection and Recycling Ops	14,765,021	13,667,629	15,326,107	15,821,543	16,668,901	847,358	5.36%
110 Refuse Disposal	49,221,028	45,668,700	48,130,925	50,651,522	53,796,721	3,145,199	6.21%
111 Reston Community Center	5,910,548	5,303,913	6,244,218	6,272,336	6,898,967	626,631	9.99%
112 Energy Resource Recovery Facility	34,829,751	29,335,253	33,492,024	35,255,728	32,776,334	(2,479,394)	-7.03%
113 McLean Community Center	3,189,022	2,832,824	3,193,648	3,405,494	3,440,178	34,684	1.02%
114 I-95 Refuse Disposal	30,349,799	5,782,650	21,302,767	45,184,030	6,294,081	(38,889,949)	-86.07%
115 Burgundy Village Community Center	24,361	24,342	26,085	26,085	36,870	10,785	41.35%
116 Integrated Pest Management Program	902,156	482,187	1,981,677	1,981,677	2,502,232	520,555	26.27%
118 Consolidated Community Funding Pool	6,637,713	6,431,154	6,458,709	6,665,268	6,781,644	116,376	1.75%
119 Contributory Fund	6,686,798	6,643,188	7,048,423	7,048,423	7,403,744	355,321	5.04%
120 E-911 Fund	29,800,695	23,568,974	26,723,258	33,056,769	29,775,253	(3,281,516)	-9.93%
141 Elderly Housing Programs	3,299,145	3,035,158	3,163,849	3,218,227	3,370,430	152,203	4.73%
142 Community Development Block Grant	15,253,434	6,771,986	6,235,000	16,641,159	7,457,000	(9,184,159)	-55.19%
143 Homeowner and Business Loan Prgms	5,270,026	1,315,416	1,057,951	4,719,587	1,518,594	(3,200,993)	-67.82%
144 Housing Trust Fund	13,006,416	1,537,201	1,001,411	15,390,570	1,507,838	(13,882,732)	-90.20%
145 HOME Investment Partnership Grant	6,218,941	1,030,837	2,078,000	8,012,615	2,704,791	(5,307,824)	-66.24%
191 School Food & Nutrition Services	50,210,467	49,991,770	52,529,322	53,755,590	51,563,629	(2,191,961)	-4.08%
192 School Grants & Self Supporting	58,866,734	41,865,058	50,188,283	74,338,661	59,438,586	(14,900,075)	-20.04%
193 School Adult & Community Education	13,389,567	10,710,361	9,759,589	12,004,888	10,702,792	(1,302,096)	-10.85%
Total Special Revenue Funds	\$2,195,109,889	\$1,937,393,230	\$2,159,454,473	\$2,424,300,159	\$2,276,964,432	(\$147,335,727)	-6.08%
G20 Debt Service Funds							
200 County Debt Service	\$104,476,155	\$190,392,503	\$99,442,215	\$99,442,215	\$103,215,055	\$3,772,840	3.79%
201 School Debt Service	118,645,176	208,338,954	121,096,733	121,096,733	133,178,583	12,081,850	9.98%
Total Debt Service Funds	\$223,121,331	\$398,731,457	\$220,538,948	\$220,538,948	\$236,393,638	\$15,854,690	7.19%

FY 2005 ADVERTISED EXPENDITURES BY FUND

SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2003 Estimate	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
G30 Capital Project Funds							
300 Countywide Roadway Improvement	\$1,698,601	\$221,275	\$0	\$1,959,076	\$0	(\$1,959,076)	-100.00%
301 Contributed Roadway Improvement	35,661,322	1,697,393	2,155,281	35,507,563	2,266,106	(33,241,457)	-93.62%
302 Library Construction	855,239	179,593	0	675,646	0	(675,646)	-100.00%
303 County Construction	31,335,444	16,451,640	29,310,817	49,499,120	13,647,963	(35,851,157)	-72.43%
304 Primary & Secondary Rd Bond Construction	25,369,158	3,387,801	0	21,468,500	1,000,000	(20,468,500)	-95.34%
306 No VA Regional Park Authority	2,250,000	2,250,000	2,250,000	2,250,000	2,500,000	250,000	11.11%
307 Sidewalk Construction	7,210,825	1,461,314	300,000	6,922,608	300,000	(6,622,608)	-95.67%
308 Public Works Construction	11,929,113	3,948,291	2,045,000	10,819,876	3,265,000	(7,554,876)	-69.82%
309 Metro Operations and Construction	25,379,308	19,075,916	15,868,422	13,090,727	36,369,800	23,279,073	177.83%
310 Storm Drainage Bond Construction	4,630,009	1,019,455	0	3,610,554	0	(3,610,554)	-100.00%
311 County Bond Construction	24,898,866	6,678,915	1,000,000	20,141,214	12,032,141	(8,109,073)	-40.26%
312 Public Safety Construction	87,678,547	15,346,372	34,970,552	117,787,635	24,200,000	(93,587,635)	-79.45%
313 Trail Construction	629,695	49,451	0	580,244	0	(580,244)	-100.00%
314 Neighborhood Improvement Program	2,491,987	1,177,808	0	1,334,510	0	(1,334,510)	-100.00%
315 Commercial Revitalization Program	13,699,709	2,390,120	0	11,696,235	0	(11,696,235)	-100.00%
316 Pro Rata Share Drainage Construction	24,794,770	1,323,557	0	25,742,572	0	(25,742,572)	-100.00%
340 Housing Assistance Program	15,205,904	1,590,840	935,000	14,605,049	935,000	(13,670,049)	-93.60%
341 Housing G O Bond Construction	410,881	29,217	0	381,664	0	(381,664)	-100.00%
370 Park Authority Bond Construction	54,702,253	10,981,510	10,000,000	53,720,743	0	(53,720,743)	-100.00%
390 School Construction	394,785,144	158,267,891	210,719,289	436,769,503	160,015,262	(276,754,241)	-63.36%
Total Capital Project Funds	\$765,616,775	\$247,528,359	\$309,554,361	\$828,563,039	\$256,531,272	(\$572,031,767)	-69.04%
TOTAL GOVERNMENTAL FUNDS	\$4,138,785,176	\$3,496,246,712	\$3,635,109,499	\$4,453,073,689	\$3,774,098,430	(\$678,975,259)	-15.25%
PROPRIETARY FUNDS							
G40 Enterprise Funds							
401 Sewer Operation and Maintenance	\$67,248,950	\$64,773,403	\$71,594,535	\$71,846,876	\$74,812,086	\$2,965,210	4.13%
402 Sewer Construction Improvements	120,841,795	39,845,231	31,534,000	114,465,926	35,495,200	(78,970,726)	-68.99%
403 Sewer Bond Parity Debt Service	13,528,282	13,519,856	68,702,004	68,702,004	7,255,399	(61,446,605)	-89.44%
407 Sewer Bond Subordinate Debt	21,099,797	20,895,258	21,875,577	21,875,577	21,877,158	1,581	0.01%
408 Sewer Bond Construction	44,107,544	10,428,890	0	33,678,654	0	(33,678,654)	-100.00%
Total Enterprise Funds	\$266,826,368	\$149,462,638	\$193,706,116	\$310,569,037	\$139,439,843	(\$171,129,194)	-55.10%

FY 2005 ADVERTISED EXPENDITURES BY FUND

SUMMARY OF APPROPRIATED FUNDS

Fund Type/Fund	FY 2003 Estimate	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease)
G50 Internal Service Funds							
500 Retiree Health Benefits	\$2,299,936	\$2,197,558	\$3,092,308	\$3,092,308	\$3,410,624	\$318,316	10.29%
501 County Insurance Fund	12,573,438	12,516,417	10,524,580	11,944,241	11,492,119	(452,122)	-3.79%
502 County Central Stores ²	1,445,882	795,171	1,270,755	0	0	0	-
503 Department of Vehicle Services	52,750,858	40,844,720	45,415,164	53,840,769	51,917,833	(1,922,936)	-3.57%
504 Document Services Division	8,037,278	7,044,215	7,868,721	7,947,809	7,331,819	(615,990)	-7.75%
505 Technology Infrastructure Services	21,985,692	21,035,215	22,649,693	23,495,031	25,549,835	2,054,804	8.75%
506 Health Benefits Trust Fund	50,343,242	49,751,530	57,050,992	57,050,992	63,906,234	6,855,242	12.02%
590 School Insurance Fund	9,192,366	8,024,902	9,493,240	9,594,552	11,093,240	1,498,688	15.62%
591 School Health Benefits Trust	146,261,740	131,952,582	169,801,775	175,848,849	201,844,575	25,995,726	14.78%
592 School Central Procurement	14,000,000	10,693,638	14,000,000	14,000,000	14,000,000	0	0.00%
Total Internal Service Funds	\$318,890,432	\$284,855,948	\$341,167,228	\$356,814,551	\$390,546,279	\$33,731,728	9.45%
TOTAL PROPRIETARY FUNDS	\$585,716,800	\$434,318,586	\$534,873,344	\$667,383,588	\$529,986,122	(\$137,397,466)	-20.59%
FIDUCIARY FUNDS							
G60 Trust Funds							
600 Uniformed Retirement	\$32,301,833	\$27,880,559	\$34,233,280	\$34,233,280	\$40,055,843	\$5,822,563	17.01%
601 Fairfax County Employees' Retirement	93,340,338	92,987,466	101,055,357	101,062,787	116,848,345	15,785,558	15.62%
602 Police Retirement	31,223,195	29,672,582	34,845,875	34,845,875	37,027,267	5,173,293	14.85%
691 Educational Employees' Retirement	129,965,764	112,354,728	141,614,896	141,627,852	146,405,488	4,777,636	3.37%
Total Trust Funds	\$286,831,130	\$262,895,335	\$311,749,408	\$311,769,794	\$340,336,943	\$28,567,149	9.16%
G70 Agency Funds							
700 Route 28 Taxing District	\$6,863,962	\$7,112,070	\$5,973,407	\$5,973,407	\$7,141,215	\$1,167,808	19.55%
TOTAL FIDUCIARY FUNDS	\$293,695,092	\$270,007,405	\$317,722,815	\$317,743,201	\$347,478,158	\$29,734,957	9.36%
TOTAL APPROPRIATED FUNDS	\$5,018,197,068	\$4,200,572,703	\$4,487,705,658	\$5,438,200,478	\$4,651,562,710	(\$786,637,768)	-14.47%
Less: Internal Service Funds ³	(\$318,890,432)	(\$284,855,948)	(\$341,167,228)	(\$356,814,551)	(\$390,546,279)	(\$33,731,728)	9.45%
NET EXPENDITURES	\$4,699,306,636	\$3,915,716,755	\$4,146,538,430	\$5,081,385,927	\$4,261,016,431	(\$820,369,496)	-16.14%

¹ FY 2005 Advertised Budget Plan expenditures for Fund 090, Public School Operating, are reduced by \$38,838,615 to offset the discrepancy between the proposed Transfer Out from the General Fund and the Superintendent's Proposed Transfer In to Fund 090.

² Fund 502, County Central Stores was eliminated as part of the FY 2003 Carryover Review, as approved by the Board during their deliberations on the FY 2004 budget. The function has been decentralized and funding is eliminated. Remaining balances will be used to write-off unusable inventory.

³ Total Appropriated Funds Expenditures are reduced by Internal Service Fund Expenditures, as the amounts are already included.

FY 2005 ADVERTISED CHANGES IN FUND BALANCE

SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	Balance 6/30/02	Balance 6/30/03	Balance 6/30/04	Balance 6/30/05	Appropriated From/ (Added to) Surplus
GOVERNMENTAL FUNDS					
G00 General Fund Group					
001 General Fund	\$94,569,059	\$118,894,312	\$74,718,136	\$60,218,084	\$14,500,052
002 Revenue Stabilization Fund	27,492,910	29,253,999	31,433,974	31,839,485	(405,511)
Total General Fund Group	\$122,061,969	\$148,148,311	\$106,152,110	\$92,057,569	\$14,094,541
G10 Special Revenue Funds					
090 Public School Operating	\$77,622,846	\$110,747,182	\$0	\$0	\$0
100 County Transit Systems	5,043,717	6,718,085	480,227	0	480,227
102 Federal/State Grant Fund	1,377,151	2,175,324	85,634	85,634	0
103 Aging Grants and Programs	737,713	817,230	0	0	0
104 Information Technology	23,977,647	19,488,799	0	0	0
105 Cable Communications	18,964,394	21,322,360	8,559,310	3,531,914	5,027,396
106 Community Services Board	5,492,079	6,294,549	3,431,965	544,516	2,887,449
108 Leaf Collection	2,110,842	1,660,413	1,173,991	1,126,120	47,871
109 Refuse Collection and Recycling Ops	12,611,029	10,819,125	7,038,177	4,064,778	2,973,399
110 Refuse Disposal	10,507,641	9,007,618	5,110,840	3,815,147	1,295,693
111 Reston Community Center	2,792,080	2,753,950	2,192,055	998,390	1,193,665
112 Energy Resource Recovery Facility	10,174,238	15,383,969	15,938,340	18,682,859	(2,744,519)
113 McLean Community Center	2,310,719	2,621,421	2,563,024	2,961,621	(398,597)
114 I-95 Refuse Disposal	77,041,032	77,197,577	38,048,317	37,072,685	975,632
115 Burgundy Village Community Center	133,232	147,365	157,548	160,250	(2,702)
116 Integrated Pest Management Program	1,283,581	2,003,577	1,143,551	0	1,143,551
118 Consolidated Community Funding Pool	359,174	206,559	0	0	0
119 Contributory Fund	239,708	104,267	104,267	50,000	54,267
120 E-911 Fund	5,944,383	6,333,511	0	0	0
141 Elderly Housing Programs	520,296	524,884	316,372	161,741	154,631
142 Community Development Block Grant	700,686	864,795	36	36	0
143 Homeowner and Business Loan Prgms	2,728,758	2,692,609	305,682	305,682	0
144 Housing Trust Fund	12,268,633	13,118,219	229,060	229,060	0
145 HOME Investment Partnership Grant	(47,652)	(132,967)	0	0	0
191 School Food & Nutrition Services	9,791,528	9,797,485	8,837,349	8,841,567	(4,218)
192 School Grants & Self Supporting	3,294,954	5,326,446	0	0	0
193 School Adult & Community Education	2,565,113	2,051,629	0	0	0
Total Special Revenue Funds	\$290,545,522	\$330,045,981	\$95,715,745	\$82,632,000	\$13,083,745

FY 2005 ADVERTISED CHANGES IN FUND BALANCE

SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	Balance 6/30/02	Balance 6/30/03	Balance 6/30/04	Balance 6/30/05	Appropriated From/ (Added to) Surplus
G20 Debt Service Funds					
200 County Debt Service	\$4,827,447	\$3,451,460	\$2,680,129	\$0	\$2,680,129
201 School Debt Service	5,395,170	6,250,530	6,250,530	0	6,250,530
Total Debt Service Funds	\$10,222,617	\$9,701,990	\$8,930,659	\$0	\$8,930,659
G30 Capital Project Funds					
300 Countywide Roadway Improvement	\$1,777,934	\$1,477,326	\$0	\$0	\$0
301 Contributed Roadway Improvement	28,560,698	32,191,630	0	0	0
302 Library Construction	325,545	675,646	0	0	0
303 County Construction	19,434,356	35,172,065	0	0	0
304 Primary & Secondary Rd Bond Construction	15,443,075	13,108,560	0	0	0
306 No VA Regional Park Authority	0	0	0	0	0
307 Sidewalk Construction	4,732,346	3,786,587	0	0	0
308 Public Works Construction	8,354,672	6,837,647	0	0	0
309 Metro Operations and Construction	16,562,358	8,433,732	6,161,107	0	6,161,107
310 Storm Drainage Bond Construction	117,800	(201,655)	0	0	0
311 County Bond Construction	2,854,025	1,514,631	0	0	0
312 Public Safety Construction	39,020,914	60,514,542	0	0	0
313 Trail Construction	383,614	409,163	0	0	0
314 Neighborhood Improvement Program	191,439	(26,765)	132,794	67,794	65,000
315 Commercial Revitalization Program	(759,740)	151,029	0	0	0
316 Pro Rata Share Drainage Construction	3,379	3,379	0	0	0
340 Housing Assistance Program	1,186,042	1,250,187	1,618	1,618	0
341 Housing G O Bond Construction	86,211	56,994	0	0	0
370 Park Authority Bond Construction	1,337,919	12,656,409	0	0	0
390 School Construction	191,398	(6,477,429)	0	0	0
Total Capital Project Funds	\$139,803,985	\$171,533,678	\$6,295,519	\$69,412	\$6,226,107
TOTAL GOVERNMENTAL FUNDS	\$562,634,093	\$659,429,960	\$217,094,033	\$174,758,981	\$42,335,052
PROPRIETARY FUNDS					
G40 Enterprise Funds					
400 Sewer Revenue	\$173,117,699	\$133,848,787	\$57,475,635	\$49,070,336	\$8,405,299
401 Sewer Operation and Maintenance	5,553,095	2,674,650	2,468,036	252,030	2,216,006
402 Sewer Construction Improvements	66,670,795	80,996,564	0	0	0
403 Sewer Bond Parity Debt Service	1,205,119	1,053,274	974,177	381,515	592,662
406 Sewer Bond Debt Reserve	14,571,766	14,571,766	14,571,766	14,571,766	0
407 Sewer Bond Subordinate Debt	983,301	770,908	204,539	0	204,539
408 Sewer Bond Construction	45,732,035	37,330,967	3,676,311	3,712,947	(36,636)
Total Enterprise Funds	\$307,833,810	\$271,246,916	\$79,370,464	\$67,988,594	\$11,381,870

FY 2005 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	Balance 6/30/02	Balance 6/30/03	Balance 6/30/04	Balance 6/30/05	Appropriated From/ (Added to) Surplus
G50 Internal Service Funds					
500 Retiree Health Benefits	\$110,009	\$140,942	\$137,378	\$35,000	\$102,378
501 County Insurance Fund	25,050,709	26,280,309	24,490,957	24,268,971	221,986
502 County Central Stores	358,119	1,092,634	0	0	0
503 Department of Vehicle Services	18,094,863	21,854,551	18,792,364	15,826,538	2,965,826
504 Document Services Division	1,166,127	87,534	155,939	316,100	(160,161)
505 Technology Infrastructure Services	11,265,982	9,944,196	6,248,925	2,658,974	3,589,951
506 Health Benefits Trust Fund	1,672,740	7,850,525	7,959,873	7,692,242	267,631
590 School Insurance Fund	19,132,775	16,956,380	16,003,851	16,406,882	(403,031)
591 School Health Benefits Trust	8,958,466	14,689,825	0	0	0
592 School Central Procurement	1,176,028	833,441	833,441	833,441	0
Total Internal Service Funds	\$86,985,818	\$99,730,337	\$74,622,728	\$68,038,148	\$6,584,580
TOTAL PROPRIETARY FUNDS	\$394,819,628	\$370,977,253	\$153,993,192	\$136,026,742	\$17,966,450
FIDUCIARY FUNDS					
G60 Trust Funds					
600 Uniformed Retirement	\$617,625,402	\$657,361,177	\$703,037,893	\$748,291,083	(\$45,253,190)
601 Fairfax County Employees' Retirement	1,716,935,570	1,780,113,740	1,872,644,358	1,966,628,895	(93,984,537)
602 Police Retirement	573,316,655	591,890,729	625,910,913	659,542,249	(33,631,336)
691 Educational Employees' Retirement	1,369,372,874	1,349,792,227	1,385,185,190	1,418,436,916	(33,251,726)
Total Trust Funds	\$4,277,250,501	\$4,379,157,873	\$4,586,778,354	\$4,792,899,143	(\$206,120,789)
G70 Agency Funds					
700 Route 28 Taxing District	\$41,215	\$41,215	\$41,215	\$0	\$41,215
TOTAL FIDUCIARY FUNDS	\$4,277,291,716	\$4,379,199,088	\$4,586,819,569	\$4,792,899,143	(\$206,079,574)
TOTAL APPROPRIATED FUNDS	\$5,234,745,437	\$5,409,606,301	\$4,957,906,794	\$5,103,684,866	(\$145,778,072)

**GENERAL FUND PROPERTY TAX RATES
FY 1995 - FY 2005
(per \$100 assessed valuation)**

Tax Category	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005 Advertised
Real Estate	\$1.16	\$1.16	\$1.23	\$1.23	\$1.23	\$1.23	\$1.23	\$1.23	\$1.21	\$1.16	\$1.16
Public Service	1.16	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.21	1.16	1.16
Personal Property¹	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57
Special Subclass ^{2,3}	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Machinery and Tools	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Research and Development	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Mobile Homes ⁴	1.16	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.21	1.16	1.16
Public Service	1.16	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.21	1.16	1.16

¹ Includes vehicles owned by individuals, businesses and Public Service Corporations, business furniture and fixtures, and computers.

² On April 30, 1990, the Board of Supervisors established a subclass of vehicles for personal property taxation purposes. This subclass includes vehicles specifically equipped for the handicapped, privately-owned vans used for van pools, and vehicles belonging to volunteer fire and rescue squad members. The same rate also applies to antique automobiles.

³ Beginning in FY 1996, the special subclass includes vehicles owned by auxiliary police officers, aircraft and flight simulators, and property owned by homeowners' associations. As of FY 2000, the special subclass includes boats.

⁴ In accordance with the Code of Virginia, mobile homes are considered a separate class of Personal Property, and are assessed and taxed in the same manner as local real property.

SUMMARY OF SELECTED NON-PROPERTY COUNTY TAX RATES FY 1995 - FY 2005

Tax Category	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005 Advertised
Sewage Rates											
Sewer Charge (per 1,000 gal.)	\$2.60	\$2.60	\$2.60	\$2.60	\$2.70	\$2.70	\$2.81	\$2.88	\$2.95	\$3.03	\$3.20
Availability Fee - Single Family Home	\$3,863	\$4,101	\$4,353	\$4,621	\$4,621	\$4,621	\$4,898	\$5,069	\$5,247	\$5,431	\$5,621
Refuse Rates											
Collection (per unit)	\$270	\$250	\$250	\$240	\$240	\$210	\$210	\$210	\$210	\$210	\$240
Disposal (per ton)	\$48.00	\$48.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$48.00
Leaf Collection ¹	\$0.02	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.015
Lee - Burgundy Village											
Community Center ^{1,2}	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
Dranesville - McLean											
Community Center ^{1,2}	\$0.027	\$0.027	\$0.027	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028
Hunter Mill - Reston											
Community Center ^{1,2}	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.052	\$0.052	\$0.052
Route 28 Corridor ^{1,2}	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Forest Integrated Pest Management Program^{1,2,3}											
	\$0.0014	\$0.0014	\$0.0010	\$0.0000	\$0.0000	\$0.0000	\$0.0010	\$0.0010	\$0.0010	\$0.0010	\$0.0010
Consumer Utility Tax - Telephone											
Residential											
Rate	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%
Ceiling	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Commercial											
Rate	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%
Ceiling	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600
E-911 Tax											
Monthly per Phone Line	\$1.30	\$1.30	\$1.69	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$2.50	\$2.50
Local Mobile Telecommunications Tax⁴											
Rate	-	-	-	-	-	-	-	-	-	10.0%	10.0%
Ceiling	-	-	-	-	-	-	-	-	-	\$30	\$30

¹ Per \$100 of assessed value.

² These are in special taxing districts which have been set up to support these functions.

³ This tax was suspended in FY 1998 through FY 2000 due to reduced treatment requirements. The tax was reinstated in FY 2001 to address anticipated increases in the treatment requirements for pests.

⁴ A Local Mobile Telecommunications tax was approved by the Board of Supervisors as part of the FY 2004 Adopted Budget Plan.

CONSUMER UTILITY TAXES ON ELECTRICITY AND NATURAL GAS

ELECTRICITY

NATURAL GAS

ELECTRICITY			NATURAL GAS		
Customer Class as Defined by Electric Power Company	Monthly Tax Prior to January 1, 2001	Monthly Tax Since January 1, 2001 ¹	Customer Class as Defined by Natural Gas Company	Monthly Tax Prior to January 1, 2001	Monthly Tax Since January 1, 2001 ¹
Residential	8% of first \$50	\$0.00605 per kWh	Residential	8% of first \$50	\$0.05259 per CCF
Minimum	8% of \$7 bill or \$0.56	\$0.56 per bill	Minimum	8% of \$7 bill or \$0.56	\$0.56 per bill
Maximum	\$4.00 per bill	\$4.00 per bill	Maximum	\$4.00 per bill	\$4.00 per bill
Master Metered Apartments	8% of bill	\$0.00323 per kWh	Master Metered Apartments	8% of bill	\$0.01192 per CCF
Minimum	8% of \$7 / dwelling unit or \$0.56 / dwelling unit	\$0.56 per dwelling unit	Minimum	8% of \$7 / dwelling unit or \$0.56 / dwelling unit	\$0.56 per dwelling unit
Maximum	8% of \$50 / dwelling unit or \$4.00 / dwelling unit	\$4.00 per dwelling unit	Maximum	8% of \$50 / dwelling unit or \$4.00 / dwelling unit	\$4.00 per dwelling unit
Commercial	10% of first \$10,000	\$0.00594 per kWh	Nonresidential	10% of first \$3,000	\$0.04794 per CCF
Minimum	10% of \$11.47 bill or \$1.15 per bill	\$1.15 per bill	Minimum	10% of \$8.45 bill or \$0.845	\$0.845 per bill
Maximum	\$1,000 per bill	\$1,000 per bill	Maximum	\$300 per bill	\$300 per bill
Industrial	10% of first \$10,000	\$0.00707 per kWh	Nonresidential Interruptible	4.5% of first \$6,667	\$0.00563 per CCF
Minimum	10% of \$11.47 bill or \$1.15 per bill	\$1.15 per bill	Minimum	4.5% of \$100 bill per meter	\$4.50 per meter
Maximum	\$1,000 per bill	\$1,000 per bill	Maximum	\$300 per meter	\$300 per meter

¹Beginning January 1, 2001, Fairfax County changed its Consumer Utility Tax on consumers of electricity and natural gas as required by the Commonwealth of Virginia's utility deregulation legislation. Prior to this date, the Consumer Utility Tax was calculated based on the amount of a consumer's bill. The current calculation method is based on usage.

ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS

GENERAL FUND, FISCAL YEARS 2003-2005

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
ASSESSED VALUATION OF TAXABLE PROPERTY				
Real Estate				
Local Assessment	\$114,902,589,425	\$129,247,150,810	\$129,247,150,810	\$144,804,746,670
Public Service Corporations	902,494,601	801,322,001	991,037,429	940,603,299
Supplementals and Norfolk Plan	650,738,433	500,000,000	600,000,000	535,750,000
Less: Tax Relief for Elderly/Disabled	(841,122,463)	(1,000,000,000)	(1,262,519,494)	(1,742,876,034)
Less: Exonerations/Certificates/Tax Abatements	(556,680,403)	(692,031,240)	(692,031,240)	(941,538,739)
Total Real Estate Taxable Valuation	\$115,058,019,593	\$128,856,441,571	\$128,883,637,505	\$143,596,685,196
Personal Property				
Vehicles	\$9,178,596,123	\$9,381,350,903	\$9,506,902,254	\$9,506,653,455
Business Property (excluding vehicles)	2,405,874,113	2,444,386,570	2,165,817,773	2,166,945,211
Mobile Homes	17,532,998	18,732,913	18,302,138	18,279,344
Other Personal Property ¹	8,615,678	8,396,208	8,574,117	8,565,139
Public Service Corporations	2,258,537,271	2,264,514,765	2,265,568,314	2,212,876,327
Total Personal Property Valuation	\$13,869,156,183	\$14,117,381,359	\$13,965,164,596	\$13,913,319,476
Total Taxable Property Valuation	\$128,927,175,776	\$142,973,822,930	\$142,848,802,101	\$157,510,004,672
TAX RATE (per \$100 assessed value)				
Real Estate				
Regular-Local Assessment	\$1.21	\$1.16	\$1.16	\$1.16
Public Service Corporations-Equalized	1.21	1.16	1.16	1.16
Personal Property				
Vehicle/Business/Other	\$4.57	\$4.57	\$4.57	\$4.57
Public Service Corporations-Equalized	1.21	1.16	1.16	1.16
Mobile Homes	1.21	1.16	1.16	1.16

¹ Other Personal Property includes boats, trailers, and miscellaneous.

ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS GENERAL FUND, FISCAL YEARS 2003-2005

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
LEVIES AND COLLECTIONS				
Property Tax Levy				
Real Estate Tax Levy	\$1,392,202,037	\$1,494,734,722	\$1,495,050,195	\$1,665,721,548
Personal Property Tax Levy	472,385,511	483,474,931	473,392,126	473,384,946
Total Property Tax Levy	\$1,864,587,548	\$1,978,209,653	\$1,968,442,321	\$2,139,106,494
Property Tax Collections				
Collection of Current Taxes	\$1,844,858,072	\$1,955,889,161	\$1,948,964,409	\$2,118,755,990
Percentage of Total Levy Collected	96.8%	98.9%	97.5%	97.5%
Net Collections of Delinquent Taxes	18,170,941	15,467,797	15,079,797	15,079,797
Total Property Tax Collections	\$1,863,029,013	\$1,971,356,958	\$1,964,044,206	\$2,133,835,787
Yield of \$0.01 per \$100 of Real Estate Tax Collections	\$11,668,628	\$13,048,833	\$13,051,444	\$14,510,096
Yield of \$0.01 per \$100 of Personal Property Tax Collections	\$947,335	\$967,668	\$951,853	\$953,140

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
<u>REAL PROPERTY TAXES</u>						
Real Estate Tax - Current	\$1,376,799,646	\$1,478,012,190	\$1,476,136,390	\$1,646,536,497	\$170,400,107	11.5%
R. E. Tax - Public Service Corps	10,870,079	9,295,335	11,496,034	10,910,998	(585,036)	-5.1%
Subtotal R. E. Tax - Current	\$1,387,669,725	\$1,487,307,525	\$1,487,632,424	\$1,657,447,495	\$169,815,071	11.4%
R. E. Tax Penalties - Current	\$3,222,042	\$1,287,904	\$1,287,904	\$1,287,904	\$0	0.0%
R. E. Tax Interest - Current	88,503	367,941	367,941	367,941	0	0.0%
R. E. Tax Delinquent - 1st Year	2,803,501	1,668,200	1,668,200	1,668,200	0	0.0%
R. E. Tax Penalties - 1st Year Delinq.	353,489	230,175	230,175	230,175	0	0.0%
R. E. Tax Interest - 1st Year Delinq.	44,918	252,216	252,216	252,216	0	0.0%
R. E. Tax Delinquent - 2nd Year	817,080	662,496	662,496	662,496	0	0.0%
R. E. Tax Penalties - 2nd Year Delinq.	129,295	91,252	91,252	91,252	0	0.0%
R. E. Tax Interest - 2nd Year Delinq.	21,070	199,853	199,853	199,853	0	0.0%
R. E. Tax - Prior Years	1,370,211	2,107,884	2,107,884	2,107,884	0	0.0%
R. E. PSC - Penalty Current	13,523	0	0	0	0	-
R. E. PSC - Interest Current	273	9,235	9,235	9,235	0	0.0%
R. E. PSC - Prior Years	0	2,082	2,082	2,082	0	0.0%
Subtotal R. E. Tax - Delinquents	\$8,863,905	\$6,879,238	\$6,879,238	\$6,879,238	\$0	0.0%
TOTAL REAL PROPERTY TAXES	\$1,396,533,630	\$1,494,186,763	\$1,494,511,662	\$1,664,326,733	\$169,815,071	11.4%
<u>PERSONAL PROPERTY TAXES</u>						
Personal Property Tax - Current	\$240,399,058	\$237,300,143	\$229,955,671	\$229,249,086	(\$706,585)	-0.3%
P. P. Tax - Public Service Corps	24,482,645	26,625,377	26,720,198	26,108,971	(611,227)	-2.3%
Subtotal P. P. Tax - Current	\$264,881,703	\$263,925,520	\$256,675,869	\$255,358,057	(\$1,317,812)	-0.5%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
P. P. Tax Penalties - Current	\$4,004,808	\$2,011,741	\$2,011,741	\$2,011,741	\$0	0.0%
P. P. Tax Interest - Current	(522,055)	95,591	95,591	95,591	0	0.0%
P. P. Tax Delinquent - 1st Year	761,059	3,132,020	2,894,020	2,894,020	0	0.0%
P. P. Tax Penalties - 1st Year Delinquent	700,111	344,753	344,753	344,753	0	0.0%
P. P. Tax Interest - 1st Year Delinquent	163,320	70,902	70,902	70,902	0	0.0%
P. P. Tax Delinquent - 2nd Year	(243,627)	1,550,866	1,400,866	1,400,866	0	0.0%
P. P. Tax Penalties - 2nd Year Delinquent	149,099	84,070	84,070	84,070	0	0.0%
P. P. Tax Interest - 2nd Year Delinquent	99,128	40,219	40,219	40,219	0	0.0%
P. P. Tax Delinquent - 3rd Year	575,197	628,499	628,499	628,499	0	0.0%
P. P. Tax Penalties - 3rd Year Delinquent	97,757	96,879	96,879	96,879	0	0.0%
P. P. Tax Interest - 3rd Year Delinquent	191,888	86,339	86,339	86,339	0	0.0%
P. P. Tax Prior Years	202,762	446,680	446,680	446,680	0	0.0%
Subtotal P. P. Tax - Delinquent	\$6,179,447	\$8,588,559	\$8,200,559	\$8,200,559	\$0	0.0%
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TOTAL PERSONAL PROPERTY TAXES	\$271,061,149	\$272,514,079	\$264,876,428	\$263,558,616	(\$1,317,812)	-0.5%
<hr/>						
<u>GENERAL OTHER LOCAL TAXES</u>						
Short-Term Daily Rental	\$516,320	\$557,733	\$557,733	\$568,888	\$11,155	2.0%
Vehicle Decals	19,052,623	19,463,966	19,463,966	19,853,245	389,279	2.0%
Bank Franchise Tax	4,506,814	4,011,108	4,011,108	4,011,108	0	0.0%
Cigarette Tax	1,826,052	1,922,003	1,922,003	1,922,003	0	0.0%
Gross Receipts Tax on Rental Cars	2,023,476	2,000,265	2,063,946	2,105,224	41,278	2.0%
Land Transfer Fees	38,926	38,010	38,010	38,010	0	0.0%
Transient Occupancy Tax	6,467,769	6,347,280	6,726,480	6,995,530	269,050	4.0%
Mobile Telecommunications Tax	0	9,500,000	5,500,000	7,200,000	1,700,000	30.9%
Subtotal	\$34,431,981	\$43,840,365	\$40,283,246	\$42,694,008	\$2,410,762	6.0%
Sales Tax - Local	\$126,701,264	\$126,163,869	\$130,506,158	\$134,421,343	\$3,915,185	3.0%
Sales Tax - Mobile Home	83,986	82,650	82,650	82,650	0	0.0%
Subtotal Sales Tax	\$126,785,250	\$126,246,519	\$130,588,808	\$134,503,993	\$3,915,185	3.0%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
Deed of Conveyance Tax	\$5,812,743	\$4,475,925	\$5,812,743	\$4,490,440	(\$1,322,303)	-22.7%
Recordation Tax	21,192,964	11,854,054	21,192,964	12,461,788	(8,731,176)	-41.2%
Subtotal Deed of Conveyance/Recordation	\$27,005,707	\$16,329,979	\$27,005,707	\$16,952,228	(\$10,053,479)	-37.2%
TOTAL Other Local Taxes	\$188,222,938	\$186,416,863	\$197,877,761	\$194,150,228	(\$3,727,533)	-1.9%
Electric Utility Tax - Dominion Virginia Power	\$32,206,397	\$32,675,738	\$32,206,397	\$32,206,397	\$0	0.0%
Electric Utility Tax - No. Va. Elec.	1,581,877	1,626,838	1,581,877	1,581,877	0	0.0%
Subtotal Electric Utility Tax	\$33,788,274	\$34,302,576	\$33,788,274	\$33,788,274	\$0	0.0%
Telephone Utility Tax - Verizon	\$39,104,087	\$43,364,703	\$39,104,087	\$39,104,087	\$0	0.0%
Telephone Utility Tax - MCI World Com	433,511	55,353	433,511	433,511	0	0.0%
Telephone Utility Tax - Misc.	3,412,725	3,457,358	3,412,725	3,412,725	0	0.0%
Subtotal Telephone Utility Tax	\$42,950,323	\$46,877,414	\$42,950,323	\$42,950,323	\$0	0.0%
Gas Utility Tax - Washington Gas	\$8,710,427	\$8,297,971	\$8,710,427	\$8,710,427	\$0	0.0%
Gas Utility Tax - Columbia Gas of VA	443,703	380,218	443,703	443,703	0	0.0%
Subtotal Gas Utility Tax	\$9,154,130	\$8,678,189	\$9,154,130	\$9,154,130	\$0	0.0%
TOTAL Consumer Utility Tax	\$85,892,727	\$89,858,179	\$85,892,727	\$85,892,727	\$0	0.0%
Electric Consumption Tax	\$2,772,611	\$2,399,499	\$2,828,063	\$2,884,624	\$56,561	2.0%
Natural Gas Consumption Tax	834,990	651,775	851,690	868,724	17,034	2.0%
Total Consumption Tax	\$3,607,601	\$3,051,274	\$3,679,753	\$3,753,348	\$73,595	2.0%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED																																																	
BPOL Tax - Amusements	\$165,377	\$180,368	\$218,299	\$223,757	\$5,458	2.5%																																																	
BPOL Tax - Builders and Developers	723,151	777,628	721,005	739,030	18,025	2.5%																																																	
BPOL Tax - Business Service Occupation	15,582,367	15,804,465	15,500,987	15,888,512	387,525	2.5%																																																	
BPOL Tax - Personal Service Occupation	4,174,030	3,937,534	4,249,342	4,355,576	106,234	2.5%																																																	
BPOL Tax - Contractors	5,635,899	6,060,765	5,819,942	5,965,440	145,498	2.5%																																																	
BPOL Tax - Hotels and Motels	942,802	1,008,780	1,165,740	1,194,884	29,144	2.5%																																																	
BPOL Tax - Prof. & Spec Occupations	11,136,649	11,268,362	9,828,396	10,074,105	245,709	2.5%																																																	
BPOL Tax - Rent of House, Apt & Condo	7,332,528	7,503,348	7,082,573	7,259,637	177,064	2.5%																																																	
BPOL Tax - Repair Service	1,422,495	1,419,183	1,632,428	1,673,238	40,810	2.5%																																																	
BPOL Tax - Retail Merchants	21,392,911	21,171,726	22,830,046	23,400,797	570,751	2.5%																																																	
BPOL Tax - Wholesale Merchants	1,344,910	1,572,432	1,670,705	1,712,473	41,768	2.5%																																																	
BPOL Tax - Real Estate Brokers	1,334,434	1,101,284	1,116,062	1,143,964	27,902	2.5%																																																	
BPOL Tax - Money Lenders	1,733,507	1,726,005	1,309,689	1,342,432	32,743	2.5%																																																	
BPOL Tax - Telephone Companies	864,051	818,989	886,509	908,671	22,162	2.5%																																																	
BPOL Tax - Consultant/Specialist	19,397,335	18,403,417	21,310,701	21,843,468	532,767	2.5%																																																	
BPOL Tax - Research and Development	244,976	363,304	420,683	431,201	10,518	2.5%	Subtotal Business, Prof. & Occupational	\$93,427,421	\$93,117,590	\$95,763,107	\$98,157,185	\$2,394,078	2.5%	BPOL Tax - Penalties & Interest - Current Year	\$54,943	\$273,023	\$50,000	\$50,000	\$0	0.0%	BPOL Tax - Delinquent Taxes - Prior Years	2,178,891	99,427	800,000	800,000	0	0.0%	BPOL Tax - Delinquent Penalty & Interest - Prior Years	209,780	127,550	150,000	150,000	0	0.0%	Subtotal BPOL - Delinquents	\$2,443,614	\$500,000	\$1,000,000	\$1,000,000	\$0	0.0%	TOTAL Business, Prof., & Occupational	\$95,871,036	\$93,617,590	\$96,763,107	\$99,157,185	\$2,394,078	2.5%	TOTAL GENERAL OTHER LOCAL TAXES	\$373,594,301	\$372,943,906	\$384,213,348	\$382,953,488	(\$1,259,860)	-0.3%
Subtotal Business, Prof. & Occupational	\$93,427,421	\$93,117,590	\$95,763,107	\$98,157,185	\$2,394,078	2.5%																																																	
BPOL Tax - Penalties & Interest - Current Year	\$54,943	\$273,023	\$50,000	\$50,000	\$0	0.0%																																																	
BPOL Tax - Delinquent Taxes - Prior Years	2,178,891	99,427	800,000	800,000	0	0.0%																																																	
BPOL Tax - Delinquent Penalty & Interest - Prior Years	209,780	127,550	150,000	150,000	0	0.0%	Subtotal BPOL - Delinquents	\$2,443,614	\$500,000	\$1,000,000	\$1,000,000	\$0	0.0%	TOTAL Business, Prof., & Occupational	\$95,871,036	\$93,617,590	\$96,763,107	\$99,157,185	\$2,394,078	2.5%	TOTAL GENERAL OTHER LOCAL TAXES	\$373,594,301	\$372,943,906	\$384,213,348	\$382,953,488	(\$1,259,860)	-0.3%																												
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GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
<u>PERMITS, FEES & REGULATORY LICENSES</u>						
Building Permits - Residential	\$5,642,037	\$5,344,059	\$5,344,059	\$5,344,059	\$0	0.0%
Electrical Permits	2,105,448	2,052,508	2,052,508	2,052,508	0	0.0%
Plumbing Permits	1,838,223	1,748,565	1,748,565	1,748,565	0	0.0%
Mechanical Permits	1,485,405	1,458,105	1,458,105	1,458,105	0	0.0%
Cross Connection Charges	366,543	271,650	271,650	271,650	0	0.0%
Swimming Pool Inspection Licenses	1,050	430	430	430	0	0.0%
Home Improvement Inspection Licenses	20,042	17,566	17,566	17,566	0	0.0%
Elevator Inspection Licenses	1,173,846	1,035,240	1,035,240	1,035,240	0	0.0%
Appliance Permits	140,048	110,726	110,726	110,726	0	0.0%
Building Re-inspection Fees	49,224	31,782	31,782	31,782	0	0.0%
Electrical Re-inspection Fees	10,528	8,306	8,306	8,306	0	0.0%
Plumbing Re-inspection Fees	20,160	15,041	15,041	15,041	0	0.0%
Mechanical Re-inspection Fees	9,912	9,268	9,268	9,268	0	0.0%
Plan Resubmission Fee - new construction	127,600	143,833	143,833	143,833	0	0.0%
Plan Resubmission Fee - alter. construction	113,300	106,216	106,216	106,216	0	0.0%
Subtotal Inspection Services	\$13,103,366	\$12,353,295	\$12,353,295	\$12,353,295	\$0	0.0%
Site Plan Fees	\$2,308,688	\$2,253,250	\$2,253,250	\$2,253,250	\$0	0.0%
Subdivision Plat Fees	430,151	371,145	371,145	371,145	0	0.0%
Subdivision Plan Fees	2,066,506	2,135,004	2,135,004	2,135,004	0	0.0%
Utility Permit Fees	28,990	35,776	35,776	35,776	0	0.0%
Developer Bond Extension	758,279	703,965	703,965	703,965	0	0.0%
Inspection - Site Plans	2,250,499	1,823,443	1,823,443	1,823,443	0	0.0%
Inspection - Subplans	1,349,757	1,324,122	1,324,122	1,324,122	0	0.0%
Subtotal Design Review	\$9,192,870	\$8,646,705	\$8,646,705	\$8,646,705	\$0	0.0%
TOTAL Inspection Services and Design Review	\$22,296,236	\$21,000,000	\$21,000,000	\$21,000,000	\$0	0.0%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
Zoning Fees	\$813,755	\$1,050,869	\$895,009	\$912,909	\$17,900	2.0%
Sign Permit Fees	80,460	59,580	59,580	62,560	2,980	5.0%
Quarry Inspection Fees	18,769	19,354	19,354	20,170	816	4.2%
Board of Zoning Appeals Fees	136,067	143,319	156,680	156,680	0	0.0%
Agricultural/ForeSTALL District Application Fee	0	250	250	250	0	0.0%
Wetlands Permits	900	900	900	900	0	0.0%
Non-Residential Use Permits Fees (NON-RUP's fees)	0	80,000	80,000	80,000	0	0.0%
Zoning Compliance Letters	43,077	0	45,270	46,175	905	2.0%
TOTAL Zoning Revenue	\$1,093,028	\$1,354,272	\$1,257,043	\$1,279,644	\$22,601	1.8%
Dog Licenses	\$241,813	\$242,744	\$242,744	\$243,944	\$1,200	0.5%
Auto Graveyard Licenses	150	100	100	100	0	0.0%
Bondsmen Licenses	210	300	300	300	0	0.0%
Carnival Permits	0	175	175	175	0	0.0%
Dance Hall Licenses	2,720	2,300	2,300	2,300	0	0.0%
Fortune Teller Licenses	2,000	500	500	500	0	0.0%
Mixed Drink Establishment Licenses	108,208	114,868	114,868	114,868	0	0.0%
Land Use Assessment Application Fees	725	600	600	600	0	0.0%
Massage Therapy Permits	19,835	13,125	20,750	21,000	250	1.2%
Election Filing Fees	11,522	700	700	700	0	0.0%
Concealed Weapon Permits	98,564	37,625	68,075	46,200	(21,875)	-32.1%
Precious Metal Dealers Licenses	5,525	4,925	4,925	4,925	0	0.0%
Solicitors Licenses	7,640	9,000	7,700	8,000	300	3.9%
Going Out of Business Fees	715	845	845	845	0	0.0%
Fire Prevention Code Permits	924,037	921,983	921,983	931,203	9,220	1.0%
Fire Marshal Fees	1,821,261	1,966,204	2,050,870	2,091,890	41,020	2.0%
Acceptance Test Overtime Fees	209,400	262,745	300,000	300,000	0	0.0%
Home Childcare Permits	26,847	28,000	28,000	28,000	0	0.0%
Tax Abatement Application Fees	2,800	2,500	2,500	2,500	0	0.0%
Alarm Systems Registrations	163,596	75,000	75,000	50,000	(25,000)	-33.3%
Taxicab Licenses	113,300	122,971	119,516	119,516	0	0.0%
Subtotal Misc. Permits, Fees & Licenses	\$3,760,868	\$3,807,210	\$3,962,451	\$3,967,566	\$5,115	0.1%

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GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
Sanitation Inspection Licenses	\$705	\$850	\$850	\$850	\$0	0.0%
Septic Tank Permits	67,995	71,659	71,659	71,659	0	0.0%
Septic Tank Truck Licenses	33,513	31,794	35,583	37,000	1,417	4.0%
Well Water Supply Permits	16,870	40,155	33,750	33,750	0	0.0%
Well Water Supply Permits	120	450	450	450	0	0.0%
Routine Water Sample Fees	3,480	3,640	3,640	3,640	0	0.0%
Swimming Pool Licenses	138,990	149,720	149,720	149,720	0	0.0%
Portable Toilet Fees	325	550	550	550	0	0.0%
Private Schools/Day Care Center Licenses	12,775	13,000	13,000	13,000	0	0.0%
Food Establishment Operating Permits	88,830	80,250	80,250	82,658	2,408	3.0%
State Share Septic Tank Permits	59,950	73,369	73,369	73,369	0	0.0%
State Share Well Permit Fees	18,425	28,328	18,425	18,425	0	0.0%
Miscellaneous Environmental Fees	6,114	5,212	5,212	5,212	0	0.0%
Alternate Discharge Permits	65	103	103	103	0	0.0%
Site Development Review	12,100	20,900	12,100	12,100	0	0.0%
Building Permits Review	34,960	44,150	44,150	44,150	0	0.0%
Public Establishment Review	33,695	63,710	63,710	63,710	0	0.0%
Hotel Permits--State Health Fee	3,880	4,120	4,120	4,120	0	0.0%
Restaurants--State Health Fee	51,600	45,600	52,600	53,650	1,050	2.0%
Camps/Campgrounds--State Health Fee	0	280	280	280	0	0.0%
Plan Review--State Health Fee	8,640	12,000	12,000	12,000	0	0.0%
Alternative Sewage Systems Plan Review	0	0	7,500	8,250	750	10.0%
Subtotal Health Dept. Permits, Fees & Licenses	\$593,031	\$689,840	\$683,021	\$688,646	\$5,625	0.8%
TOTAL Misc. Permits Fees & Licenses	\$4,353,899	\$4,497,050	\$4,645,472	\$4,656,212	\$10,740	0.2%
TOTAL PERMITS, FEES & REGULATORY LICENSES	\$27,743,163	\$26,851,322	\$26,902,515	\$26,935,856	\$33,341	0.1%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
<u>FINES AND FORFEITURES</u>						
Courthouse Maintenance Fees	\$299,822	\$381,628	\$299,822	\$299,822	\$0	0.0%
Criminal Justice Academy Fee	0	0	190,000	190,000	0	0.0%
Juvenile & Domestic Relations Court (J&DR) Fines/Interest	1,791	1,838	1,838	1,838	0	0.0%
General District Court Fines/Interest	98,433	115,386	98,433	98,433	0	0.0%
Circuit Court Fines and Penalties	122,572	145,177	122,572	126,249	3,677	3.0%
County Fines/Penalties	5,213	500	500	500	0	0.0%
County Fines - J&DR Court	122,003	165,391	122,003	122,003	0	0.0%
General District Court Fines	4,658,566	5,093,946	5,093,946	5,195,700	101,754	2.0%
Photo Red Light Violations	1,120,086	1,360,353	825,172	825,172	0	0.0%
Court Security Fees	635,298	706,243	706,243	720,368	14,125	2.0%
Jail Fees / DNA Fees	64,701	62,705	62,705	63,959	1,254	2.0%
Parking Violations	2,696,583	3,570,111	3,570,111	3,570,111	0	0.0%
RMA Collection Agency Fees	0	0	150,000	75,000	(75,000)	-50.0%
State Set-Off Debt Service (SOF)	0	0	238,000	100,000	(138,000)	-58.0%
County Fee - Administrative - Collections of Delinquent Taxes	0	0	37,500	37,500	0	0.0%
Attorney Fee - Collection of Delinquent Taxes	0	0	37,500	37,500	0	0.0%
Alarm Ordinance Violations	1,221,918	441,155	1,221,918	916,439	(305,479)	-25.0%
TOTAL FINES AND FORFEITURES	\$11,046,988	\$12,044,433	\$12,778,263	\$12,380,594	(\$397,669)	-3.1%

REVENUE FROM USE OF MONEY & PROPERTY

Interest on Investments	\$17,818,481	\$13,433,065	\$15,147,062	\$18,122,686	\$2,975,624	19.6%
ACCA Rent	7,518	7,668	7,518	7,518	0	0.0%
Rent of Real Estate	2,072,480	2,077,931	2,077,931	2,120,922	42,991	2.1%
Sale of Equipment	7,700	26,316	160,320	7,700	(152,620)	-95.2%
Cafeteria Commissions/Vending Machines	125,654	136,849	136,849	136,849	0	0.0%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
Sale of Salvage	1,805	7,829	7,829	2,000	(5,829)	-74.5%
Sale of Vehicles	68,625	35,318	35,318	35,318	0	0.0%
Lewinsville School Rent	133,614	136,364	136,364	139,285	2,921	2.1%
Hollin Hall School Rent	149,156	153,903	153,903	155,486	1,583	1.0%
Monopole Leases	357,255	357,560	370,281	377,686	7,405	2.0%
TOTAL REV. FROM USE OF MONEY & PROPERTY	\$20,742,288	\$16,372,803	\$18,233,375	\$21,105,450	\$2,872,075	15.8%

CHARGES FOR SERVICES

FCPS Legal Assistance Fees	\$34,057	\$35,858	\$35,858	\$35,997	\$139	0.4%
Commemorative Gifts	11,653	14,280	11,653	11,653	0	0.0%
Copying Machine Revenue - DPWES	20,888	45,240	20,888	20,888	0	0.0%
Copying Machine Revenue - Misc.	87,736	31,624	89,492	91,282	1,790	2.0%
Reimbursement for Recorded Tapes/FOIA Fees	9,180	9,047	9,047	9,230	183	2.0%
Proposed Vacation Fees	2,600	3,876	2,800	2,800	0	0.0%
Precinct Locator Sales	905	630	630	630	0	0.0%
County Attorney Fees	638	1,000	1,000	1,000	0	0.0%
Refuse Collection Fees	1,562	20,000	2,500	2,500	0	0.0%
Parental Support - Boys Probation House	8,811	21,717	8,811	8,811	0	0.0%
Parental Support - Girls Probation House	13,792	10,500	13,792	13,792	0	0.0%
Parental Support - Enterprise Learning Center	197,006	139,591	139,591	0	(139,591)	-100.0%
Commonwealth's Attorney Fees	11,278	12,178	12,178	12,178	0	0.0%
Police Reports and Photo Fees	101,866	103,390	103,390	103,390	0	0.0%
Sheriff Fees	66,271	66,271	66,271	66,271	0	0.0%
Police Reimbursement	1,046,825	564,003	594,790	606,685	11,895	2.0%
Animal Shelter Fees	79,013	126,031	105,350	107,458	2,108	2.0%
Land Acquisition Charges for Services	882	9,996	1,100	1,100	0	0.0%
Miscellaneous Charges for Services	315	500	500	500	0	0.0%
Parking Garage and Meter Fees	303,108	391,790	376,990	384,200	7,210	1.9%
Adoption Service Fees	6,373	9,973	6,373	6,373	0	0.0%
Street Sign Fees	3,600	4,648	4,648	4,648	0	0.0%
Restricted Parking Fees / Residential Permit Parking Decals	1,360	220,000	0	0	0	-

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
Comprehensive Plan Sales	6,606	9,000	14,400	14,400	0	0.0%
Sales - Mapping Division	41,774	35,000	35,000	35,000	0	0.0%
Publication Sales	48,152	62,766	54,717	55,811	1,094	2.0%
Training Seminars - DPWES	510	315	315	510	195	61.9%
Copay - Inmate Medical	19,230	8,226	13,962	13,962	0	0.0%
Coin-Operated Microfilm Readers	5,103	6,964	6,964	6,964	0	0.0%
Library Database Fees	2,285	3,308	3,308	3,308	0	0.0%
Library Overdue Penalties	1,288,199	1,816,547	1,647,581	1,680,533	32,952	2.0%
Library Copier Charges	3,116	6,474	0	0	0	-
Employee Child Care Center Fees	662,630	669,911	669,911	683,309	13,398	2.0%
School Age Child Care (SACC) Fees	20,001,161	20,143,472	21,167,446	21,948,471	781,025	3.7%
County Clerk Fees	10,575,581	6,723,985	10,575,581	6,662,616	(3,912,965)	-37.0%
FASTRAN Rider Fees	17,205	38,662	38,662	38,662	0	0.0%
Subtotal Misc. Charges for Services	\$34,681,270	\$31,366,773	\$35,835,499	\$32,634,932	(\$3,200,567)	-8.9%
Athletic Service Application Fee	\$0	\$0	\$0	\$1,670,917	\$1,670,917	-
Recreation Athletic Programs	168,103	149,665	149,665	143,506	(6,159)	-4.1%
Recreation Community Use Fees	15,526	43,174	15,526	37,953	22,427	144.4%
Recreation Classes Fees	2,659,549	3,112,981	2,743,370	2,798,235	54,865	2.0%
Recreation Neighborhood Center Fees	176,621	155,439	155,439	201,948	46,509	29.9%
Custodial Fees	195,442	248,235	248,235	163,235	(85,000)	-34.2%
Electric Utility Use Fees	0	8,766	2,000	8,766	6,766	338.3%
Employee Fitness Center Fee	45,172	38,062	45,172	45,172	0	0.0%
Subtotal Recreation Revenue	\$3,260,412	\$3,756,322	\$3,359,407	\$5,069,732	\$1,710,325	50.9%
Pre-Screening for Nursing Homes	\$0	\$0	\$14,000	\$14,000	\$0	0.0%
Speech Fees	89,138	102,535	89,138	90,920	1,782	2.0%
Hearing Fees	10,872	7,724	7,724	8,110	386	5.0%
Vital Statistic Fees	427,728	437,825	430,825	439,581	8,756	2.0%
Dental Health Fees	18,052	25,768	18,052	18,052	0	0.0%
Pharmacy Fees	14,221	21,025	14,221	14,221	0	0.0%
X-Ray Fees	35,567	29,876	36,220	36,945	725	2.0%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
General Medical Clinic Fees	757,645	923,238	750,645	765,790	15,145	2.0%
Family Planning Services	27,068	27,267	27,267	27,810	543	2.0%
Medicaid Dental Fees	35,717	70,223	70,223	70,223	0	0.0%
Lab Services Fees	320,328	380,655	320,328	326,735	6,407	2.0%
Administrative Fees - Health Dept	728	8,457	1,350	1,350	0	0.0%
Medicaid Pediatric Care Coordination	0	5,000	0	0	0	-
Activities of Daily Living - Personal Care Service	3,652	10,674	3,652	3,725	73	2.0%
Medicaid Pediatric Clinic Visits	58,492	54,383	54,383	55,470	1,087	2.0%
Non-Medicaid Pediatric Clinic Visits	1,739	1,962	1,962	1,962	0	0.0%
Medicaid Maternal Clinic Visits	869	1,553	869	886	17	2.0%
Non-Medicaid Maternal Clinic Visits	23,192	25,239	25,239	26,500	1,261	5.0%
Dementia & Respite Care Program Fees	2,745	3,197	3,197	3,197	0	0.0%
Sewage Disposal/Well Water Evaluation	26,460	33,865	33,865	34,500	635	1.9%
Elderly Day Care Fees	642,276	721,053	721,053	757,106	36,053	5.0%
Elderly Day Care Medicaid Reimbursement	110,976	134,113	122,589	122,589	0	0.0%
Subtotal Health Dept Revenue	\$2,607,466	\$3,025,632	\$2,746,802	\$2,819,672	\$72,870	2.7%
TOTAL CHARGES FOR SERVICES	\$40,549,148	\$38,148,727	\$41,941,708	\$40,524,336	(\$1,417,372)	-3.4%

RECOVERED COSTS

City of Fairfax Public Assistance	\$553,536	\$569,445	\$569,445	\$569,445	\$0	0.0%
City of Fairfax Shared Govt. Expenses	2,192,018	2,235,858	2,567,019	2,567,019	0	0.0%
City of Fairfax - Communications - Fire	0	88,518	119,924	119,924	0	0.0%
City of Fairfax - Communications - Telecomm Services	50,444	45,090	50,444	50,444	0	0.0%
City of Fairfax - FASTERAN/Employment	12,839	12,839	12,839	12,839	0	0.0%
Falls Church Public Assistance	611,690	593,319	611,690	611,690	0	0.0%
Falls Church Health Dept. Services	155,732	158,845	163,657	166,930	3,273	2.0%
Falls Church - FASTERAN/Employment	14,119	14,119	14,119	14,119	0	0.0%
Pre-Release Room and Board	342,209	367,306	367,306	374,652	7,346	2.0%
Boarding of Prisoners	7,000	11,951	11,951	11,951	0	0.0%
Professional Dues Deduction	10,989	12,920	12,920	12,920	0	0.0%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
Recovered Costs - Circuit Court	1,989	4,164	4,164	4,164	0	0.0%
Recovered Costs - General District Court	74,400	64,840	77,727	79,282	1,555	2.0%
Misc. Recovered Costs - Other	74,162	99,500	99,500	99,500	0	0.0%
Misc. Recovered Costs - Fire and Rescue Hazmat	399	56,919	7,928	7,928	0	0.0%
Credit Card Charges	10,315	0	0	0	0	-
Fairfax Hospital Assn. Reimbursement	396,929	400,669	409,227	417,412	8,185	2.0%
Child Care Services for Other Jurisdictions	104,610	127,867	106,523	106,523	0	0.0%
CPAN, Circuit Court Computer Service	49,593	0	61,158	62,380	1,222	2.0%
Golden Gazette	55,234	37,732	56,969	58,109	1,140	2.0%
FASTRAN	76,758	89,203	76,758	83,258	6,500	8.5%
TOTAL RECOVERED COSTS	\$4,794,965	\$4,991,104	\$5,401,268	\$5,430,489	\$29,221	0.5%
REVENUE FROM THE COMMONWEALTH						
State Shared ABC Profits	\$1,129,669	\$547,468	\$547,468	\$547,468	\$0	0.0%
State Shared Rolling Stock Tax	116,901	116,901	104,585	104,585	0	0.0%
State Shared Law Enforcement (HB 599)	16,124,427	16,124,428	16,124,428	16,124,428	0	0.0%
State Indirect Aid	54,217	28,736	54,217	54,217	0	0.0%
Subtotal Non-Categorical State Aid	\$17,425,213	\$16,817,533	\$16,830,698	\$16,830,698	\$0	0.0%
State Shared Commonwealth Atty. Expenses	\$1,155,141	\$1,186,392	\$1,186,392	\$1,186,392	\$0	0.0%
State Shared Sheriff Expenses	12,264,542	11,030,612	11,030,612	11,030,612	0	0.0%
State Shared Dept. of Tax Admin/Finance Expenses	2,328,938	2,256,826	2,256,826	2,256,826	0	0.0%
State Shared Medical Examiner Expenses	8,340	8,637	8,637	8,637	0	0.0%
State Shared General Registrar Expense	86,043	82,797	82,797	82,797	0	0.0%
State Shared Retirement - Commonwealth Atty.	35,577	40,770	40,770	40,770	0	0.0%
State Shared General Retirement - Sheriff	373,521	337,284	337,284	337,284	0	0.0%
State Shared Retirement - Dept. of Tax Admin./Finance	68,640	69,808	69,808	69,808	0	0.0%
State Shared Retirement - Circuit Court	83,967	82,669	82,669	82,669	0	0.0%
Subtotal Shared Expenses	\$16,404,707	\$15,095,795	\$15,095,795	\$15,095,795	\$0	0.0%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
Libraries State Aid	\$576,206	\$469,781	\$557,336	\$557,336	\$0	0.0%
Virginia Share Public Assistance Programs	28,956,353	27,374,962	27,441,102	28,033,821	592,719	2.2%
State Share J&DR Court Residential Services	3,226,717	3,205,848	3,205,848	3,205,848	0	0.0%
State Share Adult Detention Center	2,977,474	2,525,177	2,977,474	2,977,474	0	0.0%
Subtotal Categorical State Aid	\$35,736,750	\$33,575,768	\$34,181,760	\$34,774,479	\$592,719	1.7%
State Reimb. - General District Court	\$61,420	\$59,224	\$59,224	\$59,224	\$0	0.0%
State Reimb. - Health Department	7,663,107	7,913,107	7,913,107	7,913,107	0	0.0%
State Reimb. - Residential Beds - JDC	6,600	15,309	15,309	15,309	0	0.0%
Human Services - Head Injured	821,000	926,000	926,000	929,750	3,750	0.4%
State Reimb. - Commonwealth Atty. Witness Expense	7,848	16,400	16,400	16,400	0	0.0%
State Reimb.- Police Intoxication	3,000	2,137	3,000	3,000	0	0.0%
State Share J&DR Court Services	1,547,452	1,487,452	1,547,452	1,547,452	0	0.0%
Subtotal State Recovered Costs	\$10,110,427	\$10,419,629	\$10,480,492	\$10,484,242	\$3,750	0.0%
State Reimb. - Personal Property Tax - Current	\$192,306,644	\$204,656,116	\$204,656,116	\$205,950,438	\$1,294,322	0.6%
State Reimb. - Personal Property Tax - 1st Year Delinquent	2,401,721	0	0	0	0	-
State Reimb. - Personal Property Tax - 2nd Year Delinquent	635,909	0	0	0	0	-
State Reimb. - Personal Property Tax - 3rd Year Delinquent	89,959	0	0	0	0	-
Subtotal PPTRA Current and Delinquent	\$195,434,233	\$204,656,116	\$204,656,116	\$205,950,438	\$1,294,322	0.6%
TOTAL REVENUE FROM THE COMMONWEALTH	\$275,111,331	\$280,564,841	\$281,244,861	\$283,135,652	\$1,890,791	0.7%
REVENUE FROM THE FEDERAL GOVT.						
J&DR Court - USA Grant	\$108,192	\$145,852	\$145,852	\$145,852	\$0	0.0%
USDA Grant - Office for Children/Human Svc.	24,313	28,440	28,440	28,440	0	0.0%
Illegal Alien Grant	2,660,889	1,911,519	1,911,519	0	(1,911,519)	-100.0%
Air Pollution Grant	68,850	68,850	68,850	68,850	0	0.0%
FASTRAN - Medicaid Reimb. - Dial-a-Ride	550,817	309,380	309,380	309,380	0	0.0%
Federal Emergency Assistance	53,082	53,000	198,000	53,082	(144,918)	-73.2%
Subtotal Categorical Federal Aid	\$3,466,143	\$2,517,041	\$2,662,041	\$605,604	(\$2,056,437)	-77.3%

GENERAL FUND REVENUE

REVENUE CATEGORY	FY 2003 ACTUAL	FY 2004 ADOPTED BUDGET PLAN	FY 2004 REVISED BUDGET PLAN	FY 2005 ADVERTISED BUDGET PLAN	INCREASE/ (DECREASE)	PERCENT CHANGE FROM REVISED
DFS Federal and Federal Pass-Through	\$43,519,674	\$37,315,078	\$38,410,449	\$39,092,652	\$682,203	1.8%
Payments in Lieu of Taxes - Federal	11,694	77,356	61,814	61,814	0	0.0%
TOTAL REVENUE FROM THE FEDERAL GOVT.	\$46,997,511	\$39,909,475	\$41,134,304	\$39,760,070	(\$1,374,234)	-3.3%
Combined State & Federal Public Assistance	\$72,476,026	\$64,690,040	\$65,851,551	\$67,126,473	\$1,274,922	1.9%
<u>MISCELLANEOUS REVENUE</u>						
Litigation Proceeds	\$121,711	\$46,000	\$46,000	\$46,000	\$0	0.0%
Miscellaneous Revenue - Environ Mgmt.	11,242	13,158	13,158	13,158	0	0.0%
Miscellaneous Revenue - Maint. & Const.	20,997	16,000	16,000	16,000	0	0.0%
Miscellaneous Revenue - Contract Rebates	262,243	202,100	283,200	288,864	5,664	2.0%
Miscellaneous Revenue - Various	143,064	101,587	145,925	148,844	2,919	2.0%
Payphone Commission	38,288	19,867	19,867	19,867	0	0.0%
TOTAL MISCELLANEOUS REVENUE	\$597,545	\$398,712	\$524,150	\$532,733	\$8,583	1.6%
<u>OTHER REVENUE</u>						
Sale of Land & Buildings	\$30,458	\$0	\$0	\$0	\$0	-
Revenue form Local Jurisdictions	1,456	6,032	6,032	6,032	0	0.0%
TOTAL OTHER REVENUE	\$31,914	\$6,032	\$6,032	\$6,032	\$0	0.0%
Combined Recovered Costs/Misc./Other Revenue	\$5,424,424	\$5,395,848	\$5,931,450	\$5,969,254	\$37,804	0.6%
GRAND TOTAL, COMB GENERAL FUND	\$2,468,803,933	\$2,558,932,197	\$2,571,767,914	\$2,740,650,049	\$168,882,135	6.6%

FY 2005 ADVERTISED

REVENUE FROM THE COMMONWEALTH ¹

Fund	Fund Title	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
001	General Fund ²	\$275,111,331	\$280,564,841	\$281,244,861	\$283,135,652	\$1,890,791	0.67%
090	Public School Operating	298,424,773	310,347,622	310,124,142	332,638,257	22,514,115	7.26%
100	County Transit Systems	6,722,072	6,695,000	6,645,000	7,420,534	775,534	11.67%
102	Federal/State Grant Fund	5,639,678	19,074,606	10,657,606	19,216,577	8,558,971	80.31%
103	Aging Grants and Programs	712,929	708,265	943,959	727,377	(216,582)	-22.94%
106	Community Services Board	11,468,736	12,054,268	12,570,254	11,809,367	(760,887)	-6.05%
109	Refuse Collection and Recycling Operations	91,370	0	0	0	0	-
113	McLean Community Center	5,000	10,450	10,450	10,150	(300)	-2.87%
116	Integrated Pest Management Program	9,142	0	0	0	0	-
120	E-911 Fund	3,300,214	2,828,666	2,828,666	3,067,630	238,964	8.45%
191	School Food & Nutrition Services	759,288	776,708	717,873	774,473	56,600	7.88%
192	School Grants & Self Supporting	6,800,343	9,585,625	10,372,879	8,833,890	(1,538,989)	-14.84%
193	School Adult & Community Education	820,761	1,402,347	748,672	827,139	78,467	10.48%
301	Contributed Roadway Improvement	1,196,319	0	1,160,652	0	(1,160,652)	-100.00%
303	County Construction	4,967,776	6,017,776	6,017,776	5,097,776	(920,000)	-15.29%
304	Primary & Secondary Road Bond Construction	723,228	0	7,489,270	0	(7,489,270)	-100.00%
307	Sidewalk Construction	515,251	300,000	2,197,817	300,000	(1,897,817)	-86.35%
308	Public Works Construction	2,620,619	2,045,000	2,150,338	2,965,000	814,662	37.89%
311	County Bond Construction	2,066,977	0	1,833,023	0	(1,833,023)	-100.00%
313	Trail Construction	75,000	0	171,081	0	(171,081)	-100.00%
315	Commercial Revitalization Program	0	0	385,206	0	(385,206)	-100.00%
316	Pro Rata Share Drainage Construction	2,359	0	0	0	0	-
390	School Construction	933,492	941,775	935,262	935,262	0	0.00%
408	Sewer Bond Construction	481,255	0	0	0	0	-
Total Revenue from the Commonwealth		\$623,447,913	\$653,352,949	\$659,204,787	\$677,759,084	\$18,554,297	2.81%

FY 2005 ADVERTISED REVENUE FROM THE FEDERAL GOVERNMENT

Fund	Fund Title	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
001	General Fund	\$46,997,511	\$39,909,475	\$41,134,304	\$39,760,070	(\$1,374,234)	-3.34%
090	Public School Operating	34,643,996	34,515,876	39,620,441	37,475,166	(2,145,275)	-5.41%
102	Federal/State Grant Fund	28,474,104	27,792,103	52,528,199	27,360,883	(25,167,316)	-47.91%
103	Aging Grants and Programs	1,399,400	1,258,552	1,565,971	1,273,501	(292,470)	-18.68%
106	Community Services Board	9,384,590	5,897,070	8,791,542	6,374,775	(2,416,767)	-27.49%
142	Community Development Block Grant	6,233,384	6,235,000	15,776,400	7,457,000	(8,319,400)	-52.73%
145	HOME Investment Partnership Grant	825,802	2,078,000	7,820,744	2,704,791	(5,115,953)	-65.42%
191	School Food & Nutrition Services	14,635,920	14,696,065	14,696,065	14,993,639	297,574	2.02%
192	School Grants & Self Supporting	16,221,474	21,346,972	34,183,939	26,876,413	(7,307,526)	-21.38%
193	School Adult & Community Education	943,859	212,000	965,428	815,837	(149,591)	-15.49%
303	County Construction	70,000	0	1,000,000	0	(1,000,000)	-100.00%
308	Public Works Construction	20,000	0	54,012	0	(54,012)	-100.00%
311	County Bond Construction	1,941,039	0	1,176,725	0	(1,176,725)	-100.00%
340	Housing Assistance Program	0	0	7,921,480	0	(7,921,480)	-100.00%
Total Revenue from the Federal Government		\$161,791,079	\$153,941,113	\$227,235,250	\$165,092,075	(\$62,143,175)	-27.35%

¹ In addition to funds received by the County directly from the State in the funds listed herein, it is projected the State will provide \$26,417,831 to the Northern Virginia Transportation Commission (NVTC) in FY 2005 as a credit to help offset Fairfax County's Operating Subsidy and \$4,410,481 as a credit to help offset Fairfax County's Capital Construction Subsidy in Fund 309, Metro Operations and Construction.

² Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

FY 2005 ADVERTISED PERSONNEL SERVICES SUMMARY

(All Funds Excluding the School Board)

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised
Regular Positions					
<i>General Fund</i>	9,402	9,331	9,353	9,406	53
<i>General Fund Supported</i>	1,257	1,251	1,251	1,244	(7)
<i>Other Funds</i>	839	841	839	839	0
Total	11,498	11,423	11,443	11,489	46
Regular Salaries¹					
<i>General Fund</i>	\$454,841,748	\$505,146,823	\$505,439,318	\$532,344,114	\$26,904,796
<i>General Fund Supported</i>	73,584,035	79,814,000	80,812,249	85,042,789	4,230,540
<i>Other Funds</i>	35,552,136	40,810,299	42,086,743	42,704,214	617,471
Total	\$563,977,919	\$625,771,122	\$628,338,310	\$660,091,117	\$31,752,807
Limited Term					
<i>General Fund</i>	\$16,740,879	\$14,902,238	\$15,132,696	\$16,223,697	\$1,091,001
<i>General Fund Supported</i>	4,598,169	4,290,757	4,655,078	4,411,370	(243,708)
<i>Other Funds</i>	2,314,463	2,443,473	2,447,773	2,750,625	302,852
Total	\$23,653,511	\$21,636,468	\$22,235,547	\$23,385,692	\$1,150,145
Shift Differential					
<i>General Fund</i>	\$3,047,984	\$3,542,787	\$3,542,787	\$3,566,252	\$23,465
<i>General Fund Supported</i>	317,915	544,164	544,164	533,639	(10,525)
<i>Other Funds</i>	44,379	97,940	97,940	99,154	1,214
Total	\$3,410,278	\$4,184,891	\$4,184,891	\$4,199,045	\$14,154
Extra Compensation					
<i>General Fund</i>	\$31,123,436	\$30,908,206	\$31,949,169	\$32,203,120	\$253,951
<i>General Fund Supported</i>	4,985,109	3,796,573	3,829,958	3,635,240	(194,718)
<i>Other Funds</i>	1,442,354	1,359,555	1,363,125	1,466,053	102,928
Total	\$37,550,899	\$36,064,334	\$37,142,252	\$37,304,413	\$162,161

FY 2005 ADVERTISED PERSONNEL SERVICES SUMMARY

(All Funds Excluding the School Board)

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase (Decrease) Over Revised
Position Turnover					
General Fund	\$0	(\$15,033,087)	(\$15,033,087)	(\$15,564,551)	(\$531,464)
General Fund Supported	0	(2,723,289)	(2,723,289)	(2,812,700)	(89,411)
Other Funds	0	(1,218,347)	(1,218,347)	(1,269,142)	(50,795)
Total	\$0	(\$18,974,723)	(\$18,974,723)	(\$19,646,393)	(\$671,670)
Total Salaries					
General Fund	\$505,754,047	\$539,466,967	\$541,030,883	\$568,772,632	\$27,741,749
General Fund Supported	83,485,228	85,722,205	87,118,160	90,810,338	3,692,178
Other Funds	39,353,332	43,492,920	44,777,234	45,750,904	973,670
Total	\$628,592,607	\$668,682,092	\$672,926,277	\$705,333,874	\$32,407,597
Fringe Benefits¹					
General Fund	\$127,966,018	\$134,616,655	\$137,521,539	\$160,378,737	\$22,857,198
General Fund Supported	18,542,751	20,238,208	20,524,688	21,301,188	776,500
Other Funds	58,113,465	66,950,330	67,114,131	74,369,071	7,254,940
Total	\$204,622,234	\$221,805,193	\$225,160,358	\$256,048,996	\$30,888,638
Fringe Benefits as a Percent of					
Total Personnel Services	24.6%	24.9%	25.1%	26.6%	
Total Costs of Personnel Services					
General Fund	\$633,720,065	\$674,083,622	\$678,552,422	\$729,151,369	\$50,598,947
General Fund Supported	102,027,979	105,960,413	107,642,848	112,111,526	4,468,678
Other Funds	97,466,797	110,443,250	111,891,365	120,119,975	8,228,610
Grand Total	\$833,214,841	\$890,487,285	\$898,086,635	\$961,382,870	\$63,296,235

¹ Funding for the FY 2005 Market Index of 2.98 percent for employees on the public safety pay scales (C, F, O and P), effective the first full pay period of FY 2005, is included in the Regular Salaries category for the Police Department (\$2,976,627), the Office of the Sheriff (\$1,062,941), the Fire and Rescue Department (\$2,833,808) and Fund 120, E-911 (\$326,294). In addition the Fringe Benefit category includes \$1,864,014 in the General Fund and \$53,790 in Fund 120, E-911.

FY 2005 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Legis - Exec Functions/Central Services										
01	Board of Supervisors	\$3,741,469	\$0	\$0	\$9,623	\$17,356	\$0	\$6,168	(\$35,040)	\$3,739,576
02	Office of the County Executive	3,991,816	0	0	98,598	741,035	0	24,273	(39,801)	4,815,921
04	Department of Cable Communications and Consumer Protection	1,335,699	0	0	32,992	42,262	0	8,548	(22,720)	1,396,781
06	Department of Finance	4,125,045	0	0	101,889	98,456	0	14,520	(118,991)	4,220,919
11	Department of Human Resources	4,469,792	0	0	110,404	12,155	0	12,987	(79,673)	4,525,665
12	Department of Purchasing and Supply Management	2,867,576	0	0	70,829	8,037	0	0	(64,458)	2,881,984
13	Office of Public Affairs	820,788	0	0	20,273	175,623	0	0	(6,965)	1,009,719
15	Electoral Board and General Registrar	1,130,808	0	0	27,931	741,477	0	24,319	0	1,924,535
17	Office of the County Attorney	5,282,710	0	0	130,483	21,196	0	24,157	(91,395)	5,367,151
20	Department of Management and Budget	2,646,125	0	0	64,519	26,023	0	1,459	(29,881)	2,708,245
37	Office of the Financial and Program Auditor	189,241	0	0	4,674	0	0	0	0	193,915
41	Civil Service Commission	157,316	0	0	3,860	0	0	0	0	161,176
57	Department of Tax Administration	15,494,929	0	0	381,697	611,697	0	177,392	(654,633)	16,011,082
70	Department of Information Technology	17,364,489	0	0	428,903	523,046	0	24,690	(513,351)	17,827,777
	Total Legis - Exec Functions/Central Services	\$63,617,803	\$0	\$0	\$1,486,675	\$3,018,363	\$0	\$318,513	(\$1,656,908)	\$66,784,446
Judicial Administration										
80	Circuit Court and Records	\$7,132,862	\$0	\$0	\$176,182	\$292,324	\$0	\$182,537	(\$304,609)	\$7,479,296
82	Office of the Commonwealth's Attorney	1,965,811	0	0	48,556	0	0	0	(89,312)	1,925,055
85	General District Court	910,149	0	0	22,481	26,843	7,497	8,092	(33,196)	941,866
91	Office of the Sheriff ¹	10,185,416	0	0	53,465	0	8,733	625,591	(173,088)	10,700,117
	Total Judicial Administration	\$20,194,238	\$0	\$0	\$300,684	\$319,167	\$16,230	\$816,220	(\$600,205)	\$21,046,334
Public Safety										
04	Department of Cable Communications and Consumer Protection	\$852,851	\$0	\$0	\$21,065	\$1,347	\$0	\$6,318	(\$13,934)	\$867,647
31	Land Development Services	8,421,810	0	0	208,019	0	0	34,447	(228,205)	8,436,071
81	Juvenile and Domestic Relations District Court	15,130,737	0	0	373,729	542,775	121,316	388,860	(363,495)	16,193,922
90	Police Department ¹	99,758,821	0	0	1,205,262	0	878,287	14,783,953	(3,504,243)	113,122,080
91	Office of the Sheriff ¹	26,588,629	0	562,030	600,678	0	325,693	2,303,277	(448,651)	29,931,656
92	Fire and Rescue Department ¹	92,205,146	0	935,627	780,081	1,198,252	2,058,906	11,238,581	(2,273,978)	106,142,615
	Total Public Safety	\$242,957,994	\$0	\$1,497,657	\$3,188,834	\$1,742,374	\$3,384,202	\$28,755,436	(\$6,832,506)	\$274,693,991
Public Works										
08	Facilities Management Division	\$9,340,104	\$0		\$230,701	\$22,726	\$16,476	\$248,027	(\$283,129)	\$9,574,905
25	Business Planning and Support	497,517	0	0	12,289	0	0	0	(3,157)	506,649
26	Office of Capital Facilities	8,040,998	0	0	198,613	0	0	0	(84,721)	8,154,890
29	Stormwater Management	6,010,520	0	0	148,460	243,321	0	126,620	(148,590)	6,380,331
	Total Public Works	\$23,889,139	\$0	\$0	\$590,063	\$266,047	\$16,476	\$374,647	(\$519,597)	\$24,616,775

FY 2005 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Health and Welfare										
67	Department of Family Services	\$58,284,522	\$0	\$188,530	\$1,440,390	\$1,627,676	\$0	\$1,443,619	(\$2,543,879)	\$60,440,858
68	Department of Administration for Human Services	8,614,909	0	0	212,788	47,936	0	31,973	(286,750)	8,620,856
69	Department of Systems Management for Human Services	4,899,648	0	0	121,021	40,593	0	14,553	(93,680)	4,982,135
71	Health Department	25,638,206	0	0	633,439	1,794,293	0	0	(608,836)	27,457,102
	Total Health and Welfare	\$97,437,285	\$0	\$188,530	\$2,407,638	\$3,510,498	\$0	\$1,490,145	(\$3,533,145)	\$101,500,951
Parks, Recreation and Libraries										
50	Department of Community and Recreation Services	\$5,201,055	\$0	\$178,671	\$126,815	\$2,390,974	\$11,200	\$8,336	(\$176,733)	\$7,740,318
51	Fairfax County Park Authority	18,351,973	0	0	447,359	2,482,858	7,542	96,049	(898,376)	20,487,405
52	Fairfax County Public Library	19,075,097	0	0	471,155	2,195,270	130,602	232,921	(623,154)	21,481,891
	Total Parks, Recreation and Libraries	\$42,628,125	\$0	\$178,671	\$1,045,329	\$7,069,102	\$149,344	\$337,306	(\$1,698,263)	\$49,709,614
Community Development										
16	Economic Development Authority	\$2,605,056	\$0	\$0	\$0	\$81,046	\$0	\$13,997	(\$69,164)	\$2,630,935
31	Land Development Services	10,102,435	0	0	249,530	94,714	0	6,882	(200,993)	10,252,568
35	Department of Planning and Zoning	8,082,878	0	0	199,647	17,981	0	25,405	(199,411)	8,126,500
36	Planning Commission	458,536	0	0	11,396	0	0	8,142	0	478,074
38	Department of Housing and Community Development	3,471,884	0	0	85,756	0	0	46,609	(116,782)	3,487,467
39	Office of Human Rights	1,184,979	0	0	29,269	0	0	9,818	(29,229)	1,194,837
40	Department of Transportation	4,151,540	0	0	102,543	104,405	0	0	(108,348)	4,250,140
	Total Community Development	\$30,057,308	\$0	\$0	\$678,141	\$298,146	\$0	\$110,853	(\$723,927)	\$30,420,521
Nondepartmental										
87	Unclassified Administrative Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
89	Employee Benefits ¹	0	160,378,737	0	0	0	0	0	0	160,378,737
	Total Nondepartmental	\$0	\$160,378,737	\$0	\$0	\$0	\$0	\$0	\$0	\$160,378,737
	Total General Fund	\$520,781,892	\$160,378,737	\$1,864,858	\$9,697,364	\$16,223,697	\$3,566,252	\$32,203,120	(\$15,564,551)	\$729,151,369

¹ Funding for the FY 2005 Market Index of 2.98 percent for employees on the public safety pay scales (C, F, O and P), effective the first full pay period of FY 2005, is included in the Regular Salaries category for the Police Department (\$2,976,627), the Office of the Sheriff (\$1,062,941), the Fire and Rescue Department (\$2,833,808) and Fund 120, E-911 (\$326,294). In addition, the Fringe Benefit category includes \$1,864,014 in Employee Benefits and \$53,790 in Fund 120, E-911.

FY 2005 ADVERTISED PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
General Fund Supported Funds										
103	Aging Grants and Programs	\$1,838,647	\$429,180	\$0	\$45,415	\$51,012	\$0	\$0	(\$64,144)	\$2,300,110
106	Community Services Board									
	CSB Central Services	892,279	189,750	0	22,040	0	0	1,166	(9,886)	1,095,349
	Mental Health Services	25,591,583	5,512,489	0	632,112	2,993,798	110,727	472,695	(1,420,021)	33,893,383
	Mental Retardation Services	6,931,582	1,488,861	0	171,210	441,925	87,225	186,690	(270,065)	9,037,428
	Alcohol and Drug Services	16,945,055	3,542,038	0	418,543	314,031	141,303	58,061	(564,333)	20,854,698
	Early Intervention Services	1,715,198	351,342	0	42,365	0	0	0	(28,018)	2,080,887
120	E-911 Fund ¹	9,581,328	1,947,655	507,430	123,969	0	79,224	2,570,467	0	14,810,073
141	Elderly Housing Programs	722,083	169,610	0	17,835	34,765	4,762	40,278	(8,985)	980,348
500	Retiree Health Benefits	64,998	3,343,860	0	1,605	0	0	0	0	3,410,463
501	County Insurance Fund	820,519	149,679	0	20,267	52,915	0	0	(25,974)	1,017,406
503	Department of Vehicle Services	12,670,658	3,132,815	0	312,965	0	96,726	237,012	(312,458)	16,137,718
504	Document Services Division	908,922	226,978	0	22,450	0	5,230	26,790	(16,698)	1,173,672
505	Technology Infrastructure Services	3,924,789	816,931	0	96,942	522,924	8,442	42,081	(92,118)	5,319,991
	Total General Fund Supported Funds	\$82,607,641	\$21,301,188	\$507,430	\$1,927,718	\$4,411,370	\$533,639	\$3,635,240	(\$2,812,700)	\$112,111,526
Other Funds										
105	Cable Communications	\$2,628,748	\$675,584	\$0	\$64,930	\$335,624	\$0	\$62,807	(\$69,785)	\$3,697,908
109	Refuse Collection and Recycling Ops	5,558,679	1,364,580	0	137,299	178,954	0	353,243	(319,416)	7,273,339
110	Refuse Disposal	6,208,631	1,601,042	0	153,353	0	0	445,180	(107,774)	8,300,432
111	Reston Community Center	1,819,618	532,904	0	44,945	984,523	9,294	45,470	(17,616)	3,419,138
112	Energy Resource Recovery Facility	412,604	102,487	0	10,191	55,332	0	17,500	(4,147)	593,967
113	McLean Community Center	1,199,021	306,537	0	29,616	333,850	8,963	9,949	(106,201)	1,781,735
114	I-95 Refuse Disposal	1,785,601	449,980	0	44,104	54,876	0	92,943	(26,530)	2,400,974
115	Burgundy Village Community Center	0	1,228	0	0	16,047	0	0	0	17,275
116	Integrated Pest Management Program	506,566	127,058	0	10,138	26,300	0	8,420	0	678,482
117	Alcohol Safety Action Program	806,635	240,891	0	19,924	493,709	0	4,862	(23,278)	1,542,743
142	Community Development Block Grant	1,216,231	306,134	0	28,215	66,539	0	814	0	1,617,933
145	HOME Investment Partnership Grant	84,058	21,158	0	1,950	75,748	0	0	0	182,914
401	Sewer Operations and Maintenance	18,212,670	4,478,833	0	422,140	123,584	80,897	423,197	(594,395)	23,146,926
506	Health Benefits Trust Fund	0	63,906,234	0	0	0	0	0	0	63,906,234
600	Uniformed Retirement	190,058	38,163	0	4,694	831	0	250	0	233,996
601	Fairfax County Employees' Retirement	886,936	178,095	0	21,907	3,877	0	1,168	0	1,091,983
602	Police Retirement	190,058	38,163	0	4,694	831	0	250	0	233,996
	Total Other Funds	\$41,706,114	\$74,369,071	\$0	\$998,100	\$2,750,625	\$99,154	\$1,466,053	(\$1,269,142)	\$120,119,975
	Total All Funds	\$645,095,647	\$256,048,996	\$2,372,288	\$12,623,182	\$23,385,692	\$4,199,045	\$37,304,413	(\$19,646,393)	\$961,382,870

FY 2005 ADVERTISED SUMMARY OF EMPLOYEE BENEFIT COSTS BY CATEGORY

BENEFIT CATEGORY	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Fringe Benefits						
Group Health Insurance						
Expenditures	\$49,448,893	\$50,034,857	\$52,954,642	\$61,725,214	\$8,770,572	16.56%
Reimbursements	(7,165,326)	(7,294,473)	(7,294,473)	(8,294,563)	(1,000,090)	13.71%
Net Cost	\$42,283,567	\$42,740,384	\$45,660,169	\$53,430,651	\$7,770,482	17.02%
Group Life Insurance						
Expenditures	\$2,614,224	\$2,907,133	\$2,907,133	\$3,080,814	\$173,681	5.97%
Reimbursements	(897,620)	(544,609)	(544,609)	(556,546)	(11,937)	2.19%
Net Cost	\$1,716,604	\$2,362,524	\$2,362,524	\$2,524,268	\$161,744	6.85%
FICA						
Expenditures	\$44,471,433	\$46,455,681	\$46,440,780	\$48,608,400	\$2,167,620	4.67%
Reimbursements	(11,316,029)	(11,496,443)	(11,496,443)	(11,611,371)	(114,928)	1.00%
Net Cost	\$33,155,404	\$34,959,238	\$34,944,337	\$36,997,029	\$2,052,692	5.87%
County Retirement						
Expenditures	\$23,460,626	\$24,488,589	\$24,488,589	\$33,506,748	\$9,018,159	36.83%
Reimbursements	(8,522,160)	(9,589,140)	(9,589,140)	(12,294,417)	(2,705,277)	28.21%
Net Cost	\$14,938,466	\$14,899,449	\$14,899,449	\$21,212,331	\$6,312,882	42.37%
Uniformed Retirement	\$23,027,237	\$24,655,501	\$24,655,501	\$30,240,540	\$5,585,039	22.65%
Police Retirement	\$12,923,806	\$14,744,898	\$14,744,898	\$15,665,171	\$920,273	6.24%
Virginia Retirement System	\$658,939	\$802,088	\$802,088	\$987,257	\$185,169	23.09%
Unemployment Compensation	\$478,440	\$502,573	\$502,573	\$507,986	\$5,413	1.08%
Capital Projects Reimbursements	(\$1,216,445)	(\$1,050,000)	(\$1,050,000)	(\$1,186,496)	(\$136,496)	13.00%
Fringe Benefit Expenditures	\$157,083,598	\$164,591,320	\$167,496,204	\$194,322,130	\$26,825,926	16.02%
Fringe Benefit Reimbursements	(\$29,117,580)	(\$29,974,665)	(\$29,974,665)	(\$33,943,393)	(\$3,968,728)	13.24%
General Fund Fringe Benefits	\$127,966,018	\$134,616,655	\$137,521,539	\$160,378,737	\$22,857,198	16.62%
Operating Expenses						
Tuition/Training	\$1,262,093	\$1,239,542	\$1,576,526	\$1,239,542	(\$336,984)	-21.38%
Other Operating	30,028	36,467	36,467	35,246	(1,221)	-3.35%
Worker's Compensation	7,571,979	5,839,023	5,839,023	6,413,588	574,565	9.84%
Employee Assistance Program	270,940	291,504	291,504	303,164	11,660	4.00%
Total Operating Expenses	\$9,135,040	\$7,406,536	\$7,743,520	\$7,991,540	\$248,020	3.20%
TOTAL EXPENDITURES	\$166,218,638	\$171,997,856	\$175,239,724	\$202,313,670	\$27,073,946	15.45%
TOTAL REIMBURSEMENTS	(\$29,117,580)	(\$29,974,665)	(\$29,974,665)	(\$33,943,393)	(\$3,968,728)	13.24%
NET COST TO THE COUNTY	\$137,101,058	\$142,023,191	\$145,265,059	\$168,370,277	\$23,105,218	15.91%

FY 2005 ADVERTISED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

#	Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
Legislative-Executive Functions/Central Services							
01	Board of Supervisors	\$3,739,576	\$1,054,461	\$567,271	\$0	\$0	\$5,361,308
02	Office of the County Executive	4,815,921	1,357,961	2,039,482	0	0	8,213,364
04	Department of Cable Communications and Consumer Protection	1,396,781	393,855	3,333,587	(3,022,582)	341,651	2,443,292
06	Department of Finance	4,220,919	1,190,186	3,545,746	(218,852)	0	8,737,999
11	Department of Human Resources	4,525,665	1,276,117	1,629,080	0	0	7,430,862
12	Department of Purchasing and Supply Management	2,881,984	812,643	1,312,659	0	0	5,007,286
13	Office of Public Affairs	1,009,719	284,714	267,831	(169,500)	0	1,392,764
15	Electoral Board and General Registrar	1,924,535	542,668	391,432	0	704,905	3,563,540
17	Office of the County Attorney	5,367,151	1,513,394	542,472	(382,736)	0	7,040,281
20	Department of Management and Budget	2,708,245	763,653	259,605	0	0	3,731,503
37	Office of the Financial and Program Auditor	193,915	54,679	7,978	0	0	256,572
41	Civil Service Commission	161,176	45,447	46,026	0	0	252,649
57	Department of Tax Administration	16,011,082	4,514,699	5,263,870	0	0	25,789,651
70	Department of Information Technology	17,827,777	5,026,958	12,973,637	(6,507,691)	0	29,320,681
Total Legis-Exec Functions/Central Services		\$66,784,446	\$18,831,435	\$32,180,676	(\$10,301,361)	\$1,046,556	\$108,541,752
Judicial Administration							
80	Circuit Court and Records	\$7,479,296	\$2,108,963	\$1,962,359	\$0	\$0	\$11,550,618
82	Office of the Commonwealth's Attorney	1,925,055	542,814	81,550	0	0	2,549,419
85	General District Court	941,866	265,581	630,385	0	0	1,837,832
91	Office of the Sheriff	10,700,117	3,017,148	3,384,169	0	0	17,101,434
Total Judicial Administration		\$21,046,334	\$5,934,506	\$6,058,463	\$0	\$0	\$33,039,303
Public Safety							
04	Department of Cable Communications and Consumer Protection	\$867,647	\$244,653	\$120,800	\$0	\$0	\$1,233,100
31	Land Development Services	8,436,071	2,378,748	1,567,656	0	0	12,382,475
81	Juvenile and Domestic Relations District Court	16,193,922	4,566,254	1,821,288	0	0	22,581,464
90	Police Department	113,122,080	31,897,415	26,162,443	(841,218)	58,272	170,398,992
91	Office of the Sheriff	29,931,656	8,439,930	4,624,111	0	0	42,995,697
92	Fire and Rescue Department	106,142,615	29,929,391	17,063,529	0	253,500	153,389,035
Total Public Safety		\$274,693,991	\$77,456,391	\$51,359,827	(\$841,218)	\$311,772	\$402,980,763

FY 2005 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 Division	\$9,574,905	\$2,699,868	\$33,254,819	(\$7,367,407)	\$0	\$38,162,185
25	Business Planning and Support	506,649	142,862	155,202	(267,640)	0	537,073
26	Office of Capital Facilities	8,154,890	2,299,462	6,407,016	(5,794,826)	0	11,066,542
29	Stormwater Management	6,380,331	1,799,083	2,434,024	(770,827)	278,000	10,120,611
87	Unclassified Administrative Expenses	0	0	224,347	0	0	224,347
Total Public Works		\$24,616,775	\$6,941,275	\$42,475,408	(\$14,200,700)	\$278,000	\$60,110,758
Health and Welfare							
67	Department of Family Services	60,440,858	17,042,713	113,411,827	(140,855)	0	190,754,543
68	Department of Administration for Human Services	8,620,856	2,430,852	1,390,571	(51,930)	0	12,390,349
69	Department of Systems Management for Human Services	4,982,135	1,404,829	459,544	0	0	6,846,508
71	Health Department	27,457,102	7,742,172	13,317,591	(116,434)	0	48,400,431
Total Health and Welfare		\$101,500,951	\$28,620,566	\$128,579,533	(\$309,219)	\$0	\$258,391,831
Parks, Recreation and Libraries							
50	Department of Community and Recreation Services	\$7,740,318	\$2,182,564	\$15,398,961	(\$10,768,082)	\$0	\$14,553,761
51	Fairfax County Park Authority	20,487,405	5,776,902	4,871,481	(2,360,244)	240,000	29,015,544
52	Fairfax County Public Library	21,481,891	6,057,321	6,440,556	0	0	33,979,768
Total Parks, Recreation and Libraries		\$49,709,614	\$14,016,787	\$26,710,998	(\$13,128,326)	\$240,000	\$77,549,073
Community Development							
16	Economic Development Authority	\$2,630,935	\$741,854	\$4,091,459	\$0	\$0	\$7,464,248
31	Land Development Services	10,252,568	2,890,951	1,765,879	(165,954)	0	14,743,444
35	Department of Planning and Zoning	8,126,500	2,291,457	921,997	0	0	11,339,954
36	Planning Commission	478,074	134,804	206,976	0	0	819,854
38	Department of Housing and Community Development	3,487,467	983,373	1,849,780	0	0	6,320,620
39	Office of Human Rights	1,194,837	336,912	95,573	0	0	1,627,322
40	Department of Transportation	4,250,140	1,198,426	1,766,400	(242,598)	160,560	7,132,928
Total Community Development		\$30,420,521	\$8,577,777	\$10,698,064	(\$408,552)	\$160,560	\$49,448,370
Nondepartmental							
87	Unclassified Administrative Expenses	\$0	\$0	\$6,155,698	\$0	\$0	\$6,155,698
89	Employee Benefits	0	0	7,991,540	0	0	7,991,540
Total Nondepartmental		\$0	\$0	\$14,147,238	\$0	\$0	\$14,147,238
GENERAL FUND DIRECT EXPENDITURES		\$568,772,632	\$160,378,737	\$312,210,207	(\$39,189,376)	\$2,036,888	\$1,004,209,088

FY 2005 ADVERTISED SUMMARY OF GENERAL FUND OPERATING EXPENDITURES BY OBJECT CODE

Object Code	Description	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
300/301	MASTER BLANKET/ACROSS THE BOARD	\$156,734	\$0	\$34,842	\$0	(\$34,842)	-100.00%
302	PROFESSIONAL CONSULTANT/CONTRACTS	68,909,116	69,739,711	78,334,583	70,926,743	(7,407,840)	-9.46%
304	COMMERCIAL OFFICE SUPPLIES	259,144	322,611	347,376	334,979	(12,397)	-3.57%
306	CENTRAL STORE CHARGES	2,224,460	1,988,223	2,064,835	2,196,905	132,070	6.40%
308	OPERATING SUPPLIES	8,836,060	8,153,655	9,563,734	8,446,092	(1,117,642)	-11.69%
309	OPERATING EQUIPMENT	3,308,154	2,474,297	5,414,258	2,628,781	(2,785,477)	-51.45%
310	OPERATING EXPENSES	8,534,557	8,711,729	9,726,799	8,778,792	(948,007)	-9.75%
312	WEARING APPAREL	3,737,113	3,545,402	3,720,070	3,637,410	(82,660)	-2.22%
314	POSTAGE	5,910,633	5,756,336	5,868,175	5,772,608	(95,567)	-1.63%
316	TELECOMMUNICATIONS	12,342,402	11,997,689	12,799,420	12,181,944	(617,476)	-4.82%
318	COMMERCIAL PRINTING SERVICES	578,212	695,242	717,674	677,978	(39,696)	-5.53%
320	RENT OF EQUIPMENT	500,434	619,395	623,955	494,315	(129,640)	-20.78%
322	RENT OF REAL ESTATE	9,795,368	10,332,045	11,163,960	11,699,401	535,441	4.80%
324	UTILITIES	14,409,042	13,657,579	14,132,676	14,759,007	626,331	4.43%
326	INTERJURISDICTIONAL PAYMENTS	259,668	269,669	311,249	289,020	(22,229)	-7.14%
328	REPAIRS AND MAINTENANCE	4,319,121	3,934,454	4,619,785	3,935,162	(684,623)	-14.82%
330	BOOKS AND RELATED MATERIAL	6,666,074	5,181,624	5,249,309	5,189,066	(60,243)	-1.15%
331	COMPUTER SOFTWARE & OPERATING EQUIPMENT	3,432,672	2,346,491	3,086,186	2,607,210	(478,976)	-15.52%
332	MEMBERSHIPS & SUBSCRIPTIONS	366,433	488,612	488,612	415,340	(73,272)	-15.00%
336	AUTOMOTIVE SUPPLIES	131,286	122,273	188,938	123,401	(65,537)	-34.69%
338	BUILDING MATERIALS AND SUPPLIES	1,129,093	1,157,028	1,161,860	1,178,066	16,206	1.39%
340	AUTO MILEAGE ALLOWANCE	794,812	941,755	942,755	1,072,269	129,514	13.74%
342	DVS CHARGES	22,360,844	23,945,255	23,977,692	21,608,713	(2,368,979)	-9.88%
344	TECHNOLOGY APPLICATION SERVICES	370,173	488,569	912,799	534,286	(378,513)	-41.47%
346	COOPERATIVE COMPUTER CENTER CHARGES	17,187,831	16,854,052	16,933,980	18,073,907	1,139,927	6.73%
348	DOCUMENT SERVICES	2,207,218	1,706,362	1,970,020	1,763,238	(206,782)	-10.50%
350	OTHER INTERNAL CHARGES	2,368,374	1,772,119	2,175,004	1,705,681	(469,323)	-21.58%
352	INSURANCE AND SURETY BONDS	11,548,119	8,559,946	8,559,946	9,459,988	900,042	10.51%
356	WELFARE EXPENSES	46,348,590	69,775,588	72,001,664	71,462,980	(538,684)	-0.75%
360	PAYMENTS TO BOARDS AND COMMISSIONS	342,394	359,686	428,035	360,056	(67,979)	-15.88%
362	CONTRIBUTIONS/SUBSIDIES	31,555,935	10,484,712	10,503,304	11,849,119	1,345,815	12.81%
366	TUITION/TRAINING	215,403	210,000	210,000	210,000	0	0.00%
368	CONFERENCES/TRAVEL	4,068,876	4,151,857	4,524,639	4,138,128	(386,511)	-8.54%
370	FOOD	2,933,738	2,077,984	2,138,170	2,173,903	35,733	1.67%
374	RESALE ITEMS	19,145	34,085	34,885	34,085	(800)	-2.29%
378	CONTINGENCIES	7,663,806	10,591,554	17,417,938	9,219,453	(8,198,485)	-47.07%
380	HOUSING COSTS/RENTAL ASSISTANCE	1,847,664	2,267,229	2,479,250	2,272,181	(207,069)	-8.35%
TOTAL OPERATING EXPENSES		\$307,638,698	\$305,714,818	\$334,828,377	\$312,210,207	(\$22,618,170)	-6.76%

Capital Equipment Funding Summary¹

GENERAL FUND EXPENDITURES - CAPITAL EQUIPMENT

FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
\$6,218,874	\$7,555,249	\$7,073,182	\$4,460,980	\$3,529,905	\$3,877,015	\$5,138,397	\$2,036,888

PROGRAM AREA:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Legislative Executive Functions/Central Services</u>					
Department of Cable Communications and Consumer Protection	\$341,651	\$0	\$0	\$0	\$341,651
Electoral Board and General Registrar	0	0	704,905	0	\$704,905
<u>Public Safety</u>					
Police Department	0	58,272	0	0	\$58,272
Fire and Rescue Department	41,700	105,800	0	106,000	\$253,500
<u>Public Works</u>					
Stormwater Management	0	278,000	0	0	\$278,000
<u>Parks, Recreation, and Cultural</u>					
Park Authority	0	240,000	0	0	\$240,000
<u>Community Development</u>					
Department of Transportation	0	0	160,560	0	\$160,560
Total General Fund	\$383,351	\$682,072	\$865,465	\$106,000	\$2,036,888

Capital Equipment Funding Summary¹

OTHER FUNDS APPROPRIATED - CAPITAL EQUIPMENT

FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
\$32,322,964	\$38,421,106	\$36,614,421	\$27,256,450	\$27,307,638	\$20,617,029	\$46,796,375	\$27,089,359

FUND CATEGORY:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Other Funds - Appropriated</u>					
100 County Transit Systems	\$0	\$4,634,578	\$0	\$0	\$4,634,578
105 Cable Communications	0	250,000	0	0	\$250,000
108 Leaf Collection	17,000	51,000	0	0	\$68,000
109 Refuse Collection and Recycling Operations	397,000	1,121,000	0	0	\$1,518,000
110 Refuse Disposal	0	1,375,000	0	0	\$1,375,000
112 Energy/Resource Recovery Facility	99,000	0	0	0	\$99,000
113 McLean Community Center	27,000	0	0	0	\$27,000
114 I-95 Refuse Disposal	45,000	492,000	0	0	\$537,000
120 E-911	0	0	2,544,848	0	\$2,544,848
401 Sewer Operation and Maintenance	10,745	1,135,054	0	0	\$1,145,799
503 Department of Vehicle Services	52,280	13,400,574	0	0	\$13,452,854
505 Technology Infrastructure Services	0	1,437,280	0	0	\$1,437,280
Total Other Funds - Appropriated	\$648,025	\$23,896,486	\$2,544,848	\$0	\$27,089,359
Combined Total - General Fund and Other Funds Appropriated	\$1,031,376	\$24,578,558	\$3,410,313	\$106,000	\$29,126,247

OTHER FUNDS NON - APPROPRIATED - CAPITAL EQUIPMENT

FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
\$993,556	\$767,629	\$1,216,999	\$527,270	\$839,136	\$968,874	\$892,961	\$835,523

FUND CATEGORY:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Other Funds - Non - Appropriated</u>					
170 Park Revenue Fund	\$96,000	\$438,000	\$0	\$0	\$534,000
703 NOVARIS	0	0	301,523	0	\$301,523
Total Other Funds - Non-Appropriated	\$96,000	\$438,000	\$301,523	\$0	\$835,523
Combined Total - Other Funds Appropriated and Other Funds Non-Appropriated	\$744,025	\$24,334,486	\$2,846,371	\$0	\$27,924,882
TOTAL ALL FUNDS	\$1,127,376	\$25,016,558	\$3,711,836	\$106,000	\$29,961,770

¹Beginning with the FY 2005 Advertised Budget Plan, in addition to the program areas and funds presented, all prior year actual amounts reflect Capital Equipment expenditures for all County program areas and other funds.

FAIRFAX COUNTY
FY 2003 - FY 2005 County Funded Programs
for School Related Services

	FY 2003 Actual	FY 2004 Revised Budget Plan ⁶	FY 2005 Advertised Budget Plan
General Fund Transfers/Debt Service			
General Fund Transfer to School Operating Fund ¹	\$1,168,875,267	\$1,240,850,321	\$1,322,374,187
Debt Service on Schools' Debt	113,604,781	120,896,733	126,528,053
Subtotal	\$1,282,480,048	\$1,361,747,054	\$1,448,902,240
Police Department			
School Resource and School Education Officers (49/49.0 SYE)	\$4,801,553	\$4,904,847	\$5,009,519
Security for activities such as proms and football games	266,283	270,485	276,346
School Crossing Guards (129/37.41 SYE)	1,109,601	1,595,976	1,595,976
Subtotal	\$6,177,437	\$6,771,308	\$6,881,841
Fire Department			
Fire safety programs for pre-school through middle school aged students	\$102,960	\$108,108	\$113,513
Subtotal	\$102,960	\$108,108	\$113,513
Health Department			
Clinic Room Aides Program (188/119.51 SYE) and limited-term staffing funding	\$4,950,545	\$5,030,514	NA
Public Health Nurses (53/53.0 SYE)	3,402,945	3,412,103	NA
School Health (245/176.31 SYE) ²	NA	NA	10,266,016
Subtotal	\$8,353,490	\$8,442,617	\$10,266,016
Community Services Board (CSB) - Alcohol and Drug Services			
School Based Prevention and Early Intervention Substance Abuse Programs (8/8.0 SYE)	\$272,578	\$465,852	\$511,505
Subtotal	\$272,578	\$465,852	\$511,505
Community Services Board (CSB) - Mental Health Services			
Consultation with teachers, special education staff, and principals regarding emotionally disturbed pre-school children (1/ 0.23 SYE)	\$16,795	\$17,168	\$18,588
Adolescent Day Treatment Services (7/7.0 SYE)	204,863	255,546	383,862
Services for children with pervasive developmental and/or severe emotional disorders (5/5.0 SYE)	347,391	358,243	375,305
Shelter for youth who run away from home; work with schools to avoid interruption of schooling	184,874	144,935	138,135
Adolescent Residential Services for boys aged 13-17 (Fairfax House) ³	237,528	0	0
Therapeutic services in non-categorical pre-school program (1/1.0 SYE)	58,758	66,425	63,247
Subtotal	\$1,050,209	\$842,317	\$979,137

FAIRFAX COUNTY

FY 2003 - FY 2005 County Funded Programs for School Related Services

	FY 2003 Actual	FY 2004 Revised Budget Plan ⁶	FY 2005 Advertised Budget Plan
Department of Family Services			
Net Cost of the School-Age Child Care (SACC) Program (600/550.83 SYE) - includes general services and services for special needs clients partially offset by program revenues	\$3,550,814	\$7,651,534	\$6,767,123
Head Start Program-General Fund (Higher Horizons, Gum Springs (18/18.0 SYE), Schools' Contract)	5,642,519	5,418,545	5,519,734
Head Start Federal Grant Funding (Local Cash Match) ⁴	551,216	789,520	655,757
Comprehensive Services Act (special education programs not in FCPS)	14,472,634	12,918,485	13,317,667
County contribution to Schools for SACC space	500,000	500,000	500,000
Subtotal	\$24,717,183	\$27,278,084	\$26,760,281
Department of Community and Recreation Services			
After School Program	\$115,099	\$112,000	\$115,099
Field improvements ⁵	349,826	828,290	410,000
Therapeutic recreation	30,472	30,514	31,470
Subtotal	\$495,397	\$970,804	\$556,569
Fairfax County Park Authority			
Maintenance of Fairfax County Public Schools' athletic fields	\$2,636,492	\$2,766,473	\$2,822,813
Match for field development	433,395	0	0
Subtotal	\$3,069,887	\$2,766,473	\$2,822,813
TOTAL: County Funding for School Related Services	\$1,326,719,189	\$1,409,392,617	\$1,497,793,915

¹ The *FY 2004 Revised Budget Plan* reflects an increase of \$2,375,120 in the County General fund transfer which was approved by the Board of Supervisors at the *FY 2003 Carryover Review*.

² School Health is a new cost center created in FY 2005 to more accurately capture all costs associated with providing school health-related services. It includes all positions previously shown as Clinic Room Aides and Public Health Nurses for school clinics and includes one administrative and three supervisory nurse positions not previously shown before FY 2005. Also included for the first time in FY 2005 is funding associated with the Medically Fragile Student Program.

³ In FY 2002, Fairfax House was closed. FY 2003 only reflects Youth for Tomorrow contracts.

⁴ This includes Local Cash Match funding for the Federal Head Start and Early Head Start for the Higher Horizons, Gum Springs and Schools' Contracts.

⁵ This includes athletic field lighting, maintenance and other upgrade requirements.

⁶ The Board of Supervisors and the School Board have approved a proposal to accelerate the construction of the South County High School by leveraging the proceeds from the sale and development of adjacent County-owned property in the Laurel Hill area. As part of the proposal, the County will sell an adjacent site for development as a senior graduated care facility and use the proceeds of \$18.2 million to partially fund the construction of the high school. Construction funding will be provided through a bond issue of the Fairfax County Economic Development Authority and secured through an Installment Purchase Contract with the County, Debt Service payments are expected to begin in FY 2007. In addition, the Park Authority has agreed to participate in the financing and will construct a golf course on adjacent park property. No appropriation is required in the FY 2004 Adopted Budget Plan for capital or operating expenditures as a result of this proposal.

FAIRFAX COUNTY
FY 2003 - FY 2005 Additional County Funded Programs
for General Youth Services

	FY 2003 Actual	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
Additional - County Funded Youth Programs			
Family Services - Net cost of services for children (excluding SACC and Head Start)	\$26,855,756	\$44,034,954	\$43,687,257
Juvenile and Domestic Relations District Court - Residential Services	2,740,910	2,764,504	2,465,812
Department of Community and Recreation Services - Therapeutic recreation	609,436	610,275	629,390
Department of Community and Recreation Services - Teen Centers	1,050,050	1,588,263	1,587,332
Department of Community and Recreation Services - Community Centers	1,065,670	1,503,298	1,498,759
Department of Community and Recreation Services - Net cost extension/community education	30,533	76,030	73,154
Youth Sports Subsidy	194,320	195,000	195,000
Youth Sports Scholarship	50,261	50,000	75,000
Subtotal: Additional County Funded Programs for General Youth Services (Non-School)	\$32,596,936	\$50,822,324	\$50,211,704
TOTAL: County Funded Programs for Youth (Includes Both School and Non-School Programs)	\$1,359,316,125	\$1,460,214,941	\$1,548,005,619

FAIRFAX COUNTY
FY 2003 - FY 2005 Additional County-Administered Programs
for School-Related Services

Funding can be Federal, State, Local, or a Combination Thereof
 (Actual Direct County Funding is Minimal)

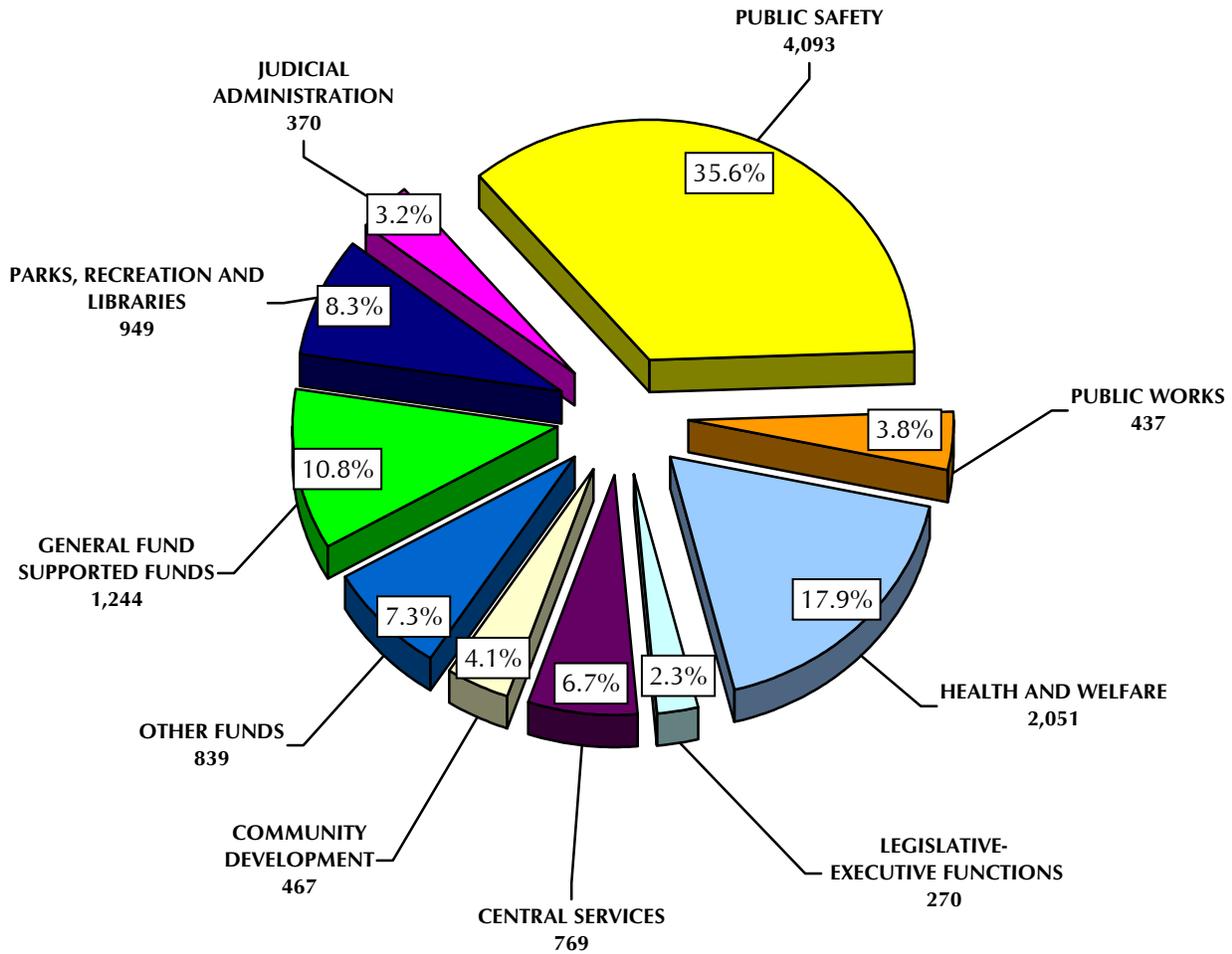
	FY 2003 Actual	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan
Community Services Board (CSB) - Alcohol and Drug Services			
Prevention/Early Intervention (P/EI) at Centreville High, Chantilly High, and Mountain View (Previously Federal HIDTA Grant) and supervision of these services (1/1.08 SYE)	\$56,817	\$56,495	\$60,429
P/EI at Devonshire School Suspension Program (Federal Block Grant) and supervision of these services (1/1.08 SYE)	50,955	52,208	54,745
Case Management Services at the Recovery School (Federal Block Grant) and supervision of these services (0/0.58 SYE)	36,820	35,302	37,810
Consultation/Education to fifteen school/community coalitions (Federal/County 1/ 0.5 SYE)	36,820	35,302	37,810
Violence Prevention and Junior Girl Power Groups throughout Fairfax County (County funded and Federal Direct pass-through grant (1/1.0 SYE)	89,982	69,652	75,329
Substance Abuse Early Intervention Programs in County middle and high schools (FCPS and County funded (3 /3.0 SYE)	116,861	122,598	153,364
Middle School Promising Programs	78,317	0	0
Communities That Care (CTC) Survey ¹	10,503	0	0
Family Services²			
Head Start Grant Funding	4,114,013	5,176,925	4,223,559
Early Head Start Grant Funding	2,766,651	1,206,905	2,945,841
Head Start State Block Grant Funding ³	132	96,945	96,945
Subtotal: County-Administered Programs	\$7,357,871	\$6,852,332	\$7,685,832
 GRAND TOTAL	 \$1,366,673,996	 \$1,467,067,273	 \$1,555,691,451

¹ In mid FY 2003, the Communities that Care (CTC) survey was not distributed and the Board of Supervisors provided \$30,000 of the original \$65,000 budget to the Fairfax County Public Schools for audit activities. The \$30,000 was transferred to FCPS at the FY 2003 Carryover Review.

² 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.

³ The FY 2003 grant award of \$185,799 for the Child Care and Development Block Grant was based on an estimate of eligible children. However, the actual number of eligible children served was far less than the estimate, and the resulting \$132 reflects expenditures of \$1,762 minus revenues of \$1,630. Please note that the FY 2004 and FY 2005 grant awards are based on estimates of eligible children.

FY 2005 REGULAR POSITIONS ALL FUNDS



TOTAL REGULAR POSITIONS = 11,489

General Fund Supported Funds include: Fund 106, Fairfax-Falls Church Community Services Board; Fund 141, Elderly Housing Programs; Fund 500, Retiree Health Benefits; Fund 501, County Insurance; Fund 503, Department of Vehicle Services; Fund 504, Document Services Division; Fund 505, Technology Infrastructure Services.

Other Funds include: Fund 105, Cable Communications; Fund 109, Refuse Collection; Fund 110, Refuse Disposal; Fund 111, Reston Community Center; Fund 112, Energy Resource Recovery Facility; Fund 113, McLean Community Center; Fund 114, I-95 Refuse Disposal; Fund 116, Integrated Pest Management Program; Fund 117, Alcohol Safety Action Program; Fund 142, Community Development Block Grant; Fund 145, HOME Investment Partnership Grant; Fund 401, Sewer Operation and Maintenance; Fund 601, Fairfax County Employees' Retirement System.

Summary of Position Changes FY 1991 - FY 2005

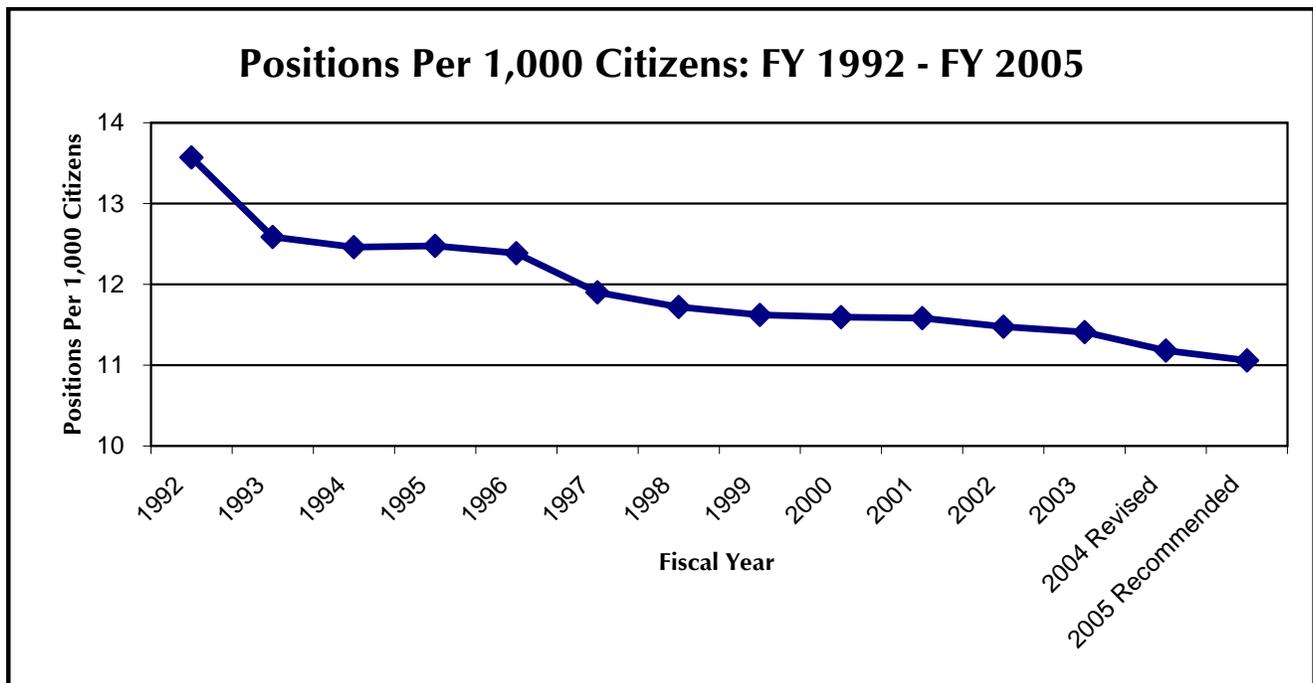
Authorized Positions - All Funds

	From	To	Abolished	New Facilities	Other Changes	Other Reviews	Total Change	Positions Per 1,000 Citizens
FY 1991 to FY 1992	11,164	11,124	(153)	41	20	52	(40)	13.57
FY 1992 to FY 1993	11,124	10,628	(588)	0	13	79	(496)	12.58
FY 1993 to FY 1994	10,628	10,685	(88)	62	56	27	57	12.46
FY 1994 to FY 1995	10,685	10,870	(157)	94	131	117	185	12.48
FY 1995 to FY 1996	10,870	11,016	(49)	60	76	59	146	12.38
FY 1996 to FY 1997	11,016	10,782	(477)	150	(14)	107	(234)	11.90
FY 1997 to FY 1998	10,782	10,802	(56)	4	43	29	20	11.72
FY 1998 to FY 1999	10,802	10,911	(35)	26	41	77	109	11.62
FY 1999 to FY 2000	10,911	11,108	(17)	106	26	82	197	11.59
FY 2000 to FY 2001	11,108	11,317	0	25	107	77	209	11.58
FY 2001 to FY 2002	11,317	11,385	(2)	14	39	17	68	11.47
FY 2002 to FY 2003	11,385	11,498	(48)	70	1	90	113	11.41
FY 2003 to FY 2004 Revised	11,498	11,443	(124)	49	0	20	(55)	11.18
FY 2004 to FY 2005 Recommended	11,443	11,489	(7)	53	0	0	46	11.06
Total	11,164	11,489	(1,801)	754	539	833	325	

In addition, a total of 168 project positions have been abolished since FY 1991, resulting in a total of 1,969 abolished positions. This results in a net increase of 157 positions through the recommended FY 2005 budget. As of the FY 2004 Adopted Budget Plan the net increase was 91. At the *FY 2003 Carryover Review* an additional 4 positions were added with the restoration of the Riverbend and Hidden Oaks reductions made previously. In October, 2003 16 new COPS UHP positions were approved for the Police Department. The FY 2005 recommendation includes a net addition of 46 positions.

() Denotes Abolished Positions

During the period FY 1992 - FY 2005, the following chart depicts the trend in merit regular positions per 1,000 citizens:



Summary of Position Changes

FY 2005 Position Actions Total Change - 46 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES/PUBLIC SAFETY			53
	Community and Recreation Services	Herndon Harbor House	5
	Community and Recreation Services	Teen Center Redesign - Phase II	3
	Family Services	New SACC rooms at Navy elementary due to renovations and Sunrise Valley as a result of room availability	6
	Police	PSCC positions	16
	Fire and Rescue	Final phase-in of staffing for new Fairfax Center station	23
REDUCTIONS/REORGANIZATIONS/REDESIGNS			(7)
	DPWES/Business Planning and Support	Transfer to Land Development for financial, human resource and information technology reorganization	(29)
	DPWES/Land Development	Transfer from Business Planning and Support for financial, human resource and information technology reorganization	29
	CSB/Mental Retardation	Transfer to Early Intervention as part of reorganization	(20)
	CSB/Early Intervention	Transfer from Mental Retardation as part of reorganization	20
	Technology Infrastructure	Radio Shop	(7)

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES/PUBLIC SAFETY			49
	DPWES/Facilities Management Division	South County Government Center and support for Courthouse expansion	1
	Community and Recreation Services	James Lee Community Center	6
	Family Services	New and expanded SACC sites	19
	Health	Public Health Nurse to support 4 new County schools	1
	Health	Clinic Room Aides to support 4 new County schools	6
	Police	Emergency medical dispatcher coordinator	1
	Fire and Rescue	Phase-in of staffing for new Crosspointe and Fairfax Centre stations	15
REDUCTIONS/REORGANIZATIONS/REDESIGNS			(124)
	Office for Women	Reorganization, including transfer to Department of Family Services of 2 positions	(8)
	Finance	Reorganization	(3)
	Human Resources	Reorganization	(1)
	Purchasing and Supply Management	Eliminate Central Stores	(3)
	Purchasing and Supply Management	Eliminate Equipment Repair Program	(1)
	Purchasing and Supply Management	P-card and small order transaction processing	(1)
	Management and Budget	Special projects	(2)
	DPWES/Capital Facilities	GIS and financial administration	(2)
	DPWES/Stormwater Management	Flood plains	(1)
	DPWES/Stormwater Management	Sign shop	(2)
	DPWES/Land Development	Environmental and facilities review	(5)
	DPWES/Land Development	Residential building inspections	(2)
	DPWES/Land Development	Commercial building inspections	(2)
	DPWES/Land Development	Home improvement contractor licensing	(2)
	DPWES/Land Development	Code enforcement	(1)
	DPWES/Land Development	Urban forestry	(1)
	DPWES/Land Development	Building plan review	(1)

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	DPWES/Land Development	Preliminary site inspection	(1)
	DPWES/Land Development	Environmental and facilities inspection	(1)
	DPWES/Land Development	Contractor ID card	(1)
	DPWES/Land Development	Inspection requests and records	(1)
	Planning and Zoning	Environment and development review	(2)
	Planning and Zoning	Zoning enforcement	(2)
	Planning and Zoning	Rezoning/special exceptions	(1)
	Planning and Zoning	Ordinance administration	(1)
	Human Rights	Transfer Equal Employment Opportunity position to grant	(1)
	Community and Recreation Services	Pinn Community Center	(1)
	Park Authority	Natural resource planning	(1)
	Park Authority	Land management	(1)
	Park Authority	Resource stewardship	(1)
	Park Authority	Landscaping at Government Center	(3)
	Park Authority	Riverbend and Hidden Oaks parks	(4)
	Tax Administration	TARGET	(13)
	Tax Administration	Outsource parking ticket processing and collection	(3)
	Family Services	Child protective services	(2)
	Family Services	Child care resource	(2)
	Family Services	Transfer to Administration for Human Services for information technology support	(1)
	Family Services	Transfer from Office for Women	2
	Family Services	Children, Youth and Family technology support	(1)
	Family Services	SACC administrative support	(1)
	Administration for Human Services	Transfer from Family Services for information technology support	1
	Administration for Human Services	Administrative	(2)
	Administration for Human Services	Transfer to Information Technology as part of Human Services Information Technology reorganization	(28)
	Systems for Human Services	Research, Analysis and Project Services	(1)
	Systems for Human Services	Region 5	(1)
	Information Technology	Transfer from Administration for Human Services as part of Human Services Information Technology reorganization	28

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
Information Technology		Strategic planning	(1)
Information Technology		Applications architect	(1)
Information Technology		Infrastructure strategist	(1)
Information Technology		Telecommunications coordination	(1)
Information Technology		Group Decision Support Center	(1)
Information Technology		E-government	(1)
Information Technology		Information technology security	(1)
Information Technology		Radio services inventory management	(1)
Juvenile and Domestic Relations District Court		Juvenile Detention Center	(4)
Police		Inspections	(1)
Police		Victim services	(1)
Police		Public information	(1)
Police		Community policing	(1)
Police		School crossing guards	(3)
Police		Court liaison	(1)
Sheriff		Community relations	(1)
Sheriff		Mental Health and Alcohol and Drug services in the Adult Detention Center	(1)
Sheriff		Privatize Food Services	(13)
CSB/Mental Health		Prevention	(1)
CSB/Alcohol and Drug		Homeless Shelter	(2)
CSB/Alcohol and Drug		Entry and referral	(2)
Technology Infrastructure		Programmer	(1)
Retirement Administration		DROP Program	1
OTHER CHANGES DURING FISCAL YEAR			20
County Executive/Office of Partnerships		Transfer from Administration for Human Services to realign administrative support of Partnerships	1
DPWES/Business Planning and Support		Transfer from Capital Facilities of Deputy Director	1

Summary of Position Changes

FY 2004 Position Actions Total Change - (55) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	DPWES/Business Planning and Support	Transfer to Land Development for administrative support	(1)
	DPWES/Capital Facilities	Transfer to Business Planning and Support of Deputy Director	(1)
	DPWES/Capital Facilities	Transfer to Stormwater based on agency redirection of resources	(1)
	DPWES/Stormwater	Transfer from Capital Facilities based on agency redirection of resources	1
	DPWES/Stormwater	Transfer from Wastewater based on agency redirection of resources	2
	DPWES/Land Development	Transfer from Business Planning and Support for administrative support	1
	Community and Recreation Services	Athletic Field Scheduling	1
	Park Authority	Identified for realignment	(2)
	Park Authority	Restore hours at Riverbend and Hidden Oaks parks	4
	Tax Administration	Transfer from Police based on administrative requirements	1
	Administration for Human Services	Transfer to Office of Partnerships for administrative alignment	(1)
	Administration for Human Services	Transfer to Information Technology as part of Human Services Information Technology reorganization	(2)
	Information Technology	Transfer from Administration for Human Services as part of Human Services Information Technology reorganization	2
	Health	Long term care	1
	Police	COPS UHP	16
	Police	Transfer to Fire and Rescue of EMD position for PSCC support	(1)
	Police	Transfer to Tax Administration based on administrative requirements.	(1)
	Fire and Rescue	Transfer from Police of EMD position	1
	Integrated Forest Pest Management	Conversion of contract to direct service for West Nile treatment	2
	Wastewater	Identified for realignment	(4)

Summary of Position Changes

FY 2003 Position Actions Total Change - 120 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES/PUBLIC SAFETY			70
	Family Services	New and expanded SACC sites	22
	Police	Sully Police Station	25
	Police	Transfer of Animal Shelter function	19
	Animal Shelter	Transfer of Animal Shelter function to Police	(19)
	Fire and Rescue	Full time Hazardous Materials Unit	23
WORKLOAD RELATED			1
	McLean Community Center	Performance Arts support position	1
ABOLISHMENTS			(48)
	Finance	E-Government Initiative	(1)
	Human Resources	Division head	(1)
	Purchasing	Processing purchasing transactions	(2)
	Management and Budget	Special Projects	(2)
	Tax Administration	Personal Property Division	(6)
	Information Technology	Strategic planning, Human Services IT support and PRISM support/modifications	(3)
	Circuit Court	Mediation program	(1)
	Sheriff	Vacant positions to be determined	(3)
	DPWES/Business Planning and Support	IT Support and Development	(2)
	DPWES/Capital Facilities	Special Projects and Citizen Response	(3)
	DPWES/Stormwater Management	Flooding and Snow emergency response	(2)
	Family Services	Deputy Director	(1)
	Administration for Human Services	Assistant Buyer and Computer Systems Analyst	(2)
	Community and Recreation Services	FASTRAN scheduling	(1)
	Fairfax County Park Authority	Computer program analysis, RECPAC support and to be determined	(3)
	DPWES/Land Development	Plan processing and review	(10)
	Planning and Zoning	Land use applications, public facility review, processing of building permits and special projects	(4)
	Community Services Board	Support position as result of Fairfax House closure	(1)

Summary of Position Changes

FY 2003 Position Actions Total Change - 120 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			90
	DPWES/Facilities Management	Lorton/Laurel Hill Development	1
	Human Resources	Transfer position to Public Affairs for Courier	(1)
	Public Affairs	Transfer position from Human Resources for Courier	1
	Public Affairs	Transfer positions from Administration for Human Services for South County	2
	Park Authority	Lorton/Laurel Hill Development	2
	DPWES/Business Planning and Support	Transfer from Administration for Human Services for information technology support	1
	Tax Administration	Revenue enhancement	4
	Administration for Human Services	Transfer to Health for Long Term Care	(1)
	Administration for Human Services	Transfer to Systems for Human Services for Strengthening Neighborhoods and Building Communities Initiative	(1)
	Administration for Human Services	Transfer to Public Affairs for South County	(2)
	Administration for Human Services	Transfer to DPWES/Business Planning and Support for information technology support	(1)
	Systems for Human Services	Transfer from Admin for Human Services for Strengthening Neighborhoods and Building Communities Initiative	1
	Information Technology	HIPAA Compliance Officer	1
	Health	Transfer from Admin for Humans Services for Long Term Care	1
	Health	Transfer from Forest Integrated Pest Management Program for West Nile	1
	Police	COPS UHP	52
	Sheriff	Additional ADC positions to meet required staffing levels	37
	ASAP	Transfer to CSB	(1)
	CSB/Central Services	Transfer from ASAP	1
	CSB/Mental Health	Adult day support services (as part of State cut to be taken in FY 2003)	(1)
	CSB/Alcohol and Drug	Hope Center (as part of State cut to be taken in FY 2003)	(6)
	Refuse Collection	DPWES realignment of positions	(1)
	Refuse Disposal	DPWES realignment of positions	2
	Wastewater Treatment	DPWES realignment of positions	(1)
	Forest Integrated Pest Management Program	Transfer position to Health for West Nile	(1)

Summary of Position Changes

FY 2003 Position Actions Total Change - 120 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
POSITION POOL CHANGES			0
	Transportation	Traffic Calming	1
	Police	Emergency Coordinator	1
	Wastewater Treatment	Identified for realignment	(2)

Summary of Position Changes

FY 2002 Position Actions Total Change - 68 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES			14
	Family Services	New and expanded SACC sites	12
	Community and Recreation Services	Expanded Groveton Senior Center	2
PUBLIC SAFETY			17
	Sheriff	Inmate Janitorial Supervision in ADC Expansion	5
	Sheriff	LIDs Clerk for State Reporting	1
	Fire and Rescue	Additional Tanker staffing	9
	Fire and Rescue	Staff requirements for an expanded South County apparatus shop	2
WORKLOAD RELATED			20
	County Executive	Elimination of 1 Assistant to the County Executive position	(1)
	Finance	Financial Management	1
	DPWES/Capital Facilities	Elimination of Streetlight and Bus Shelter project management position	(1)
	Housing and Community Development	Revitalization	3
	Community and Recreation Services	Senior Social Day Program	2
	Community and Recreation Services	Transfer of positions associated with Leisure Enterprises and the Employee Fitness Center to the Park Authority	(6)
	Park Authority	Transfer of positions associated with Leisure Enterprises and the Employee Fitness Center to from Community and Recreation Services	6
	Tax Administration	Real Estate Appraisers to improve ratio of parcels per appraiser	3
	Systems Management for Human Services	Coordination of Continuum of Care Process	2
	Information Technology	Security for Information Processing Systems	2
	Health	Community Health Care Network	1
	General District Court	Probation Counselor I	1
	Vehicle Services	Fleet Maintenance	4
	CSB/Mental Retardation	Support for new graduates of County Schools	1
	CSB/Mental Health	Case workers for JDC/LSC	2

Summary of Position Changes

FY 2002 Position Actions Total Change - 68 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			17
	Electoral Board and General Registrar	Conversion of Exempt Limited term Positions in response to National Voter Registration Act workload	2
	DPWES/Business Planning and Support	Transfer of position from Land Development for better alignment of duties	1
	DPWES/Stormwater Management	Transfer of position from Land Development for Stormwater design issues and creation of two new positions for Perennial Streams Mapping	3
	DPWES/Land Development	Transfer of position to Stormwater Management	(1)
	DPWES/Land Development	Transfer of position to Business Planning and Support	(1)
	Community and Recreation Services	Transfer of position to Health	(1)
	Administration for Human Services	Transfer of position from Juvenile and Domestic Relations for better alignment of duties	1
	Health	Transfer of position from Community and Recreation Services for the Senior+ Program	1
	Juvenile and Domestic Relations	Transfer of position to Administration for Human Services	(1)
	Police	School Resource Officers	6
	Police	Conversion of COPS More grant positions	7
POSITION POOL CHANGES			0
	Human Resources	Training staff	2
	Public Affairs	Citizen Hotline	1
	System Management for Human Services	Assistant for Human Services Deputy County Executive	1
	Police	Criminal Intelligence Unit crime analysts and Emergency Preparedness Coordinator	3
	Wastewater Treatment	Identified for realignment	(7)

Summary of Position Changes

FY 2001 Position Actions Total Change - 191 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES			25
	Family Services	New and expanded SACC sites	12
	Health	Herndon Harbor House Adult Day Care Facility	9
	Family Services	SACC Pilot in Middle Schools	3
	Family Services	Herndon Harbor House Adult Day Care Facility	1
PUBLIC SAFETY			38
	Fire and Rescue	Building Inspections	9
	Police	Public Safety Communication Assistants	7
	Police	Alarm Ordinance	6
	Police	Animal Control officers	4
	Police	Central Record clerical support	3
	Police	Victim Services Section	2
	Fire and Rescue	Fiscal Administrator and Accountant	2
	Police	Child Abuse Section	1
	Police	Information Technology support	1
	Animal Control	Education/Fundraising position	1
	Animal Control	Secretarial support	1
	Fire and Rescue	Women's Program officer	1

Summary of Position Changes

FY 2001 Position Actions Total Change - 191 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
WORKLOAD RELATED POSITIONS			69
CSB/Alcohol and Drug Information Technology		Prevention Resiliency Program in County Schools	8
DPWES/Land Development		County Internet, Enterprise Services Manager and Help Desk	7
Housing and Community Development		Site Inspectors	7
Park Authority		Financial Management support as recommended by external auditor	5
Health		Maintenance staff for Athletic Fields	5
Juvenile and Domestic Relations		Public Health Nurses for County Schools	5
Administration for Human Services		Probation Counselors and Secretary for Domestic Relations, East County Probation Office and Less Secure Facility	5
Transportation		IT Positions for workload requirements	5
CSB/Mental Retardation		Accounting, Transit Operations, Proffers workload	5
Systems Management for Human Services		Individuals with Disabilities Education Act (IDEA) Service Provision	3
Health		Faith in Action coordinator and support	2
CSB/Mental Retardation		Healthy Families	2
Juvenile and Domestic Relations		Support for new graduates of County Schools	1
Circuit Court		IT Strategist and Coordinator	1
Internal Audit		Land Records workload	1
Transportation		Audit Finding for enhanced audit capacity	1
McLean CC		Senior Transportation Initiative	1
Electoral Board		Theater cashier	1
Human Rights		Secretary	1
Family Services		Human Rights Specialist	1
CSB/Alcohol and Drug		Healthy Families	1
		Wrap Around Substance Abuse Treatment	1

Summary of Position Changes

FY 2001 Position Actions Total Change - 191 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			77
	County Executive	Transfer of Environmental Coordinator from DPWES/Business Planning and Support	1
	Telecommunications and Consumer Services	Transfer of position to Information Technology	(1)
	DPWES/Business Planning and Support	Transfer of positions to County Executive and Land Development	(10)
	DPWES/Land Development	Transfer of positions from Business Planning and Support	9
	Park Authority	Master Gardener	1
	Library	Transfer of positions to Information Technology	(12)
	Family Services	SACC positions for Spring Hill Recreation Center and Churchill Road Elementary SACC Expansions	6
	Family Services	Conversion of Gum Springs Contract Positions to Merit status	18
	Administration for Human Services	Transfer of positions to Information Technology and Juvenile and Domestic Relations	(6)
	Information Technology	Transfer of positions from Telecommunications and Consumer Services, Libraries and Human Services Administration	18
	Juvenile and Domestic Relations	Transfer of position from Human Services Administration	1
	Police	Conversion of Merit Grant position from COPS More Grant	1
	CSB/Mental Health	Residential Services	1
	Police	School Resource Officers	14
	Police	COPS UHP	36

Summary of Position Changes

FY 2001 Position Actions Total Change - 191 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
POSITION POOL CHANGES			0
	County Executive	Language Coordinator, Auditor, Network Analyst	3
	Office for Women	Management Analyst IV	1
	Finance	Financial management	2
	Human Resources	Administrative Aide for training staff	1
	Public Affairs	Support Staff (Conversion of Limited Term)	1
	DPWES/Business Planning and Support	Information Technology Training Program	1
	DPWES/Capital Facilities	Streetlight and Bus Shelter project management	1
	DPWES/Land Development	Inspection services information system replacement project	1
	Planning and Zoning	Trail Planner	1
	Housing and Community Development	Information Technology Training Program	1
	Park Authority	Park Foundation Director	1
	Tax Administration	Identified for realignment	(6)
	Family Services	Senior Transportation Initiative	1
	Administration for Human Services	Identified for realignment - Specifically for Information Technology	(3)
	Information Technology	Information Technology positions to support Human Services Administration	3
	Circuit Court	Language Interpreter	1
	Police	Program and Procedures Coordinator	1
	Sheriff	Information Technology	2
	Refuse Collection	Identified for realignment	(2)
	ASAP	Identified for realignment	(1)
	Wastewater Treatment	Identified for realignment	(10)

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES / PUBLIC SAFETY			106
	Comm & Rec	Sully Senior Center	2
	Public Library	New Great Falls Community Library	5
	Family Services	New and Expanded SACC Centers	25
	Family Services	Expanded Franconia/Springfield Family Center	1
	Sheriff, CSB/MH	Expansion of Adult Detention Center	10
	Fire & Rescue	New North Point Station	33
	CSB/Mental Health	New Stevenson Road Adult Care Facility	2
	Police	Support for Central Records Section	3
	Police	School Resource Officers	10
	Police	Officers for "Mixing Bowl"	12
	Sheriff	Support for Live-Scan Fingerprinting and Mug Shot Systems, Emergency Clinic Services for Inmates	3
WORKLOAD / REDIRECTED POSITIONS			9
	Purchasing	Efficiencies	(1)
	Human Resources	Outreach Recruitment Program	1
	Family Svcs, Health	Healthy Families Fairfax	3
	Health	Public School Nurses	5
	Information Tech	Increased Workload in Network Services	3
	Circuit Court	Expansion of Differentiated Case Tracking System for Chancery Cases	4
	Police	Transfer of Animal Shelter Cost Center	(17)
	Animal Shelter	Create Animal Shelter Agency	17
	CSB/M Retardation	Support for New Special Education Graduates	1
	CSB/Alcohol & Drug	Substance Abuse Counselors for Schools	3
	CSB/Alcohol & Drug	Convert HIDTA Grant Position to Regular	1
	County Insurance	Claims/Rehabilitation Specialist	1
	Cable	Installation of Institutional Network	4
	Sewers and Solid Waste	Streamlining of Processes, Productivity Increases, and Automation	(16)

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			82
	Electoral Board	Voting Machine Supervisor	1
	Juvenile Court	Substance Abuse Screening	4
	General District Court	Clerical Specialist and relief workers	5
	CSB/Mental Health, Mental Retardation and Alcohol & Drug	Support for additional State funded activities, case managers, Schools ADS position, ADS Youth Initiative and MH/ADS Medical Services Unit	42
	Transportation	Photo Red Light Program	3
	Police	COPS Universal Hiring Grant additional Police Officers	25
	Family Services	Administrative Adjustment	(1)
	Human Resources	Administrative Adjustment	1
	Telecom	Massage Ordinance	1
	Police	School Resource Officer	1

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
POSITION POOL CHANGES			0
	Program Partnerships	Program Support	3
	Equity Programs	Alternative Dispute Resolution program	1
	Purchasing and Supply Management	Procurement Card Program	1
	Utilities Planning and Design	Engineer Positions	2
	Planning & Zoning	Planners for the backlog of zoning application processing	2
	Family Services	Identified for realignment - Specifically for CSB	(1)
	Information Technology	Program Analysts for Tax Project and Database Administrator for Enterprise Systems	6
	Tax Administration	Identified for realignment - Specifically for DIT	(6)
	Health Department	Adjustment for Human Services Reorganization	3
	Circuit Court	Support for Automated Systems	2
	Fire and Rescue	Engineer Positions	2
	CSB	Child Specific Team Coordinator	1
	Refuse Collection	Identified for realignment	(8)
	Refuse Disposal	Identified for realignment	(4)
	I-95 Solid Waste	Identified for realignment	(1)
	Gypsy Moth	Identified for realignment	(1)
	Wastewater Treatment	Identified for realignment	(1)
	Systems Engineering	Identified for realignment	(2)
	Technology Infrastructure Services	Data Center Maintenance	1

Summary of Position Changes

FY 1999 Position Actions Total Change - 109 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(35)
	Sewers	Streamlining of Processes, Productivity Increases, and Automation	(28)
	Various	County Executive Reorganization	(7)
NEW FACILITIES			26
	Family Services	Shreveewood and Chesterbrook Child Care Ctrs	6
	Facilities Mgmt.	Support Adult and Juvenile Detention Centers	3
	Comm & Rec Svs	Bailey's Community Center Expansion	1
	Public Library	Kingstowne & Great Falls Community Libraries	15
	Health	West County Middle School Clinic Room Aide	1
WORKLOAD/PROGRAMMATIC			41
	County Executive	Assistants to the County Executive	2
	County Executive	Information Systems Auditor - Office of Internal Audit	1
	Health Department	Health Inspectors	4
	Health Department	Public Health Nurses and Support for Respite and Bathing Program	4
	Health Department	Environmental Health Specialists	4
	Juvenile Court	Intake and Probation Services Support	6
	Police	Warden, Naturalist IV and Support for Public Safety Communications Center	4
	Police	Gang Investigation Unit	8
	CSB/M Retardation	Support for New Graduates of County Schools	1
	Human Rights	Investigator	1
	Site Development	Urban Foresters II	5
	Family Services	Child Protective Services Supervisor for Hotline	1

Summary of Position Changes

FY 1999 Position Actions Total Change - 109 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR (TRANSFERS NOT INCLUDED)			77
	County Executive	Director for 6 new Computer Learning Centers	1
	CSB/Alcohol & Drug	Hope Day Treatment	8
	Building Code Svs	Design Review Workload	11
	Police	Parking Guards	7
	McLean Center	Efficiency	(1)
	CSB/Mental Health, Alcohol & Drug	Dual Diagnosis Facility	15
	Family Services	Child Medical Care Program	5
	Police	Universal Hiring Grant	25
	Police	Photo Red Light Program	6

Summary of Position Changes

FY 1998 Position Actions Total Change - 20 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(56)
Major Actions	Solid Waste	Reduced Workload due to Closure of Landfill	(13)
	Sewers	Adjusted Workload - Upgrade of Lower Potomac Pollution Control Plant	(34)
	Cable	Reduced Workload due to New Technology	(1)
	FMD, Human Resources, DMB, Comm & Rec, CSB/Mental Health	KPMG Recommendations	(8)
NEW FACILITIES			4
	Family Services	SACC for Fox Mill, Franconia Elementary Schools	4
WORKLOAD/PROGRAMMATIC			43
Public Safety:	Sheriff	Mt. Vernon and Mason Lock-up Programs	14
	Fire	Auto Mechanics for Aging/Growing Vehicle Fleet	2
	Police	Motorcycle Officers and Increased Public Safety Center Staff	13
Other Major Actions:	Public Affairs	Internet Supervision	1
	Commonwealth Attorney	State-reimbursed Positions to Address Increased Domestic Relations Felony cases	5
	Design Review	Urban Foresters	2
	Juvenile Court	Additional Probation Counselors and Conversion of Grant Positions Supporting Detention Release Program	6

Summary of Position Changes

FY 1998 Position Actions Total Change - 20 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			29
	Various	Position Reductions to Achieve \$438,276 Savings	(18)
	Human Rights	Fair Housing Program	1
	CSB/Mental Health	State Funded Residential Services	2
	Ec. Dev. Authority	Planners for Increased Workload	7
	DEM	Engineers for Increased Workload	4
	Health	Discontinue Medical Exam Unit	(1)
	Police	Grant Funded COPS Program	25
	Information Tech	Transfer from Schools to Support Purchasing System	3
	CSB/M Retardation	Increased Case Management Services	5
	Juvenile Court	Increased Workload	1

Summary of Position Changes

FY 1997 Position Actions Total Change - (234) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(477)
	Tax Admin	Close Branch Offices	(26)
	Public Safety	Workload Redistribution	(58)
	FMD/Housing	Privatize Custodial Contracts	(55)
	Libraries	Close 4 Mini-branches	(10)
	Div. Of Solid Waste	Planned Closure of Landfill. Upgrade of Lower Potomac Pollution Control Plant	(22)
	Public Works	Capital Projects Schedule	(12)
	Various	Lines of Business Modifications/Eliminations, Consolidations, Org. Efficiencies	(294)
NEW FACILITIES			150
	Sheriff	Adult Detention Center Expansion	68
	Juvenile Court	Juvenile Detention Center Expansion	61
	OFC	1 New and 7 Expanded SACC Centers	20
	Recreation	"The Pit" Teen Center in Reston	1
WORKLOAD/PROGRAMMATIC			(14)
	Housing	Transferred to Non-Appropriated Funds	(14)

Summary of Position Changes

FY 1997 Position Actions Total Change - (234) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			107
	CSB/Alcohol & Drug	New Generations and CSAT Grant to Regular	19
	OFC	Day Care Teachers for Virginia Initiative for Employment not Welfare (VIEW)	9
	Various	Downsize Medical Unit, Page Staff, Clearing Crews	(7)
	Reston Center	Senior Citizens Educational Center Staff	2
	Document Services	County/Schools Consolidation of Print Shop	7
	Transportation	Reinstate Planner Based on RPPD Workload	1
	Parks	Transfer Information Officer to Trust Fund. State Co-operative Position to Extension Services	0
	FMD	Custodians for Public Safety Secured Areas	10
	Com./Rec Svs	Restore Services to Community Centers	3
	Circuit Court	Service Realignment Associated with Consolidation with Judicial Operations	2
	Police	Crossing Guards, Impound/Wrecker Section, Universal Hiring Grant	37
	Fire	Rehabilitation Positions Converted from Exempt Limited Term	14
	Aging	Human Services Redesign Grant to Regular	6
	Commonwealth Attorney	State-reimbursed Positions for Increased Domestic Relations Felony Cases	4

Summary of Position Changes

FY 1996 Position Actions Total Change - 146 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(49)
Major Actions	Public Works	Capital Project Schedules	(11)
	Parks	Adjusted Workload - Planning and Land Management, Facility Development	(18)
	Various	Agency Efficiency Efforts	(12)
	Refuse Disposal	Planned Closure of Landfill to Municipal Solid Waste	(8)
NEW FACILITIES			60
	Fire & Rescue	West Centreville Fire Station	27
	Juvenile Court	Expand Boys' Probation House from 12 to 22 Beds	7
	Various	2 Schools - SACC Centers, Crossing Guards, Clinic Room Aides	25
	Recreation	Braddock Community Center	1
WORKLOAD/PROGRAMMATIC			76
Public Safety:	Police	Officers to Expand Community Policing - Grant Funding COPS AHEAD	25
	Sheriff	Workload due to Increased Inmate Population	12
Other Major Actions:	CSB	Stonegate Drug and Alcohol Treatment Program - Previously Grant Funded	8
	Circuit Court	State Mandated Fines and Costs Program	5
	OFC	2 Additional SACC Centers	4
	Various	Workload Adjustments	11
	Health	5 Public Health Nurses, North County Affordable Health Care	11
OTHER CHANGES DURING FISCAL YEAR			59
	Tax Admin, Sheriff	TARGET II Program Converted from Exempt Limited Term, Offset by Revenues	36
	Juvenile Court	Increased Workload	8
	Police	Crossing Guards for 2 New Schools, Polygraph Operator - Public Safety Academy	3
	Sheriff	Applicant Screening/Training for Public Safety Academy	8
	CSB	Psychiatrists	3
	Retirement	Replace Contracted Investment Consulting Services	1

Summary of Position Changes

FY 1995 Position Actions Total Change - 185 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(157)
	EMTA	Privatization of West Ox Garage	(70)
	Public Works	Capital Projects Schedule	(41)
	Various	Human Services Redesign - Admin. Functions	(27)
	Other	Agency Reorganizations and Adjusted Workload	(19)
NEW FACILITIES			94
	Fire & Rescue	Kingstowne Fire Station	23
	Libraries	Chantilly Regional and Herndon Community Libraries	28
	Health, Police	2 Schools - Clinic Room Aides, School Crossing Guards	7
	OFC	6 New SACC Centers	32
	Judicial Operations	4 New Courtrooms	2
	Parks	Green Spring Gardens Park	2
WORKLOAD/PROGRAMMATIC			131
Public Safety:	Police	56 Officers, 5 TARGET Positions	61
	Fire & Rescue	33 Advanced Life Support Positions, 1 Volunteer Training Coordinator	34
	Sheriff	Community Diversion Program - Previously Grant	18
	Juvenile Court	Increased Workload in Probation Services	5
Other Actions:	CSB	Comply with Federally Mandated Waiver Program Standards	7
	Health	Chesapeake Bay Preservation Ordinance, Public Health Nurses for Schools	5
	Assessments	Support Litigation of Assessments Appeals	5
	Other	Workload adjustments	19
	Housing	Transfer SF 175, County Assisted Rental Housing Positions to Non-Appropriated Subfund	(23)

Summary of Position Changes

FY 1995 Position Actions Total Change - 185 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			117
	OFC	New SACC Center	5
	Juvenile Court	Outreach Detention Program	4
	Police	Communication Assistants for Public Safety Center, Emergency Services Section, Crime "Hot Spots"	28
	EMTA	West Ox Positions Restored	53
	CSB	Psychiatrists and Federal Substance Abuse Treatment Grant	5
	Various	Human Services Redesign Efforts	(10)
	Various	Workload Adjustments	38
	Sheriff	Redesign Community Diversion Program	(6)

Summary of Position Changes

FY 1994 Position Actions Total Change - 57 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(88)
	CSB	Mental Retardation Privatization, Mental Health Redesign	(27)
	County Executive	Graduate Management Intern Program	(13)
	Public Works	Capital Projects Schedule	(11)
	Refuse Collection	Roadside Litter and Newspaper Collection	(8)
	Sewers	Closing of Little Hunting Creek Plant	(7)
	Police	Privatization of Government Center Security	(5)
	EMTA	Reduced Requirement for School Buses	(11)
	Various	Agency Efficiencies	(6)
NEW FACILITIES			62
	CSB	Crossroads - 70 Bed Facility	24
	CSB	New Beginnings - 30 Bed Facility, Social Detoxification Program	35
	OFC	SACC Center for New School, Serves 30 Children	2
	Libraries	Sunday Hours, Centreville Regional Library	1
WORKLOAD/PROGRAMMATIC			56
	Fire & Rescue	EMS Relief Personnel	15
	DEM	Workload Requirements	9
	Circuit Court, Jud. Operations	Court Workload Requirements	6
	Various	Planning and Development Redesign (Corporate Land Development System)	17
	Auditor	Initiate Financial Program Auditor on behalf of the Board of Supervisors	3
	Sheriff, Jud. Ops.	Support 2 New Judges	5
	Reston	Teen Partnership Proposal	1
OTHER CHANGES DURING FISCAL YEAR			27
	Fire & Rescue	Hazardous Materials Bureau	7
	OFC	Expand SACC Center	1
	CSB/Alcohol & Drug	Adolescent Day Treatment	3
	County Attorney	Enhance Tax Assessment Litigation	9
	Comp Planning	Corporate Land Development System	7

Summary of Position Changes

FY 1993 Position Actions Total Change - (496) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(588)
	Various	Reduction in General Government Agencies	(84)
	Fire & Rescue	48 Firefighters and other Positions due to the Elimination of Citizen CPR Program	(52)
	Police	19 School Crossing Guards, Admin Support, Cadets, Planning & Research	(30)
	Consumer Affairs	Downsize Agency by 1/2	(11)
	FMD	Custodial, Planning and Engineering Functions	(13)
	Public Works	Defer Projects	(39)
	OFC	SACC Support, Public Information Officers, Provider Training	(12)
	Parks	Transfer to Fund 940, Historic Preservation, Grounds Maintenance, Marketing	(60)
	Libraries	Systemwide Reductions	(50)
	DEM	Inspections, Enforcement, Technical Support, Urban Forestry	(53)
	OCP	Environmental, Commercial Revitalization, Heritage Resources, Publications	(40)
	Transportation	Administration, Planning	(13)
	EMTA	Defer Maintenance or Increase Downtime due to Abolishing Vacant Positions	(48)
	CSB/ Mental Health	Administrative Support	(15)
	Other	Reductions	(68)

Summary of Position Changes

FY 1993 Position Actions Total Change - (496) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES	None		0
WORKLOAD/PROGRAMMATIC			13
	Health	Dementia and Respite Care - Previously Grant Funded	8
	Judicial Operations	New Judge and Differentiated Case Tracking	4
	CSB/ M Retardation	Services for New Special Education Graduates	1
OTHER CHANGES DURING FISCAL YEAR			79
	DEM	Workload and Chesapeake Bay Ordinance	15
	Libraries	Re-Open 6 Mini-libraries	9
	Various	TARGET II	24
	CSB, DCA	Convert Grant Positions to Regular	14
	OFC	New SACC Center, Expand Resource Center	7
	Police	Enhanced Revenue Collection	6
	Health	Abolish State Co-operative Positions	(12)
	Various	Workload Adjustments	16

Summary of Position Changes

FY 1992 Position Actions Total Change - (40) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(153)
Major Actions	DEM	Agency Downsizing due to Existing Workload	(151)
	CSB	Reductions in Administrative Support Staff	(2)
NEW FACILITIES			41
	Various	New Government Center (Communications, FMD, CCC, Police)	39
	Health	2 New Schools - Clinic Room Aides	2
WORKLOAD/PROGRAMMATIC			20
	Various	TARGET Program, Offset by Revenues	15
	County Attorney	To represent Schools, Billed to Schools	1
	Reston & McLean	Community Center Staff, No General Fund Impa	4
OTHER CHANGES DURING FISCAL YEAR			52
	DHD	State Funded Benefits Program, Child Protective Services, Medicaid Processing	32
	Bd. of Supervisors	New Sully District	3
	Sheriff	Double-bunking of Pre-Release Center	10
	General Dist. Court	Pre-Trial Release Program	3
	CSB/Alcohol & Drug	Federal War on Drugs	4

FY 2005 Position Changes Detail

A number of position changes are recommended for FY 2005 including position eliminations, new positions for new facilities and public safety, and redeployments of existing positions.

A total of 53/51.86 SYE new positions are included in the Police Department, Fire and Rescue Department, Department of Family Services, and Department of Community and Recreation Services for new facilities and public safety requirements. In addition, 7/7.0 SYE positions were eliminated in Technology Infrastructure as a result of reorganization within the Radio Shop. The net change in positions for FY 2005 is 46/44.86.

The details of these changes are included by Fund, Program Area and Agency below.

GENERAL FUND

Public Safety

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns
Police	16/16.0 SYE	0/0.0 SYE

Funding of \$635,189 is included in Fund 120, E-911 for 16/16.0 SYE positions including 14/14.0 SYE Public Safety Communicators III and 2/2.0 SYE Administrative Assistants I in the first year of a multi-year plan to increase positions to increase emergency and non-emergency call volumes. The funding includes \$507,430 in Personnel Services, \$38,940 in Operating Expenses and \$88,819 in Fringe Benefits.

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns
Fire and Rescue	23/23.0 SYE	0/0.0 SYE

Funding of \$1,703,310 is required for 23/23.0 SYE positions for staffing the new Fairfax Center Fire Station. The positions include 1/1.0 SYE Deputy Fire Chief for Special Operations, 2/2.0 SYE Fire Captains, 6/6.0 SYE Fire Lieutenants, 6/6.0 SYE Fire Technicians, 6/6.0 SYE Firefighters, 1/1.0 SYE Accountant III and 1/1.0 SYE IT Technician III. Funding includes \$1,022,645 in Personnel Services (\$935,627 in Regular Salaries, \$29,197 in Shift Differential, and \$57,821 in Extra Pay), \$283,553 in Operating Expenses, \$35,000 in Capital Equipment and \$362,112 in Fringe Benefits.

Public Works

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns
DPWES, Business Planning and Support	0/0.0 SYE	(29/29.0) SYE

Funding reduction of \$2,300,539 and 29/29.0 SYE positions which are transferred to DPWES, Land Development to more accurately reflect support for land development activities.

FY 2005 Position Changes Detail

Health and Welfare

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns
Family Services	6/4.86 SYE	0/0.0 SYE

Funding of \$378,776 is required to support 6/4.86 SYE Day Care Teachers associated with two new school year SACC rooms at Navy and Sunrise Valley Elementary Schools. Funding includes \$191,892 in Personnel Services (\$188,530 in Regular Salaries and \$3,362 in Extra Pay), \$139,678 in Operating Expenses and \$47,206 in Fringe Benefits. Revenue of \$284,082 is anticipated to support this program for a net cost of \$94,694.

Parks, Recreation and Cultural

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns
Community and Recreation Services	8/8.0 SYE	0/0.0 SYE

Funding of \$332,011 and 8/8.0 SYE positions is required to support the opening of the Herndon Harbor House Senior Center and the Teen Center Redesign Initiative. The positions include 1/1.0 SYE Saturday Program Director, 1/1.0 SYE Recreation Specialist III, 2/2.0 SYE Recreation Assistants and 1/1.0 SYE Recreation Leader I for the Herndon Harbor Senior Center and 1/1.0 SYE Recreation Specialist III and 2/2.0 SYE Recreation Specialists I for the Teen Center Redesign to support the regional model of teen centers to provide greater flexibility in meeting the needs of teens and the community. Funding includes \$178,671 in Personnel Services, \$118,214 in Operating Expenses and \$35,126 in Fringe Benefits

Community Development

Agency	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns
DPWES/Land Development	0/0.0 SYE	29/29.0 SYE

Funding of \$2,300,539 and 29/29.0 SYE positions which are transferred from DPWES, Business Planning and Support to more accurately reflect support for land development activities.

FY 2005 Position Changes Detail

OTHER FUNDS

Fund	New Facilities/ Public Safety	Reductions/ Reorganizations/ Redesigns
505, Technology Infrastructure	0/0.0 SYE	(7/7.0) SYE

Funding of \$480,760 and the net abolishment of 7/7.0 SYE positions as a result of the redesign of the Radio Center accompanying the deployment of the new public safety and the soon-to-be operational new public service radio systems. The operations of the Radio Center are being modified for private sector provided equipment maintenance support for improved efficiencies and expanded technical requirements. Presently there are three groups of activities being performed at the Radio Center: program management and technical support; administrative services; and installation/modification/repair of radios. In FY 2005, the service is being redesigned to retain only the program management and technical support in-house. Administrative services will be absorbed and installation/modification/repair of radios will be contracted out. In addition, new requirements such as site leases, telecommunication costs, interoperability coordination, inspection and evaluation of in-building radio coverage for new construction, and network operation and maintenance need to be addressed.

To reflect the requirements of the new activities of the Radio Center a restructuring of staffing and operating requirements is necessary in FY 2005. As a result of eliminating existing activities, 9/9.0 SYE positions will be abolished including: 1/1.0 SYE Communications Engineer, 3/3.0 SYE Communications Technicians, 1/1.0 SYE Electronic Equipment Supervisor, 2/2.0 SYE Electronic Equipment Technicians II, 1/1.0 SYE Assistant Buyer, and 1/1.0 SYE Administrative Assistant, along with funding reductions of \$363,061 in Personnel Services and \$202,537 in Operating Expenses. To support new functions required at the redesigned Radio Center, the following positions will be established: 1/1.0 SYE Network/Telecom Analyst III and 1/1.0 SYE Network/Telecom Analyst I including \$172,562 in Personnel Services and \$873,796 in Operating Expenses, for a net reduction of 7/7.0 SYE positions and increase in funding of \$480,760. It should be noted that of the total Radio Center expenditures about half will be recovered from user entities and the remaining network and maintenance costs will be borne by the General Fund.

FY 2005 ADVERTISED POSITION SUMMARY

(GENERAL FUND)

#	Agency Title	FY 2003		FY 2004								FY 2005		Inc/Dec Positions	Inc/Dec SYE
		Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Legis - Exec Functions/Central Services															
01	Board of Supervisors	78	78.00	78	78.00	0	0.00	0	0.00	78	78.00	78	78.00	0	0.00
02	Office of the County Executive	49	49.00	49	49.00	0	0.00	1	1.00	50	50.00	50	50.00	0	0.00
04	Department of Cable Communications and Consumer Protection	29	29.00	29	29.00	0	0.00	0	0.00	29	29.00	29	29.00	0	0.00
06	Department of Finance	72	72.00	69	69.00	0	0.00	0	0.00	69	69.00	69	69.00	0	0.00
11	Department of Human Resources	69	69.00	68	68.00	0	0.00	0	0.00	68	68.00	68	68.00	0	0.00
12	Department of Purchasing and Supply Management	57	57.00	52	52.00	0	0.00	0	0.00	52	52.00	52	52.00	0	0.00
13	Office of Public Affairs	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
15	Electoral Board and General Registrar	24	24.00	24	24.00	0	0.00	0	0.00	24	24.00	24	24.00	0	0.00
17	Office of the County Attorney	64	64.00	64	64.00	0	0.00	0	0.00	64	64.00	64	64.00	0	0.00
20	Department of Management and Budget	39	39.00	37	37.00	0	0.00	0	0.00	37	37.00	37	37.00	0	0.00
37	Office of the Financial and Program Auditor	2	2.00	2	2.00	0	0.00	0	0.00	2	2.00	2	2.00	0	0.00
41	Civil Service Commission	2	2.00	2	2.00	0	0.00	0	0.00	2	2.00	2	2.00	0	0.00
57	Department of Tax Administration	325	325.00	309	309.00	0	0.00	1	1.00	310	310.00	310	310.00	0	0.00
70	Department of Information Technology	217	217.00	237	237.00	0	0.00	2	2.00	239	239.00	239	239.00	0	0.00
Total Legis - Exec Functions/Central Services		1,042	1,042.00	1,035	1,035.00	0	0.00	4	4.00	1,039	1,039.00	1,039	1,039.00	0	0.00
Judicial Administration															
80	Circuit Court and Records	161	161.00	161	161.00	0	0.00	0	0.00	161	161.00	161	161.00	0	0.00
82	Office of the Commonwealth's Attorney	37	36.50	37	36.50	0	0.00	0	0.00	37	36.50	37	36.50	0	0.00
85	General District Court	20	20.00	20	20.00	0	0.00	0	0.00	20	20.00	20	20.00	0	0.00
91	Office of the Sheriff	154	153.50	153	152.50	0	0.00	(1)	(1.00)	152	151.50	152	151.50	0	0.00
Total Judicial Administration		372	371.00	371	370.00	0	0.00	(1)	(1.00)	370	369.00	370	369.00	0	0.00
Public Safety															
04	Department of Cable Communications and Consumer Protection	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
31	Land Development Services	160	160.00	150	150.00	0	0.00	(1)	(1.00)	149	149.00	149	149.00	0	0.00
81	Juvenile and Domestic Relations District Court	305	300.50	301	296.00	0	0.00	0	0.00	301	296.00	301	296.00	0	0.00
90	Police Department	1,859	1,765.16	1,852	1,760.41	0	0.00	14	15.47	1,866	1,775.88	1,882	1,791.88	16	16.00
91	Office of the Sheriff	423	422.50	409	408.50	0	0.00	1	1.00	410	409.50	410	409.50	0	0.00
92	Fire and Rescue Department	1,297	1,297.00	1,312	1,312.00	0	0.00	1	1.00	1,313	1,313.00	1,336	1,336.00	23	23.00
Total Public Safety		4,059	3,960.16	4,039	3,941.91	0	0.00	15	16.47	4,054	3,958.38	4,093	3,997.38	39	39.00
Public Works															
08	Facilities Management Division	184	184.00	185	185.00	0	0.00	0	0.00	185	185.00	185	185.00	0	0.00
25	Business Planning and Support ¹	35	35.00	35	35.00	1	1.00	(1)	(1.00)	35	35.00	6	6.00	(29)	(29.00)
26	Office of Capital Facilities	127	127.00	125	125.00	(1)	(1.00)	(1)	(1.00)	123	123.00	123	123.00	0	0.00
29	Stormwater Management	123	123.00	120	120.00	0	0.00	3	3.00	123	123.00	123	123.00	0	0.00
Total Public Works		469	469.00	465	465.00	0	0.00	1	1.00	466	466.00	437	437.00	(29)	(29.00)

FY 2005 ADVERTISED POSITION SUMMARY

(GENERAL FUND)

#	Agency Title	FY 2003		FY 2004								FY 2005		Inc/Dec Positions	Inc/Dec SYE
		Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Health and Welfare ²															
05	Office for Women	8	7.50	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
67	Department of Family Services	1,227	1,174.33	1,241	1,188.59	0	0.00	0	0.00	1,241	1,188.59	1,247	1,193.45	6	4.86
68	Department of Administration for Human Services	193	191.50	164	162.50	0	1.00	(3)	(3.00)	161	160.50	161	160.50	0	0.00
69	Department of Systems Management for Human Services	83	82.50	81	80.10	0	0.00	0	0.00	81	80.10	81	80.10	0	0.00
71	Health Department	555	485.18	561	489.71	0	0.00	1	3.10	562	492.81	562	492.81	0	0.00
Total Health and Welfare		2,066	1,941.01	2,047	1,920.90	0	1.00	(2)	0.10	2,045	1,922.00	2,051	1,926.86	6	4.86
Parks, Recreation and Libraries															
50	Department of Community and Recreation Services	94	94.00	99	99.00	0	0.00	1	1.00	100	100.00	108	108.00	8	8.00
51	Fairfax County Park Authority	391	388.50	381	376.50	4	4.50	(2)	(2.00)	383	379.00	383	379.00	0	0.00
52	Fairfax County Public Library	458	415.50	458	415.50	0	0.00	0	0.00	458	415.50	458	415.50	0	0.00
Total Parks, Recreation and Libraries		943	898.00	938	891.00	4	4.50	(1)	(1.00)	941	894.50	949	902.50	8	8.00
Community Development															
16	Economic Development Authority	33	33.00	33	33.00	0	0.00	0	0.00	33	33.00	33	33.00	0	0.00
31	Land Development Services ¹	136	136.00	128	128.00	0	0.00	2	2.00	130	130.00	159	159.00	29	29.00
35	Department of Planning and Zoning	138	138.00	132	131.50	0	0.00	0	0.00	132	131.50	132	131.50	0	0.00
36	Planning Commission	8	8.00	8	8.00	0	0.00	0	0.00	8	8.00	8	8.00	0	0.00
38	Department of Housing and Community Development	58	58.00	58	58.00	0	0.00	0	0.00	58	58.00	58	58.00	0	0.00
39	Office of Human Rights	19	19.00	18	18.00	0	0.00	0	0.00	18	18.00	18	18.00	0	0.00
40	Department of Transportation	59	59.00	59	59.00	0	0.00	0	0.00	59	59.00	59	59.00	0	0.00
Total Community Development		451	451.00	436	435.50	0	0.00	2	2.00	438	437.50	467	466.50	29	29.00
Total General Fund Positions		9,402	9,132.17	9,331	9,059.31	4	5.50	18	21.57	9,353	9,086.38	9,406	9,138.24	53	51.86

¹ As part of the FY 2005 Advertised Budget Plan, funding of \$2,300,539 and 29/29.0 SYE positions are transferred from Agency 25, Business Planning and Support to Agency 31, Land Development Services in order to more accurately reflect the central support provided to all Department of Public Works and Environmental Services agencies and the functions performed by staff within Land Development.

² As part of the Board of Supervisor's deliberations on the FY 2004 Adopted Budget Plan Agency 05, Office for Women was restructured. The agency was abolished and support for the Commission for Women including funding and 2/2.0 SYE position were transferred to Agency 67, Department of Family Services.

FY 2005 ADVERTISED POSITION SUMMARY

(GENERAL FUND SUPPORTED AND OTHER FUNDS)

Fund	FY 2003		FY 2004								FY 2005		Inc/Dec Positions	Inc/Dec SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
General Fund Supported														
106 Community Services Board														
Central Services	13	13.00	13	13.00	0	0.00	0	0.00	13	13.00	13	13.00	0	0.00
Mental Health Services	421	411.85	420	410.85	(1)	(1.00)	0	0.00	419	409.85	419	409.85	0	0.00
Mental Retardation Services ¹	131	130.50	131	130.50	1	1.00	0	0.00	132	131.50	132	131.50	0	0.00
Alcohol and Drug Services	297	295.00	293	291.00	0	0.00	0	0.00	293	291.00	293	291.00	0	0.00
Early Intervention Services ¹	20	20.00	20	20.00	0	0.00	0	0.00	20	20.00	20	20.00	0	0.00
<i>Total Community Services Board</i>	<i>882</i>	<i>870.35</i>	<i>877</i>	<i>865.35</i>	<i>0</i>	<i>0.00</i>	<i>0</i>	<i>0.00</i>	<i>877</i>	<i>865.35</i>	<i>877</i>	<i>865.35</i>	<i>0</i>	<i>0.00</i>
141 Elderly Housing Programs	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
500 Retiree Health Benefits	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
501 County Insurance Fund	13	13.00	13	13.00	0	0.00	0	0.00	13	13.00	13	13.00	0	0.00
503 Department of Vehicle Services	256	256.00	256	256.00	0	0.00	0	0.00	256	256.00	256	256.00	0	0.00
504 Document Services Division	20	20.00	20	20.00	0	0.00	0	0.00	20	20.00	20	20.00	0	0.00
505 Technology Infrastructure Services	70	70.00	69	69.00	0	0.00	0	0.00	69	69.00	62	62.00	(7)	(7.00)
Total General Fund Supported	1,257	1,245.35	1,251	1,239.35	0	0.00	0	0.00	1,251	1,239.35	1,244	1,232.35	(7)	(7.00)
Other Funds														
105 Cable Communications	39	39.00	39	39.00	0	0.00	0	0.00	39	39.00	39	39.00	0	0.00
109 Refuse Collection and Recycling Ops	137	137.00	137	137.00	0	0.00	0	0.00	137	137.00	137	137.00	0	0.00
110 Refuse Disposal	136	136.00	136	136.00	0	0.00	0	0.00	136	136.00	136	136.00	0	0.00
111 Reston Community Center	38	37.11	38	37.11	0	0.00	0	0.89	38	38.00	38	38.00	0	0.00
112 Energy Resource Recovery Facility	9	9.00	9	9.00	0	0.00	0	0.00	9	9.00	9	9.00	0	0.00
113 McLean Community Center	30	25.25	30	25.45	0	0.00	0	0.00	30	25.45	30	25.45	0	0.00
114 I-95 Refuse Disposal	38	38.00	38	38.00	0	0.00	0	0.00	38	38.00	38	38.00	0	0.00
116 Forest Integrated Pest Management Program	7	7.00	8	8.00	0	0.00	2	2.00	10	10.00	10	10.00	0	0.00
117 Alcohol Safety Action Program	14	14.00	14	14.00	0	0.00	0	0.00	14	14.00	14	14.00	0	0.00
142 Community Development Block Grant	21	21.00	21	21.00	0	0.00	0	0.00	21	21.00	21	21.00	0	0.00
145 HOME Investment Partnership Grant	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
401 Sewer Operations and Maintenance	349	348.50	349	348.50	0	0.00	(4)	(4.00)	345	344.50	345	344.50	0	0.00
601 Fairfax County Employees' Retirement	20	20.00	21	21.00	0	0.00	0	0.00	21	21.00	21	21.00	0	0.00
Total Other Funds	839	832.86	841	835.06	0	0.00	(2)	(1.11)	839	833.95	839	833.95	0	0.00
Total All Funds	11,498	11,210.38	11,423	11,133.72	4	5.50	16	20.46	11,443	11,159.68	11,489	11,204.54	46	44.86

¹ Beginning in FY 2005 Early Intervention Services is reflected as a separate agency within the Community Services Board. For presentation purposes, positions previously in Mental Retardation Services are shown in Early Intervention in prior years.

FY 2005 ADVERTISED POSITION SUMMARY (GENERAL FUND STATE POSITIONS)

Agency Title	FY 2003		FY 2004								FY 2005		Inc/Dec Positions	Inc/Dec SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Circuit Court and Records	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
Juvenile and Domestic Relations District Court	42	42.00	42	42.00	0	0.00	0	0.00	42	42.00	42	42.00	0	0.00
General District Court	124	117.00	124	117.00	0	0.00	0	0.00	124	117.00	124	117.00	0	0.00
Total General Fund	181	174.00	181	174.00	0	0.00	0	0.00	181	174.00	181	174.00	0	0.00

FY 2005 ADVERTISED POSITION SUMMARY (GRANT POSITIONS)

Fund/ Agency Title	FY 2003		FY 2004								FY 2005		Inc/Dec Positions	Inc/Dec SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE		
Fund 102, Federal/State Grant Fund														
Office of the County Executive	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
Office of Capital Facilities	1	1.00	1	1.00	0	0.00	(1)	(1.00)	0	0.00	0	0.00	0	0.00
Office of Human Rights	3	3.00	4	4.00	0	0.00	0	0.00	4	4.00	4	4.00	0	0.00
Department of Transportation	6	6.00	6	6.00	0	0.00	0	0.00	6	6.00	6	6.00	0	0.00
Department of Family Services	197	193.25	197	193.25	0	0.00	0	0.00	197	193.25	202	197.25	5	4.00
Health Department	26	25.13	26	25.13	0	0.00	1	1.00	27	26.13	27	26.13	0	0.00
Circuit Court and Records	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
Juvenile and Domestic Relations Court	20	19.00	18	17.00	0	0.00	0	0.00	18	17.00	18	17.00	0	0.00
General District Court	9	9.00	9	9.00	0	0.00	(1)	(1.00)	8	8.00	8	8.00	0	0.00
Police Department	6	6.00	6	6.00	0	0.00	0	0.00	6	6.00	6	6.00	0	0.00
Fire and Rescue	4	4.00	4	4.00	0	0.00	3	3.00	7	7.00	7	7.00	0	0.00
Total Federal/State Grant Fund	274	268.38	273	267.38	0	0.00	2	2.00	275	269.38	280	273.38	5	4.00
Fund 103, Aging Grants and Programs														
Department of Community and Recreation Services	10	10.00	10	10.00	0	0.00	0	0.00	10	10.00	10	10.00	0	0.00
Department of Family Services	27	26.00	27	26.00	1	1.00	0	0.00	28	27.00	28	27.00	0	0.00
Total Aging Grants and Programs	37	36.00	37	36.00	1	1.00	0	0.00	38	37.00	38	37.00	0	0.00
Fund 106, Community Services Board														
Mental Health Services	32	28.30	32	28.30	0	1.20	0	0.00	32	29.50	32	29.50	0	0.00
Mental Retardation Services ¹	3	3.00	3	3.00	(2)	(2.00)	0	0.00	1	1.00	1	1.00	0	0.00
Alcohol and Drug Services	37	36.00	36	35.00	(8)	(8.00)	0	0.00	28	27.00	28	27.00	0	0.00
Early Intervention Services ¹	11	10.50	11	10.50	0	0.00	0	0.00	11	10.50	11	10.50	0	0.00
Total Community Services Board	83	77.80	82	76.80	(10)	(8.80)	0	0.00	72	68.00	72	68.00	0	0.00

¹ Beginning in FY 2005 Early Intervention Services is reflected as a separate agency within the Community Services Board. For presentation purposes, positions previously in Mental Retardation Services are shown in Early Intervention in prior years.



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This section includes:

- ▶ *Glossary of Frequently Used Budget Terms (Page 272)*
- ▶ *Index of All Three Volumes (Page 282)*

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GLOSSARY

Advertised Budget Plan -- A plan of financial operations submitted by the County Executive to the Board of Supervisors. This plan reflects estimated revenues, expenditures, transfers, and agency goals, objectives, and performance data. In addition, sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County. Also called the Executive Budget.

Adopted Budget Plan -- A plan of financial operations approved by the Board of Supervisors highlighting major changes made to the County Executive's Advertised Budget Plan by the Board of Supervisors. The Adopted Budget Plan reflects approved tax rates and estimates of revenues, expenditures, transfers, and agency goals, objectives, and performance data. Sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County.

Appropriation -- An authorization granted by the Board of Supervisors to a specified unit of the County government to make expenditures and to incur obligations for specific purposes. Appropriation authorizations expire at the end of the fiscal year.

Assessment -- The official valuation of property for purposes of taxation.

Assessment Ratio -- The ratio of the assessed value of a taxed item to the market value of that item. In Fairfax County, real estate is assessed at 100 percent of market value as of January 1 each year.

Beginning Balance -- Unexpended funds from the previous fiscal year that may be used to make payments during the current fiscal year. This is also referred to as a carryover balance.

Benchmarking -- The systematic comparison of performance with other jurisdictions, in order to discover best practices that will enhance performance.

Bond -- A written promise to pay a specified sum of money (called the principal) at a specified date in the future, together with periodic interest at a specified rate. In the budget document, these payments are identified as debt service. Bonds may be used as an alternative to tax receipts to secure revenue for long-term capital improvements. The two major categories are General Obligation Bonds (G.O. Bonds) and Revenue Bonds. The majority of bonds issued for County and School construction projects are known as General Obligation Bonds.

Budget -- A plan for the acquisition and allocation of resources to accomplish specified purposes. The term may be used to describe special purpose fiscal plans or parts of a fiscal plan, such as "the budget of the Police Department," "the Capital Budget" or "the School Board's budget," or it may relate to a fiscal plan for an entire jurisdiction, such as "the budget of Fairfax County."

Budget Process Redesign - An ongoing effort to improve both the budget development process and the budget document. In FY 2005, three new components designed to link the budget to the County strategic planning initiatives are introduced: budget narrative enhancements, expanded program area summaries and a high-level presentation of Key County Indicators.

Business Process Redesign (BPR) -- A methodology that seeks to improve customer service through the strategic use of information technology. BPR focuses on redesigning current processes, incorporating automation-based productivity improvements. Redesign efforts require an Information Strategy Plan (ISP) which identifies and prioritizes the business areas to be redesigned. New or enhanced business system applications (BSAs) are usually required to improve the flow of information across organizational boundaries.

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Calendar Year – Twelve months beginning January 1 and ending December 31.

Capital Equipment – Equipment such as vehicles, furniture, technical instruments, etc., which have a life expectancy of more than one year and a value of over five thousand dollars. Equipment with a value of less than five thousand dollars is operating equipment.

Capital Improvement Program – A five-year plan for public facilities which plans for the construction or acquisition of fixed assets, primarily buildings but also including parks, sewers, sidewalks, etc., and major items of capital equipment and operating expenses related to new facilities.

Capital Projects Funds – Funds, defined by the State Auditor of Public Accounts, consisting of funds to account for the acquisition and/or construction of major capital facilities or capital improvements other than sewers.

Carryover – The process by which certain unspent or unencumbered funds previously approved by the Board of Supervisors and for commitments to pay for goods and services at the end of one fiscal year are reappropriated in the next fiscal year. Usually, funds carried over are nonrecurring expenditures, such as capital projects or capital equipment items.

Cash Management – An effort to manage cash flows in such a way that interest and penalties paid are minimized and interest earned is maximized.

Cash Management System – A system of financial practices which ensures that sufficient cash is available on a daily basis for payment of County obligations when due.

Character – A class of expenditures, such as salaries, operating expenses, recovered costs, or capital equipment.

Consolidated Community Funding Pool – A separately-budgeted pool of County funding, located in Fund 118, which was established in FY 1998 to facilitate the implementation of a competitive funding process through which community-based organizations, which are primarily human-services oriented, will be awarded County funding on a competitive basis. These organizations previously had received County funding either as a contribution or through contracts with specific County agencies. Since FY 2001, the County has awarded grants from this pool on a two-year funding cycle to provide increased stability for the community-based organizations.

Consolidated Plan – The U.S. Department of Housing and Urban Development (HUD) requires a Consolidated Plan application which combines the planning and application submission processes for several HUD programs: Community Development Block Grant, HOME Investment Partnerships Program, Emergency Shelter Grant, and Housing Opportunities for Persons with AIDS. Citizen participation is required as part of the process and is accomplished through representation on the Consolidated Plan Review Committee (CPRC), involvement in public hearings held on housing and community development needs, and participation in public hearings at which the Board of Supervisors takes action on the allocation of funds as recommended by the CPRC.

Consumer Price Index (CPI) – CPI is a measure of the price level of a fixed “market basket” of goods and services relative to the value of that same basket in a designated base period. Measures for two population groups are currently published by the Bureau of Labor Statistics, CPI-U and CPI-W. CPI-U is based on a market basket determined by expenditure patterns of all urban households including professionals, self-employed, the poor, the unemployed, retired persons, and urban wage-earners and clerical workers. The CPI-W represents expenditure patterns of only urban wage-earner and clerical-worker families including sales

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workers, craft workers, service workers, and laborers. The CPI is used to adjust for inflation, the income payments of Social Security beneficiaries, and payments made by other programs.

Contributory Agencies – Governmental and nongovernmental organizations that are supported in part by contributions from the County. Examples include the Northern Virginia Regional Commission, the Northern Virginia Regional Park Authority, and the Arts Council of Fairfax County, and community agencies such as Volunteer Fairfax.

Cost Center – Expenditure categories within a program area, which relate to specific organizational goals or objectives. Each cost center may consist of an entire agency or a part of an agency. The Civil Service Commission, for example, being small and having a single purpose, is treated as a single cost center. The Office of the County Executive consists of four cost centers: Administration of County Policy, Office of Equity Programs, Internal Audit, and Office of Partnerships.

Cross-cutting initiative - A cross-cutting initiative involves the participation of two or more government agencies in addressing a challenge or implementing a program in Fairfax County. For example, there is a coordinated effort to address the challenge of West Nile Virus control by several agencies including the Health Department, the Park Authority, Department of Public Works and Environmental Services, Office of Public Affairs and others.

Debt Service Funds – Funds, defined by the State Auditor of Public Accounts, consisting of funds to finance and account for the payment of principal and interest on bonds. Fairfax County has three debt service funds, one for school debt, one for the Wastewater Management Program, and one for bonds issued to finance capital expenditures for all other agencies (County debt service). These funds receive revenue primarily by transfers from the General Fund, except for the Sewer Debt Service Fund, which is supported by sewer service fees.

Deferred Retirement Option Plan (DROP) – A provision with a defined benefit retirement system that provides additional flexibility in the distribution of benefits. The DROP plan allows an employee who reaches retirement eligibility to agree to defer leaving employment until a specified date in the future, on the condition of being deemed to have retired for purposes of the retirement system.

Deficit – Insufficient revenues or other available funds to fully fund expenditures and other disbursements during a fiscal year.

Derivatives – Complex investments, which are largely unregulated, especially when compared with stocks and bonds. These are securities whose value are derived from some other variable, such as interest rates or foreign currencies, and can be used to reduce risk or increase returns. Fairfax County does not invest in derivatives.

Disbursement – An expenditure, or a transfer of funds, to another accounting entity within the County financial system. Total disbursements equal the sum of expenditures and transfers.

Efficiency – One of the four performance indicators in Fairfax County's Family of Performance Measures. This indicator reflects inputs used per unit of output and is typically expressed in terms of cost per unit or productivity.

Encumbrance – An obligation of funding for an anticipated expenditure prior to actual payment for an item. Funds are usually reserved or set aside, and encumbered once a contracted obligation has been entered.

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Enterprise Funds – Funds, defined by the State Auditor of Public Accounts, that account for operations that are financed and operated in a manner similar to private business enterprises. Costs of providing goods or services are financed or recovered, at least in part, through user charges. Funds, which support the Wastewater Management Program, are classified as enterprise funds.

Equalization – An annual assessment of real estate to ensure that assessments accurately reflect current market values. Equalization revenue is the annual increase or decrease in collected revenue resulting from adjustments to the assessment of existing property in the County. This annual increase or decrease is due to value changes rather than to new construction.

Expenditure – A decrease in net financial resources. Expenditures include payments for current operating expenses, debt service, and capital outlays.

Financial Forecast – A computer-aided financial model that estimates all future revenues and disbursements based on assumptions of future financial and economic conditions.

Fiscal Restraint – The practice of restraining growth in expenditures and disbursements to stay within revenue forecasts.

Fiscal Year – In Fairfax County, the twelve months beginning July 1 and ending the following June 30. (The Commonwealth of Virginia's fiscal year begins on July 1. The Federal government's fiscal year begins October 1).

Fiscal Planning Resolution – A legally binding document prepared by the Department of Management and Budget identifying changes made by the Board of Supervisors to the Advertised Budget Plan during the adoption of the annual budget. Fiscal Planning Resolutions approved by the Board subsequent to the Adopted Budget Plan change only transfers between funds. These documents are used at the annual or quarterly reviews whenever changes in fund transfers occur.

Fringe Benefits – The fringe benefit expenditures included in the budget are the County's share of employees' fringe benefits. Fringe benefits provided by Fairfax County include FICA (Social Security), health insurance, life insurance, retirement and Unemployment and Workers' Compensation. The County's share of most fringe benefits is based on a set percentage of employee salaries. This percentage varies per category.

Fund – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances and changes therein. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance - Represents the residual funding on an annual basis from revenues and transfers-in minus expenditures and transfers-out. This fund balance may be reserved for a specific purpose or unreserved and used for future requirements.

Fund Type – A group of funds that have similar activities, objectives or funding sources as defined by the State Auditor of Public Accounts. Examples include Special Revenue Funds and Debt Service Funds.

General Fund – The primary tax and operating fund for County Governmental Activities and is used to account for all County revenues and expenditures which are not accounted for in other funds. Revenues are derived primarily from general property taxes, local sales tax, utility taxes; license and permit fees and State shared taxes. General Fund expenditures include the costs of the general County government and transfers to other funds, principally to fund the operations of the Fairfax County Public School system, and County and School system debt service requirements.

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General Fund Disbursements – Direct expenditures for County services such as Police or Welfare expenses and transfers from the General Fund to Other County funds such as School Operations or Metro Operations.

General Obligation Bond - A municipal bond secured by the taxing and borrowing power of the municipality issuing it, also known as the full faith and credit of the issuing municipality. County general obligation debt can only be approved by voter referendum. The State Constitution mandates taxes on real property sufficient to pay the principal and interest of such bonds.

Goal -- A general statement of purpose. A goal provides a framework within which the program unit operates; it reflects realistic constraints upon the unit providing the service. A goal statement speaks generally toward end results rather than toward specific actions, e.g., "To provide maternity, infant and child health care and or case management to at risk women, infants, and children in order to achieve optimum health and well being." Also see Objective.

Input -- The value of resources used to produce an output. Input can be staff, budget dollars, work hours, etc.

Internal Service Funds -- Funds established to finance and account for services furnished by a designated County agency to other County agencies. An example is Fund 503, Department of Vehicle Services.

Line Item -- A specific expenditure category within an agency budget, e.g., rent, travel, motor pool services, postage, printing or office supplies.

Key County Indicators – Key County Indicators are high-level, County-wide measures, organized by vision element, that help assess if Fairfax County government is meeting the needs of citizens and positively impacting the community as a whole.

Management by Objectives -- A method of management of County programs which measures attainment or progress toward pre-defined objectives. This method is evolving into a system that measures performance factors. Also see Performance Measurement.

Management Initiatives -- Changes to internal business practices undertaken by County Managers on their own initiative to improve efficiency, productivity, and customer satisfaction.

Managed Reserve – A reserve, held in the General Fund, which equals 2.0 percent of the General Fund disbursements. Established by the Board of Supervisors on January 25, 1982, the purpose of the reserve is to provide temporary financing for emergency needs and to permit orderly adjustment to changes resulting from the termination of anticipated revenue sources.

Market Pay -- A compensation level that is competitive and consistent with the regional market. The County analyses 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.

Merit Grant - A position with full benefits, full civil service grievances and employment term is limited by the grant specifications. The position is funded by a specific grant. At the end of the grant position, the person is the first eligible for hire for another position in the County. Also see Position.

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Merit Regular - A position with full benefits, full civil service grievances and 52 work weeks in a year. Also see [Position](#).

Mission Statement - A mission statement is a broad, philosophical statement of the purpose of an agency, specifying the fundamental reasons for its existence. A mission statement is a written statement of purpose that can be used to initiate, evaluate, and refine business activities. It serves as a guiding road map.

Municipal Bond -- Bond issued by a state, local or government authority especially in the U.S. The interest is exempt from U.S. Federal taxation and usually from state taxation within the state of issue, as is the case in Virginia.

Net Debt as a percent of estimated market value -- Total debt (less debt that is self-supported by revenue producing projects), divided by the total market value of all taxable property within the County expressed as a percentage. Since property taxes are a primary source of revenue for the repayment of debt, this measure identifies the debt burden compared with the worth of the revenue generating property base.

Net Total Expenditures -- See [Total Budget](#).

Objective -- A statement of anticipated level of achievement; usually time limited and quantifiable. Within the objective, specific statements with regard to targets and/or standards often are included, e.g., "To respond to 90 percent of ambulance calls within a 5-minute response time."

Operating Equipment -- Equipment that has a life expectancy of more than one year and a value of less than five thousand dollars. Equipment with a value greater than five thousand dollars is capital equipment.

Operating Expenses -- A category of recurring expenses, other than salaries and capital equipment costs, which covers expenditures necessary to maintain facilities, collect revenues, provide services, and otherwise carry out the agency's goals. Typical line items under this character are office supplies, printing, postage, transportation, and utilities.

Outcome -- Qualitative consequences associated with a program service, e.g., reduction in fire deaths or percent of juveniles not reconvicted within 12 months.

Output -- Quantity or number of units produced. Outputs are activity-oriented, measurable and usually under managerial control.

Pay for Performance -- A system of pay and appraisal that is based on an employee's performance. An on-going dialogue between employees and supervisors regarding performance and expectations is essential to the successful implementation of this system.

Paydown Construction -- Capital construction funded with current year General Fund revenues as opposed to construction financed through the issuance of bonds. This is also referred to as "pay-as-you-go" construction.

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.

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Performance Measurement – The regular collection of specific information regarding the results of service in Fairfax County. The County’s performance measurement methodology links agency mission and cost center goals (broad) to quantified objectives (specific) of what will be accomplished during the fiscal year. These objectives are then linked to a series of indicators that present a balanced picture of performance, i.e., output, efficiency, service quality and outcome.

Personal Property – Property, other than real estate identified for purposes of taxation, including personally owned items, as well as corporate and business equipment and property. Examples include automobiles, motorcycles, boats, trailers, airplanes, business furnishings and manufacturing equipment. Goods held for sale by manufacturers, wholesalers or retailers are not included.

Personal Property Tax Relief Act of 1998 (PPTRA) – Legislation approved by the Virginia General Assembly that phases out the Personal Property Tax on the first \$20,000 of the value for vehicles owned by individuals. In FY 2002, the PPTRA reduced the Personal Property Taxes paid by citizens by 70 percent with an offsetting reimbursement paid to the County by the Commonwealth. Under the original approved plan, taxes paid by individuals were to be reduced by 100 percent in FY 2003. Due to the State’s lower than anticipated General Fund revenue growth, the reimbursement has remained at 70 percent since FY 2003.

Personnel Services – A category of expenditures, which primarily covers salaries, overtime, and shift differential paid to County employees and also includes certain fringe benefit costs.

Planning System – Refers to the relationship between the Annual Budget, the Comprehensive Plan, and the 5-year Capital Improvement Plan.

Position – A group of duties and responsibilities, as prescribed by an office or agency, to be performed by a person on a full-time or part-time basis.

The status of a position is not to be confused with the status of the employee. For the purpose of the County's budget, the following definitions are used solely in describing the status and funding of positions:

- An established position is a position that has been classified and assigned a pay grade.
- An authorized position has been approved for establishment by the Board of Supervisors. The authorized position is always shown as a single, not a partial position. Staff-Year Equivalency (SYE) reflects whether positions are authorized for full-time (40 hours per week) or part-time. A full-time position would appear in the budget as one authorized position and one staff-year equivalent (1/1.0 SYE). A half-time position would be indicated as one authorized position and .5 staff-year equivalents (1/.5 SYE).

The following defines the types of positions in Fairfax County. They can be either full or part-time status.

- A regular position is a career position, which falls within all provisions of the Merit System Ordinance.
- An exempt position does not fall within the provisions of the Merit System Ordinance. It includes elected and appointed positions.
- A project position is established to accomplish a one-time project with a specified expiration date. It falls within all provisions of the Merit System Ordinance.
- An exempt limited term position or exempt part-time position is established to meet a temporary workload not exceeding 48 weeks. It does not fall within the provisions of the Merit System Ordinance.

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- 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.
- State position is a position established and authorized by the State. These positions may be partially or fully funded by the State.
- County supplement is the portion of a State position's authorized salary (based on the County's compensation plan) that exceeds the State's maximum funding level. This difference is fully paid by the County.

Position Turnover – An accounting debit which allows for gross salary projections to be reduced due to anticipated and normal position vacancies, delays in filling vacancies, and historical position turnover information.

Prime Interest Rate – The rate of interest charged by banks to their preferred customers.

Program Area – A grouping of County agencies with related Countywide goals. Under each program area, individual agencies participate in activities to support that program area's goals. The Public Safety Program Area, for example, includes the Police Department and the Fire and Rescue Department, among others.

Program Budget – A statement and plan, which identifies and classifies, total expenditures and revenues by activity or program. Budgets are aggregated into program areas. This is in contrast to a line-item budget, which identifies expenditures only by objects for which money is spent, e.g., personnel services, operating expenses, recovered costs, or capital equipment.

Real Property – Real estate, including land and improvements (buildings, fences, pavements, etc.) classified for purposes of assessment.

Recovered Costs – Reimbursements to an agency for specific services provided to another agency. Recovered costs, or Work Performed for Others, are reflected as a negative figure in the providing agency's budget, thus offsetting expenditures. An example is the reimbursement received by the Department of Information Technology from other agencies for telecommunication services.

Revenue Bond – A municipal bond secured by the revenues of the project for which it is issued. Sewer and utility bonds are typically issued as revenue bonds. The County has also issued Lease Revenue bonds, a form of revenue bond in which the payments are secured by a lease on the property built or improved with the proceeds of the bond sale.

Revenue Forecast – A projection of future County revenue collections.

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Revenue Stabilization Fund – In FY 2000, the Board of Supervisors approved the creation of this fund to provide a mechanism for maintaining a balanced budget without resorting to tax increases and/or expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy. A minimum of 40 percent of non-recurring balances identified at the Carryover and Third Quarter Reviews are to be transferred to the Fund until a maximum balance of 3 percent of General Fund Disbursements is attained.

School Board Budget – Includes the School Operating Fund, the School Food and Nutrition Services Fund, the School Debt Service Fund, the School Insurance Fund, the School Construction Fund, the School Central Procurement Fund, the School Health Benefits Trust Fund and the Educational Employees' Supplementary Retirement Fund, identifying both expenditure levels, and sources of revenue. The Board of Supervisors may increase or decrease the School Board budget but normally does so only at the fund level (i.e., by increasing or decreasing the General Fund Transfer to the School Operating Fund without specifying how the change is to be applied). By State law, the Supervisors may not make specific program or line item changes, but may make changes in certain major classifications (e.g., instruction, overhead, maintenance, etc.). The Board of Supervisors has not exercised its right to make any such changes.

School Board Transfer – A transfer out of funds from the General Fund to the School Operating Fund. State law must approve this transfer approved by the Board of Supervisors by May 1, for the next fiscal year.

Service Quality – Degree to which customers are satisfied with a program, or how accurately or timely, a service is provided.

Set-Aside Reserve – A reserve made up from available balances materializing throughout one or more fiscal years which are not required to support disbursements of a legal or emergency nature and are held (set aside) for future funding requirements.

Sewer Funds – A group of self-sufficient funds that support the Wastewater Management Program. Revenues consist of bond sales, availability fees (a one-time fee paid before connection to the system and used to defray the cost of major plant and trunk construction), connection charges (a one-time fee to defray the cost of the lateral connection between a building and the trunk), service charges (quarterly fees based on water usage which defray operating costs and debt service), and interest on invested funds. Expenditures consist of construction costs, debt service, and the cost of operating and maintaining the collection and treatment systems.

Special Revenue Funds – Funds, defined by the State Auditor of Public Accounts, to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to Fairfax County's State and Federal grants, the operation of the Fairfax County Public Schools and services to specific taxing districts that are principally financed by special assessment tax levies in those districts.

Staff-Year Equivalency (SYE) – This figure reflects whether authorized positions are full-time or part-time. A position authorized for 40 hours per week is reflected in the budget as one authorized position with a staff-year equivalency (SYE) of one (1/1.0 SYE). In comparison, a position authorized for 20 hours per week would be indicated as one authorized position with a SYE of 0.5 (1/0.5 SYE).

Strategic Planning Process - The strategic planning process provides the County the opportunity to identify individual agency missions and goals in support of the public need, action steps to achieving goals and measures of progress and success in meeting strategic goals. Strategic planning will help ensure that limited resources are appropriately allocated to achieve the objectives of the community as determined by the Board of Supervisors.

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Supplemental Appropriation Resolution – Any appropriation resolution approved by the Board of Supervisors after the adoption of the budget for a given fiscal year.

Tax Base – The aggregate value of taxed items. The base of the County's real property tax is the market value of all real estate in the County. The base of the personal property is the market value of all automobiles, trailers, boats, airplanes, business equipment, etc., which are taxed as personal property by the County. The tax base of a sales tax is the total volume of taxable sales.

Tax Rate – The level of taxation stated in terms of either a dollar amount or a percentage of the value of the tax base. The Board of Supervisors fixes property tax rates for the period beginning January 1 of the current calendar year when the budget for the coming fiscal year is approved. The property tax rate is applied to the value of property assessed as of January 1 each year.

Technology Infrastructure – The hardware and software that support information requirements, including computer workstations and associated software, network and communications equipment, and mainframe devices.

Third Quarter Review – The current year budget is reevaluated approximately 7 months after the adoption of the budget based on current projections and spending to date. The primary areas reviewed and analyzed are (1) current year budget versus prior year actual expenditure data, (2) year-to-date expenditure status plus expenditure projections for the remainder of the year, (3) emergency requirements for additional, previously unapproved items, and (4) possible savings. Recommended funding adjustments are made for Board of Supervisors' approval.

Total Budget – The receipts and disbursements of all funds, e.g., the General Fund and all other funds. Net total expenditures (total expenditures minus expenditures for internal service funds) is a more useful measure of the total amount of money the County will spend in a budget year, as it eliminates double accounting for millions of dollars appropriated to operating agencies and transferred by them to service agencies. General Fund total disbursements (direct General Fund expenditures plus transfers to other funds, such as the School Operating Fund) are a more accurate measure of the cost of government to the local taxpayers.

Transfer – A movement of funding from one fund to another. The largest such transaction is the annual transfer of funds from the General Fund to the School Operating Fund.

Trust Funds – A categorization of accounts defined by the State Auditor of Public Accounts consisting of funds established to account for money and property held by the County government in the capacity of a trustee or custodian for individuals or other specified purposes. Examples are the various retirement funds, which contain contributions from the County government and individual employees.

Vision Elements – The vision elements were developed by the County Executive and the Senior Management team to address the priorities of the Board of Supervisors and emphasize the County's commitment to protecting and enriching the quality of life for the people, neighborhoods, and diverse communities of Fairfax County. There are seven vision elements including: Maintaining Safe and Caring Communities, Building Livable Spaces, Connecting People and Places, Maintaining Healthy Economies, Practicing Environmental Stewardship, Creating a Culture of Engagement and 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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