

ATTACHMENT III:

**SUMMARY OF SIGNIFICANT GENERAL FUND
EXPENDITURE VARIANCES**

Actual expenditures, encumbrances and unencumbered items recommended to be carried over to FY 2009, along with the required Managed Reserve adjustments as a result of these actions, resulted in a balance of \$60,493,131. Outstanding encumbrances required to be carried forward total \$42,273,745. A total of \$2,746,615 for unencumbered but previously budgeted items is required for appropriation in FY 2009 (see Attachment IV). Only General Fund agencies with significant variances are noted in this attachment.

LEGISLATIVE-EXECUTIVE FUNCTIONS/CENTRAL SERVICES

Agency 01, Board of Supervisors

\$628,127

The agency balance of \$628,127 is 12.3 percent of the FY 2008 approved funding level. The balance reflects Personnel Services savings of \$591,936 due primarily to position vacancies, as well as Operating Expenses savings of \$36,191 due to lower than anticipated clerical services and supply costs.

District Supervisors' Offices and Clerk to the Board

| Supervisory District | FY 2008 Revised Budget Plan | FY 2008 Actual Expenditures | Balance |
|-----------------------------|------------------------------------|------------------------------------|------------------|
| Chairman's Office | \$471,971 | \$377,779 | \$94,192 |
| Braddock | 420,971 | 379,310 | 41,661 |
| Hunter Mill | 420,971 | 377,579 | 43,392 |
| Dranesville | 420,971 | 390,723 | 30,248 |
| Lee | 420,971 | 407,058 | 13,913 |
| Mason | 420,971 | 351,837 | 69,134 |
| Mt. Vernon | 420,971 | 350,533 | 70,438 |
| Providence | 420,971 | 338,118 | 82,853 |
| Springfield | 420,971 | 358,681 | 62,290 |
| Sully | 420,971 | 380,762 | 40,209 |
| Subtotal | \$4,260,710 | \$3,712,380 | \$548,330 |
| Clerk to the Board | 831,254 | 751,457 | 79,797 |
| Total | \$5,091,964 | \$4,463,837 | \$628,127 |

Agency 02, Office of the County Executive

\$1,060,528

The agency balance of \$1,060,528 is 11.8 percent of the FY 2008 approved funding level. Of this amount, \$92,753 is included as encumbered carryover in FY 2009. The remaining balance of \$967,775 is primarily attributable to Personnel Services savings of \$651,886 resulting from higher than projected vacancies in Administration of County Policy, Equity Programs, Internal Audit, the Office of Partnerships, and the Office of Community Revitalization and Reinvestment; and Operating Expenses savings of \$315,889 due to lower than budgeted training and office equipment costs, and lower than budgeted contractor expenses for the Medical Care for Children Partnership (MCCP) due to the effective use of partnership support in the place of County funding.

Agency 04, Department of Cable Communications and Consumer Protection

\$305,955

The agency balance of \$305,955 is 11.4 percent of the FY 2008 approved funding level. Of this amount, \$279,315 is included as encumbered carryover in FY 2009. The remaining balance of \$26,640 is attributable to vacancy-related savings of \$128,901 in Personnel Services and \$203,925 in Operating Expenses, partially offset by a shortfall of \$306,186 in Recovered Costs, primarily attributable to actual mailing activity by agencies.

Agency 15, Office of Elections **\$1,236,271**

The agency balance of \$1,236,271 is 28.9 percent of the FY 2008 approved funding level. Of this amount, \$1,219,218 is included as encumbered carryover in FY 2009. The remaining balance of \$17,053 is primarily attributable to higher than anticipated position turnover.

Agency 20, Department of Management and Budget **\$245,481**

The agency balance of \$245,481 is 7.4 percent of the FY 2008 approved funding level. Of this amount, \$198,264 is included as encumbered carryover in FY 2009. The remaining balance of \$47,217 is primarily attributable to savings in Personnel Services due to managing position vacancies, as well as difficulty in filling vacant positions.

Agency 41, Civil Service Commission **\$179,980**

The agency balance of \$179,980 is 37.2 percent of the FY 2008 approved funding level. This balance is primarily attributable to lower than anticipated Operating Expenses due to a procedural revision in the employee grievance process that resulted in a reduction of the backlog in the number of appeals and the amount of time required for scheduling and conducting hearings.

Agency 57, Department of Tax Administration **\$548,914**

The agency balance of \$548,914 is 2.2 percent of the FY 2008 approved funding level. Of this amount, \$524,222 is included as encumbered carryover in FY 2009. The remaining balance of \$24,692 is primarily attributable to savings of \$14,126 in Personnel Services due to managed position vacancies and \$10,566 in Operating Expenses primarily due to lower than anticipated cost for office supplies.

Agency 70, Department of Information Technology **\$3,779,882**

The agency balance of \$3,779,882 is 12.0 percent of the FY 2008 approved funding level. Of this amount, \$3,235,055 is included as encumbered carryover in FY 2009. The remaining balance of \$544,827 reflects combined savings of \$1,887,534 in Personnel Services and Operating Expenses due to position vacancies, contractual services, and actual telecommunications costs. It should be noted that the savings in telecommunications costs are offset by a corresponding shortfall of \$1,342,707 in Recovered Costs due to agencies now directly receiving and paying cellular telephone bills.

JUDICIAL ADMINISTRATION

Agency 80, Circuit Court and Records **\$865,794**

The agency balance of \$865,794 is 7.8 percent of the FY 2008 approved funding level. Of this amount, \$834,165 is included as encumbered carryover in FY 2009. The remaining balance of \$31,629 is primarily attributable to higher than anticipated position turnover. It should be noted that \$619,000 of the encumbered carryover total is being moved to Fund 104, Information Technology Projects, for costs associated with the redaction of Social Security numbers from official documents.

PUBLIC SAFETY

Agency 31, Land Development Services **\$2,301,822**

The agency balance of \$2,301,822 is 8.3 percent of the FY 2008 approved funding level. Of this amount, \$1,328,210 is included as encumbered carryover in FY 2009. The remaining balance of \$973,612 is primarily attributable to savings achieved by managing vacancies based on agency staffing requirements.

Agency 81, Juvenile and Domestic Relations District Court**\$512,363**

The agency balance of \$512,363 is 2.4 percent of the FY 2008 approved funding level. The entire amount is included as encumbered carryover in FY 2009. Of this total, an amount of \$82,581 is being transferred to Fund 104, Information Technology Projects, to support the Courthouse Expansion Technology project.

Agency 90, Police Department**\$3,785,216**

The agency balance of \$3,785,216 is 2.2 percent of the FY 2008 approved funding level. Of this amount, \$1,624,964 is included as encumbered carryover in FY 2009. The remaining balance of \$2,160,251 is attributable to savings of \$2,219,454 in Operating Expenses, \$38,387 in Personnel Services, and \$803 in Capital Equipment, partially offset by unrealized Recovered Costs of \$98,392 primarily due to reductions in the Office of the Sheriff's share of Criminal Justice Academy costs and other Police services provided to County agencies. The savings in Operating Expenses includes \$2,158,546 in Local Cash Match funding associated with the COPS in Schools grant program, as well as savings in other budget line items. The Local Cash Match balance reflects requirements previously approved by the Board of Supervisors, including obligations that are tied to grant program years that cross the County's fiscal years.

Agency 91, Office of the Sheriff**(\$2,287,922)**

The agency shortfall of \$2,287,922 is 3.9 percent over the *FY 2008 Revised Budget Plan* total of \$58,380,101 and is due primarily to increased use of overtime by sworn staff, increased contractual security requirements in the expanded court house complex, increased daily inmate population, and higher than anticipated expenses for items such as drugs, medicines and other pharmaceuticals which are partially driven by the number of inmates and their unique needs. In FY 2008, the agency incurred \$8,049,716 in overtime expenses, an increase of \$907,390, or 12.7 percent over the FY 2007 total of \$7,142,326, and an increase of just over \$3.0 million over the FY 2006 level of \$5,024,801. The agency continues to experience a high vacancy rate, primarily associated with smaller than anticipated new classes of trainees, resulting in an increased use of overtime by current Deputy Sheriff staff. The Office of Sheriff has worked closely with the Office of Financial and Program Auditor in determining the issues that are causing the current situation. As a result of this work, an amount of \$900,000 has already been included in the FY 2009 Adopted Budget Plan to allow for individuals working in the Adult Detention Center at the rank of 1st Lieutenant or below, to receive an additional \$2,500 environmental incentive pay in order to address recruitment and retention issues. However, the nearly ten percent vacancy rate for sworn positions, coupled with mandatory staffing levels required the extensive use of overtime by more costly, senior employees to fill the vacancies. The agency attempted to reduce the amount of overtime by restricting discretionary overtime and implementing revised staffing standards amongst several units.

Many varying costs are directly associated with the daily inmate population, and the average daily population increased from 1,286 in FY 2007 to 1,335 in FY 2008, a 3.8 percent increase. Among the direct inmate service expenditures, the main increases were in medical and pharmacy services dispensed and security costs. The cost of inmate pharmaceuticals is based on inmate health requirements. In FY 2008 the cost of drugs was over 20 percent higher than in FY 2007. The actual expenditures for security have increased from FY 2007 to FY 2008 by approximately 17 percent, which is due to increased contractual security requirements resulting from the expansion of the court house complex. In May 2008 the Adult Detention Center experienced its highest monthly average inmate population yet with 1,378. This increase in daily inmate population results in additional budgetary pressure in terms of the amount of medical needs and pharmaceuticals dispensed as well as the number of meals served.

Agency 92, Fire and Rescue Department**\$7,750,300**

The agency balance of \$7,750,300 is 4.5 percent of the FY 2008 approved funding level. Of this amount, \$7,176,719 is included as encumbered carryover in FY 2009. The remaining balance of \$573,581 is primarily attributable to savings in Personnel Services as a result of increased efforts to reduce overtime expenses and management of position vacancies. It should be noted that \$1,139,966 of the encumbered amount is being moved as part of the *FY 2008 Carryover Review* to Fund 104, Information Technology Fund, for costs associated with the replacement of the fire station alerting system.

Agency 93, Office of Emergency Management**\$221,834**

The agency balance of \$221,834 is 11.2 percent of the FY 2008 approved funding level. Of this amount, \$197,434 is included as encumbered carryover in FY 2009. The remaining balance of \$24,400 is attributable to a savings of \$15,111 in Personnel Services and \$9,289 in Operating Expenses.

PUBLIC WORKS**Agency 08, Facilities Management Department****\$1,909,252**

The agency balance of \$1,909,252 is 3.9 percent of the FY 2008 approved funding level. Of this amount, \$1,856,108 is included as encumbered carryover in FY 2009. The remaining balance of \$53,144 is primarily due to savings of \$39,591 in Operating Expenses, and \$13,468 in higher than anticipated Recovered Costs due to actual billings.

Agency 29, Stormwater Management**\$1,091,205**

The agency balance of \$1,091,205 is 9.4 percent of the FY 2008 approved funding level. Of this amount, \$590,575 is included as encumbered carryover in FY 2009. The remaining balance of \$500,629 reflects savings of \$238,187 in Personnel Services due to higher than anticipated position vacancies, savings of \$965 in Operating Expenses, savings of \$189,000 in Capital Equipment as a result of delayed equipment purchases and higher than anticipated Recovered Costs of \$72,478 based on actual billings.

Agency 87, Unclassified Administrative Expenses-Public Works Contingencies**\$38,022**

The agency balance of \$38,022 is 10.6 percent of the FY 2008 approved funding level. This program provides routine community cleanup operations and emergency cleanup services for damages caused by storms, floods and other unforeseen hazardous conditions. The balance is primarily attributable to savings from the estimated requirement for Court Directed Mandatory Cleanups.

HEALTH AND WELFARE**Agency 67, Department of Family Services****\$10,104,519**

The agency balance of \$10,104,519 is 4.9 percent of the FY 2008 approved funding level. Of this amount, \$8,158,030 is included as encumbered carryover in FY 2009 primarily for consultant contracts not yet realized and SACC supplies ordered but not yet received for the upcoming school year. The remaining balance of \$1,946,489 reflects savings in Operating Expenses of \$2,684,186 primarily due to additional funding received from the state for the Child Care Assistance and Referral (CCAR) program in FY 2008 but due to the timing could not be expended in FY 2008. These savings are offset by a shortfall of \$661,486 in Personnel Services primarily due to significant leave payouts, \$9,755 in Capital Equipment due to a reclassification of costs from Operating Expenses, and lower than expected Recovered Costs of \$66,456.

Agency 68, Department of Administration for Human Services**\$383,742**

The agency balance of \$383,742 is 3.3 percent of the FY 2008 approved funding level. Of this total, \$375,046 is included as encumbered carryover. The remaining \$8,696 is primarily due to position vacancies.

Agency 71, Health Department**\$4,568,402**

The agency balance of \$4,568,402 is 9.2 percent of the FY 2008 approved funding level. Of this amount, \$3,910,087 is included as encumbered carryover in FY 2009. The remaining balance of \$658,315 reflects Personnel Services savings of \$418,135 due primarily to vacancy savings, Operating Expenses savings of \$239,629 primarily due to lower than anticipated repair and maintenance costs, telecommunications costs, and drugs and medical supply costs, and \$551 in higher than projected recovered costs.

PARKS, RECREATION AND LIBRARIES

Agency 50, Department of Community and Recreation Services **\$2,195,786**

The agency balance of \$2,195,786 is 8.9 percent of the FY 2008 approved funding level. Of this amount, \$1,804,149 is included as encumbered carryover in FY 2009. The remaining balance of \$391,637 is primarily due to savings of \$203,651 in Personnel Services associated with extended vacancies and greater than anticipated position turnover and increased Recovered Costs balance of \$186,599 primarily due to increased usage of attendant services and fuel costs.

Agency 51, Park Authority **\$378,906**

The agency balance of \$378,906 is 1.4 percent of the FY 2008 approved funding level. Of this amount, \$344,650 is included as encumbered carryover in FY 2009. The remaining balance of \$34,256 is primarily due to savings in Operating Expenses.

Agency 52, Fairfax County Public Library **\$3,159,969**

The agency balance of \$3,159,969 is 9.0 percent of the FY 2008 approved funding level. Of this amount, \$1,157,931 is included as encumbered carryover in FY 2009. The remaining balance of \$2,002,038 is primarily attributable to higher than anticipated position vacancies, lower than anticipated expenses for professional and consulting contracts, start-up costs for the new Burke and Oakton Libraries, operating supplies, and miscellaneous operating costs, partially offset by higher than projected computer software expenses.

COMMUNITY DEVELOPMENT

Agency 35, Department of Planning and Zoning **\$1,504,789**

The agency balance of \$1,504,789 is 12.0 percent of the FY 2008 approved funding level. Of this amount, \$1,412,388 is included as encumbered carryover in FY 2009. The remaining balance of \$92,401 is primarily attributable to Personnel Services savings of \$77,092 due to higher than anticipated position vacancies.

Agency 38, Housing and Community Development **\$399,187**

The agency balance of \$399,187 is 5.2 percent of the FY 2008 approved funding level. Of this amount, \$392,496 is included as encumbered carryover in FY 2009. The remaining balance of \$6,692 is primarily attributable to Personnel Services savings of \$2,280 and Operating Expenses savings of \$4,411.

Agency 39, Office of Human Rights **\$212,244**

The agency balance of \$212,244 is 15.9 percent of the FY 2008 approved funding level. Of this amount, \$14,353 is included as encumbered carryover in FY 2009. The remaining balance of \$197,891 is primarily attributable to higher than anticipated position turnover.

Agency 40, Department of Transportation **\$3,470,595**

The agency balance of \$3,470,595 is 31.9 percent of the FY 2008 approved funding level. Of this amount, \$3,401,396 is included as encumbered carryover in FY 2009, primarily for work in progress on the ADA 10 Year Action Plan and various transportation studies in progress for vehicle trip reduction, travel demand forecasting, Tysons Land Use, and intersection improvements. The remaining balance of \$69,199 is attributable to Personnel Services savings of \$26,402 due to higher than anticipated position vacancies, miscellaneous Operating Expenses savings of \$11,464, and higher than anticipated Recovered Costs of \$31,333 due to actual billings.

NONDEPARTMENTAL

Agency 87, Unclassified Administrative Expenses – Non-departmental

\$1,599,069

The agency balance of \$1,599,069 is 100.0 percent of the FY 2008 approved funding level primarily as a result of reserves set aside in this agency pending final determination of how to re-direct funding. The agency balance includes:

- \$100,000 due to delays in implementation of the Community Initiative Grant program as a result of legislative authority requirements. This program provides one-time grants to neighborhood and community organizations for community clean-up, community colleges and other reinvestment related initiatives. Applications for the program were not received until summer 2008. Funding in the amount of \$100,000 is available within the FY 2009 Adopted Budget Plan for this purpose.
- \$200,000 as a result of the Office to Prevent and End Homelessness reserve which was held pending office establishment and program implementation. As part of the *FY 2008 Carryover Review*, the FY 2008 balance of \$200,000 will be carried forward and along with FY 2009 funding of \$300,000 will be redirected to provide resources for a new office to be created during FY 2009.
- \$900,000 associated with the courthouse security fee for the Office of the Sheriff that was held in reserve in FY 2008 pending the development of specific strategies and policies to address the recruitment and retention issues in the Office of the Sheriff. As part of the *FY 2008 Carryover Review* this balance has been utilized to offset the agency FY 2008 shortfall of \$2.3 million.
- \$399,069 represents the remaining balance in the Comprehensive Services Act reserve created to address potential shortfalls in the Comprehensive Services Act (CSA) program in FY 2008. As part of the *FY 2007 Carryover Review* funding of \$3.0 million was set aside and as part of the *FY 2008 Third Quarter Review*, \$2,600,931 was reallocated to Agency 67, Department of Family Services as a result of requirements associated with the reinterpretation by the state of the foster care prevention population, an increase in the number of youth served, and an overall increase in the cost per youth associated with contract rate increases. The balance in this reserve is carried forward and will be added to address possible CSA shortfalls in FY 2009.

Agency 89, Employee Benefits

\$7,313,023

The agency balance of \$7,313,023 is 3.6 percent of the FY 2008 approved funding level. Of this amount, \$965,668 is included as encumbered carryover in FY 2009. The remaining balance of \$6,347,355 is primarily attributable to savings in group health insurance, lower than anticipated contributions to the retirement systems, and balances in funding for training and task force training. Savings of \$3.5 million were realized in group health insurance expenses as a result of lower than budgeted premium increases. Additional savings of \$1.2 million were realized through lower than projected contributions to the retirement systems. The remaining \$1.8 million in savings was achieved in training and task force funding, group life insurance and capital project reimbursements, offset by a combined shortfall of \$0.2 million in dental, FICA, and unemployment compensation.