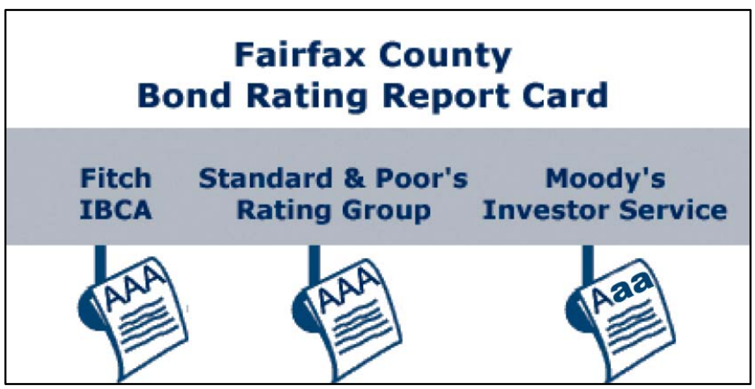
Fiscal Policies and Summary Charts

The FY 2012 - 2016 Capital Improvement Program (CIP) represents the best estimate of new and existing project funding required over the next five years. The CIP continues the scheduling of those projects included in the FY 2011 Adopted Program and ensures that the ultimate completion of high priority projects is consistent with the County's fiscal policies and guidelines. A summary table of the entire program showing the five year costs by each functional CIP area is included in Table A of this section. The entire CIP, including all program areas, totals $6.009 billion, including $5.258 billion in County managed projects and $0.751 billion in Non-County managed projects. Non-County projects include the Northern Virginia Regional Park Authority program and the Water Supply Program (Fairfax Water and City of Falls Church). The entire $6.009 billion program includes, $1.418 billion budgeted or anticipated to be expended through FY 2011, $2.727 billion scheduled over the FY 2012 – FY 2016 period, and $1.864 billion projected in the FY 2017 – FY 2021 period.

The development of the FY 2012 capital program has been guided by both the need for capital improvements and fiscal conditions. The five-year program is funded from General Obligation Bond sales, pay-as-you-go or current year financing from the General Fund (paydown), as well as other sources of financing such as federal funds, revenue bonds and sewer system revenues.

The project descriptions contained in the CIP reflect current estimates of total project costs, including land acquisition, building specifications and design. As implementation of each project nears the capital budget year, these costs are more specifically defined. In some cases, total project costs cannot be listed or identified in the CIP until certain feasibility or cost studies are completed.

FISCAL POLICIES



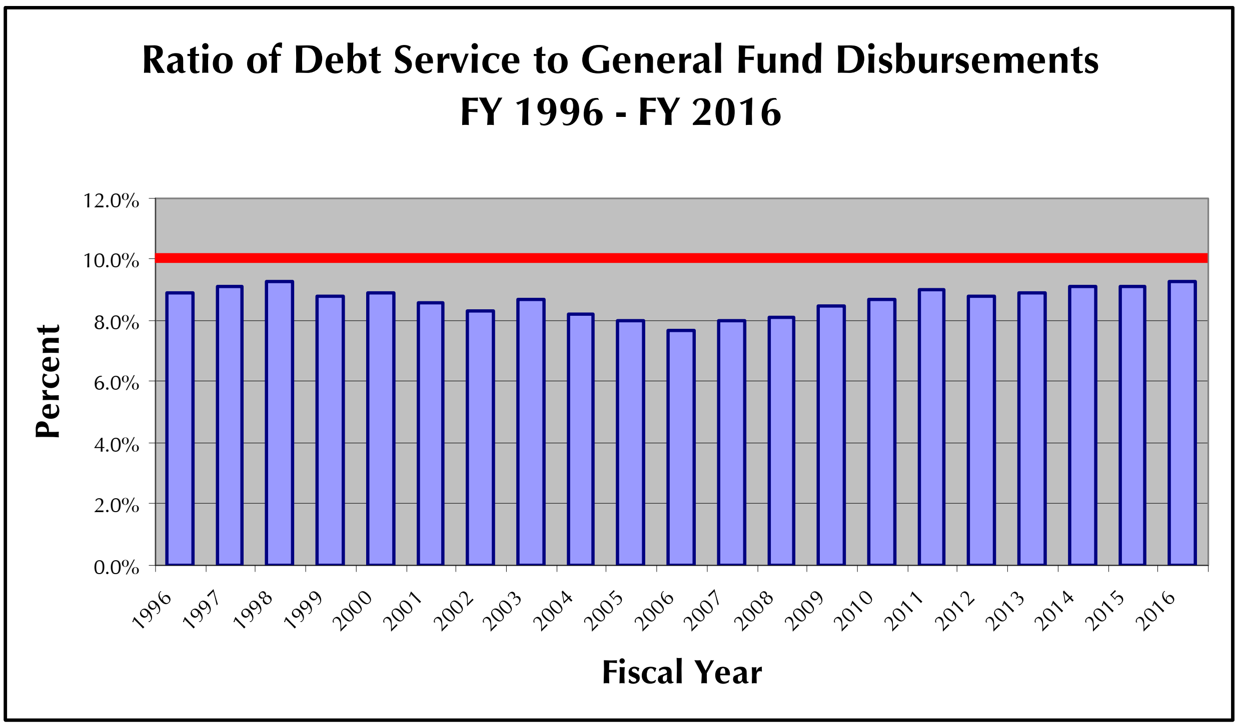
The CIP is governed by the *Ten Principles of Sound Financial Management* adopted by the Board of Supervisors. These principles endorse a set of policies designed to contribute to the County’s fiscal management and maintain the County’s "triple A" bond rating. The County has maintained its superior rating 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. The County’s fiscal policies stress the close relationship between the planning and budgetary process.

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 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.

Several relationships between debt, expenditures, and the tax base have been developed by the municipal finance community. The two which are given particular emphasis are the ratio of expenditures for debt service to total General Fund disbursements and the ratio of net debt to the market value of taxable property. The former indicates the level of present (and future) expenditures necessary to support past borrowing while the latter ratio gives an indication of a municipality's ability to generate sufficient revenue to retire its existing (and projected) debt. These ratios have been incorporated into the *Ten Principles of Sound Financial Management*. Both of these guidelines - net debt to market value to be below 3 percent and debt service to General Fund disbursements to be below 10 percent - are fully recognized by the proposed 5-year CIP.

The following charts reflect the County's ability to maintain the self-imposed debt ratios outlined in the *Ten Principles of Sound Financial Management.* The ratio of debt service to General Fund disbursements remains below 10 percent and is projected to be maintained at this level. The debt service as a percentage of market value remains well below the 3 percent guideline.



Net Debt as a Percentage of Market Value of Taxable Property

Fiscal Year Ending	Net Bonded Indebtedness[1]	Estimated Market Value[2]	Percentage
2008	2,264,295,513	241,313,000,000	0.94%
2009	2,281,335,444	242,500,000,000	0.94%
2010	2,318,699,150	218,549,000,000	1.06%
2011 (est.)	2,340,933,998	199,455,000,000	1.17%
2012 (est.)	2,434,002,351	206,114,000,000	1.18%

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

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

Debt Service Requirements as a Percentage of Combined General Fund Disbursements

Fiscal Year Ending	Debt Service Requirements[1]	General Fund Disbursements[2]	Percentage
2008	268,725,268	3,320,946,120	8.1%
2009	285,668,863	3,352,656,206	8.5%
2010	288,850,468	3,308,948,661	8.7%
2011 (est.)	296,223,346	3,308,118,914	9.0%
2012 (est.)	296,987,685	3,376,351,675	8.8%

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

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

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 following includes the most current version of the *Ten Principles of Sound Financial Management* as of April 30, 2007:

Ten Principles of Sound Financial Management
April 30, 2007

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.

   c. Budgetary adjustments which propose to use available general funds identified at quarterly reviews should be minimized to address only critical issues. The use of non-recurring funds should only be directed to capital expenditures to the extent possible.

   d. The budget shall include funds for cyclic and scheduled replacement or rehabilitation of equipment and other property in order to minimize disruption of budgetary planning from irregularly scheduled monetary demands.

3. **Cash Balances**. It is imperative that positive cash balances exist in the General Fund at the end of each fiscal year. If an operating deficit appears to be forthcoming in the current fiscal year wherein total disbursements will exceed the total funds available, the Board will take appropriate action to balance revenues and expenditures as necessary so as to end each fiscal year with a positive cash balance.

4. **Debt Ratios**. The County's debt ratios shall be maintained at the following levels:

   a. Net debt as a percentage of estimated market value shall be less than 3 percent.

   b. Debt service expenditures as a percentage of General Fund disbursements shall not exceed 10 percent. The County will continue to emphasize pay-as-you-go capital financing. Financing capital projects from current revenues is indicative of the County's intent to use purposeful restraint in incurring long-term debt.

   c. For planning purposes annual bond sales shall be structured such that the County's debt burden shall not exceed the 3 and 10 percent limits. To that end sales of General Obligation Bonds and general obligation supported debt will be managed so as not to exceed a target of $275 million per year, or $1.375 billion over five years, with a technical limit of $300 million in any given year. Excluded from this cap are refunding bonds, revenue bonds or other non-General Fund supported debt.

   d. For purposes of this principle, debt of the General Fund incurred subject to annual appropriation shall be treated on a par with general obligation debt and included in the calculation of debt ratio limits. Excluded from the cap are leases secured by equipment, operating leases, and capital leases with no net impact to the General Fund.

Ten Principles of Sound Financial Management
April 30, 2007

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

f. For purposes of this principle, payments for equipment or other business property, except real estate, purchased through long-term lease-purchase payment plans secured by the equipment will be considered to be operating expenses of the County. Annual General Fund payments for such leases shall not exceed 3 percent of the annual General Fund disbursements, net of the School transfer. Annual equipment lease-purchase payments by the Schools and other governmental entities of the County should not exceed 3 percent of their respective disbursements.

5. **Cash Management**. The County's cash management policies shall reflect a primary focus of ensuring the safety of public assets while maintaining needed liquidity and achieving a favorable return on investment. These policies have been certified by external professional review as fully conforming to the recognized best practices in the industry. As an essential element of a sound and professional financial management process, the policies and practices of this system shall receive the continued support of all County agencies and component units.

6. **Internal Controls**. A comprehensive system of financial internal controls shall be maintained in order to protect the County's assets and sustain the integrity of the County's financial systems. Managers at all levels shall be responsible for implementing sound controls and for regularly monitoring and measuring their effectiveness.

7. **Performance Measurement**. To ensure Fairfax County remains a high performing organization all efforts shall be made to improve the productivity of the County's programs and its employees through performance measurement. The County is committed to continuous improvement of productivity and service through analysis and measurement of actual performance objectives and customer feedback.

8. **Reducing Duplication**. A continuing effort shall be made to reduce duplicative functions within the County government and its autonomous and semi-autonomous agencies, particularly those that receive appropriations from the General Fund. To that end, business process redesign and reorganization will be encouraged whenever increased efficiency or effectiveness can be demonstrated.

9. **Underlying Debt and Moral Obligations**. The proliferation of debt related to but not directly supported by the County's General Fund shall be closely monitored and controlled to the extent possible, including revenue bonds of agencies supported by the General Fund, the use of the County's moral obligation and underlying debt.

   a. A moral obligation exists when the Board of Supervisors has made a commitment to support the debt of another jurisdiction to prevent a potential default, and the County is not otherwise responsible or obligated to pay the annual debt service. The County's moral obligation will be authorized only under the most controlled circumstances and secured by extremely tight covenants to protect the credit of the County. The County's moral obligation shall only be used to enhance the credit worthiness of an agency of the County or regional partnership for an essential project, and only after the most stringent safeguards have been employed to reduce the risk and protect the financial integrity of the County.

   b. Underlying debt includes tax supported debt issued by towns or districts in the County, which debt is not an obligation of the County, but nevertheless adds to the debt burden of the taxpayers within those jurisdictions in the County. The issuance of underlying debt, insofar as it is under the control of the Board of Supervisors, will be carefully analyzed for fiscal soundness, the additional burden placed on taxpayers and the potential risk to the General Fund for any explicit or implicit moral obligation.

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.

FINANCING THE CIP

There are a number of funding sources available for financing the proposed capital program. These range from direct County contributions such as the General Fund and bond sale proceeds to state and federal grants. In the CIP project tables the following major funding sources are identified:

SOURCES OF FUNDING

B	Payments from the proceeds of the sale of General Obligation Bonds. These bonds must be authorized at referendum by County voters and pledge the full faith and credit of the County to their repayment.
G	Direct payment from current County revenues; General Fund.
S/F	Payments from state or federal grants-in-aid for specific projects (Community Development Block Grants) or direct state or federal participation (VDOT Highway Program).
TXB	Tax Exempt Bonds
LRB	Lease Revenue Bonds
SR	Sewer Revenues
S	Special Service District
SH	Short Term Borrowing
HTF	Housing Trust Funds
X	Other sources of funding, such as a reimbursable contribution or a gift.
U	Undetermined, funding to be identified

THE BOND PROGRAM

The County has developed a policy of funding major facility projects through the sale of General Obligation Bonds. This allows the cost of the facility to be spread over a number of years so that each generation of taxpayers contributes a proportionate share for the use of these long-term investments. By selectively utilizing bond financing, the County has also been able to benefit from its preferred borrowing status to minimize the impacts of inflation on construction costs. Table B in this section includes the current bond referenda approved by the voters for specific functional areas.

Table C represents debt capacity affordable within the constraints of declining revenue projections and maintaining the ratio of debt service to General Fund Disbursements below the 10 percent guideline established by the Board of Supervisors. The bond program will continue to provide a very healthy level of approximately $1.2 billion of capital construction over the next five years. The recommended adjustments will provide the Board with sufficient flexibility to add or accelerate programs commensurate with the level of revenue adjustments actually approved during their deliberations on the FY 2012 budget and CIP. Further details and explanation of the changes can be found in the County Executive's letter at the beginning of this document. A debt capacity analysis and review of bond sales is conducted every year in conjunction with the CIP.

For planning purposes, potential future bond referenda are reflected in Table D, County Bond Referendum Capacity and Table E, School Bond Referendum Capacity. These tables were developed as a planning tool to assess the County's capacity for new debt and to more clearly identify the County's ability to meet capital needs through the bond program. This tool will enable the County to establish a regular schedule for new construction and capital renewal as essential facilities such as fire and police stations age. As shown in Table F, the 20-year History of Referenda, past County referenda have focused primarily on new construction. The projected capacity for new referenda will be reviewed and updated each year.

PAYDOWN OR 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 restrain 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 FY 2012, an amount of $16.1 million has been included for the Advertised Capital Paydown Program. In general the FY 2012 Paydown Program includes funding to provide for the most critical projects including, but not limited to, the following:

- ✓ Park maintenance at non-revenue supported Park facilities to fund such items as: repairs/replacements to roofs, electrical and lighting systems, security and fire alarms, sprinklers, and HVAC equipment; grounds maintenance; minor routine preventive maintenance; and ongoing implementation of ADA compliance at Park facilities.

- ✓ Athletic field maintenance at both park and school fields in order to maintain quality athletic fields at acceptable standards, improve safety standards, improve playing conditions and increase user satisfaction. Maintenance can include: mowing, field lighting, fencing, irrigation, dugout covers, infield dirt, aerification and seeding. The Athletic field maintenance program also includes the development of turf fields throughout the County.

- ✓ Commercial Revitalization efforts in the Baileys Crossroads/Seven Corners, Annandale, Richmond Highway, Lake Anne, Merrifield, Springfield, and McLean areas.

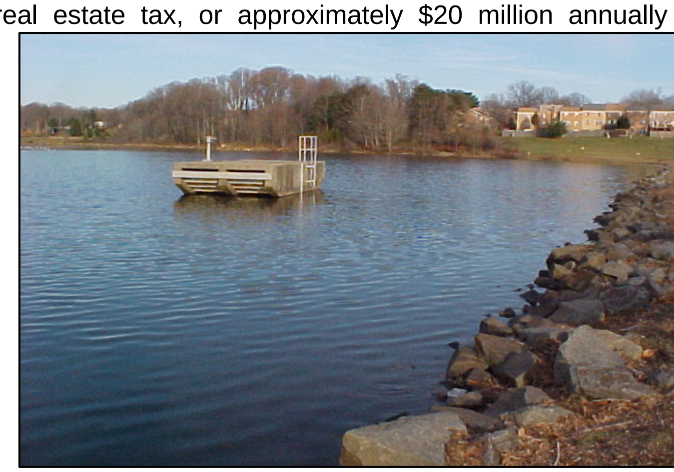
- ✓ The continuation of funding to address property management and development at the Laurel Hill property.

- ✓ Funding for initiatives that directly support the Board of Supervisors Environmental Agenda, including air quality awareness in order to fulfill the County's commitment to the State Implementation Plan (SIP) for Clean Air.

- ✓ Additional payments and obligations such as the County's annual contribution to the Northern Virginia Community College capital program, the Fairfax County Public Schools SACC program and the payments necessary to purchase the conservation easement at the Salona property.

STORMWATER MANAGEMENT PROGRAM

The service district created to support the Stormwater Management Program, remains at the current levy of $0.015 per $100 of assessed real estate value. Since FY 2006, the Board of Supervisors had dedicated the value of one penny of the real estate tax, or approximately $20 million annually to stormwater capital projects. In FY 2009, due to budget constraints, staff and operating costs began to be charged to the stormwater penny fund, resulting in an approximate 50 percent reduction in funding for capital project support. The service district was created in FY 2010 to provide a dedicated funding source for both operating and capital project requirements. The district tax rate of $0.015 supports increased enforcement by the Environmental Protection Agency (EPA) and the state to ensure that stormwater programs advance and do not backslide in implementation and provide funding to begin reinvestment for existing storm drainage systems. The County is currently operating under an extension of the existing Municipal Separate Storm Sewer System (MS4) discharge permit that expired in FY 2007. Negotiations between the



Commonwealth of Virginia and Fairfax County, as well as negotiations between the state and many surrounding local communities, continue as several issues related to permit compliance are defined and established. In FY 2012, the district will receive $28.8 million total, supporting $11.8 million for staff and operational costs and $17.0 million for regulatory requirements and capital projects.

AFFORDABLE HOUSING PROGRAMS

Fund 319, The Penny for Affordable Housing Fund, formerly known as the Housing Flexibility Fund, was established in FY 2006 and is designed to serve as a readily available local funding source with the flexibility to address emerging local affordable housing needs. For fiscal years 2006 through 2009, the Board of Supervisors dedicated revenue commensurate with the value of one cent from the Real Estate tax rate to the Preservation of Affordable Housing, a major County priority. In FY 2010, the Board of Supervisors reduced The Penny for Affordable Housing Fund by 50 percent to reallocate funding for critical human services and public safety program restorations in order to balance the FY 2010 budget. From FY 2006 through FY 2011, the fund has provided a total of $104.9 million for affordable housing in Fairfax County.

As of November 2010, a total of 2,423 affordable units have been preserved for both homeownership and rental purposes in a variety of large and small projects. Of that number, 252 units are preserved as affordable housing for periods of five years or less, and 2,171 units are preserved for 20 years or longer. A variety of funding sources were used to preserve these units; however, Fund 319 funds were critical for the preservation efforts associated with five large multifamily complexes that were purchased by private nonprofits and which represent a significant portion of the units preserved: 216 units in Madison Ridge in Centreville (Sully District), 148 units in Hollybrooke II and III in the Seven Corners area of Falls Church (Mason District), 90 units in Sunset Park Apartments in Falls Church (Mason District), 319 units in Janna Lee Villages in the Hybla Valley area (Lee District) and 105 units in Coralain Gardens located on Arlington Boulevard (Route 50) in Falls Church (Mason District). Fund 319 was also instrumental in preserving two large complexes: 180 units at the Crescent apartment complex in Reston (Hunter Mill District) and 672 units at the Wedgewood apartment complex in Annandale (Braddock District). These projects were purchased by the County and are being managed by the Fairfax County Redevelopment and Housing Authority as part of the low- and moderate-income rental program. Without the availability of Fund 319, both of these apartment complexes may have been lost as affordable housing.

PUBLIC-PRIVATE EDUCATIONAL FACILITIES AND INFRASTRUCTURE ACT (PPEA) PROPOSALS FOR CAPITAL PROJECTS

In October 2005, Fairfax County adopted revised guidelines for review of unsolicited Public-Private Educational Facilities and Infrastructure Act (PPEA) proposals. The Guidelines state that a "Core Team" will be convened by the Director of Purchasing to:

1. Determine if the unsolicited proposal constitutes a "qualifying project" under the PPEA; and
2. Determine if the proposed project serves the "public purpose" by determining that:

    a) There is a public need for or benefit derived from the qualifying project of the type the private entity purposes as a qualifying project;
    b) The estimated cost of the qualifying project is reasonable in relation to similar facilities; and
    c) The private entities plans will result in a timely acquisition, design, construction, improvement, renovation, expansion, equipping, maintenance, operation, implementation, or installation of the qualifying project.

Since that time, the County staff has gained experience with the procedures and is now recommending that further guidance be given to the Core Team, the initial reviewers of the unsolicited PPEA proposals. This guidance provides additional project screening criteria and is primarily aimed at assisting the County in determining the desirability of the PPEA project in light of the County's current CIP, the affordability of the project within debt guidelines and the unique benefits of the project's financial proposal being provided to the County. In FY 2008, the following criteria were adopted as a management initiative guideline for determining when a PPEA project should be pursued or rejected. It is anticipated that other refinements, including any required legislative updates to the PPEA evaluation and review process will be developed and presented to the Board of Supervisors as needed.

Revised PPEA Guidelines

1. Determine if the project has already been identified as a Board priority and included in the 10-year Capital Improvement Program (CIP) to address current and future needs. If included in the CIP, what is its priority ranking in comparison to other projects requested by the appropriate department?
    a. Review the proposed land use to assure it is consistent with the Board's intended use of the property; and
    b. Review the proposed land use to assure that the land is not needed for another higher priority public use by the County.

2. Determine if the financial proposal involves asset exchange, replacement of operating leases or will require budgetary resources in addition to those currently identified in the budget.

3. Determine if timing is of the essence to take advantage of the opportunity presented in cases where favorable market or developmental conditions are not likely to be repeated or be present again at the project's current projected start date.

4. Determine if proposals to accelerate projects will interfere or otherwise detract from resources allocated to projects currently identified in the CIP for earlier completion.

5. Determine if any debt created for financing the proposal can be accommodated within the County's current debt guidelines and ascertain the projected impact on the approved CIP.

Projects that can demonstrate a positive impact response to all five questions will be given preference for further development. It may be necessary to engage outside professional evaluation to assist County staff in performing any aspect of the evaluation of PPEA proposals, particularly those that are complex or to complete an evaluation in a timely manner. Compensation for such professional assistance is expected to be paid first from the review fee accompanying each proposal.

COOPERATION BETWEEN THE FAIRFAX COUNTY BOARD OF SUPERVISORS AND THE FAIRFAX COUNTY SCHOOL BOARD TO COORDINATE PLANNING AND DELIVERY OF SPACE FOR PUBLIC AND SCHOOL SERVICES IN THEIR RESPECTIVE FACILITIES

On September 24, 2007 the Board of Supervisors adopted a resolution to affirm cooperation between the Fairfax County Board of Supervisors and the Fairfax County School Board to coordinate planning and delivery of space for public and school services in their respective facilities. In order for administrative, maintenance, and educational facilities to provide services in the most cost effective, efficient, and customer friendly manner possible, collocation of services within both County and School buildings offers the potential to reduce administrative, construction, and maintenance costs. The resolution is as follows:

WHEREAS, the Fairfax County Board of Supervisors and the Fairfax County School Board have a history of cooperative agreements concerning use of school facilities for community recreational programs; and

WHEREAS, the Fairfax County Government and the Fairfax County Public Schools each own and construct numerous administrative, maintenance, and educational facilities; and,

WHEREAS, the Fairfax County Government and the Fairfax County Public Schools conduct similar and compatible functions within the respective facilities; and,

WHEREAS, it is the desire of the Fairfax County Board of Supervisors and the Fairfax County School Board to provide services in the most cost effective, efficient, and customer friendly manner possible; and

WHEREAS, collocation of services within buildings offers the potential to reduce administrative, construction, and maintenance costs; and

WHEREAS, the County and the Schools cooperate in the development of the annual Capital Improvement Program, including allocation of resources; now, therefore, be it

RESOLVED, County and School staff will establish processes and procedures to ensure that appropriate information about service delivery requirements, needs, and opportunities are shared between the two organizations, and

RESOLVED FURTHER, Both staffs will give due consideration of such joint and compatible uses during development of the County and Schools Capital Improvement Program; and

RESOLVED FURTHER, the Fairfax County Park Authority will be invited to share such information and give due consideration for joint and compatible uses during the development of its own Capital Improvement Program for the mutual benefit of all three parties.

County, School and Park Authority staff have begun working together during the development of this year's CIP to consider joint and compatible uses for recommendation to both Boards. Staff continues to develop plans to formalize this approach in order to share and consider the mutual benefit of all three parties.

TABLE A
PROGRAM COST SUMMARIES
($000's)

PROGRAM	BUDGETED OR EXPENDED THRU FY 2011	FY 2012	FY 2013	FY 2014	2015	FY 2016	TOTAL FY 2012 - 2016	TOTAL FY 2017 - FY 2021	TOTAL PROGRAM ESTIMATE
County Managed Programs									
Fairfax County Public Schools	$166,263	$158,610	$155,469	$206,251	$156,662	$127,882	$804,874	$815,537	$1,786,674
Fairfax County Park Authority	92,016	14,440	15,876	13,507	12,292	2,586	58,701	14,051	164,768
Housing Development	9,081	16,614	22,239	9,410	9,900	1,500	59,663	0	68,744
Revitalization	16,121	3,326	2,405	1,345	1,264	1,095	9,435	25,475	51,031
Stormwater Management and Other Neighborhood Improvements	C	17,905	17,825	17,825	17,825	17,825	89,205	89,375	178,580
Community Development	9,100	10,934	18,638	16,414	10,690	10,665	67,341	32,933	109,374
Public Safety	31,689	30,334	30,250	22,740	1,775	0	85,099	0	116,788
Court Facilities	3,030	750	0	5,000	2,500	0	8,250	0	11,280
Libraries	10,920	1,400	3,030	2,750	0	0	7,180	0	18,100
Facility Management and Renewal	16,400	52,598	45,731	27,475	15,468	13,201	154,473	68,475	239,348
Human Services	5,150	13,750	42,750	34,750	7,750	750	99,750	3,750	108,650
Solid Waste	4,000	12,232	863	861	360	350	14,666	1,569	20,235
Sanitary Sewers	825,265	138,404	109,313	72,501	74,819	74,121	469,158	311,243	1,605,666
Transportation and Pedestrian Initiatives	93,386	102,374	105,742	92,287	80,954	76,644	458,001	227,500	778,887
SUB TOTAL	**$1,282,421**	**$573,671**	**$570,131**	**$523,116**	**$392,259**	**$326,619**	**$2,385,796**	**$1,589,908**	**$5,258,125**
Non-County Managed Programs									
Northern Virginia Regional Park	C	$3,000	$3,090	$3,183	$3,278	$3,000	$15,551	$17,927	$33,478
Water Supply	135,605	71,649	68,071	64,895	60,991	60,037	325,643	256,215	717,463
SUB TOTAL	**$135,605**	**$74,649**	**$71,161**	**$68,078**	**$64,269**	**$63,037**	**$341,194**	**$274,142**	**$750,941**
TOTAL	**$1,418,026**	**$648,320**	**$641,292**	**$591,194**	**$456,528**	**$389,656**	**$2,726,990**	**$1,864,050**	**$6,009,066**

TABLE B
GENERAL OBLIGATION BONDS
AUTHORIZED BUT UNISSUED STATUS

($ in millions)

Most Recent Bond Issues Approved by Voters	Year	Amount	Sold Through January 2011	Authorized Beyond January 2011
Public Schools[1]	2005	94.640	94.640	0.000
	2007	280.730	28.875	251.855
	2009	232.580	0.000	232.580
County Parks	2008	54.835	10.520	44.315
No Va Regional Park Authority	2008	5.700	2.700	3.000
Human Services	2004	7.800	0.000	7.800
Commercial and Redevelopment	1988	2.260	0.000	2.260
Housing Redevelopment	1988	4.370	0.000	4.370
Public Safety	2006	93.580	0.000	93.580
Road Construction	2007	108.460	15.780	92.680
Library Facilities	2004	11.380	0.000	11.380
Transportation	2004	9.570	9.570	0.000
	2007	120.000	9.310	110.690
Capital Renewal Public Safety	2006	9.000	0.000	9.000
TOTAL		**$1,034.905**	**$171.395**	**$863.510**

[1] The 2007 School Referendum totaled $365,200,000 of which $315,200,000 was for school improvement needs and $50,000,000 was for a County vehicle maintenance facility for school buses and other County vehicles. The maintenance facility will be funded from the County's capacity allocation, as approved by the Board of Supervisors on May 7, 2007.

Table C

DEBT CAPACITY ANALYSIS
FY 2012 - FY 2016 Projected Capital Improvement Program
($ in millions)

	AUTH. BUT UNISSUED	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2012-2016 TOTAL	2017-2021 PROJ.	REMAINING BALANCE
COUNTY PROGRAM										
CURRENT PROGRAM	**473.96**	**49.29**	**128.56**	**115.30**	**78.05**	**59.39**	**32.68**	**413.98**	**10.69**	**0.00**
New Referendums:										
Parks ($50M)/Libraries ($20M) (2012)	70.00	0.00	0.00	5.00	5.00	17.00	19.25	46.25	23.75	0.00
Public Safety (2012)	50.00	0.00	0.00	2.00	2.00	10.00	10.00	24.00	26.00	
Transportation (2014)	100.00	0.00	0.00	0.00	0.00	0.00	7.95	7.95	92.05	
Subtotal New Referendums	220.00	0.00	0.00	7.00	7.00	27.00	37.20	78.20	141.80	0.00
SUBTOTAL COUNTY	**693.96**	**49.29**	**128.56**	**122.30**	**85.05**	**86.39**	**69.88**	**492.18**	**152.49**	**0.00**
SCHOOLS PROGRAM										
CURRENT PROGRAM	**560.95**	**122.11**	**155.00**	**155.00**	**128.84**	**0.00**	**0.00**	**438.84**	**0.00**	**0.00**
New Referendums (2011, 2013)	480.00	0.00	0.00	0.00	26.16	155.00	155.00	336.16	143.84	0.00
SUBTOTAL SCHOOLS	**1040.95**	**122.11**	**155.00**	**155.00**	**155.00**	**155.00**	**155.00**	**775.00**	**143.84**	**0.00**
TOTAL General Obligation	**1734.91**	**171.40**	**283.56**	**277.30**	**240.05**	**241.39**	**224.88**	**1267.18**	**296.33**	**0.00**
Other Financing Support		0.00	20.00	15.00	15.00	110.00	158.00	318.00		
Summary										
Debt Service as % of General Fund			8.75%	8.95%	9.06%	9.05%	9.34%			
Policy Sales Limit		275.00	275.00	275.00	275.00	275.00	275.00	1375.00		

Table C

DEBT CAPACITY ANALYSIS
FY 2012 - FY 2016 Projected Capital Improvement Program
($ in millions)

PURPOSE	UNISSUED	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2012-2016 TOTAL	2017-2021 PROJ.	REMAINING BALANCE
Libraries (2004)	11.38	0.00	6.52	3.86	1.00	0.00	0.00	11.38	0.00	0.00
Roads (2004, 2007)	108.46	15.78	20.00	20.00	20.00	20.00	12.68	92.68	0.00	0.00
NVRPA (2008)	5.70	2.70	3.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00
Metro (2004, 2010)	129.57	18.88	20.00	20.00	20.00	20.00	20.00	100.00	10.69	0.00
Human Services (2004)	7.80	0.00	7.80	0.00	0.00	0.00	0.00	7.80	0.00	0.00
Public Safety Facilities (2002, 2006)	102.58	0.00	33.70	33.60	21.80	13.48	0.00	102.58	0.00	0.00
Commercial Revitalization(1988)	6.63	0.00	1.29	2.00	2.00	1.34	0.00	6.63	0.00	0.00
Parks (2004, 2006, 2008)	54.84	10.52	13.25	13.25	13.25	4.57	0.00	44.32	0.00	0.00
Schools (Bus garage) (2007)	47.00	1.41	23.00	22.59	0.00	0.00	0.00	45.59	0.00	0.00
Subtotal County	**473.955**	**49.29**	**128.56**	**115.30**	**78.05**	**59.39**	**32.68**	**413.98**	**10.69**	0.00
Fund 390, Schools (2005)	94.640	94.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2007)	233.730	27.47	155.00	51.26	0.00	0.00	0.00	206.26	0.00	0.00
(2009)	232.580	0.00	0.00	103.74	128.84	0.00	0.00	232.58	0.00	0.00
Subtotal Schools	**560.950**	**122.11**	**155.00**	**155.00**	**128.84**	**0.00**	**0.00**	**438.84**	**0.00**	0.00
Total General Obligation Bonds	**1,034.905**	**171.40**	**283.56**	**270.30**	**206.89**	**59.39**	**32.68**	**852.82**	**10.69**	0.00
Other Financing (General Fund Impact)[1]		0.00	20.00	15.00	15.00	110.00	158.00	318.00	0.00	
Total Current Program	**1,034.905**	**171.395**	**303.56**	**285.30**	**221.89**	**169.39**	**190.68**	**1170.82**	**10.69**	**0.00**

[1] Potential financing support for PPEA/Other Projects under consideration or in negotiation (Public Safety Headquarters/Massey, Woodburn, Capital Renewal, Lincolnia, North Hill).

NEW REFERENDA
($ in millions)

PURPOSE	AUTH. BUT UNISSUED	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	2012-2016 TOTAL	2017-2021 PROJ.	REMAINING BALANCE
Schools (2011)	240.00	0.00	0.00	0.00	26.16	155.00	58.84	240.00	0.00	0.00
(2013)	240.00	0.00	0.00	0.00	0.00	0.00	96.16	96.16	143.84	0.00
Total New Schools Referenda	**480.00**	**0.00**	**0.00**	**0.00**	**26.16**	**155.00**	**155.00**	**336.16**	**143.84**	**0.00**
Parks ($50M)/Libraries ($20M) (2012)	70.00	0.00	0.00	5.00	5.00	17.00	19.25	46.25	23.75	0.00
Public Safety (2012)	50.00	0.00	0.00	2.00	2.00	10.00	10.00	24.00	26.00	0.00
Transportation (2014)	100.00	0.00	0.00	0.00	0.00	0.00	7.95	7.95	92.05	0.00
Total New County Referenda	**220.00**	**0.00**	**0.00**	**7.00**	**7.00**	**27.00**	**37.20**	**78.20**	**141.80**	**0.00**

TABLE D
COUNTY BOND REFERENDUM CAPACITY
($ in millions)

COUNTY								
Column A Year (FY)	Column B Authorized But Unissued as of July 1	Column C Annual Sales	Column D Revised Authorization (Col B- Col C)	Column E 5-Year Total Sales Capacity[1]	Column F New 5 Year Capacity (Col E - Col D)	Column G New Referendum and Proposed Purposes		Column H New Authorized But Unissued as of June 30 (Col D + Col G)
2011 (FY 2012)	$425	$129	$296	$600	$304			$296
2012 (FY 2013)	$296	$122	$174	$600	$426	Parks, NVRPA & Public Facilties[1]	$120	$294
2013 (FY 2014)	$294	$85	$209	$600	$391			$209
2014 (FY 2015)	$209	$86	$123	$600	$477	Transportation	$100	$223
2015 (FY 2016)	$223	$70	$153	$600	$447			$153
2016 (FY 2017)	$153	$100	$53	$600	$547	Parks, NVRPA & Public Facilties[1]	$250	$303
2017 (FY 2018)	$303	$100	$203	$600	$397			$203
2018 (FY 2019)	$203	$100	$103	$600	$497	Public Facilities[1] & Transportation	$200	$303
2019 (FY 2020)	$303	$100	$203	$600	$397			$203
2020 (FY 2021)	$203	$100	$103	$600	$497	Parks, NVRPA & Public Facilties[1]	$200	$303
Total							$870	

1 - Public Facilities are all County capital projects and programs, other than Transportation and Parks.

TABLE E
SCHOOLS BOND REFERENDUM CAPACITY
($ in millions)

SCHOOLS							
Column A Year (FY)	**Column B Authorized But Unissued as of July 1**	**Column C Annual Sales**	**Column D Revised Authorization (Col B- Col C)**	**Column E 5-Year Total Sales Capacity[1]**	**Column F New 5 Year Capacity (Col E - Col D)**	**Column G New Referendum and Proposed Purposes**	**Column H New Authorized But Unissued as of June 30 (Col D + Col G)**
2011 (FY 2012)	$439	$155	$284	$775	$491	$240	$524
2012 (FY 2013)	$524	$155	$369	$775	$406		$369
2013 (FY 2014)	$369	$155	$214	$775	$561	$240	$454
2014 (FY 2015)	$454	$155	$299	$775	$476		$299
2015 (FY 2016)	$299	$155	$144	$775	$631	$240	$384
2016 (FY 2017)	$384	$155	$229	$775	$546		$229
2017 (FY 2018)	$229	$155	$74	$775	$701	$240	$314
2018 (FY 2019)	$314	$155	$159	$775	$616		$159
2020 (FY 2021)	$159	$155	$4	$775	$771	$240	$244
2019 (FY 2020)	$244	$155	$89	$775	$686		$89
Total						$1,200	

1 - Reflects County Executive recommended planning target adjustments necessary to meet Board bond program policy expenditure guidelines.

TABLE F
20-YEAR HISTORY OF REFERENDA
($ in millions)

Date	Schools	Trans./ Roads	Public Safety	County Parks	Regional Parks	Adult Deten.	Juv. Deten.	NIP/ CRP	Comm. Revit.	Storm Drain.	Library	Human Services	County Total
2010		$120.00											$120.00
2009	$232.58												
2008				$65.00	$12.00								$77.00
2007 [1]	$365.20	$110.00											$110.00
2006			$125.00	$25.00									$150.00
2005	$246.33												
2004		$165.00		$65.00	$10.00						$52.50	$32.50	$325.00
2003	$290.61												
2002			$60.00	$20.00									$80.00
2001	$377.96												
2000													
1999	$297.21												
1998			$99.92	$75.00	$12.00								$186.92
1997	$232.85												
1996													
1995	$204.05												
1994													
1993	$140.13												
1992		$130.00											$130.00
1991													
Total	**$2,386.92**	**$525.00**	**$284.92**	**$250.00**	**$34.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$52.50**	**$32.50**	**$1,178.92**

[1] The 2007 School Referendum totaled $365,200,000 of which $315,200,000 was for school improvement needs and $50,000,000 was for a County vehicle maintenance facility for school buses and other County vehicles. The maintenance facility will be funded from the County's capacity allocation, as approved by the Board of Supervisors on May 7, 2007.

TABLE G
PAYDOWN PROGRAM
($ in millions)

	Five Year CIP Total	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Fairfax County Park Authority						
ADA Compliance	$5.800	$0.600	$2.300	$2.300	$0.300	$0.300
General Maintenance (major facility repairs)	$2.256	0.425	0.438	0.451	0.464	0.478
Parks Grounds Maintenance	$5.908	0.987	1.176	1.212	1.248	1.285
Parks Facility/Equipment Maintenance (minor routine repairs	$2.481	0.470	0.483	0.496	0.509	0.523
Community Improvements						
Athletic Field Lighting Requirements	1.000	0.200	0.200	0.200	0.200	0.200
Parks Maintenance of FCPS Athletic Fields	3.615	0.723	0.723	0.723	0.723	0.723
Athletic Field Maintenance	12.500	2.500	2.500	2.500	2.500	2.500
Athletic Services Fee - Field Maintenance	3.750	0.750	0.750	0.750	0.750	0.750
Action Plan Review Team Amenity Maintenance	0.250	0.050	0.050	0.050	0.050	0.050
Athletic Sports Scholarship	0.375	0.075	0.075	0.075	0.075	0.075
Turf Field Replacement Program	1.750	0.350	0.350	0.350	0.350	0.350
Survey Network Control Monumentation	0.375	0.075	0.075	0.075	0.075	0.075
Developer Defaults	1.500	0.300	0.300	0.300	0.300	0.300
Revitalization Initiatives	0.950	0.190	0.190	0.190	0.190	0.190
Revitalization Program Costs	2.575	0.515	0.515	0.515	0.515	0.515
Land Acquisition Reserve[2]	0.000					
Salona Property Purchase	4.828	1.013	0.990	0.966	0.942	0.917
Maintenance - Commercial Revitalization Program	1.950	0.390	0.390	0.390	0.390	0.390
Emergency Directives Program	0.500	0.100	0.100	0.100	0.100	0.100
Minor Streetlight Upgrades	0.080		0.020	0.020	0.020	0.020
Facilities Management and Capital Renewal[1]						
ADA Compliance	8.373	1.572	2.267	2.267	2.267	
Laurel Hill Development	7.795	1.559	1.559	1.559	1.559	1.559
Human Services						
SACC Contribution	3.750	0.750	0.750	0.750	0.750	0.750
Transportation and Pedestrian Initiatives						
Safety Improvements to Existing Trails	0.500	0.100	0.100	0.100	0.100	0.100
Emergency Road Repair	0.500	0.100	0.100	0.100	0.100	0.100
Other						
Payments of Interest on Conservation Bonds[2]	0.100	0.100				
Courtroom Renovations[2]	0.550	0.550				
No.Va. Community College	7.775	1.555	1.555	1.555	1.555	1.555
Environmental Agenda Initiatives	0.425	0.085	0.085	0.085	0.085	0.085
Total Paydown	**$82.211**	**$16.084**	**$18.041**	**$18.079**	**$16.117**	**$13.890**

[1] FY 2012 and FY 2013 funding for Capital Renewal Projects will be support by a multi-year Short Term Borrowing Program. General Fund support of the Program will be required in future years.

[2] Future funding for this project is undetermined.