FY 2014
Advertised Budget Plan

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:

- General Fund Group
- Debt Service Funds
- Special Revenue Funds
- Internal Service Funds
- Enterprise Funds
- Agency and Trust Funds

Other Funds expenditures are supported through a total available balance of $8,522,363,521 (excluding the General Fund) and total revenues of $3,447,185,651 (excluding the General Fund). The revenues are a decrease of $847,455,919, or 19.73 percent, from the *FY 2013 Revised Budget Plan* and an increase of $184,140,125, or 5.64 percent, over the FY 2013 Adopted Budget Plan. It should be noted that the decrease from the *FY 2013 Revised Budget Plan* is primarily the result of the carryover of authorized but unissued bonds for capital construction projects, sewer bond construction, anticipated grant revenue, and various other changes rather than the result of changes in the revenue stream for Other Funds. The increase in revenues over the FY 2013 Adopted Budget Plan is due primarily to increased County and FCPS retirement fund-related revenues, health fund revenues, sewer fund revenues, school operating revenues, and various other revenue changes. Details concerning significant changes in revenue growth are discussed for each specific fund in Volume 2, Capital Construction and Other Operating Funds, in the FY 2014 Advertised Budget Plan. Also, the FY 2014 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 2014 expenditures for Other Funds total $5,406,223,536 (excluding General Fund direct expenditures), and reflect a decrease of $1,547,269,131, or 22.25 percent, from the *FY 2013 Revised Budget Plan* funding level of $6,953,492,667. This decrease is primarily due to the effect of significant carryover for capital construction projects, sewer construction projects, County and regional transportation projects, and grant-funded projects, and should not be perceived as a major change to programs or operations. Excluding adjustments in FY 2013, expenditures increase $171,023,736, or 3.27 percent, over the FY 2013 Adopted Budget Plan total of $5,235,199,800. Of this increase, an amount of $43,146,724 reflects an increase to the Public School Operating Fund and $36,544,828 reflects a combined increase to the Health Benefits Fund and the Public School Health and Flexible Benefits Fund. In addition, an amount of $54,489,000 reflects an increase in the Sewer Construction Improvements Fund.

The following is a brief summary of the various funds types. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview of this Overview Volume. A complete discussion of funding and program adjustments for all Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the FY 2014 Advertised Budget Plan. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview Volume. It should be noted that Special Revenue funding for the Fairfax County Public Schools is discussed in further detail in the FY 2014 Superintendent's Proposed Budget.

GENERAL FUND GROUP

The General Fund Group consists of four funds in addition to the General Fund and accounts for revenue and expenditures for the Community Funding Pool, Contributory, Revenue Stabilization, and Information Technology Funds. It should be noted that prior to the FY 2014 Advertised Budget Plan, all of these funds, except for the Revenue Stabilization Fund, were part of Special Revenue Funds. In FY 2014, General Fund Group expenditures total $29,370,791, a decrease of $47,419,278, or 61.75 percent, from the *FY 2013 Revised Budget Plan* funding level of $76,790,069 due primarily to the carryover of ongoing IT project funds in the *FY 2013 Revised* funding level. Excluding adjustments in FY 2013, expenditures decreased $5,072,131, or 14.73 percent, from the FY 2013 Adopted Budget Plan level of $34,442,922.

DEBT SERVICE FUNDS

The Consolidated Debt Service Fund accounts for the general obligation bond debt service of the County as well as general obligation bond debt for the Fairfax County Public Schools (FCPS). In addition, debt service expenditures are included for the Economic Development Authority Lease Revenue bonds associated with County government and School facilities and payments for Fairfax County Redevelopment and Housing Authority (FCRHA) Lease Revenue bonds. Revenues for the debt service funds are derived principally from a transfer from the General Fund. It should be noted that debt service on sewer revenue bonds is reflected in the Enterprise Funds. FY 2014 Debt Service expenditures total $296,065,698.

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds from specific sources that are legally restricted to expenditures for a specific purpose. These proceeds include state and federal aid, income derived through activities performed by the Division of Solid Waste, special levies, program activity revenue, and operation of the public school system. In FY 2014, Special Revenue Fund expenditures total $3,192,259,820, a decrease of $626,953,168, or 16.42 percent, from the *FY 2013 Revised Budget Plan* funding level of $3,819,212,988 due primarily to the effect of significant carryover of unexpended project balances in the County and Regional Transportation Projects Fund, the Dulles Rail Phase I Transportation Improvement District Fund, and the Public School Operating Fund, as well as the carryover of unexpended grant balances previously approved by the Board of Supervisors in the Federal/State Grant Fund. Excluding adjustments in FY 2013, expenditures increase $36,653,175, or 1.16 percent, over the FY 2013 Adopted Budget Plan level of $3,155,606,645.

INTERNAL SERVICE FUNDS

Internal Service Funds account for services commonly used by most agencies, and for which centralized organizations have been established in order to achieve economies of scale necessary to minimize costs. These internal agencies provide services to other agencies on a cost reimbursement basis. Such services consist of vehicle operations, maintenance, and replacement; insurance coverage (health, workers compensation, automobile liability, and other insurance); data communications and processing; and document services. It should be noted that where possible without degradation of quality, joint County and School service delivery (printing and vehicle maintenance) or joint procurement (health insurance) activities are conducted in order to achieve economies of scale and to minimize costs. FY 2014 Internal Service expenditures total $728,160,303, an increase of $21,890,189, or 3.10 percent, over the *FY 2013 Revised Budget Plan* level of $706,270,414 primarily due to increased benefits paid out of the Health Benefits Fund and School Health and Flexible Benefits Fund. Excluding adjustments in FY 2013,

expenditures increased $46,523,255, or 6.83 percent, over the FY 2013 Adopted Budget Plan total of $681,637,048.

ENTERPRISE FUNDS

Fairfax County's Enterprise Funds consist of seven funds within the Wastewater Management Program (WWM), which account for the construction, maintenance and operational aspects of the countywide sewer system. The cost of providing sewer service to County citizens and businesses is financed or recovered primarily from user charges. FY 2014 Enterprise Funds expenditures for sewer operation and maintenance and sewer debt service total $228,894,170, a decrease of $97,511,954, or 29.87 percent, from the *FY 2013 Revised Budget Plan* total of $326,406,124 primarily due to the carryover of unexpended project balances and the appropriation of fund balance to provide funding for future treatment plant and treatment by contract requirements. Excluding adjustments in FY 2013, expenditures increased $54,667,352, or 31.38 percent, over the FY 2013 Adopted Budget Plan total of $174,226,818.

The County's wastewater treatment plant serves an estimated 364,500 households with public sewer service.

AGENCY AND TRUST FUNDS

Agency and Trust funds account for assets held by the County in a trustee or agency capacity and include the four pension trust funds administered by the County and Schools, as well as County and Schools trust funds to pre-fund other post-employment benefits. FY 2014 Agency and Trust funds combined expenditures total $689,857,917, an increase of $41,594,397, or 6.42 percent, over the *FY 2013 Revised Budget Plan* funding level of $648,263,520. This increase is primarily due to increases in the four existing retirement funds resulting from a higher number of retirees and higher individual payment levels. Excluding adjustments in FY 2013, combined Agency and Trust funds expenditures increase $37,036,600, or 5.67 percent, over the FY 2013 Adopted Budget Plan level of $652,821,317.